

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - Anchorage Schools

AO Number 2013-135 Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FIFTY-SEVEN MILLION TWO HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$57,285,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS, PLANNING AND DESIGN PROJECTS AND DISTRICTWIDE BUILDING LIFE EXTENSION PROJECTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2014.

Sponsor: Anchorage School District
Preparing Agency: Anchorage School District
Others Impacted: None

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)					
	FY14	FY15	FY16	FY17	FY18
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service	--	4,597*	4,597*	4,597*	4,597*
5000 Capital Outlay					
TOTAL DIRECT COSTS:	--	4,597	4,597	4,597	4,597
ADD: 6000 Charge from Others					
LESS: 7000 Charge to Others					
FUNCTION COST:					
REVENUES:					
CAPITAL:					
POSITIONS:					
PUBLIC SECTOR ECONOMIC EFFECTS:					

Estimated annual debt service of \$4,596,697 assumes bonds are sold as a package with the first interest payment due in February of 2015 at 5.0% interest, with bond repayments corresponding to the expected life of the assets financed over 20 years. Annual operating expenditures are calculated on a calendar year basis. The State of Alaska has agreed to reimburse 64.98 % of \$57,285,000 of the bonds (subject to annual appropriation) which would reduce the annual taxpayer debt service to \$1,609,763.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service of \$4,596,697 would equate to an estimated property tax increase of .1386 mills or \$13.86 per year on \$100,000 of assessed valuation in the Anchorage Areawide Service Area. Estimated annual debt service payments with the anticipated State of Alaska participation is \$1,609,763 and would equate to an estimated property tax increase of .0486 mills or \$4.86 per year on \$100,000 of assessed valuation in the Anchorage Areawide Service Area.

* Subject to market rates and timing

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Validated by OMB: _____ Date: _____