

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34

CLERK'S OFFICE  
**AMENDED AND APPROVED**  
Date:.....2-13-07

Submitted by: Chairman of the Assembly at the  
Request of the Mayor  
Prepared by: Cynthia M. Weed  
K&L PRESTON GATES ELLIS LLP  
For Reading: January 30, 2007

MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-30

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED THREE MILLION SEVENTY-FIVE THOUSAND DOLLARS (\$3,075,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FIRE PROTECTION CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE FIRE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 3, 2007.

WHEREAS, the best interest of the citizens and property owners in the Anchorage Fire Service Area serving the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to acquire and equip new fire protection equipment, including a new engine and replacement pumper truck (the "Equipment"); and

WHEREAS, in order to provide financing for the acquisition and equipping of such Equipment, it is deemed necessary and advisable that the Municipality issue and sell its general obligation bonds in the principal amount of not to exceed \$3,075,000 (the "Bonds"); and

NOW, THEREFORE, THE MUNICIPALITY OF ANCHORAGE ORDAINS:

Section 1. Purpose. The Assembly of the Municipality hereby determines that the best interest of the residents and property owners within the Anchorage Fire Service Area require the Municipality to acquire and equip the Equipment at the time and in the order and in the manner deemed most necessary and advisable by the Municipality. The estimated cost of the

1 Equipment, including incidental costs and costs related to issuing and selling the Bonds as  
2 provided in this ordinance, is estimated to be \$3,075,000.

3 The Equipment is described in more detail in the attachment to the Assembly Memorandum  
4 accompanying this ordinance. The cost of all necessary consulting services, inspection and  
5 testing, administrative expenses, and costs of issuance of the Bonds (hereinafter defined) and  
6 other costs incurred in connection with the acquisition and equipping of the Equipment shall be  
7 deemed to be costs of the approved Equipment.

8 The Assembly shall determine the application of available moneys for the various  
9 Equipment so as to acquire and equip, as nearly as may be, all of the Equipment described or  
10 provided for in this section.

11 If the Assembly shall determine that it has become impractical to acquire and equip any  
12 portion of the approved Equipment by reason of changed conditions or needs, or costs  
13 substantially in excess of those estimated, the Assembly shall not be required to accomplish such  
14 portions and shall apply Bond proceeds as set forth in this section.

15 If all of the approved Equipment has been acquired, equipped and duly provided for, or  
16 found to be impractical, the Assembly may apply Bond proceeds or any portion thereof to other  
17 Municipality fire service capital improvements at its sole discretion. Otherwise, the Municipality  
18 shall apply such remaining proceeds solely to payment of principal or interest on the Bonds, as  
19 provided in the Home Rule Charter. In the event that the proceeds of sale of the Bonds, plus any  
20 other monies of the Municipality legally available, are insufficient to acquire the approved  
21 Equipment, the Assembly shall use the available funds for paying the cost of those portions of  
22 the approved Equipment deemed by the Municipality most necessary and in the best interest of

1 the Municipality. No Bond proceeds shall be used for any purpose other than a capital  
2 improvement.

3 For the purpose of providing funds for the acquisition and equipping of the Equipment,  
4 which are hereby found to be a public purpose and in the public interest, the Municipality hereby  
5 proposes to issue general obligation bonded indebtedness in an amount not to exceed Three  
6 Million Seventy-Five Thousand Dollars (\$3,075,000) (the "Bonds").

7 Section 2. Details of Bonds. The Bonds shall be sold in such amounts and at such  
8 time or times as deemed necessary and advisable by the Assembly and as permitted by law and  
9 shall mature over a period of 20 years from date of issue. The Bonds shall be issued in an  
10 aggregate principal amount of not to exceed \$3,075,000. The Bonds shall bear interest to be  
11 fixed at the time of sale or sales thereof. The exact form, terms, conditions, contents, security,  
12 options of redemption, and such other matters relating to the issuance and sale of said Bonds as  
13 are deemed necessary and advisable by the Assembly shall be as hereinafter determined and/or  
14 delegated by ordinance and/or resolution of the Assembly.

15 The full faith and credit of the Municipality is pledged for the payment of the principal of  
16 and interest on the Bonds, and ad valorem taxes upon all taxable property in the Municipality  
17 shall be levied without limitation as to rate or amount to pay the principal and interest on the  
18 Bonds when due. The principal of and interest on the Bonds are to be paid first from ad valorem  
19 taxes levied and collected within the Anchorage Fire Service Area.

20 Section 3. Ballot Proposition. The Assembly hereby submits to the qualified electors  
21 of the Municipality the proposition of whether or not the Municipality should issue the Bonds for  
22 the purpose of financing the costs of the approved Equipment at the regular municipal election to  
23 be held on April 3, 2007.

1 The Clerk shall prepare the ballot proposition to be submitted to the voters as provided by  
2 this ordinance and the Municipal Code and shall perform all necessary steps in accordance with  
3 law to place this proposition before the voters at the regular election. The proposition must  
4 receive a majority vote of those in the Municipality voting, both in the Anchorage Fire Service  
5 Area and areawide, on the question to be approved. The proposition shall be substantially in the  
6 following form:

7 PROPOSITION NO. \_\_\_\_\_

8  
9 ANCHORAGE FIRE SERVICE AREA FIRE PROTECTION BONDS

10 For the purpose of providing fire protection capital improvements  
11 in the Anchorage Fire Service Area, shall Anchorage borrow  
12 money and issue up to \$3,075,000 in principal amount of general  
13 obligation bonds and increase the municipal tax cap by an annual  
14 amount not to exceed \$2,249,100 to pay the associated annual  
15 operations and maintenance costs?  
16

17  
18 Voter approval of this bond proposition authorizes for each  
19 \$100,000 of assessed taxable property value (based on the  
20 estimated 2007 assessed valuation in the Anchorage Fire Service  
21 Area): (i) an annual increase in taxes of approximately \$0.92 to  
22 retire the proposed bonds, and (ii) an annual increase in the  
23 Municipal Tax Cap (Charter 14.03(b)(2)) of approximately \$8.19  
24 to pay for annual operations and maintenance costs related to the  
25 proposed capital improvements.  
26

27 ~~The debt shall be paid from real and personal property taxes levied~~  
28 ~~and collected within the Anchorage Fire Service Area. **The debt**~~  
29 ~~**shall be first paid from real and personal property taxes levied**~~  
30 ~~**and collected within the Anchorage Fire Service Area, without**~~  
31 ~~**cost to properties in Chugiak, Girdwood and other areas**~~  
32 ~~**outside the Service Area.**~~  
33

34 Anchorage will also pledge its full faith and credit for payment of  
35 the bonds.  
36

37 (No. AO 2007-\_\_)  
38

1 Section 4. Submission of Question to Voters. The proposition, both for paper ballots  
 2 and machine ballots, shall be printed on a ballot which may set forth other general obligation  
 3 bond propositions, and the following words shall be added as appropriate and next to a square  
 4 provided for marking the ballot or voting by a machine:

5 PROPOSITION NO. \_\_\_\_\_ BONDS, YES   
 6 BONDS, NO

7 Section 5. Effective Dates. Section 2 of this ordinance shall become effective only if  
 8 the proposition described in Section 3 is approved by a majority of the qualified voters voting on  
 9 the proposition at the regular election held on April 3, 2007. The remaining sections of this  
 10 ordinance shall become effective upon passage and approval.

11 PASSED AND APPROVED by the Anchorage Assembly, this 13<sup>th</sup> day of  
 12 February 2007.

Don Sullivan  
 13 Chair

14 ATTEST:  
 15  
 16 Brian S. Dineen  
 17 Municipal Clerk  
 18  
 19  
 20  
 21

MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-30

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED THREE MILLION SEVENTY-FIVE THOUSAND DOLLARS (\$3,075,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FIRE PROTECTION CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE FIRE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 3, 2007.

---

Prepared by

K&L PRESTON GATES ELLIS LLP

MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-30

TABLE OF CONTENTS

	<u>Page</u>
Section 1. Purpose.....	1
Section 2. Details of Bonds.....	3
Section 3. Ballot Proposition .....	3
Section 4. Submission of Question to Voters .....	5
Section 5. Effective Dates.....	5

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects - General Government**

AO Number: 2007-30                      Title: \$3,075,000 - Anchorage Fire Service Area  
 Sponsor:  
 Preparing Agency: Public Finance and Investments  
 Others Impacted:

---

**CHANGES IN EXPENDITURES AND REVENUES:**                      (Thousands of Dollars)

---

	FY07	FY08	FY09	FY10	FY11
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	0	2,249	2,249	2,249	2,249
4000 Debt Service	0	252	252	252	252
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	<b>0</b>	<b>2,501</b>	<b>2,501</b>	<b>2,501</b>	<b>2,501</b>

ADD: 6000 Charge from Others  
 LESS: 7000 Charge to Others

FUNCTION COST:

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp.

---

**PUBLIC SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service of \$252,150 assumes bonds are sold as a package @ 5.25% interest, with bond repayments corresponding to the expected life of the assets financed of 5 to 20 years.

When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$2,249,100.

---

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$252,150 equate to an estimated property tax increase of .0092 mills or \$0.92 per year on \$100,000 of assessed valuation in the Anchorage Fire Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$2,249,100 and equate to an estimated property tax increase of .0819 mills or \$8.19 per year on \$100,000 of assessed valuation in the Anchorage Fire Service Area.

The total private sector economic effect would therefore be the increase in the Municipal tax cap limitation related to the payment of debt service and operations and maintenance costs as shown above for a total of \$9.11 per \$100,000 of assessed valuation in the Anchorage Fire Service Area.





# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM No. 100-2007

Meeting Date: January 30, 2007

1 **From:** Mayor

2  
3 **Subject:** An Ordinance for the Qualified Voters of Anchorage, Alaska in the Amount  
4 of \$3,075,000 of General Obligation Bonds for the Anchorage Fire Service  
5 Area  
6

7 The attached ordinance will place a \$3,075,000 general obligation bond proposition for  
8 the Anchorage Fire Service Area on the ballot for the regular Municipal election to be  
9 held on April 3, 2007.

10  
11 The administration recommends scheduling a public hearing for this bond ordinance on  
12 February 13, 2007.  
13

14 The Anchorage Fire Service Area bond will implement the priorities established in the  
15 recently approved 2007-2012 Capital Improvement Program. The bond provides funds  
16 for the purpose of paying the costs of acquiring property for replacement of support and  
17 rescue vehicles and related fire protection capital improvements within the Anchorage  
18 Fire Service Area.  
19

20 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY  
21 APPROVE THE PROPOSED ORDINANCE PLACING THE ANCHORAGE FIRE  
22 SERVICE AREA BOND PROPOSITION ON THE APRIL 3, 2007 BALLOT.  
23

24 Prepared by: Jeffrey E. Sinz, Chief Fiscal Officer  
25 Concurrence: Janet L. Mitson, Office of Management & Budget  
26 Concurrence: Denis C. LeBlanc, Municipal Manger  
27 Respectfully submitted: Mark Begich, Mayor  
28  
29  
30

AM 2007 Fire Prop

Municipality of Anchorage



DETAILED LIST OF 2007 BOND PROJECTS  
BY SERVICE AREA

PROJECT TITLE	G O			Federal	Other Funds	(000's)	
	Bonds	State	Total Project			Debt Service	O & M
<b>Anchorage Fire Service Area</b>							
NEW SEWARD HIGHWAY NEW ENGINE 12 W/EXPANSION	\$2,500	\$0	\$0	\$0	\$2,500	\$205.0	\$2,249.1
REPLACEMENT PUMPER (AFD) FIRST LINE RESPONSE	\$575	\$0	\$0	\$0	\$575	\$47.2	\$0.0
<b>TOTAL Anchorage Fire Service Area</b>	<b>\$3,075</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,075</b>	<b>\$252.2</b>	<b>\$2,249.1</b>

"It is the expectation of the Municipality of Anchorage that the general obligation bonds proposed for April 2007 will be used to make capital improvements to facilities in each service area noted. Project details describe how MOA expects to use the bond proceeds. However, as project development progresses, changes in scope, project feasibility, phasing, timeline, or estimated costs may occur that result in acceleration, delay, or substitution of projects."

**Content Information****Content ID :** 004756**Type:** Ordinance - AO**Title:** An Ordinance for the Qualified Voters of Anchorage in the Amount of \$3,075,000 of G.O. Bonds for the Anchorage Fire Service Area, Finance**Author:** pruittns**Initiating Dept:** Finance**Keywords:** G.O., Bonds, Voters, Fire Service, Area, \$3,075,000**Date Prepared:** 1/19/07 1:04 PM**Director Name:** Jeffrey E. Sinz**Assembly Meeting Date MM/DD/YY:** 1/30/07**Public Hearing Date MM/DD/YY:** 2/13/07

2007 JAN 22 AM 10:15  
 CLERKS OFFICE  
 M.O.A.

**Workflow History**

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
AllOrdinanceWorkflow	1/19/07 1:06 PM	Checkin	pruittns	Public	004756
Finance_SubWorkflow	1/19/07 2:02 PM	Approve	sinzje	Public	004756
OMB_SubWorkflow	1/19/07 2:03 PM	Approve	mitsonjl	Public	004756
Legal_SubWorkflow	1/19/07 2:05 PM	Approve	fehlenrl	Public	004756
MuniManager_SubWorkflow	1/19/07 2:08 PM	Approve	leblancdc	Public	004756
MuniMgrCoord_SubWorkflow	1/19/07 3:25 PM	Approve	abbottmk	Public	004756