

FUNDED DEBT RETIREMENT SCHEDULES

**The City of Anchorage, Alaska
1961**

CITY OF ANCHORAGE, ALASKA
1960 BUDGET - DEBT REQUIREMENTS

<u>Bond Issue by Purpose</u>	<u>Bonds Outstanding 1/1/61</u>	<u>Principal Due 1961</u>	<u>Accrued Interest 1961</u>	<u>Total Due 1961</u>
General Purpose - General Fund Taxes				
(1) 1936 Municipal Building (\$55,000 @ 4%)	\$ 7,000	\$ 2,000	\$ 200	\$ 2,200
(1) 1953 Library (\$350,000 @ 5%)	253,000	16,000	12,383	28,383
(1) 1954 Auditorium (\$120,000 @ 4 1/2%) (\$ 80,000 @ 4 1/4%)	110,000	15,000	4,469	19,469
(1) 1956 Parks and Recreation (\$26,000 @ 3%) (\$149,000 @ 3 1/2% + 1% first 2 years)	139,000	10,000	4,690	14,690
(1) APW 50-A-60 Warehouse (\$124,650 @ 2%)	105,000	10,000	1,950	11,950
(1) APW 50-A-61 Government Hill Fire Station (\$68,000 @ 2%)	56,000	6,000	1,060	7,060
(1) 1960 Public Safety Bldg. (\$270,000 @ 5 1/4%) (\$300,000 @ 4 1/4%) (\$430,000 @ 4 1/2%)	1,000,000	40,000	45,225	85,225
(1) 1960 Parks & Recreation (\$ 60,000 @ 5 1/4%) (\$ 60,000 @ 4 1/4%) (\$ 5,000 @ 4 1/2%)	125,000	10,000	5,662	15,662
(1) 1961 Public Safety Bldg. (\$750,000 to be issued)			18,750	18,750
(1) 1961 Parks & Recreation (\$150,000 to be issued)			3,750	3,750
Total General Purpose	<u>\$ 1,795,000</u>	<u>\$ 109,000</u>	<u>\$ 98,139</u>	<u>\$ 207,139</u>
Sewer Improvements - Special Assessments				
(1) 1949 Outfall Sewer (\$225,000 @ 3 3/4%)	\$ 125,000	\$ 10,000	\$ 4,406	\$ 14,406
(1) 1956 Sewer (\$150,000 @ 3 1/4%)	85,000	20,000	2,438	22,438
(1) APW 50-A-198 Sewer (\$66,000 @ 2%)	45,000	7,000	783	7,783
(1) APW 50-A-179 Sewer (\$51,000 @ 2%) Unit 1	18,000	9,000	225	9,225
(1) APW 50-A-179 Sewer (\$167,000 @ 2%) Unit 2	125,000	35,000	2,150	37,150
(1) APW 50-A-291 Sewer (\$ 90,000 @ 2%)	66,000	15,000	1,020	16,020
(1) 1958 Sewer (\$160,000 @ 4%) (\$ 10,000 @ 4 1/2%) (\$ 45,000 @ 5%)	215,000	15,000	6,975	21,975
(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	25,138	150,138
(1) 1960 Sewer - (\$220,000 @ 4%)	220,000	11,000	8,580	19,580

	Bonds Outstanding 1/1/61	Principal Due 1961	Accrued Interest 1961	Total Due 1961
<u>Sewer Improvements - Special Assessments (Cont'd)</u>				
(1) 1960 Sewer (\$1,000,000 @ 3.9%)	\$ 1,000,000	\$ 200,000	\$ 35,100	\$ 235,100
(1) 1960 Sewer (\$ 617,000 @ 2%)	561,000	57,000	11,125	68,125
(1) 1961 Sewer (\$1,000,000 to be issued)			25,000	25,000
Total Sewer Improvements	\$ 3,245,000	\$ 504,000	\$ 122,940	\$ 626,940
<u>Street Improvements - Special Assessments</u>				
(1) 1954 Street Improvements (\$650,000 @ 4 1/2%) (\$850,000 @ 4 1/2%)	\$ 710,000	\$ 140,000	\$ 27,696	\$ 167,696
(1) 1955 Street Improvements (\$300,000 @ 3%)	170,000	30,000	4,650	34,650
(1) 1956 Street Improvements (\$770,000 @ 3 1/4%) (\$730,000 @ 3 1/2%)	1,017,000	160,000	32,195	192,195
(3) APW 50-A-56 Street Improvements (\$95,000 @ 2%)	17,620	11,968	150	12,118
(1) 1958 Street Improvement (\$135,000 @ 3 1/2% + 1% first year)	105,000	15,000	3,238	18,238
(1) 1959 Street Improvement Bonds (\$240,000 @ 6%) (\$460,000 @ 4 1/2%) (\$600,000 @ 4 1/4%)	1,300,000	120,000	49,800	169,800
(1) 1960 Street Improvement (\$600,000 @ 5%) (\$750,000 @ 4%) (\$150,000 @ 4 1/4%)	1,500,000	150,000	62,625	212,625
(1) 1956 Bridge (\$100,000 @ 3 1/2%)	60,000	10,000	2,071	12,071
(1) 1961 Street Improvement (\$465,000 to be issued)			11,625	11,625
Total Street Improvements	\$ 4,879,620	\$ 636,968	\$ 194,050	\$ 831,018
<u>Port and Terminal Facilities</u>				
(1) 1958 Port Improvement (\$360,000 @ 4.1%) (\$360,000 @ 4.05%) (\$480,000 @ 4%) (\$800,000 @ 4.75%) (plus 1% first 5 years)	\$ 1,945,000	\$ 40,000	\$ 84,919	\$ 124,919
(2) Port and Terminal Facilities (\$4,885,000 @ 5.4%) (\$1,315,000 @ 5%)(+ 1% first 10 years)	6,200,000	0	372,000	372,000
Total Port and Terminal Facilities	\$ 8,145,000	\$ 40,000	\$ 456,919	\$ 496,919
<u>Telephone Utility</u>				
(1) 1948 Automatic Dial Telephone (\$650,000 @ 3 3/4%)	\$ 341,000	\$ 41,000	\$ 10,400	\$ 51,400
(1) 1949 Automatic Dial Telephone (\$275,000 @ 3 3/4%)	175,000	15,000	6,141	21,141
(1) 1951 Telephone (\$825,000 @ 3 3/4%)	390,000	50,000	14,000	64,000
(1) 1953 Telephone (\$600,000 @ 5%)	235,000	50,000	10,917	60,917

	Bonds Outstanding 1/1/61	Principal Due 1961	Accrued Interest 1961	Total Due 1961
Telephone Utility (Cont'd)				
(1) 1954 Telephone (\$430,000 @ 4 1/4%) (\$195,000 @ 3 3/4%)	\$ 330,000	\$ 45,000	\$ 12,253	\$ 57,253
(2) 1955 Telephone (\$1,500,000 @ 4 1/2% first 1 1/2 years, 3 1/2% thereafter)	1,050,000	100,000	35,000	135,000
(1) 1956 Telephone (\$275,000 @ 4.5%)	190,000	20,000	6,300	26,300
(2) 1958 Telephone (\$325,000 @ 4 1/4%) (\$925,000 @ 4%) (\$570,000 @ 3 3/4%) (\$560,000 @ 3 1/2%) (\$620,000 @ 3%)	2,687,000	160,000	96,768	256,768
(2) 1961 Telephone (\$750,000 to be issued)			18,750	18,750
Total Telephone	<u>\$ 5,398,000</u>	<u>\$ 481,000</u>	<u>\$ 210,529</u>	<u>\$ 691,529</u>
Water Utility				
(1) 1949 Gravity Water System (\$1,200,000 @ 3 3/4%)	\$ 645,000	\$ 65,000	\$ 22,359	\$ 87,359
(1) 1956 Water Extension (\$275,000 @ 3 1/2%) (\$175,000 @ 3 1/4%)	380,000	20,000	13,388	33,388
(1) APW 50-A-62 Water Distribution (\$42,000 @ 2%)	25,000	5,000	433	5,433
(2) APW 50-A-157 Water Distribution (\$600,000 @ 2%)	495,000	33,000	9,625	42,625
(1) APW 50-A-177 Water Distribution (\$249,000 @ 2%)	195,000	15,000	3,700	18,700
(1) APW 50-A-181 Water Distribution (\$ 33,000 @ 2%)	23,000	2,000	438	2,438
(1) APW 50-A-198 Water Distribution (\$272,571 @ 2%)	224,000	10,000	4,463	14,463
(1) 1959 G.O. Water Bonds (\$60,000 @ 6%) (\$30,000 @ 4 1/2%) (\$150,000 @ 4%)	210,000	30,000	8,250	38,250
(1) 1959 APW 50-A-157 Well and Pumphouse (\$30,000 @ 2%)	25,000	5,000	400	5,400
(1) 1960 Water Improvement (\$300,000 @ 5 1/4%) (\$300,000 @ 4 1/4%) (\$400,000 @ 4 1/2%)	1,000,000	50,000	45,188	95,188
(1) APW 50-A-245 Water Distribution (\$192,000 @ 2%)	192,000	12,000	3,840	15,840
(2) 1960 Water Revenue (\$1,250,000 @ 4%)	1,250,000	65,000	48,700	113,700
(1) 1961 Water Filtration Plant (\$1,000,000 to be issued)			22,500	22,500
Total Water	<u>\$ 4,664,000</u>	<u>\$ 312,000</u>	<u>\$ 183,284</u>	<u>\$ 495,284</u>

	Bonds Outstanding 1/1/61	Principal Due 1961	Accrued Interest 1961	Total Due 1961
TOTAL DEBT REQUIREMENT	\$ 28,126,620	\$ 2,082,968	\$ 1,265,861	\$ 3,348,829

RECAPITULATION OF DEBT REQUIREMENTS, BY TYPE

(1) Total General Obligation Bonds	\$ 16,427,000	\$ 1,713,000	\$ 684,868	\$ 2,397,868
(2) Total Utility Revenue Bonds	11,682,000	358,000	580,843	938,843
(3) Total Certificates of Indebtedness	<u>17,620</u>	<u>11,968</u>	<u>150</u>	<u>12,118</u>
TOTAL DEBT REQUIREMENTS	<u>\$ 28,126,620</u>	<u>\$ 2,082,968</u>	<u>\$ 1,265,861</u>	<u>\$ 3,348,829</u>

1961 WORK PROGRAM -- ANNUAL DEBT SERVICE REQUIREMENTS

EXPLANATIONS FOR: (1) CONTRIBUTION TO SPECIAL ASSESSMENT FUNDS
(2) INTEREST EXPENSE
(3) BOND PRINCIPAL RETIREMENT

The debt service charges to be paid from General Fund revenues include three 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 1961 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 \$500,048 during 1961. This constitutes 23% of the anticipated property tax revenues for 1961. 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 \$500,048 previously mentioned, \$316,990 is attributable to special assessment bonds, \$84,919 to General Obligation Port Bonds and \$98,139 to general purpose indebtedness. These figures include \$18,750 interest estimated for 1961 on a \$750,000 issue of bonds for the Public Safety Building, \$3,750 interest estimated for \$150,000 of Parks and Recreation Bonds, \$25,000 interest on \$1,000,000 of sewer bonds and \$11,625 interest on \$465,000 of street improvement bonds. July 1, 1961 is forecast as the date of sale.

In addition to the interest charges, principal payments must also be met. During 1961 payments by the affected property owners defray approximately 62% 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 1961, \$429,979 will be needed for special assessment bonds; \$40,000 for general obligation port bonds; and \$109,000 for general purpose bonds, a total of \$578,979. This constitutes 26% of the property tax revenues in 1961. The total debt service consumes 49% of the tax revenues.

The following table exhibits the total General Fund debt service for the past nine 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
1961	1,079,027

In addition, property owners will pay approximately \$710,989 as special assessment payments in 1961.

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 Anchorage will be able to broaden its revenue bases in order to finance properly the existing backlog of needed capital improvements.