

**FUNDED DEBT RETIREMENT SCHEDULES**

**The City of Anchorage, Alaska  
1962**

CITY OF ANCHORAGE, ALASKA  
1961 BUDGET - DEBT REQUIREMENTS

<u>Bond Issue by Purpose</u>	<u>Bonds Outstanding 1/1/62</u>	<u>Principal Due 1962</u>	<u>Accrued Interest 1962</u>	<u>Total Due 1962</u>
<u>General Purpose - General Fund Taxes</u>				
(1) 1936 Municipal Building (\$55,000 @ 4%)	\$ 5,000	\$ 2,000	\$ 120	\$ 2,120
(1) 1953 Library (\$350,000 @ 5%)	237,000	16,000	11,583	27,583
(1) 1954 Auditorium (\$120,000 @ 4 1/2%) (\$ 80,000 @ 4 1/4%)	95,000	15,000	3,794	18,794
(1) 1956 Parks and Recreation (\$26,000 @ 3%) (\$149,000 @ 3 1/2% + 1% first 2 years)	129,000	10,000	4,340	14,340
(1) APW 50-A-60 Warehouse (\$124,650 @ 2%)	95,000	10,000	1,750	11,750
(1) APW 50-A-61 Government Hill Fire Station (\$68,000 @ 2%)	50,000	6,000	940	6,940
(1) 1960 Public Safety Bldg. (\$270,000 @ 5 1/4%) (\$300,000 @ 4 1/4%) (\$430,000 @ 4 1/2%)	960,000	40,000	43,125	83,125
(1) 1960 Parks & Recreation (\$ 60,000 @ 5 1/4%) (\$ 60,000 @ 4 1/4%) (\$ 5,000 @ 4 1/2%)	115,000	10,000	5,138	15,138
(1) 1961 Public Safety Bldg. (\$250,000 @ 4.1/2%) (\$100,000 @ 3.1/2%) (\$100,000 @ 3.3/4%) (\$ 50,000 @ 4 %) (\$150,000 @ 4.1%) (\$100,000 @ 4.2%)	750,000	50,000	30,100	80,100
(1) 1961 Parks & Recreation (\$150,000 @ 3 1/2%)	150,000	20,000	5,017	25,017
Total General Purpose . . . . .	<u>\$ 2,586,000</u>	<u>\$ 179,000</u>	<u>\$ 105,907</u>	<u>\$ 284,907</u>
<u>Sewer Improvements - Special Assessments</u>				
(1) 1949 Outfall Sewer (\$225,000 @ 3 3/4%)	\$ 115,000	\$ 10,000	\$ 4,031	\$ 14,031
(1) 1956 Sewer (\$150,000 @ 3 1/4%)	65,000	20,000	1,787	21,787
(1) APW 50-A-198 Sewer (\$66,000 @ 2%)	38,000	7,000	643	7,643
(1) APW 50-A-179 Sewer (\$51,000 @ 2%) Unit 1	9,000	9,000	45	9,045
(1) APW 50-A-179 Sewer (\$167,000 @ 2%) Unit 2	90,000	35,000	1,450	36,450
(1) APW 50-A-291 Sewer (\$ 90,000 @ 2%)	51,000	15,000	720	15,720
(1) 1958 Sewer (\$160,000 @ 4%) (\$ 10,000 @ 4 1/2%) (\$ 45,000 @ 5%)	170,000	10,000	6,475	16,475

	Bonds Outstanding 1/1/62	Principal Due 1962	Accrued Interest 1962	Total Due 1962
<u>Sewer Improvements - Special Assessments (Cont'd.)</u>				
(1) 1959 (\$125,000 @ 6%) (\$262,000 @ 4 1/2%) (\$356,000 @ 4%) (\$ 12,000 @ 4 1/4%) (\$ 30,000 @ 4.7%)	\$ 535,000	\$ 125,000	\$ 19,513	\$ 144,513
(1) 1960 Sewer - (\$220,000 @ 4%)	209,000	11,000	8,140	19,140
(1) 1960 Sewer (\$1,000,000 @ 3.9%)	800,000	200,000	27,300	227,300
(1) 1960 Sewer (\$ 617,000 @ 2%)	504,000	58,000	9,983	67,983
(1) 1961 Sewer (\$ 600,000 @ 3 1/4%)	600,000	120,000	18,200	138,200
(1) 1961 Sewer (\$ 371,000 @ 3 1/4%)	371,000	71,000	11,288	82,288
Total Sewer Improvements	<u>\$ 3,557,000</u>	<u>\$ 691,000</u>	<u>\$ 109,575</u>	<u>\$ 800,575</u>
<u>Street Improvements - Special Assessments</u>				
(1) 1954 Street Improvements (\$650,000 @ 4 1/2%) (\$850,000 @ 4 1/2%)	\$ 570,000	\$ 140,000	\$ 21,746	\$ 161,746
(1) 1955 Street Improvements (\$300,000 @ 3%)	140,000	30,000	3,750	33,750
(1) 1956 Street Improvements (\$770,000 @ 3 1/4%) (\$730,000 @ 3 1/2%)	857,000	160,000	26,995	186,995
(3) APW 50-A-56 Street Improvements (\$95,000 @ 2%)	5,652	5,652	-0-	5,652
(1) 1958 Street Improvement (\$135,000 @ 3 1/2% + 1% first year)	90,000	15,000	2,713	17,713
(1) 1959 Street Improvement Bonds (\$240,000 @ 6%) (\$460,000 @ 4 1/2%) (\$600,000 @ 4 1/4%)	1,060,000	120,000	43,500	163,500
(1) 1960 Street Improvement (\$600,000 @ 5%) (\$750,000 @ 4%) (\$150,000 @ 4 1/4%)	1,350,000	150,000	55,125	205,125
(1) 1956 Bridge (\$100,000 @ 3 1/2%)	50,000	10,000	1,721	11,721
(1) 1961 Street Improvement (\$465,000 @ 3.7%)	465,000	50,000	16,588	66,588
Total Street Improvements . . . . .	<u>\$ 4,587,652</u>	<u>\$ 680,652</u>	<u>\$ 172,138</u>	<u>\$ 852,790</u>
<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)	\$ 1,905,000	\$ 55,000	\$ 82,260	\$ 137,260
(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	<u>\$ 8,105,000</u>	<u>\$ 55,000</u>	<u>\$ 454,260</u>	<u>\$ 509,260</u>

	Bonds Outstanding 1/1/62	Principal Due 1962	Accrued Interest 1962	Total Due 1962
<u>Telephone Utility</u>				
(1) 1948 Automatic Dial Telephone (\$650,000 @ 3 3/4%)	\$ 300,000	\$ 40,000	\$ 10,750	\$ 50,750
(1) 1949 Automatic Dial Telephone (\$275,000 @ 3 3/4%)	160,000	15,000	5,578	20,578
(1) 1951 Telephone (\$825,000 @ 3 3/4%)	340,000	50,000	12,125	62,125
(1) 1953 Telephone (\$600,000 @ 5%)	185,000	50,000	8,417	58,417
(1) 1954 Telephone (\$430,000 @ 4 1/4%) (\$195,000 @ 3 3/4%)	285,000	45,000	10,341	55,341
(2) 1955 Telephone (\$1,500,000 @ 4 1/2% first 1 1/2 years, 3 1/2% thereafter)	950,000	100,000	31,500	131,500
(1) 1956 Telephone (\$275,000 @ 4.5%)	170,000	20,000	5,600	25,600
(2) 1958 Telephone (\$325,000 @ 4 1/4%) (\$925,000 @ 4%) (\$570,000 @ 3 3/4%) (\$560,000 @ 3 1/2%) (\$620,000 @ 3%)	2,527,000	170,000	91,718	261,718
(2) 1961 Telephone (\$500,000 @ 4 1/4%) (\$250,000 @ 4.4%)	750,000	50,000	31,542	81,542
1962 Telephone (\$750,000 to be issued)			18,750	18,750
Total Telephone . . . . .	<u>\$ 5,667,000</u>	<u>\$ 540,000</u>	<u>\$ 226,321</u>	<u>\$ 766,321</u>
<u>Water Utility</u>				
(1) 1949 Gravity Water System (\$1,200,000 @ 3 3/4%)	\$ 580,000	\$ 65,000	\$ 19,922	\$ 84,922
(1) 1956 Water Extension (\$275,000 @ 3 1/2%) (\$175,000 @ 3 1/4%)	360,000	20,000	12,688	32,688
(1) APW 50-A-62 Water Distribution (\$42,000 @ 2%)	20,000	5,000	333	5,333
(2) APW 50-A-157 Water Distribution (\$600,000 @ 2%)	462,000	33,000	8,964	41,964
(1) APW 50-A-177 Water Distribution (\$249,000 @ 2%)	180,000	15,000	3,400	18,400
(1) APW 50-A-181 Water Distribution (\$ 33,000 @ 2%)	21,000	2,000	397	2,397
(1) APW 50-A-198 Water Distribution (\$272,571 @ 2%)	214,000	13,000	4,275	17,275
(1) 1959 G.O. Water Bonds (\$60,000 @ 6%) (\$30,000 @ 4 1/2%) (\$150,000 @ 4%)	180,000	30,000	6,675	36,675
(1) 1959 APW 50-A-157 Well and Pumphouse (\$30,000 @ 2%)	20,000	5,000	300	5,300
(1) 1960 Water Improvement (\$300,000 @ 5 1/4%) (\$300,000 @ 4 1/4%) (\$400,000 @ 4 1/2%)	950,000	50,000	42,563	92,563
(1) APW 50-A-245 Water Distribution (\$192,000 @ 2%)	192,000	12,000	3,680	15,680
(2) 1960 Water Revenue (\$1,250,000 @ 4%)	1,185,000	65,000	46,100	111,100

	<u>Bonds Outstanding 1/1/62</u>	<u>Principal Due 1962</u>	<u>Accrued Interest 1962</u>	<u>Total Due 1962</u>
<u>Water Utility (Cont'd.)</u>				
(1) 1961 Water Filtration Plant (\$350,000 @ 4 1/2%) (\$ 50,000 @ 3 3/4%) (\$100,000 @ 4%) (\$150,000 @ 4.1%) (\$150,000 @ 4.2%) (\$200,000 @ 4 1/4%)	\$ 1,000,000	\$ 50,000	\$ 41,825	\$ 91,825
1962 Water Filtration Plant (\$800,000 to be issued)			20,000	20,000
Total Water . . . . .	\$ 5,364,000	\$ 365,000	\$ 211,122	\$ 576,122
 TOTAL DEBT REQUIREMENT . . . . .	 \$ 29,866,652	 \$ 2,510,652	 \$ 1,279,323	 \$ 3,789,975
 <u>RECAPITULATION OF DEBT REQUIREMENTS BY TYPE</u>				
(1) Total General Obligation Bonds	\$ 17,787,000	\$ 2,177,000	\$ 658,749	\$ 2,745,749
(2) Total Utility Revenue Bonds	12,074,000	328,000	620,574	1,038,574
(3) Total Certificates of Indebtedness	<u>5,652</u>	<u>5,652</u>	<u>-0-</u>	<u>5,652</u>
 TOTAL DEBT REQUIREMENTS	 \$ 29,866,652	 \$ 2,510,652	 \$ 1,279,323	 \$ 3,789,975

## 1962 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 1962 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 \$469,880 during 1962. This constitutes 21% of the anticipated property tax revenues for 1962. 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 \$469,880 previously mentioned, \$281,713 is attributable to special assessment bonds, \$82,260 to General Obligation Port Bonds and \$105,907 to general purpose indebtedness.

In addition to the interest charges, principal payments must also be met. During 1962 payments by the affected property owners defray approximately 60% 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 1962, \$555,200 will be needed for special assessment bonds; \$55,000 for general obligation port bonds; and \$179,000 for general purpose bonds, a total of \$789,200. This constitutes 36% of the property tax revenues in 1962. The total debt service consumes 57% of the tax revenues.

The following table exhibits the General Fund debt service for the years 1958 thru 1962 and relates the total to tax revenues.

C O M P A R I S O N

DEBT SERVICE AND TAX REVENUES

	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>
<u>INTEREST EXPENSE</u>					
General Purpose Bonds	\$ 32,813	\$ 29,188	\$ 53,018	\$ 87,447	\$ 105,907
Special Assessment Bonds	141,437	162,082	256,566	296,619	281,713
Port Bonds	37,099	88,441	86,884	84,919	82,260
<u>BOND MATURITIES</u>					
General Purpose Bonds	74,000	77,000	53,000	109,000	179,000
Special Assessment Bonds (General Fund Share)	188,233	228,564	291,977	444,979	555,200
Port Bonds	<u>-0-</u>	<u>25,000</u>	<u>30,000</u>	<u>40,000</u>	<u>55,000</u>
TOTAL DEBT SERVICE	\$ 473,582	\$ 610,275	\$ 771,445	\$ 1,062,964	\$ 1,259,080
TAX REVENUES	\$ 1,141,894	\$ 1,355,566	\$ 1,882,472	\$ 2,132,000	\$ 2,200,000
<u>PERCENTAGE OF TAX REVENUES</u>					
<u>REQUIRED FOR DEBT SERVICE</u>	42%	45%	41%	50%	57%