

Submitted by: Chairman of the Assembly
at the request of the
School Board
Prepared by: Anchorage School District
For Reading: May 1, 2007

CLERK'S OFFICE

APPROVED

ANCHORAGE, ALASKA

Date: 5-1-07 AR NO. 2007-91(S)

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE PROVIDING FOR
A REVISION OF THE ANCHORAGE SCHOOL DISTRICT BUDGET FOR
FY 2007-2008

WHEREAS, the Anchorage School Board approved on December 11, 2006
construction and renovation education-related bond propositions for placement on
the April 3, 2007 Municipality Election ballot; and

WHEREAS, the Anchorage Assembly approved on February 13, 2007
AO No. 2006-180(S) and AO No. 2006-181(S) relating to capital
construction/renewal projects/planning/design/renovating and site preparation
to be placed on the April 3, 2007 ballot; and

WHEREAS, the Anchorage Assembly approved AO No. 2007-35(S) relating
to the FY 2007-2008 budget for the Anchorage School District on March 27, 2007, in
accordance with Article VI, Section 6.05, of the Municipal Charter; and

WHEREAS, the qualified voters of the Municipality of Anchorage approved
Proposition 4 – Clark Middle School Replacement, and Proposition 5 – Districwide
Building System Renewal that were on the April 3, 2007 Municipal Election ballot;
and

WHEREAS, the Anchorage School District's Debt Service Fund is eligible to
be increased by \$1,736,220, and taxes are eligible to be increased by \$652,599 to
provide for a proposed \$68,535,000 bond sale in July 2007 related to Propositions 4
and 5 approved by the qualified voters of the Municipality of Anchorage on April
3, 2007; and

WHEREAS, due to a favorable bond market the Municipality and the
District have refunded (refinanced) some of the District's outstanding general
obligation bonds at a lower interest rate in order to save money resulting in
savings for the taxpayer; and

WHEREAS, the Anchorage School District's Debt Service Fund requested
increase in AR 2007-91 of \$1,736,220 is being reduced to \$1,229,725 and the overall

taxes for debt service is being decreased by \$165,967 due to the refinancing of a portion of the existing bonded indebtedness; and

NOW THEREFORE, the Anchorage Assembly resolves:

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

REVENUE/EXPENDITURE BUDGETS

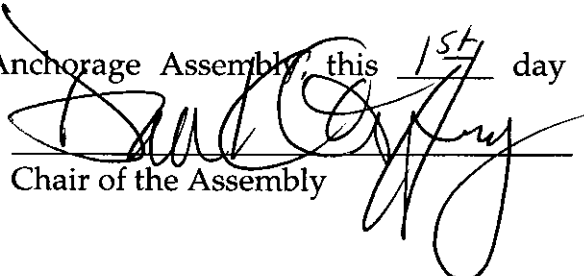
| | March 27, 2007 AO 2007-35(S) Proposed Budget FY 2007-2008 | | May 1, 2007 AR 2007-91(S) Revised Budget FY 2007-2008 |
|---------------------------------|---|-------------------------------|---|
| FUND | | Requested Revision | |
| General | \$546,162,511 | | \$546,162,511 |
| Food Service | 16,322,000 | | 16,322,000 |
| Debt Service | 79,206,014 | \$1,229,725 | 80,435,739 |
| Local/State/Federal Projects | 55,735,000 | | 55,735,000 |
| All Funds | <u>\$697,425,525</u> | <u>\$1,229,725</u> | <u>\$698,655,250</u> |

TAXES

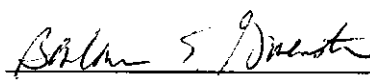
| | AO 2007-35(S) Proposed FY 2007-2008 | Tax Contribution Decrease | AO 2007-91(S) Proposed FY 2007-2008 |
|--------------|---|------------------------------|---|
| General Fund | \$169,197,819 | | \$169,197,819 |
| Debt Service | 37,328,009 | (\$165,967) | 37,162,042 |
| All Funds | <u>\$206,525,828</u> | <u>(\$165,967)</u> | <u>\$206,359,861</u> |

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

PASSED AND APPROVED by the Anchorage Assembly, this 15th day of May 2007.


Chair of the Assembly

ATTEST


Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 263-2007(A)

Meeting Date: May 1, 2007

FROM: ANCHORAGE SCHOOL DISTRICT

SUBJECT: AR NO 2007-91(S) ANCHORAGE SCHOOL DISTRICT REVISED
FINANCIAL PLAN - FY 2007-2008

The FY 2007-2008 Financial Plan, as originally adopted, provided an initial appropriation level of \$546,162,511 for the General Fund, \$16,322,000 for the Food Service Fund, \$79,206,014 for the Debt Service Fund, and \$55,735,000 for the Local, State and Federal Projects Fund for a grand total of \$697,425,525. The taxes as originally adopted were \$206,525,828.

For the April 17th meeting date, the District submitted AR No 2007-91 and AM No 263-2007 to request that the District's Debt Service Fund be revised to include the sale of a portion of the two education-related bond propositions, Propositions 4 and 5, approved by qualified voters of the Municipality of Anchorage on April 3, 2007. Based on a thorough review of cash flow projections, the District will be requesting a \$68,535,000 General Obligation (G.O.) bond sale in July 2007. The District requested an increase of \$1,736,220 to the Debt Service Fund which included a request to increase taxes in the Debt Service Fund in the amount of \$652,599. All of the bonds being sold in July have been approved for either 60 or 70 percent State debt reimbursement. The State's increase in debt reimbursement for this sale is \$1,083,621.

Subsequent to the submission of AR NO. 2007-91, the Municipality and the District have refunded (refinanced) some of the District's outstanding general obligation bonds at a lower interest rate in order to save money. The net impact of the projected \$68,535,000 bond sale and the recently completed bond refunding results in a reduction of the District's request to increase the Debt Service Fund from \$1,736,220 to \$1,229,725. In addition, for FY 2007-2008 the tax savings in the amount of \$818,566 resulting from the refunding bond issue more than offset the \$652,599 of tax increase that was originally requested to support the anticipated July bond sale. The overall taxes for debt service will now be reduced by \$165,967. Since the State shares in a portion of both the new bonds and the refunded bonds, the State's portion will also be reduced.

AR No. 2007-91(S)

41 The FY 2007-2008 Financial Plan, as adopted, provided a budget of \$79,206,014
42 and \$37,328,009 in taxes for the Debt Service Fund. With the approval of
43 AR No. 2007-91(S) the revised budget for the Debt Service Fund will be
44 \$80,435,739 with \$37,162,042 in taxes.

45
46 The Revised FY 2007-2008 Financial Plan provides a budget level of \$546,162,511
47 for the General Fund, \$16,322,000 for the Food Service Fund, \$80,435,739 for the
48 Debt Service Fund, and \$55,735,000 for the Local, State and Federal Grants Fund
49 for a grand total of \$698,655,250. The amount of local taxes would now be
50 \$206,359,861 which reflects a reduction of \$165,967.

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52 The School Board will make the necessary adjustments to the Anchorage School
53 District's Financial Plan upon approval of AR No. 2007-91(S) that corresponds
54 with this memorandum.

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57 Respectfully submitted,

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60 Carol Comeau
61 Superintendent
62

63 CC/JS/MSL

Municipality of Anchorage
MUNICIPAL CLERK'S OFFICE
Agenda Document Control Sheet

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

AR 2007-91(S)

| | | | | | |
|----------|--|-------------------------|---|-------------------------------|--|
| 1 | SUBJECT OF AGENDA DOCUMENT | | DATE PREPARED | | |
| | AR 2007-91 (S) A Resolution Of The Municipality Of Anchorage Providing For A Revision Of The Anchorage | | May 1, 2007 | | |
| | School District Budget For FY 2007-2008 | | | | |
| | | | Indicate Documents Attached <input type="checkbox"/> AO <input checked="" type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM | | |
| 2 | DEPARTMENT NAME | | DIRECTOR'S NAME | | |
| | Chief Financial Officer | | Janet Stokesbary, Chief Financial Officer | | |
| 3 | THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY | | HIS/HER PHONE NUMBER | | |
| | Janet Stokesbary, Chief Financial Officer | | (907) 742-4369 | | |
| 4 | COORDINATED WITH AND REVIEWED BY | INITIALS | DATE | | |
| | Mayor | | | | |
| | Heritage Land Bank | | | | |
| | Merrill Field Airport | | | | |
| | Municipal Light & Power | | | | |
| | Port of Anchorage | | | | |
| | Solid Waste Services | | | | |
| | Water & Wastewater Utility | | | | |
| | Municipal Manager | | | | |
| | Cultural & Recreational Services | | | | |
| | Employee Relations | | | | |
| | Finance, Chief Fiscal Officer | | | | |
| | Fire | | | | |
| | Health & Human Services | | | | |
| | Office of Management and Budget | | | | |
| | Management Information Services | | | | |
| | Police | | | | |
| | Planning, Development & Public Works | | | | |
| | Development Services | | | | |
| | Facility Management | | | | |
| | Planning | | | | |
| | Project Management & Engineering | | | | |
| | Street Maintenance | | | | |
| | Traffic | | | | |
| | Public Transportation Department | | | | |
| | Purchasing | | | | |
| | Municipal Attorney | | | | |
| | Municipal Clerk | | | | |
| | Other | | | | |
| | Carol Comeau, Superintendent | <i>Carol Comeau</i> | April 27, 2007 | | |
| | Janet Stokesbary, Chief Financial Officer | <i>Janet Stokesbary</i> | April 27, 2007 | | |
| 5 | Special Instructions/Comments | | | | |
| | | | | | |
| | <i>Laid on the Table Item - Next Public Hearing 14.6.2</i> | | | | |
| | | | | | |
| 6 | ASSEMBLY HEARING DATE REQUESTED | | 7 | PUBLIC HEARING DATE REQUESTED | |
| | Introduction - May 1, 2007 | | | Public Hearing - May 1, 2007 | |

M.O.A.
2007 APR 30 AM 11:18
CLERK'S OFFICE