MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-30


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

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

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

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

If all of the approved Equipment has been acquired, equipped and duly provided for, or found to be impractical, the Assembly may apply Bond proceeds or any portion thereof to other Municipality fire service capital improvements at its sole discretion. Otherwise, the Municipality shall apply such remaining proceeds solely to payment of principal or interest on the Bonds, as provided in the Home Rule Charter. In the event that the proceeds of sale of the Bonds, plus any other monies of the Municipality legally available, are insufficient to acquire the approved Equipment, the Assembly shall use the available funds for paying the cost of those portions of the approved Equipment deemed by the Municipality most necessary and in the best interest of
the Municipality. No Bond proceeds shall be used for any purpose other than a capital
improvement.

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

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

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

Section 3. Ballot Proposition. The Assembly hereby submits to the qualified electors
of the Municipality the proposition of whether or not the Municipality should issue the Bonds for
the purpose of financing the costs of the approved Equipment at the regular municipal election to
be held on April 3, 2007.
The Clerk shall prepare the ballot proposition to be submitted to the voters as provided by this ordinance and the Municipal Code and shall perform all necessary steps in accordance with law to place this proposition before the voters at the regular election. The proposition must receive a majority vote of those in the Municipality voting, both in the Anchorage Fire Service Area and areawide, on the question to be approved. The proposition shall be substantially in the following form:

PROPOSITION NO. ______

ANCHORAGE FIRE SERVICE AREA FIRE PROTECTION BONDS

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

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

The debt shall be paid from real and personal property taxes levied and collected within the Anchorage Fire Service Area. The debt shall be first paid from real and personal property taxes levied and collected within the Anchorage Fire Service Area, without cost to properties in Chugiak, Girdwood and other areas outside the Service Area.

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

(No. AO 2007-__)

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

PROPOSITION NO. _______  BONDS, YES ☐
BONDS, NO ☐

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

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

[Signature]
Chair

ATTEST:

[Signature]
Municipal Clerk
MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-30


Prepared by

K&L PRESTON GATES ELLIS LLP
MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-30

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<td>3</td>
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<td>Submission of Question to Voters</td>
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<td>Effective Dates</td>
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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)

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

SEE 2007 Fire Prop
MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 100-2007

Meeting Date: January 30, 2007

From: Mayor

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

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

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

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

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

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

AM 2007 Fire Prop
## Detailed List of 2007 Bond Projects

**By Service Area**

<table>
<thead>
<tr>
<th>Project Title</th>
<th>GO Bonds</th>
<th>State</th>
<th>Federal</th>
<th>Other Funds</th>
<th>Total Project</th>
<th>Debt Service</th>
<th>O &amp; M</th>
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<tr>
<td><strong>Anchorage Fire Service Area</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>NEW SEWARD HIGHWAY NEW ENGINE 12 W/EXPANSION</td>
<td>$2,500</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$2,500</td>
<td>$205.0</td>
<td>$2,249.1</td>
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<td>REPLACEMENT PUMPER (AFD) FIRST LINE RESPONSE</td>
<td>$575</td>
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<td>$0</td>
<td>$0</td>
<td>$575</td>
<td>$47.2</td>
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<tr>
<td><strong>TOTAL, Anchorage Fire Service Area</strong></td>
<td>$3,075</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$3,075</td>
<td>$252.2</td>
<td>$2,249.1</td>
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"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

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