

FUNDED DEBT RETIREMENT SCHEDULES

The City of Anchorage, Alaska
1960

CITY OF ANCHORAGE, ALASKA
1960 BUDGET - DEBT REQUIREMENTS

<u>Bond Issue by Purpose</u>	<u>Bonds Outstanding 1/1/60</u>	<u>Principal Due 1960</u>	<u>Accrued Interest 1960</u>	<u>Total Due 1960</u>
<u>General Purpose - General Fund Taxes</u>				
(1) 1936 Municipal Building (\$55,000 @ 4%)	\$ 9,000	\$ 2,000	\$ 280	\$ 2,280
(1) 1953 Library (\$350,000 @ 5%)	268,000	15,000	13,150	28,150
(1) 1954 Auditorium (\$120,000 @ 4 1/2%) (\$ 80,000 @ 4 1/4%)	125,000	15,000	5,144	20,144
(1) Parks & Recreation (\$26,000 @ 3%) (\$149,000 @ 3 1/2% + 1% first 2 years)	149,000	10,000	5,040	15,040
(1) APW 50-A-60 Warehouse (\$124,650 @ 2%)	110,000	5,000	2,125	7,125
(1) APW 50-A-61 Govt. Hill Fire Station (\$68,000 @ 2%)	62,000	6,000	1,180	7,180
(1) 1960 Public Safety Bldg. (\$1,750,000 to be issued)			36,000	36,000
Total General Purpose	\$ <u>723,000</u>	\$ <u>53,000</u>	\$ <u>62,919</u>	\$ <u>115,919</u>
<u>Sewer Improvements - Special Assessments</u>				
(1) 1949 Outfall Sewer (\$225,000 @ 3 3/4%)	\$ 135,000	\$ 10,000	\$ 4,781	\$ 14,781
(1) 1956 Sewer (\$150,000 @ 3 1/4% + 1% first 2 years)	105,000	20,000	3,088	23,088
(1) APW 50-A-178 Sewer (\$66,000 @ 2%)	52,000	7,000	923	7,923
(1) APW 50-A-179 Sewer (\$51,000 @ 2%)	27,000	9,000	405	9,405
(1) APW 50-A-179 Sewer (\$167,000 @ 2%)	155,000	30,000	2,800	32,800
(1) APW 50-A-181 Sewer (\$19,000 @ 2%)	4,000	4,000	34	4,034
(1) APW 50-A-291 Sewer (\$90,000 @ 2%)	90,000	15,000	1,500	16,500
(1) 1958 Sewer (\$160,000 @ 4%) (\$ 10,000 @ 4 1/2%) (\$ 45,000 @ 5%)	200,000	15,000	7,725	22,725
(1) 1959 Sewer (\$125,000 @ 6%) (\$262,000 @ 4 1/2%) (\$356,000 @ 4%) (\$ 12,000 @ 4 1/4%) (\$ 30,000 @ 4.7%)	785,000	125,000	31,700	156,700
(1) 1960 Sewer (\$1,500,000 to be issued)			30,000	30,000
Total Sewer Improvements	\$ <u>1,553,000</u>	\$ <u>235,000</u>	\$ <u>82,956</u>	\$ <u>317,956</u>
<u>Street Improvements - Special Assessments</u>				
(1) 1954 Street Improvements (\$650,000 @ 4 1/2%) (\$850,000 @ 4 1/2%)	\$ 850,000	\$ 140,000	\$ 33,646	\$ 173,646

	Bonds Outstanding 1960	Principal Due 1960	Accrued Interest 1960	Total Due 1960
Street Improvements - Special Assessments (Cont'd)				
(1) 1955 Street Improvements (\$300,000 @ 3%)	\$ 200,000	\$ 30,000	\$ 5,550	\$ 35,550
(1) 1956 Street Improvements (\$770,000 @ 3 1/4%) (\$730,000 @ 3 1/2%)	1,177,000	160,000	37,395	197,395
(1) 1956 Bridge (\$100,000 @ 3 1/2%)	70,000	10,000	2,421	12,421
(3) APW 50-A-56 Street Improvement (\$95,000 @ 2%)	29,353	11,733	392	12,125
(1) 1958 Street Improvement (\$135,000 @ 3 1/2% + 1% first year)	120,000	15,000	3,763	18,763
(1) 1959 Street Improvement (\$240,000 @ 6%) (\$460,000 @ 4 1/2%) (\$600,000 @ 4 1/4%)	1,300,000	120,000	57,000	177,000
(1) 1960 Street Improvement (\$1,500,000 to be issued)			30,000	30,000
Total Street Improvements.	\$ 3,746,353	\$ 486,733	\$ 170,167	\$ 656,900
Port and Terminal Facilities				
(1) Port Improvement (\$360,000 @ 4.1%) (\$360,000 @ 4.05%) (\$480,000 @ 4%) (\$800,000 @ 4.75%) (plus 1% first 5 years)	\$ 1,975,000	\$ 30,000	\$ 86,884	\$ 116,884
(2) Port and Terminal Facilities (\$4,885,000 @ 5.4%) (\$1,315,000 @ 5%)(+ 1% first 10 years)	6,200,000		372,000	372,000
Total Port and Terminal Facilities	\$ 8,175,000	\$ 30,000	\$ 458,884	\$ 488,884
Telephone Utility				
(1) 1948 Automatic Dial Telephone (\$650,000 @ 3 3/4%)	\$ 390,000	45,000	14,063	59,063
(1) 1949 Automatic Dial Telephone (\$275,000 @ 3 3/4%)	185,000	10,000	6,656	16,656
(1) 1951 Telephone (\$825,000 @ 3 3/4%)	440,000	50,000	15,875	65,875
(1) 1953 Telephone (\$600,000 @ 5%)	285,000	50,000	13,417	63,417
(1) 1954 Telephone (\$430,000 @ 4 1/4%) (\$195,000 @ 3 3/4%)	375,000	45,000	14,166	59,166
(1) 1956 Telephone (\$275,000 @ 3 1/2% + 1% first 2 years)	210,000	20,000	7,000	27,000
(2) 1955 Telephone (\$1,500,000 @ 4 1/2% first 1 1/2 years, 3 1/2% thereafter)	1,150,000	100,000	38,500	138,500

	Bonds Outstanding <u>1960</u>	Principal Due <u>1960</u>	Accrued Interest <u>1960</u>	Total Due <u>1960</u>
Telephone Utility - (Cont'd)				
(2) 1958 Telephone (\$325,000 @ 4 1/4%) (\$925,000 @ 4%) (\$570,000 @ 3 3/4%) (\$560,000 @ 3 1/2%) (\$620,000 @ 3%) (plus 1% first 2 years)	\$ 2,852,000	\$ 150,000	\$ 106,884	\$ 256,884
Total Telephone	<u>\$ 5,887,000</u>	<u>\$ 470,000</u>	<u>\$ 216,561</u>	<u>\$ 686,561</u>

Water Utility

(1) 1949 Gravity Water System (\$1,200,000 @ 3 3/4%)	\$ 710,000	\$ 65,000	\$ 24,797	\$ 89,797
(1) 1956 Water Extension (\$275,000 @ 3 1/2%) (\$175,000 @ 3 1/4%)	400,000	20,000	14,088	34,088
(1) APW 50-A-62 Water Distribution (\$42,000 @ 2%)	30,000	5,000	534	5,534
(1) APW 50-A-157 Water Distribution (\$25,000 @ 2%)	5,000	5,000	59	5,059
(1) APW 50-A-177 Water Distribution (\$249,000 @ 2%)	210,000	15,000	4,000	19,000
(1) APW 50-A-181 Water Distribution (\$33,000 @ 2%)	25,000	2,000	477	2,477
(2) APW 50-A-157 Water Distribution (\$600,000 @ 2%)	518,000	23,000	10,168	33,168
(1) APW 50-A-198 Water Distribution (\$264,000 @ 2%)	234,000	10,000	4,663	14,663
(1) 1959 G.O. Water Bonds (\$ 60,000 @ 6%) (\$ 30,000 @ 4 1/2%) (\$150,000 @ 4%)	240,000	30,000	10,050	40,050
(1) 1959 APW 50-A-157, Well and Pumphouse (\$30,000 @ 2%)	30,000	5,000	500	5,500
1960 Water Revenue Bonds			50,000	50,000
1960 Water General Obligation Bonds			20,000	20,000
Total Water.	<u>\$ 2,402,000</u>	<u>\$ 180,000</u>	<u>\$ 139,336</u>	<u>\$ 319,336</u>
TOTAL DEBT REQUIREMENT	<u>\$ 22,486,353</u>	<u>\$ 1,454,733</u>	<u>\$ 1,130,823</u>	<u>\$ 2,585,556</u>

RECAPITULATION OF DEBT REQUIREMENTS, BY TYPE

(1) Total General Obligation Bonds	\$ 11,737,000	\$ 1,170,000	\$ 602,879	\$ 1,772,879
(2) Total Utility Revenue Bonds	10,720,000	273,000	527,552	800,552
(3) Total Certificates of Indebtedness	<u>29,353</u>	<u>11,733</u>	<u>392</u>	<u>12,125</u>
TOTAL DEBT REQUIREMENTS	<u>\$ 22,486,353</u>	<u>\$ 1,454,733</u>	<u>\$ 1,130,823</u>	<u>\$ 2,585,556</u>

1960 WORK PROGRAM - ANNUAL DEBT SERVICE REQUIREMENTS

- EXPLANATIONS FOR:
- (1) CONTRIBUTION TO SPECIAL ASSESSMENT FUNDS
 - (2) INTEREST EXPENSE
 - (3) GENERAL FUND BOND MATURITIES
 - (4) PRINCIPAL PAYMENTS TO ALASKA PUBLIC WORKS
 - (5) PORT BOND PRINCIPAL AND INTEREST

The debt service charges to be paid from General Fund revenues include five categories, as listed above. Since these expenditures are closely interrelated, the explanations are combined in one narrative.

The remarkable growth of Anchorage has resulted in public need and public demand for improved facilities at all levels of government. This has resulted in major requirements for capital expenditures for streets, sewers, public buildings, and utility plant. Obviously, it is impossible to finance these projects, except on a small scale, without resorting to the sale of bonds.

The 1960 budget reflects the impact of the increased debt service caused by the capital improvement program in effect for the past several years. For example, the interest cost payable from General Fund revenues has increased during the past eight years from \$30,000 to \$402,924 during 1960. This constitutes 22% of the anticipated property tax revenues for 1960. One of the major contributing factors to this increase is that Alaska law provides that all interest on both general purpose and special assessment bonds must be repaid from General Fund revenues. In many cities elsewhere, the interest costs on special assessment bonds are assessed to the property owners as part of the cost of improvement. In these places, payment of interest by the property owners encourages early payment of the assessments, which permits the cities to call bonds before the due dates. Of the \$402,924 previously mentioned, \$256,426 is attributable to special assessment bonds, \$86,884 to General Obligation Port Bonds and \$59,614 to general purpose indebtedness. The \$256,426 figure includes \$30,000 interest estimated for 1960 on a \$1,500,000 issue of street improvement bonds, on a \$1,500,000 issue of sewer bonds, and \$36,000 interest estimated on a \$1,750,000 issue of bonds for the Public Safety Building. The dates thereof are forecast as June, 1960.

In addition to the interest charges, principal payments must also be met. Payments by the affected property owners defray approximately 55% of the principal payments required for special assessment bonds. The balance due on these bonds plus the entire amount due on general purpose bonds must be paid from General Fund revenues. To summarize the principal payments required for 1960, \$291,977 will be needed for special assessment bonds; \$30,000 for general obligation port bonds; and \$53,000 for general purpose bonds, a total of \$374,977. This constitutes 21% of the property tax revenues in 1960. The total debt service consumes 43% of the tax revenues.

The following table exhibits the total General Fund debt service for the past eight years:

1953	\$ 98,390
1954	160,090
1955	268,160
1956	346,257
1957	441,010
1958	429,449
1959	619,185
1960	777,901

In addition, property owners will pay approximately \$429,756 as special assessment payments in 1960.

It is apparent that the saturation point has almost been reached as to debt service which can be handled under the present revenue structure of the City.

It is hoped that under Statehood, Anchorage will be able to broaden its revenue bases in order to finance properly the existing backlog of needed capital improvements.