

Local-State Fiscal Connections

Steve Colt, ISER

Alaska Fiscal Futures Symposium

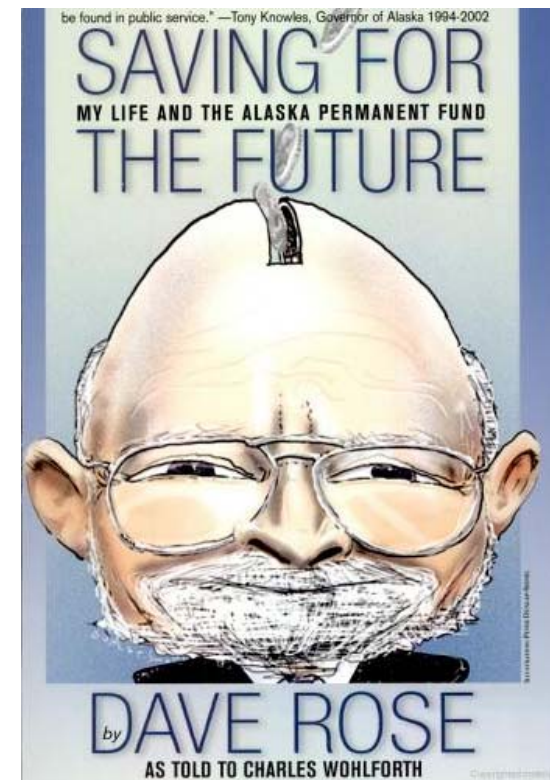
Anchorage

October 4, 2014

“blast” from the past:

Tom Fink ran for Anchorage mayor in 1987 promising to “blast money out of Juneau” so he could “jump-start the economy.”

-- Dave Rose, 2007



Here are the numbers !

MUNICIPALITY OF ANCHORAGE, ALASKA
Statement of Activities
For the year ended December 31, 2013
(with summarized financial information at December 31, 2012)

Functions/Programs	Program Revenues				Net (Expense), Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
Primary government:					
Governmental activities:					
General government	\$ 23,954,689	\$ 7,901,979	\$ 8,919,348	\$ 2,109,052	\$ (5,024,612)
Fire services	105,134,071	8,547,852	6,755,257	1,505,112	(88,325,820)
Police services	127,840,572	14,481,855	12,965,752	496,932	(99,898,033)
Health and human services	24,620,859	2,411,024	14,031,517	-	(8,178,318)
Economic and community development	68,950,920	4,498,080	1,951,491	3,619,585	(58,881,754)
Public transportation	35,985,169	5,227,218	6,983,525	7,342,235	(16,432,191)
Public works	99,892,660	12,770,454	17,041,058	70,216,652	135,504
Maintenance and operations of roads and facilities	34,057,619	367,072	1,543,555	5,050,954	(27,096,038)
Education	241,279,103	-	263,963	3,975,965	(237,039,175)
Interest on long-term debt	25,530,454	-	-	-	(25,530,454)
Total governmental activities	787,248,416	56,205,544	70,455,494	94,318,487	(566,268,891)
Business-type activities:					
Electric	109,982,575	120,158,837	-	-	-
Water	39,520,676	59,562,890	-	-	-
Wastewater	36,468,089	50,465,808	-	-	-
Port	12,348,924	11,555,611	-	1,811,983	-
Refuse	8,649,190	8,807,048	-	-	-
Solid Waste	18,285,807	22,498,137	-	2,167,996	-
Municipal Airport	3,632,872	1,406,032	121,173	2,654,814	-
Total business-type activities	228,884,113	274,454,359	121,173	6,634,793	-
Total primary government	\$ 1,016,130,529	\$ 330,659,903	\$ 70,576,667	\$ 100,951,280	\$ (566,268,891)
Component Units:					
Anchorage School District	\$ 821,678,736	\$ 6,403,507	\$ 213,328,761	\$ 52,622,080	-
Anchorage Community Development Authority	9,563,073	9,320,547	-	-	-
Alaska Center for the Performing Arts	2,659,438	2,609,690	197,510	-	-
Total Component Units	\$ 833,899,247	\$ 18,333,744	\$ 213,526,271	\$ 52,622,080	-
General revenues:					
Property taxes	-	-	-	493,148,928	493,148,928
Motor vehicle taxes	-	-	-	16,652,168	16,652,168
Hotel and motel taxes	-	-	-	22,988,779	22,988,779
Tobacco taxes	-	-	-	22,790,309	22,790,309
Assessments in lieu of taxes	-	-	-	3,135,217	3,135,217
Grants and entitlements not restricted to specific programs	-	-	-	14,697,818	14,697,818
Appropriation from Municipality of Anchorage	-	-	-	-	-
Investment income	2,089,947	30,348,012	1,107,327	-	31,781,166
Other	-	-	-	7,626,118	7,626,118
Transfers from (to) other funds	(26,901,318)	-	-	-	-
Special items (see footnote 23)	4,076,934	-	-	-	4,076,934
Extraordinary items (see footnote 23)	(81,562,051)	-	-	-	(81,562,051)
Total general revenues, transfers, special items and extraordinary items	632,649,534	34,316,671	1,108,434	524,572,243	1,173,566,882
Change in net position	66,380,943	-	-	-	66,380,943
Net position, beginning of year as restated	2,974,843,618	-	-	-	2,974,843,618
Net position, end of year	\$ 3,041,224,261	-	-	-	\$ 3,041,224,261

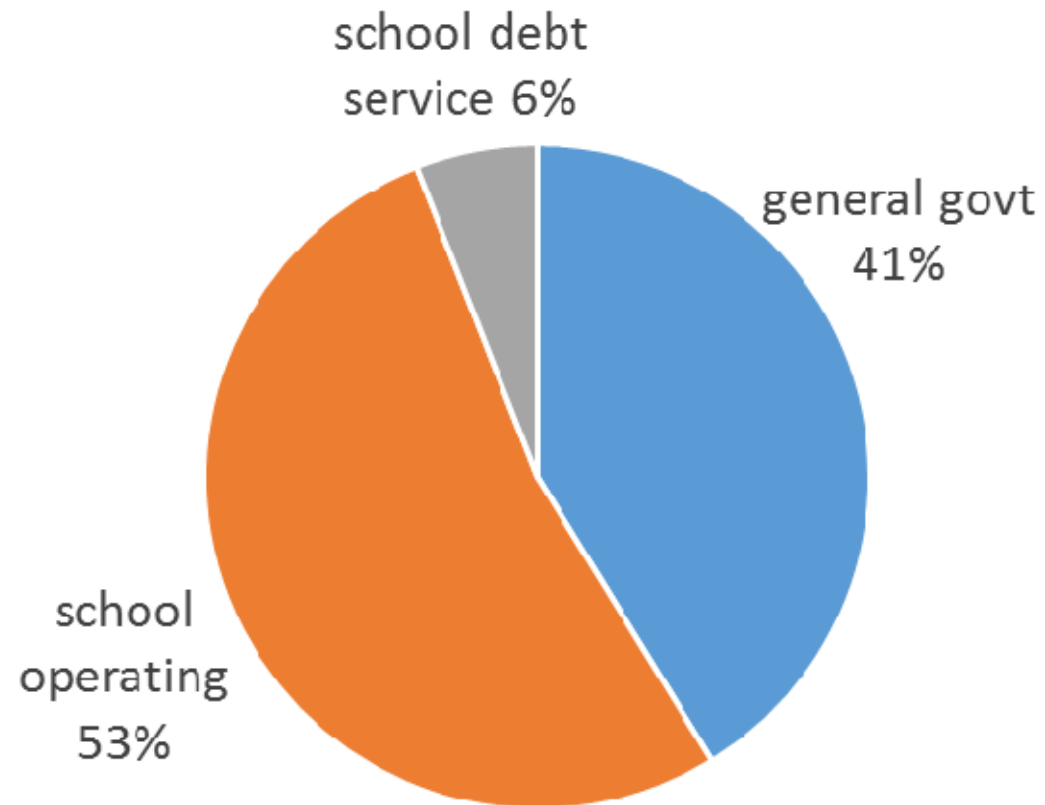
MUNICIPALITY OF ANCHORAGE, ALASKA
Statement of Activities
For the year ended December 31, 2013
(with summarized financial information at December 31, 2012)

Business-Type Activities	Component Units				Total 2013	As Restated (Note 23) Total 2012
	Total	Anchorage School District	Anchorage Community Development Authority	Alaska Center for the Performing Arts		
Net (Expense), Revenue and Changes in Net Position (Continued)						
Primary Government						
\$ -	-\$ (5,024,612)	-	-	-	-\$ (5,024,612)	\$ 302,814
-	(88,325,820)	-	-	-	(88,325,820)	(75,289,221)
-	(99,898,033)	-	-	-	(99,898,033)	(91,257,399)
-	(8,178,318)	-	-	-	(8,178,318)	(5,467,585)
-	(58,881,754)	-	-	-	(58,881,754)	(69,671,817)
-	(16,432,191)	-	-	-	(16,432,191)	(18,438,314)
-	135,504	-	-	-	135,504	(18,632,179)
-	(27,096,038)	-	-	-	(27,096,038)	(39,244,623)
-	(237,039,175)	-	-	-	(237,039,175)	(231,070,383)
-	(25,530,454)	-	-	-	(25,530,454)	(26,120,599)
-	(566,268,891)	-	-	-	(566,268,891)	(575,899,306)
Component Units						
10,176,262	10,176,262	-	-	-	10,176,262	17,466,440
20,042,214	20,042,214	-	-	-	20,042,214	14,986,179
13,999,737	13,999,737	-	-	-	13,999,737	12,934,775
1,020,670	1,020,670	-	-	-	1,020,670	2,077,323
157,856	157,856	-	-	-	157,856	157,856
6,380,326	6,380,326	-	-	-	6,380,326	3,775,782
549,147	549,147	-	-	-	549,147	6,752,945
52,326,212	52,326,212	-	-	-	52,326,212	58,138,472
\$ 52,326,212	-\$ (613,942,679)	-\$	-\$	-\$	-\$ (549,324,408)	-\$ (544,254,871)
Component Units						
	-\$ (549,324,408)	-\$	-\$ (242,426)	-\$	-\$ (549,324,408)	-\$ (545,300,180)
	-	-	(242,426)	-	(242,426)	892,353
	-	-	-	150,762	150,762	152,930
	-\$ (549,324,408)	-\$	-\$ (242,426)	-\$ 150,762	-\$ (549,416,072)	-\$ (544,254,871)
General revenues:						
-	493,148,928	-	-	-	493,148,928	490,581,688
-	16,652,168	-	-	-	16,652,168	15,990,553
-	22,988,779	-	-	-	22,988,779	23,013,548
-	22,790,309	-	-	-	22,790,309	22,219,610
-	3,135,217	-	-	-	3,135,217	3,050,828
-	14,697,818	-	-	-	14,697,818	352,966,029
-	-	-	345,896,424	-	345,896,424	237,567,445
2,089,947	30,348,012	1,107,327	7,185	318,842	31,781,166	31,781,166
-	7,626,118	-	-	-	7,626,118	8,009,165
(26,901,318)	-	-	-	-	-	-
4,315,671	-	-	-	-	4,315,671	-
235,737	-	-	-	-	235,737	-
(81,562,051)	-	-	-	-	(81,562,051)	-
186,134,685	546,514,849	587,235,871	7,185	318,842	1,134,078,547	1,184,882,417
(33,808,473)	32,572,170	37,911,463	(236,241)	469,404	70,717,766	122,876,706
758,813,837	3,733,657,455	676,045,553	37,545,998	1,058,693	4,448,307,699	4,325,430,993
\$ 725,005,364	\$ 3,786,229,625	\$ 713,957,016	\$ 37,310,757	\$ 1,528,097	\$ 4,519,025,495	\$ 4,448,307,699

What is the question?

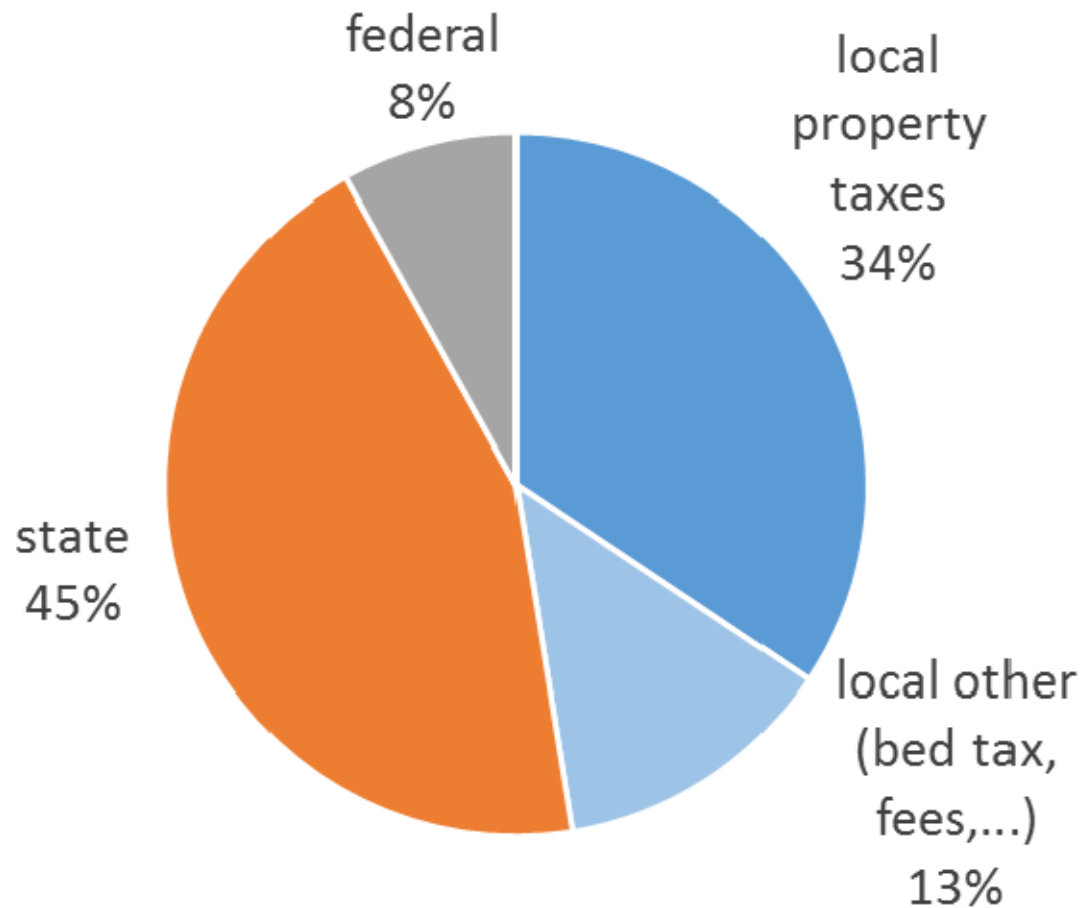
Anchorage

Total cost of services = \$1.4 billion



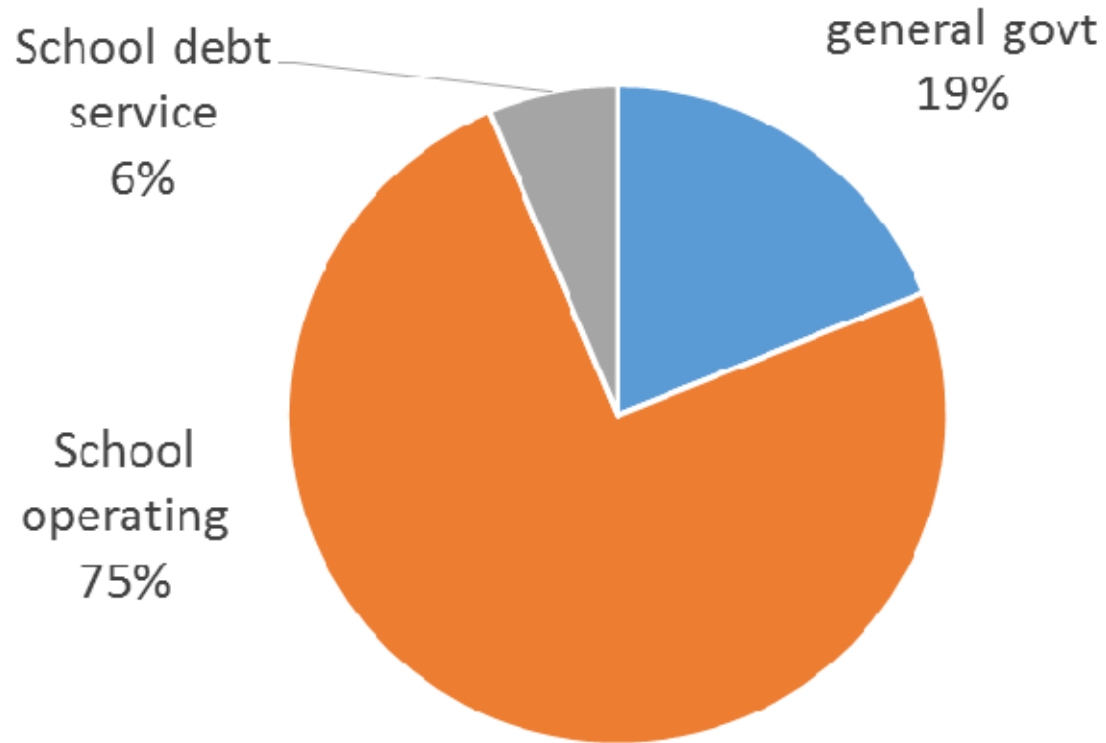
Anchorage

Total sources of funding = \$1.4 billion

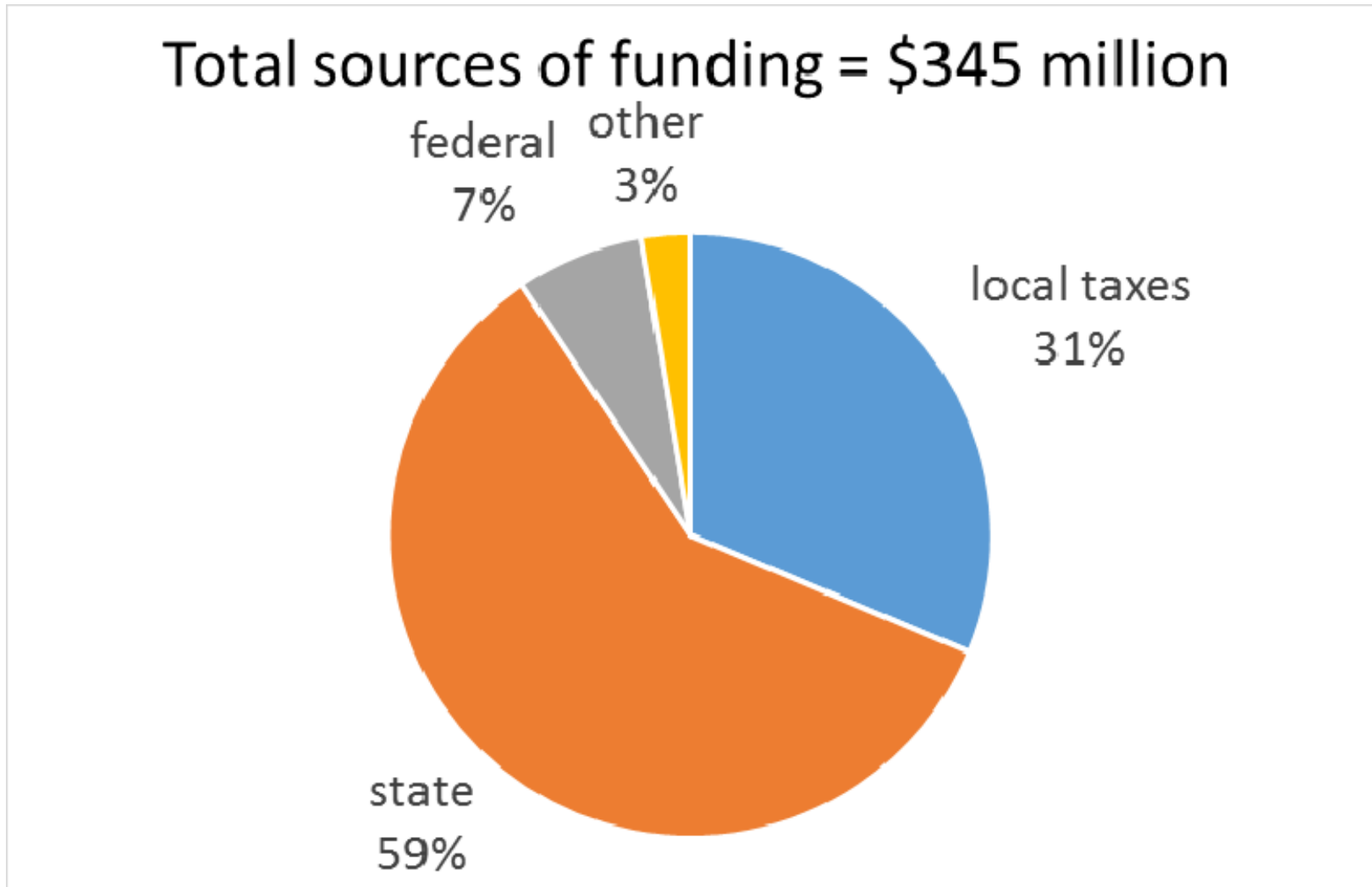


Mat-Su Borough

Total cost of services = \$345 million

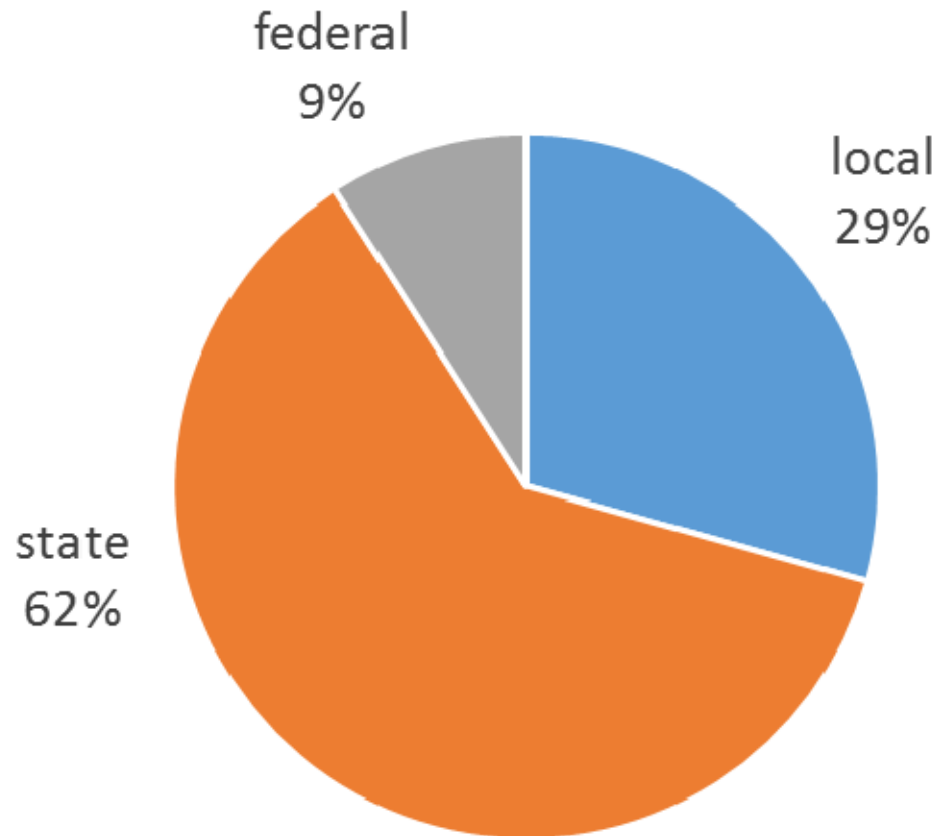


Mat-Su Borough



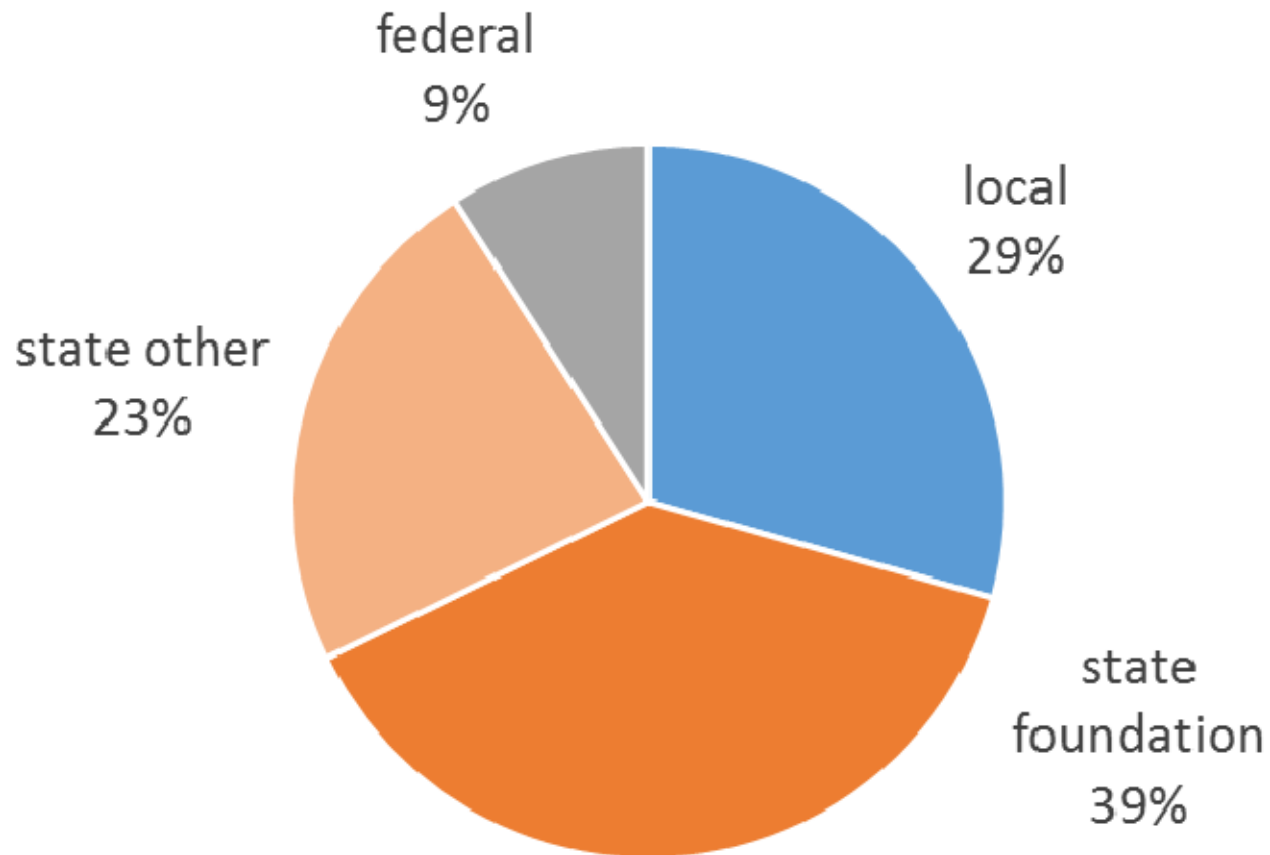
Anchorage - Schools

Schools sources of funding: \$846 million



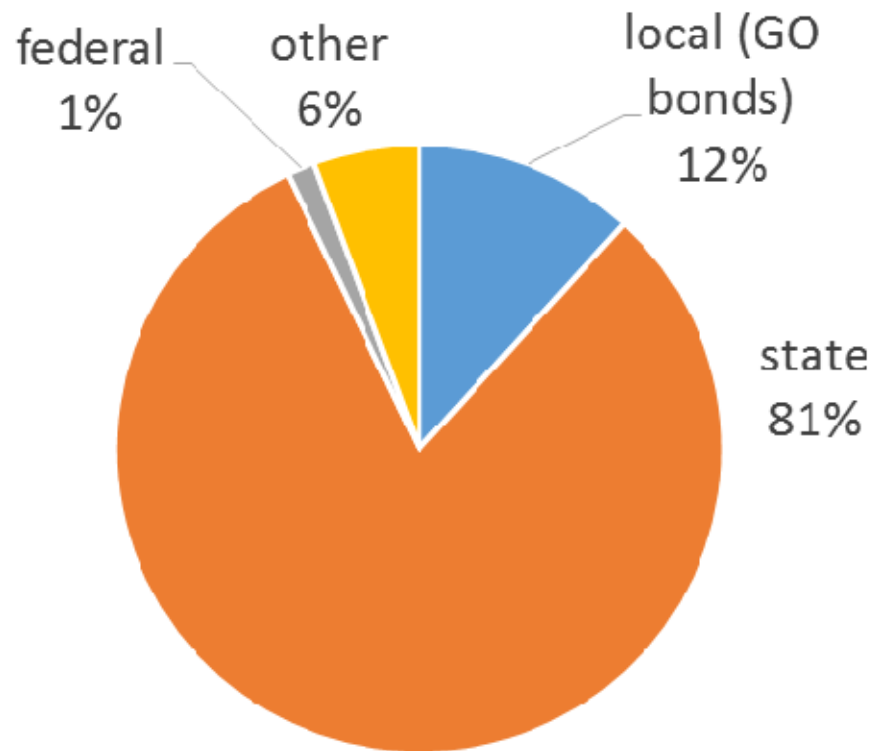
Anchorage - Schools

Schools sources of funding: \$846 million

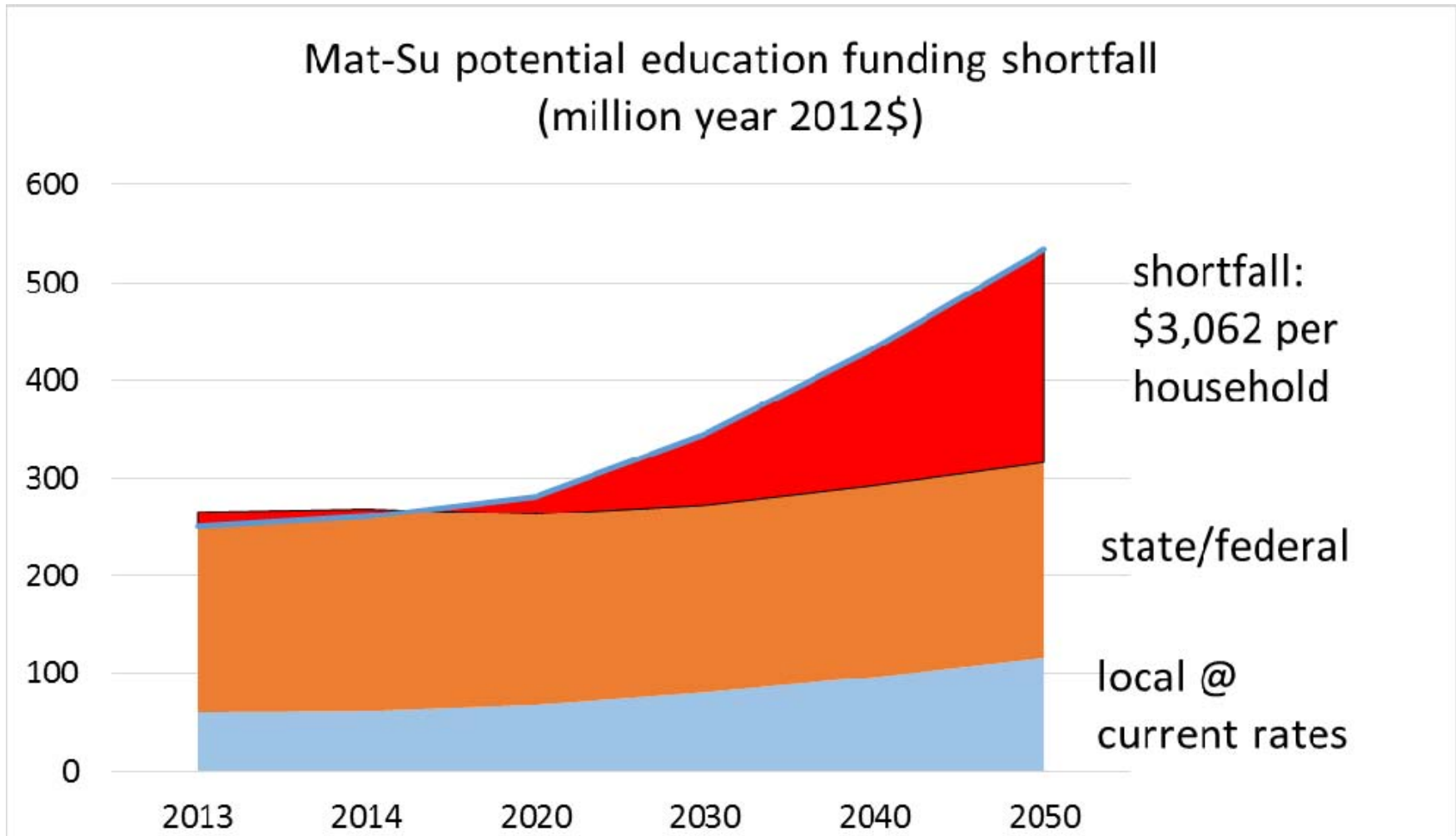


Anchorage – Capital Improvements

Projected Sources of MOA CIP Funds
Total = \$ 1.4 billion over 6 yrs (2013-2018)



Mat-Su What If ?



Data sources

Anchorage School District Comprehensive Annual Financial Report, FY13

http://www.asdk12.org/media/anchorage/globalmedia/documents/budget/12-13/CAFR_2012-13.pdf

Colt, S. 2014. Fiscal Impacts of Alternative Land Use Scenarios for the Matanuska-Susitna Borough, Alaska.

http://www.iser.uaa.alaska.edu/Publications/2014_04_29-MatSuFiscallImpacts.pdf

Municipality of Anchorage Comprehensive Annual Financial Report, FY13

<http://www.muni.org/Departments/finance/controller/CAFR/Complete%202013%20CAFR.pdf>

MOA Single Audit Reports FY13, FY12

<http://www.muni.org/Departments/finance/controller/Pages/SingleAuditReports.aspx>

“Official Statement” accompanying “MUNICIPALITY OF ANCHORAGE, ALASKA \$39,345,000 2013 General Obligation Bonds Series A (Schools)

<http://emma.msrb.org/EP773771-EP599749-EP1001118.pdf>

Data Notes

Generally, revenue and expense data are for the total of all “governmental funds”. (Example, MOA sources of funding are from MOA FY13 CAFR p. 32, “Total Governmental Funds” column). The governmental funds basis of accounting includes inflows and outflows of current financial resources (basically, cash) associated with long-lived assets (buildings). Depreciation is not included as an expense, but repayment of debt principal is.

Capital outlays of \$108 million are included in Anchorage expenditures but capital outlays of \$41 million are excluded from Mat-Su expenditures. This difference in treatment is due to data availability and time constraints. Capital outlays are financed by a mixture of state and federal grants and proceeds from issuance of bonds. Capital outlays financed by bond proceeds can be a double-counting of debt service payments, while capital outlays financed by grants would not be such a double counting.

A significant portion of state support to schools in addition to foundation program funding is for payments into the Teachers Retirement System (TRS). In FY13 these payments totaled \$109 million. These payments are allocated to program functions (instruction, admin, plant) for the purpose of showing ASD expenditures. For a good explanation see ASD FY13 CAFR p. 59-60.

Slide 7 (Projected sources of MOA CIP funds) includes projected state spending on state-maintained roads within the MOA. (source: “Official Statement”)