

Municipality of Anchorage

2025

Debt & Investment Review For Assembly Budget & Finance Committee-of-the-Whole Meeting

CFO & Public Finance & Investments Division

April 16, 2026



Mayor Suzanne LaFrance



Municipality of Anchorage

Agenda – Debt & Investment Management

CFO & Public Finance & Investment Division

- Staff
- Core Services
- Investment Management
- Investment Returns
- Debt Management



CFO & Public Finance & Investment Division

- **Chief Fiscal Officer**
Philippe D. Brice joined the Municipality in 2016 and was appointed Chief Fiscal Officer on November 6, 2024.
- **Fiscal Program & Policy Advisor, Chief Fiscal Officer Effective May 5, 2026**
Lance Wilber joined the Municipality in 1996 and is currently Fiscal Program & Policy Advisor and will become the Chief Fiscal Officer Effective May 5, 2026.
- **Public Finance & Investments Division Manager**
Ross Risvold joined the Municipality in October 2004.
- **Cash Management & Investment Officer**
Chris Richardson joined the Municipality in June 1998 and joined Public Finance in 2012.
- **Municipal Debt Officer**
Robert Deadmond joined the Municipality in October 2012 and joined Public Finance in March 2020.
- **Financial Analyst**
Beverly Frei joined the Municipality and Public Finance in October 2023.
- **Investment Accountant**
Diana Robideau joined the Municipality in June 1998 and joined Public Finance in 2014.
- **Investment Reconciliation Accountant**
Fatima Vallada joined the Municipality in June 2014 and Public Finance in December 2025.

The CFO and the six Public Finance staff members have over 247 years of corporate, finance, public finance and investment experience.

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Municipality of Anchorage

Core Services

- The Public Finance & Investments Division is an internal services organization or profit and cost center which bills for their services to pay for their annual budget. Hence, their budget is not included in the direct calculation of taxes for the MOA. Although they manage to a balanced Division budget each year, the Division's fund balance, if any, is carried forward each year to accommodate any reductions in revenue that might arise due to decreased activity by general government departments, the Anchorage School District or MOA utilities, enterprise funds or municipal authorities.
- Public Finance provides core services for i) management of the Municipality's \$1.7 billion debt portfolio and ii) management of the Municipality's investment portfolio, excluding the MOA Trust Fund, Police & Fire Retirement Trust Fund, Retiree Medical Prefunding Investment Fund and the ARL Investment Fund.



Investment Management

The General Cash Pool (GCP) is the sum of all the Municipality's general government funds. These funds are required to be invested in high quality fixed income investments and may not be invested in equities or other 'risky' investments. These funds reside mainly in the Municipal Cash Pool (MCP).

The MCP investment portfolio has a yearly seasonal swing in balance from a low point of \$600 million in May of each year to a high point of nearly \$1 billion in September of each year.

Investment Management

Anchorage Municipal Code (AMC) 6.50.030, Investment Guidelines for Municipal Funds, is the governing AMC for the investment of municipal funds. These Investment Guidelines dated back to unification of the Borough and City and were brought up to date in 2007 and are routinely reviewed for additional enhancements and best practices. Funds held by individual MOA accounting funds, enterprise funds, utilities, authorities such as the Anchorage Community Development Authority (ACDA), and the ASD are the equity owners of the MCP.

- AMC Investment Objectives in Priority Order
 - Safety of Principal
 - Liquidity
 - Return on Investment

Investment Returns

Equity owners of the MCP receive a blended overall net rate of return earned by the MCP on a monthly basis

The Municipality pays the MCP external investment managers to compete against a benchmark gross of fees

As of December 31, 2025

<u>Portfolio</u>	<u>Manager</u>	<u>Trailing 5-Year Return</u>	<u>Benchmark Return</u>
Strategic Reserve Portfolio	Blackrock	2.11%	1.87%
Contingency Reserve Portfolio	PNC	2.17%	1.97%
Working Capital Portfolio	APCMC	3.49%	3.17%

When we evaluate the five-year trailing returns of the three managers individually, we note that they each have produced returns in excess of their respective benchmark



Debt Management

The MOA currently has over \$1.7 billion of debt outstanding

- General Obligation Debt is rated AA- (S&P Global) / AA (Fitch Ratings)
- Revenue Debt of the MOA’s utilities and enterprise funds are separate and distinct “credits” and each credit has a separate rating

	Underlying Rating	Underlying Rating
	<u>S&P Global</u>	<u>Fitch Ratings</u>
Municipality of Anchorage	AA- Stable	AA Negative
Municipality of Anchorage-TANs	SP-1+	N/A
Anchorage Water Utility (AWU)	AA Stable	AA Stable
Anchorage Wastewater Utility (ASU)	AA Stable	AA Stable
Port of Alaska (underlying rating)	A Negative	N/A
Port of Alaska (Series 2020B)	AA Stable	N/A
Anchorage Solid Waste Refuse and Disposal Utilities	AA	N/A
CIVICVentures (Convention Center)	A+ Stable	AA- Stable
Certificates of Participation (COPs) 2017	A+ Stable	AA- Negative



Debt Management

Municipality of Anchorage

Updated 3/06/2026

Total Municipal Debt Outstanding by Credit
December 31, 2025

	<u>Type of Debt</u>	<u>Debt Outstanding</u>
General Obligation Bonds - General Purpose	GO Bond	426,150,000
General Obligation Bonds - Schools	GO Bond	382,285,000
Total General Obligation Bonds		808,435,000
General Obligation Tax Anticipation Notes	GO TAN	0
Total General Obligation TANs		0
Water Revenue Bonds (WRB)	Revenue Bond	76,945,000
Water Revenue ITBP Bonds (WRB)	Revenue Bond	15,309,610
Water Revenue STBP Notes (AWU)	Revenue Note	1,000
Alaska Drinking Water Loans (AWUDW)	Revenue Note	83,567,398
Total Water Revenue Debt		175,823,008
Wastewater Revenue Bonds (WWRB)	Revenue Bond	54,755,000
Wastewater Revenue ITBP Bonds (WWRB)	Revenue Bond	16,807,704
Wastewater Revenue STBP Notes (ASU)	Revenue Note	1,000
Alaska Clean Water Loans (ASUCW)	Revenue Note	79,904,492
Total Wastewater Revenue Debt		151,468,196

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Debt Management

Solid Waste Revenue Bonds (SWB)	Revenue Bond	107,715,000
Solid Waste Revenue STBP Notes (SWS)	Revenue Note	39,625,113
Alaska Clean Water Loans (SWSCW)	Revenue Note	4,603,100
Total Solid Waste Services Revenue Debt		151,943,213
Port of Alaska Revenue Bonds (PRB)	Revenue Bond	254,870,000
Port of Alaska Revenue STBP Notes (PRN)	Revenue Note	40,000,000
Total Port of Alaska Revenue Debt		294,870,000
CIVICVentures Revenue Bonds (CIVIC)	Revenue Bond	62,830,000
Certificates of Participation (COPs)	Revenue Bond	63,180,000
Leaseback 2023 716 Building	Leaseback Note	17,575,583
Master Leases	Leaseback Schedules	12,538,752
Total Other Debt		156,124,335
Total All Debt Outstanding		\$ 1,738,663,753

Debt Management

The MOA has voter authorized but not yet issued General Obligation (GO) debt of \$275,529,000, as of December 31, 2025. GO debt has the full faith and credit of the Municipality pledged to the investors.

– GO General Purpose, Authorized Not Yet Issued	\$148,550,000
– GO Schools, Authorized Not Yet Issued	<u>\$126,979,000</u>
TOTAL	\$275,529,000

NOTE

Public Finance Manager / Assembly PPT July 1, 2024 Public Finance, Years of experience change in May each year, As of May 2024 now, Page 3

Filename: Assembly PPT March 2026 Public Finance FOR BAC

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Debt Management

Municipality of Anchorage

Updated 3/06/2026

Total Municipal General Obligation Debt Outstanding

December 31, 2025

	<u>Type of Debt</u>		<u>Debt Outstanding</u>
General Obligation Bonds - General Purpose	GO Bond	\$	426,150,000
General Obligation Bonds - Schools	GO Bond		382,285,000
Total General Obligation Bonds			808,435,000



Debt Management

Updated: 10/3/2025

MUNICIPALITY OF ANCHORAGE GENERAL OBLIGATION BONDS

COMBINED ANNUAL NET DEBT SERVICE REQUIREMENTS - SHOWING STATE PROPOSED STATE DEBT REIMBURSEMENT

As Of December 31, 2025

	GENERAL PURPOSE BONDS				SCHOOL BONDS					TOTAL ALL		
Fiscal Year	Principal Outstanding*	Principal Payment	Interest Payment	Gross Debt Service	Principal Outstanding*	Principal Payment	Interest Payment	Gross Debt Service	**SOA Scheduled Reimbursement For Debt Service	Total Net Debt Service	Combined Total Net Requirements	Without SOA Combined Total Requirements
2026	\$ 426,150,000	\$ 33,275,000	\$ 17,373,697	\$ 50,648,697	\$ 382,285,000	\$ 33,210,000	\$ 14,082,445	\$ 47,292,445	\$ (13,714,279)	\$ 33,578,166	\$ 84,226,863	\$ 97,941,142
2027	392,875,000	34,770,000	15,884,908	50,654,908	349,075,000	31,015,000	12,868,947	43,883,947	(12,353,939)	31,530,008	82,184,916	94,538,855
2028	358,105,000	31,815,000	14,318,791	46,133,791	318,060,000	27,050,000	11,628,023	38,678,023	(9,439,999)	29,238,024	75,371,815	84,811,814
2029	326,290,000	28,340,000	13,199,599	41,539,599	291,010,000	26,020,000	10,767,827	36,787,827	(8,683,399)	28,104,428	69,644,027	78,327,426
2030	297,950,000	29,505,000	12,040,240	41,545,240	264,990,000	26,910,000	9,893,765	36,803,765	(8,687,382)	28,116,383	69,661,624	78,349,006
2031	268,445,000	27,100,000	10,909,220	38,009,220	238,080,000	26,600,000	8,995,029	35,595,029	(7,945,172)	27,649,856	65,659,076	73,604,249
2032	241,345,000	26,400,000	9,849,289	36,249,289	211,480,000	27,535,000	8,068,269	35,603,269	(7,946,134)	27,657,135	63,906,424	71,852,558
2033	214,945,000	25,485,000	8,838,359	34,323,359	183,945,000	27,490,000	7,107,335	34,597,335	(7,339,624)	27,257,711	61,581,070	68,920,694
2034	189,460,000	26,600,000	7,885,501	34,485,501	156,455,000	25,675,000	6,139,606	31,814,606	(5,429,930)	26,384,676	60,870,177	66,300,107
2035	162,860,000	24,910,000	6,821,313	31,731,313	130,780,000	22,495,000	5,123,875	27,618,875	(2,873,737)	24,745,138	56,476,451	59,350,188
2036	137,950,000	22,165,000	5,788,819	27,953,819	108,285,000	17,990,000	4,153,300	22,143,300	(878,998)	21,264,302	49,218,120	50,097,119
2037	115,785,000	21,175,000	4,804,275	25,979,275	90,295,000	17,160,000	3,430,900	20,590,900	(714,470)	19,876,430	45,855,705	46,570,175
2038	94,610,000	22,125,000	3,857,725	25,982,725	73,135,000	17,830,000	2,773,250	20,603,250	(715,039)	19,888,211	45,870,936	46,585,975
2039	72,485,000	18,330,000	2,890,775	21,220,775	55,305,000	15,770,000	2,085,303	17,855,303	(626,965)	17,228,339	38,449,114	39,076,078
2040	54,155,000	16,640,000	2,195,525	18,835,525	39,535,000	13,725,000	1,542,503	15,267,503	(574,324)	14,693,179	33,528,704	34,103,028
2041	37,515,000	14,190,000	1,554,600	15,744,600	25,810,000	9,905,000	1,076,350	10,981,350	(382,599)	10,598,751	26,343,351	26,725,950
2042	23,325,000	11,290,000	933,000	12,223,000	15,905,000	6,115,000	636,200	6,751,200	(382,243)	6,368,957	18,591,957	18,974,200
2043	12,035,000	5,900,000	481,400	6,381,400	9,790,000	4,800,000	391,600	5,191,600	(178,933)	5,012,667	11,394,067	11,573,000
2044	6,135,000	6,135,000	245,400	6,380,400	4,990,000	4,990,000	199,600	5,189,600	(178,864)	5,010,736	11,391,136	11,570,000
Totals	\$ 426,150,000	\$ 139,872,436	\$ 139,872,436	\$ 566,022,436	\$ 382,285,000	\$ 110,964,127	\$ 110,964,127	\$ 493,249,127	(\$89,046,031)	\$ 404,203,097	\$ 970,225,533	\$ 1,059,271,564

Notes:

* Fiscal Year as at beginning of the calendar year. Debt service does not change during the year unless new debt is issued or debt is refinanced.

** The State of Alaska in the past has represented that they will pay approximately 19.1% of the debt service on the Anchorage General Obligation Schools Bonds for the remaining life of the bonds.

The Anchorage School District applies to the State for the reimbursement on an annual basis; however, the reimbursement is subject to annual legislative appropriation and governor approval.

For the State fiscal year ending June 30, 2025, the State of Alaska will reimburse 100% of the eligible debt service, which equates to approximately 37.4% of the overall Schools Debt Service for the fiscal year.

For the State fiscal year ending June 30, 2026 it is expected that the State of Alaska will reimburse 100% of the eligible debt service payments.

Mayor Suzanne LaFrance



Municipality of Anchorage

Debt Management

Questions and Discussion

Mayor Suzanne LaFrance



Municipality of Anchorage