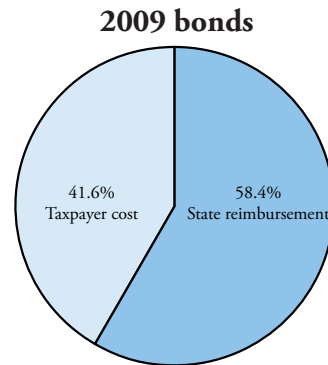


Lowering taxpayer cost

Props 1 and 2 qualify for reimbursement funding from the state, which significantly reduces the need for local taxes. The legislature has approved a debt reimbursement plan that will provide 60-70 percent reimbursement on all proposed bond projects, with the exception of the districtwide site selection. The debt reimbursement plan is subject to annual legislative appropriation process, just like all other state spending. However, it is important to note the legislature has funded 100 percent of the state's debt obligation since 1992.

Building and maintaining schools is an investment made by the community. Local costs of both propositions, with reimbursement, is \$10.63 per year per \$100,000 of assessed property value. This year's projects will not increase annual operations and maintenance costs, therefore the district is not asking for an increase to the tax cap.



Debt retirement

ASD retires, or pays off, a significant amount of existing bond debt each year. This year the district will retire more than \$46 million in bond debt before the April 2009 election.

ASD bond debt retirement

- \$40 million paid off in 2006-07
- \$44 million paid off in 2007-08
- \$47 million will be paid off in 2008-09

Over the next five years, the district will pay off \$49.5 – \$55.5 million of bond debt each year.



Anchorage School District
Educating All Students for Success in Life



School Renewal Bonds Election Day: April 7, 2009

Proposition 1

Service High addition and renewal and other renewal and design projects
\$69,880,000

Proposition 2

Districtwide building systems renewal projects and future site selection
\$27,480,000

Total 2009 school bonds requested \$97,360,000
State approved debt retirement (58.4% of total cost) - \$56,864,000

Principal cost of Props 1 & 2 to taxpayers \$40,496,000

\$10.63 per year per \$100,000 of assessed property value.

Reimbursement is subject to annual legislative appropriation.
The Alaska State Legislature has fully funded reimbursement every year since 1992.

PROPOSITION 1 \$ 69,880,000

Service High School addition and renovation \$ 66,700,000

Designed and built in 1971 as a junior and senior high school (Service-Hanshew). Thirteen years later, the junior high students moved to new facility and the high school program expanded to fill entire building. Since Service was built for two separate programs, the building's layout is functionally inefficient and lacks flexible configuration. The district created a master plan in 2000 to renew the building through construction phases. To date, less than 50 percent of the facility's 320,000 square feet has been renovated. Remaining areas for upgrade equal the size of three elementary schools. The project includes renewal to:

- Career and education classrooms
- Library and instructional media center
- Special education area
- Performing arts classrooms
- Cafeteria and food service area
- Physical education area
- 700-seat auditorium
- Administrative offices
- Automatic fire sprinkler system

The proposed plan is designed to reduce the construction timeline by 20 percent compared to the original outline in the master plan phasing project and expects to create overall construction cost savings. Upon completion of construction, operations and maintenance costs are expected to decline due to implementation of sustainable building practices and energy conservation measures, including improved insulation and digitally-controlled boilers and fans.

Eagle River High School water and sewer line extension \$ 2,500,000

This project will pay for the mandatory design and construction of 800 feet of water and 2,150 feet of sanitary sewer lines to Eagle River High School. Anchorage Water and Wastewater Utility previously allowed deferral of this project until the area south of the school was developed. The development is now scheduled for construction in 2010.

Girdwood K-8 School design \$ 680,000

This project will complete the design for the school's long-term needs and provide a cost basis for a future construction funding request. Previous voter-approved bonds funded development of a master plan.

PROPOSITION 2 \$ 27,480,000

Security system upgrades \$1,165,000

- Trailside Elementary
- Goldenview Middle
- Mears Middle
- Wendler Middle
- King Career Center

Traffic safety projects \$6,550,000

- Huffman Elementary
- Mears Middle

Roof replacement \$2,155,000

- Creekside Park Elementary
- Inlet View Elementary

Code/sprinkler projects \$1,165,000

- Aquarian Charter

Bleacher renewal/replacement projects \$725,000

- South High
- West High

Electrical projects \$3,520,000

- Campbell Elementary
- College Gate Elementary
- Gladys Wood Elementary
- Ravenwood Elementary
- Turnagain Elementary
- Wonder Park Elementary
- West High
- Information Technology building

Mechanical projects \$3,320,000

- Operations building
- Hanshew Middle
- Steller Secondary

Field renewal \$2,380,000

- Bartlett High

Districtwide site selection \$6,500,000

In FY 2008-09, the district budgeted \$22.7 million from its General Fund for state-approved preventative maintenance. This money covers day-to-day expenses and maintenance projects. When larger projects arise, such as roof replacement or significant electrical or mechanical repair, much like a property owner requesting a home improvement loan, the district requests bonds in order to pay these substantial costs over time.

Public support of bonds

In November-December 2008, ASD conducted a public opinion survey* to gauge support for the possible 2009 school bonds. The majority of respondents said they would support both school bonds if they were placed on the April ballot.

Support of the school bond package increased when survey respondents were told it was eligible for debt reimbursement from the state.

* 609 Anchorage residents surveyed Nov. 28 – Dec. 7 via phone.
Sample error +/- 4 percent.

