

CLERK'S OFFICE

APPROVED

Date: 4-23-02

Submitted by: Chairman of the Assembly
at the request of the
School Board

Prepared by: Anchorage School District

For Reading: April 9, 2002

ANCHORAGE, ALASKA

AR NO. 2002-107

**A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE PROVIDING FOR
A REVISION OF THE ANCHORAGE SCHOOL DISTRICT BUDGET FOR FY
2002-2003**

WHEREAS, the Anchorage Assembly approved AO No. 2002-33 (S) relating to the FY 2002-2003 budget for the Anchorage School District on March 19, 2002, in accordance with Article VI, Section 6.05, of the Municipal Charter; and

WHEREAS, the new construction or property improvements used in the computation of the Municipality's tax limitation, in accordance with Article XIV, Section 14.03, of the Municipal Charter, was revised from \$387,625,346 to \$434,497,274 allowing for \$384,350 of additional taxes in the General Fund; and

WHEREAS, the Anchorage School District's General Fund is being decreased by \$614,306 in interest earnings due to anticipated lower interests rates; and

WHEREAS, Anchorage School District's Debt Service Fund is being increased by \$6,355,892 and the taxes are being increased by \$5,416,480 to provide for a proposed \$135M bond sale in June 2002 consisting of \$76M related to Propositions 5 and 6 approved by the qualified voters of the Municipality of Anchorage on April 2, 2002, and \$59M related to Proposition 11 approved by the qualified voters of the Municipality of Anchorage on the April 20, 1999; and

WHEREAS, Anchorage School District's Local, State, and Federal Projects Fund is being increased by \$3,000,000 to support the recent notification from the Alaska Department of Education and Early Development (DEED) of additional federal grant funds; and

NOW THEREFORE, the Anchorage Assembly resolves:

Section 1: That the following revisions in total are approved:

<u>Fund Description</u>	<u>FY 2002-2003 Adopted Budget as of 3/19/02</u>	<u>Requested Revision</u>	<u>FY 2002-2003 Revised Budget as of 4/23/02</u>
General	\$355,076,091	\$ (229,956)	\$ 354,846,135
Food Service	11,800,000	-0-	11,800,000
Debt Service	53,216,140	6,355,892	59,572,032
Local/State/Federal Projects	<u>35,000,000</u>	<u>3,000,000</u>	<u>38,000,000</u>
TOTAL ANCHORAGE SCHOOL DISTRICT APPROPRIATION	<u>\$455,092,231</u>	<u>\$ 9,125,936</u>	<u>\$ 464,218,167</u>

	<u>FY 2002-2003 Taxes as of 3/19/02</u>	<u>FY 2002-2003 Tax Contribution Increase Requested</u>	<u>FY 2002-2003 Revised Taxes as of 4/23/02</u>
LOCAL TAXES			
General Fund	\$113,988,857	\$ 384,350	\$114,373,207
Debt Service Fund	<u>23,164,895</u>	<u>5,416,480</u>	<u>28,581,375</u>
TOTAL LOCAL TAX CONTRIBUTION	<u>\$137,153,752</u>	<u>\$ 5,800,830</u>	<u>\$142,954,582</u>

Section 2: That this resolution is effective upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly, this 23rd day of April 2002.


Chair of the Assembly

ATTEST


Municipal Clerk

SCHOOL DISTRICT
ANCHORAGE, ALASKA

AM NO. 344-2002

MEMORANDUM

April 9, 2002

TO: THE HONORABLE GEORGE WUERCH
ANCHORAGE ASSEMBLY

FROM: OFFICE OF THE SUPERINTENDENT *Carol Comeau*

SUBJECT: ANCHORAGE SCHOOL DISTRICT REVISED FINANCIAL PLAN
- FY 2002-2003

The FY 2002-2003 Financial Plan, as originally adopted, provided an initial appropriation level of \$355,076,091 for the General Fund, \$11,800,000 for the Food Service Fund, \$53,216,140 for the Debt Service Fund, and \$35,000,000 for the Local, State and Federal Projects Fund for a grand total of \$455,092,231. The taxes as originally adopted were \$137,153,752.

On April 4, 2002, the Municipal Budget Director notified the District that the new construction amount changed from the preliminary projection used in computing the Municipality's tax limitation from \$387,625,346 to \$434,497,274. The increase of \$46.9M allows for an additional \$384,350 under the tax cap limitation.

Due to projected low interest rates, the District has reduced the interest earnings for FY 2002-2003 from \$2,400,000 to \$1,785,694.

The FY 2002-2003 Financial Plan, as adopted, provided a budget of \$355,076,091 and \$113,988,857 in taxes for the General Fund. With the approval of AR No. 2002-107, the revised budget for the General Fund will be \$354,846,135, a net reduction of \$229,956. The amount in taxes would increase from \$113,998,857 to \$114,373,207, and increase of \$384,350.

The District's Debt Service Fund has been revised to include education-related bond propositions approved by qualified voters of the Municipality of Anchorage. Based on a thorough review of cash flow projections, the District will be requesting a \$135M General Obligation (G.O.) bond sale in June 2002. The net increase of \$6,355,892 to the Debt Service Fund will come from local tax support, State debt reimbursement and a decrease in interest earnings. The requested tax increase of \$5,416,480 will provide for the proposed \$135M (G.O.) bond sale in June 2002 consisting of \$76M related to Propositions 5 and 6 that

43 were approved by the qualified voters of the Municipality of Anchorage on the
44 April 2, 2002 Municipal election, and \$59M related to Proposition 11 approved
45 by the qualified voters of the Municipality of Anchorage on April 20, 1999. A
46 portion of the bonds being sold in June has been approved for 70 percent State
47 debt reimbursement. The State's increase in debt reimbursement for this sale is
48 \$1,089,412. With projected lower interest rates, the interest earnings to support
49 the Debt Service Fund have been reduced from \$210,000 to \$60,000, a reduction
50 of \$150,000.

51
52 The FY 2002-2003 Financial Plan, as adopted, provided a budget of \$53,216,140
53 and \$23,164,895 in taxes for the Debt Service Fund. With the approval of AR No.
54 2002-107, the revised budget for the Debt Service Fund will be \$59,572,032 with
55 \$28,581,375 in taxes.

56
57 The FY 2002-2003 Local/State/Federal Projects Fund budget, as originally
58 adopted, provided an initial appropriation level of \$35,000,000. The District has
59 recently been notified from the Alaska Department of Education and Early
60 Development (DEED) that the District will receive additional federal grant funds
61 under President Bush's recently approved education plan. Therefore the District
62 has adjusted the Local/State/Federal Projects Fund from \$35,000,000 to
63 \$38,000,000.

64
65 The Revised FY 2002-2003 Financial Plan provides a budget level of \$354,846,135
66 for the General Fund, \$11,800,000 for the Food Service Fund, \$59,572,032 for the
67 Debt Service Fund, and \$38,000,000 for the Local, State and Federal Projects Fund
68 for a grand total of \$464,218,167. The amount of local taxes would now be
69 \$142,954,582.

70
71 The School Board will make the necessary adjustments to the Anchorage School
72 District's Financial Plan upon approval of AR 2002-107 that corresponds with this
73 memorandum.

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76 CC/JS/MSL
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**MUNICIPALITY OF ANCHORAGE
MUNICIPAL CLERK'S OFFICE
AGENDA DOCUMENT CONTROL SHEET**

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

AK 2002-107

1	SUBJECT OF AGENDA DOCUMENT A Resolution of the Municipality of Anchorage	DATE PREPARED April 12, 2002	
	providing for a revision of the Anchorage School District Budget for FY 2002-2003	Indicate Documents Attached <input type="checkbox"/> AO <input checked="" type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM	
2	DEPARTMENT NAME Chief Financial Officer	DIRECTOR'S NAME Janet Stokesbary Chief Financial Officer	
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Janet Stokesbary, Chief Financial Officer	HIS/HER PHONE NUMBER 742-4369	
4	COORDINATED WITH AND REVIEWED BY	INITIALS	DATE
	Mayor		
	Municipal Clerk		
	Municipal Attorney		
	Employee Relations		
	Municipal Manager		
	Community Planning & Development		
	Finance, Chief Fiscal Officer		
	Heritage Land Bank		
	Management Information Systems		
	Office of Management & Budget		
	Property & Facility Management		
	Purchasing		
	Operations Manager		
	Cultural & Recreational Services		
	Fire		
	Health & Human Services		
	Merrill Field Airport		
	Municipal Light & Power		
	Police		
	Port of Anchorage		
	Public Transportation		
	Public Works		
	Solid Waste Services		
	Water & Wastewater Utility		
	Other Anchorage School District		
	Carol Comeau, Superintendent	<i>Carol Comeau</i>	April 15, 2002
	Janet Stokesbary, Chief Financial Officer	<i>Janet Stokesbary</i>	April 15, 2002
5	SPECIAL INSTRUCTIONS/COMMENTS AM No. 344-2002 is attached		
	<div style="text-align: right;"> <div style="border: 1px solid black; padding: 2px; display: inline-block;"> APR 15 PM 1:44 2002 APR 15 PM 1:44 M.O.A. </div> </div>		
6	ASSEMBLY HEARING DATE REQUESTED April 9, 2002	7	PUBLIC HEARING DATE REQUESTED April 23, 2002

