

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Finance
For reading: December 13, 2005

CLERK'S OFFICE

APPROVED

Date: 12-13-05 ANCHORAGE, ALASKA
AR No. 2005- 310

1 A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING SIXTY
2 THOUSAND DOLLARS (\$60,000) IN UNAPPROPRIATED DEBT ISSUANCE FEES TO
3 THE FINANCE DEPARTMENT, FUND 191, TO PROVIDE FUNDING FOR A DEBT
4 CAPACITY STUDY.

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6 WHEREAS, the Anchorage Assembly approved Assembly Resolution 2005-64 on
7 March 29, 2005, requesting the Administration complete a debt capacity study of the
8 Municipality, and

9
10 WHEREAS, bond sales and refundings have generated debt issuance fees in excess of
11 those anticipated in the approved budget.

12
13 THE ANCHORAGE ASSEMBLY RESOLVES:

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15 Section 1. That the sum of Sixty Thousand Dollars (\$60,000) is hereby appropriated
16 from unappropriated debt issuance fees to the Finance Department, Fund 191, to provide funding
17 for a debt capacity study.

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19 Section 2. This resolution shall take effect immediately upon passage and approval by
20 the Anchorage Municipal Assembly.

21
22 PASSED AND APPROVED by the Anchorage Assembly this 13th day of
23 December, 2005.

24
25 Anna L. Fairclough
26 Chair

27 ATTEST:

28
29 Brian S. Gendron
30
31 Municipal Clerk



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 876-2005

Meeting Date: December 13, 2005

From: Mayor

Subject: Appropriation of unappropriated debt issuance fees to fund a debt capacity study

On March 29, 2005, the Anchorage Assembly passed AR 2005-64 requesting that the Administration complete a debt capacity study, in light of factors typically considered by bond rating agencies and financial best practices. The Administration recently completed its RFP process for a financial advisor and has entered into a contract for financial advisory services with First Southwest Company. Staff and our new financial advisor have initiated this review of debt capacity and we now have in place an outline of the process for this review. In addition to the debt capacity issue, the study will address: the use of variable rate debt; asset liability management; the use of alternative debt instruments; and, debt refinancing policies.

The most recent status report of this project was delivered to the Assembly on October 18, 2005. The Administration will continue to advise the Assembly of the status of this project on a quarterly basis as requested in AR 2005-64.

Revenues in the form of debt issuance fees have been generated by the Public Finance & Investments Division of the Finance Department, in excess of those projected in the Division's approved budget. These unappropriated revenues are largely a result of an increased level of debt refunding activity made possible by historically low interest rates. The Administration believes that the proposed use of these unappropriated revenues is consistent with their source and with the purpose anticipated by the Assembly when they passed AR 2005-64.

It is anticipated that this appropriation of funds will be sufficient to pay for the cost of the debt capacity review.

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
REVENUE:		
191-9499-1313-131300	Reimbursed Cost	\$60,000
EXPENDITURES:		
191-3101-1313-131300	Professional Services	\$60,000

THE ADMINISTRATION RECOMMENDS APPROVAL.

Prepared by: Ross Risvold, Public Finance & Investments Manager
Concurrence & Fund Certification: Jeffrey E. Sinz, Chief Fiscal Officer
191-9499-1313-131300 FY2005 \$60,000
Concurrence: Denis C. LeBlanc, Municipal Manager
Respectfully submitted: Mark Begich, Mayor

Content Information**Content ID :** 003499**Type:** AR_FundsApprop - Funds Approp Resolution

A Resolution Appropriating \$60,000 from Current Period Revenues of

Title: Unappropriated Debt Issuance Fees to the Public Finance & Investments Division for the Purpose of Funding a Project for the Determination of Debt Capacity of the Municipality, Finance**Author:** pruittns**Initiating Dept:** Finance**Keywords:** Debt Capacity, Appropriating, Public Finance**Date Prepared:** 11/16/05 3:12 PM**Director Name:** Jeffrey Sinz**Assembly****Meeting Date** 12/13/05**MM/DD/YY:**2005 DEC - 2 PM 1:31
CLERKS OFFICE

M.O.A.

Workflow History

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
FundsAppropWorkflow	11/16/05 3:18 PM	Checkin	pruittns	Public	003499
FundsAppropWorkflow	11/17/05 8:01 AM	Reject	sinzje	Public	003499
FundsAppropWorkflow	11/17/05 9:07 AM	Checkin	pruittns	Public	003499
FundsAppropWorkflow	11/18/05 12:00 PM	Reject	sinzje	Public	003499
FundsAppropWorkflow	11/22/05 10:02 AM	Checkin	pruittns	Public	003499
Finance_SubWorkflow	11/28/05 11:57 AM	Approve	richardsdm	Public	003499
OMB_SubWorkflow	11/29/05 1:49 PM	Approve	mitsonjl	Public	003499
MuniManager_SubWorkflow	12/1/05 5:17 PM	Approve	leblancdc	Public	003499
MuniMgrCoord_SubWorkflow	12/2/05 10:32 AM	Approve	abbottmk	Public	003499