




Anchorage School District

*Educating all students
for success in life.*

Who we are

- ▶ 94th largest school district
- ▶ Diverse population
- ▶ Above average test scores
- ▶ Parental support of teachers/schools



- 94th largest school district nationwide, more than 49,000 students
- 94 languages spoken
- Ethnicity
 - 47% Caucasian
 - 9% Alaska Native/American Indian
 - 15% Asian/Pacific Islander
 - 6% Black
 - 10% Hispanic
 - 13% two or more races
- Our SAT/ACT test scores outperform state and national averages. Graduation rate is highest in the state, but not high enough.
- Surveys show our parents have strong support of our teachers and our schools.

School Bond Development

- ▶ Public process
- ▶ Ten year plan
- ▶ Capital Request Advisory Committee
- ▶ Most critical needs



- Our students attend school in 93 facilities across the entire municipality. ASD also has six support facilities. To keep those buildings maintained and to maximize their life-spans we spend more than \$23 million a year on routine repairs and preventative maintenance. That's not bond money, that's out of our general operating budget.
- Even with regular maintenance, a school building that is 30, 40 or 50 years old will need some major repairs or replacement over time. Major building system renewal projects are capital expenditures that are not afforded in our general operating budget and must be funded through bonds.
- Every year we go through a public process to review the status of our physical plants. It starts with our facilities and maintenance staff reviewing the repair and improvement needs in each building. We produce an annual long-term report (10-Year CIP) that outlines our needs over the next decade. Due to our extensive need, we recently expanded the CIP from six to ten years. However, we're also listening to the financial concerns of the community and we're closely evaluating the projects to find a balance between project need and economic reality.
- A citizen committee (Capital Request Advisory Committee) reviews all the data, takes tours of buildings, and creates a recommendation for the district administration on which projects should be addressed through school bonds. The bonds before you for this upcoming election are fully supported by the committee.
- The School Board and the Assembly both hold public hearings to review the administration's recommendation and vote on whether the projects reach the ballot.
- The projects that end up on bond propositions are our highest priorities and our most critical needs.

What we're asking for:

- ▶ Proposition 1 = \$37.1 million
- ▶ Proposition 2 = \$16.9 million
- ▶ Proposition 3 = \$17 million
- ▶ **2011 request = \$71 million**



What we've paid off:

- ▶ Since the last successful election, bond principal retired = \$148 million
- ▶ That's more than double current project costs.



•This year, the district's total bond propositions are just over \$70 million.

•Since the last successful bond election in 2008, the district has paid off more than double the amount of bond principal debt being requested this year.

School Bond Prop 1 - \$37.1 million Service High School

- ▶ Completes renovation and addition at high school
- ▶ Will reduce O&M costs and extend building's life



\$68.4 million	total project cost
<u>-\$21.3 million</u>	state grant
<u>-\$10.0 million</u>	unused bonds
\$37.1 million	Prop 1 bond principal
<u>-\$16.8 million</u>	60% state reimbursement on \$28 million
\$20.3 million	bond principal

- Prop 1 will complete Service High School's renovation, which began 11 years ago in phases of construction. Currently, only half of the school has been renovated.
- The total construction costs are more than \$68 million.. .but as you can see from some simple math on the screen, the actual project costs passed to Anchorage area taxpayers are closer to \$20 million.
- This is thanks to a \$21 million state grant and more than \$16 million in state debt reimbursement.
- Proposition 1 also redirects \$10 million in previously approved, but unused, bond funding toward the Service project.

Service High renovation and addition



- ▶ Built in 1971 as Jr./Sr. high
- ▶ Master renovation plan created; less than 50% complete
- ▶ Upgrade area equals size of 3 elementary schools

Proposed project:

- ▶ Classrooms
- ▶ Special education area
- ▶ Library and media center
- ▶ Cafeteria and food service area
- ▶ 700-seat auditorium
- ▶ Administrative offices
- ▶ Estimated cost savings

- Service High School is located near the top of Abbott Road.
- It was built nearly four decades ago as a junior and senior high school. Some of you may remember, it originally was Service-Hanshew. In 1984, Hanshew got its own facility and Service high took over the entire old building.
- Since Service was built for two separate programs, the school's layout is functionally inefficient.
- In 2000, the district created a master renovation plan for the school with construction work to be done in phases.
- To date, only about 50% of the work is complete.
- The proposed plan would complete renovation of 170,000 square feet of the building, which equals the size of three elementary schools, or one middle school.

- The proposed project is a scaled back version of the original plan due to increasing construction costs. (It was originally \$93 million.)
- Areas to be improved upon include career education and performing arts classrooms, the special education area, library, cafeteria, addition of a 700-seat auditorium and the administration area.
- The auditorium will be the only one of it's size south of Northern Lights Boulevard. The area will also have space for Career, Technical and Vocational Education programs at the school.
- If approved by voters, the school will implement sustainable building practices and energy conservation measures and overall operations and maintenance costs will decrease.

School Bond Prop 2 - \$16.9 million Districtwide building life extension and design projects

- ▶ 19 schools, 1 facility and relocatables districtwide
- ▶ Roof replacement
- ▶ Safety and communication upgrades
- ▶ Heating and lighting system upgrades
- ▶ Design at 4 schools
- ▶ CTVE design at West/Romig



\$16.9 million	bond principal
-\$7.9 million	70% state reimbursement (building life extension)
-\$3.1 million	60% state reimbursement (design projects)
\$5.9 million	bond principal

Proposition 2 covers building life extension and design projects at 19 schools, the Student Nutrition building and relocatables across the district.

- ASD maintains the largest physical plant of any public entity in the state with 7.5 million square feet in facilities.
- 59 schools, that's more than half of our buildings, are 20-50 years old and 13 are more than 50 years old.
- Good maintenance can extend building life. This proposition will fund the larger building life extension projects... projects that are not included in our general fund maintenance budget of \$23.5 million.
- Nearly all of the building life extension projects qualify for 70% reimbursement from the state. (\$540,000 is not covered)
- Proposition 2 will also provide funds to complete design at Girdwood K-8 School and complete schematic designs at Airport Heights, Gladys Wood and Inlet View elementary schools.
- In addition, Prop 2 includes \$1.2 million design funding for a career, technical and vocational education program on the West/Romig campus. This is for a separate building on the campus and would be incorporated into the eventual campus redesign.
- All of the design projects qualify for state reimbursement of 60% of project costs.
- The debt reimbursement for this proposition will lower principal costs of these projects to under \$6 million.

School Bond Prop 3 - \$17 million Career, Technical & Vocational Education

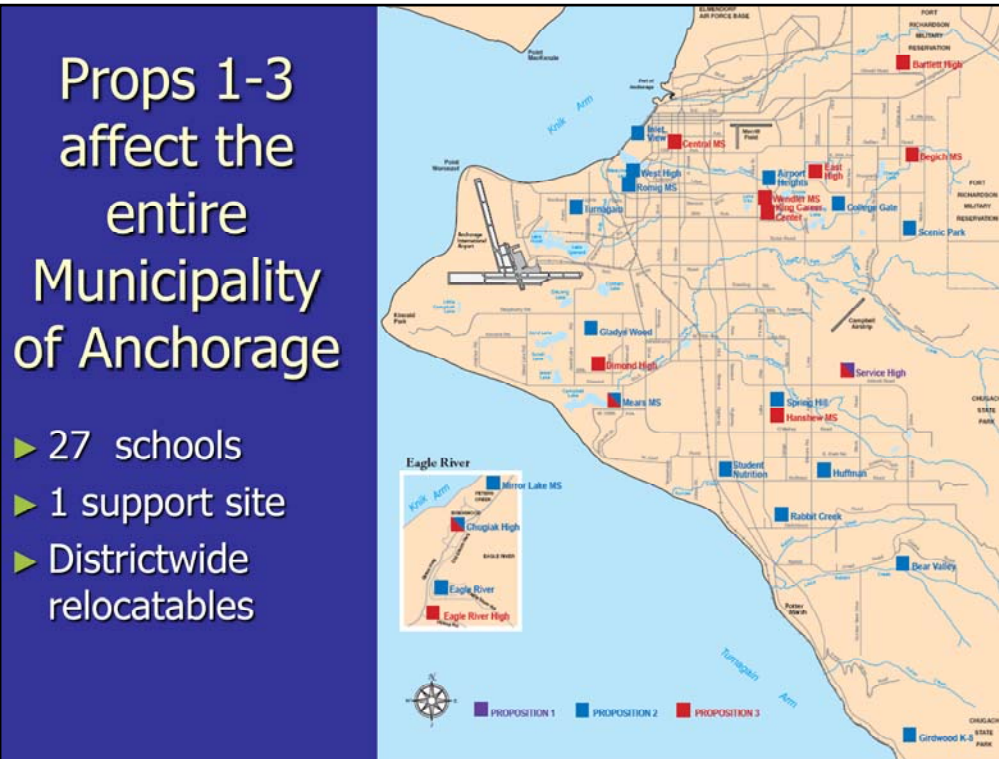
- ▶ Improves and expands CTVE programs at existing schools
- ▶ 7 high schools
- ▶ 5 middle schools
- ▶ King Career Center



\$17.0 million bond principal
-\$11.9 million 70% state reimbursement
\$5.1 million bond principal

Proposition 3 covers career, technical and vocational education projects at existing schools

- Affects 12 middle and high schools.
- Funding will improve construction, fabrication, technology and science labs, modify classrooms, and expand construction academies.
- All of the projects within this bond qualify for 70 percent state debt reimbursement
- With debt reimbursement, bond principal costs for these projects is near \$5 million dollars, significantly less than the actual construction costs.

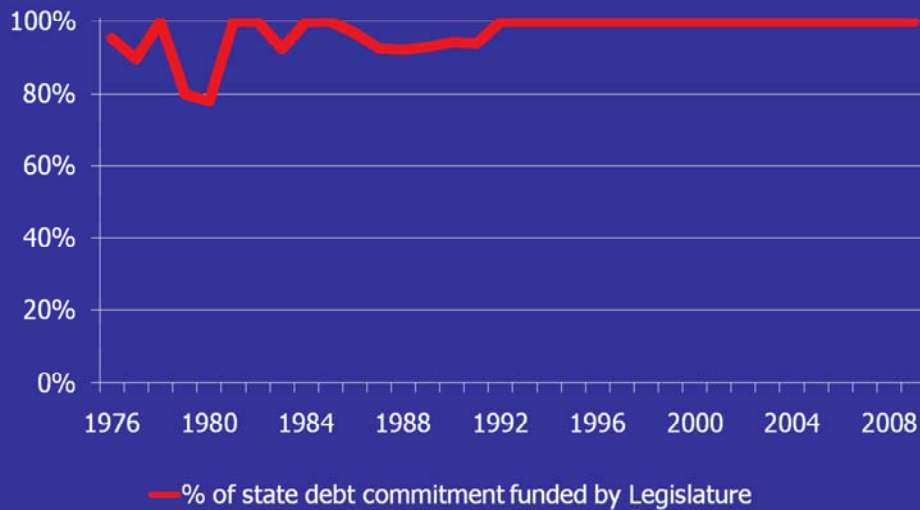


Props 1-3 affect the entire Municipality of Anchorage

- ▶ 27 schools
- ▶ 1 support site
- ▶ Districtwide relocatables

28 schools and facilities in Anchorage, Chugiak/Eagle River and Girdwood are affected by the three bond propositions on this April's ballot.

Debt reimbursement program Legislative Appropriation



- The legislature has funded 100 percent of the state's debt obligation since 1992 (where the red line is at 100%).
- Since the first state reimbursement plan in 1976, the legislature has never completely failed to fund the plan, although in early years they have slightly reduced the amount of funding.
- The lowest they've ever funded is 78 percent of their debt obligation, and that happened in 1980. They've never gone to zero.
- Past performance is not a guarantee of future performance.

Retiring existing debt

Past 5 years:

- ▶ \$232 million of bond principal debt paid off

Next 5 years:

- ▶ \$52-\$58 million to be paid each year; totaling \$279 million

▶ Debt Service Mill Rate

- 2003, 1.33
- 2004, 1.26
- 2005, 1.40
- 2006, 1.34
- 2007, 1.25
- 2008, 1.27
- 2009, 1.28
- 2010, 1.31

- We retire a significant amount of existing bond principal debt each year.
- In the past five years, we've retired more than \$230 million. More than half of that has been paid off since the last successful bond election in 2008.
- Over the next five years, we'll retire between \$53 and \$58 million each year.

- The district currently has \$694 million in outstanding bond principal debt... of which the state pays more than half.

- The mill rate is what is used to calculate how much tax is collected per \$100,000 assessed value to pay principal and interest on existing bond debt. The mill rate is impacted by the district adding and retiring debt, and is also impacted by the overall assessed valuation of the city.

Investing in our Schools

Local cost of all propositions, with reimbursement, per \$100,000 of assessed property value:

- \$8.01 a year to retire the bond debt.



- Building schools and maintaining schools are an investment made by the community.
- Here is the cost:
 - With reimbursement: \$8.01 a year for every \$100,000 of assessed property value. This includes interest and principal. (If there were no state reimbursement: \$18.11 per year).
- If you have a \$200,000 home then multiply the cost by 2, and so on.

Learn more: www.asdk12.org/bonds

ASD Online
Anchorage School District

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School Bonds

April 5, 2011 election

Relevant documents

Dec. 13, 2010 board memo #161 (PDF)
Recommendation for April 2011 bonds

Jan. 19, 2011 assembly memo #A11-16-2011 (PDF)

Anchorage area legislative support

Three bond proposals totaling \$70,997,000 to go before voters in April

Both the Anchorage Assembly and the Anchorage School Board have approved a bond package that places three school bond propositions on the April 5, 2011 ballot:

Proposition 1
Completes renovation and addition to Service High School - \$37,132,000

This proposal is designed to significantly reduce the burden on taxpayers by including matching funds needed to secure a \$21 million state grant necessary to complete the project. In addition, voters will be asked to authorize redirection of \$10 million of previously voter-approved but unused bonds from 2007-08 for this project. The project completes renewal of roof areas of school as identified in its master plan as well as expanding the auditorium to the same size that's installed in other Anchorage high schools.

Proposition 2
Funds building life extension and design projects districtwide - \$16,865,000

Design projects will lay the groundwork for future renovation of Grinwood #8 and Airport Heights, Gladys Wood and Inlet View elementary schools. Within this proposed proposition, the board expanded the administrator's request by \$600,000 to fund the design of career, technical and vocational education for the West/Romig campus, bringing the total CTVE design funding for the joint campus to \$1.2 million.

Proposition 3
Improves and expands Career, Technical and Vocational Education programs at existing schools - \$7,000,000

This proposal includes \$1.7 million in facility upgrades to support CTVE programs at seven high schools, five middle schools and the King Career Center.

Comments and questions

Get questions answered and submit your comments about the school bonds.

[Submit a comment or question](#)

\$148 million in bond debt retired

ASD has retired \$148 million in bond debt since the last school bonds were approved by voters in April 2008. Over the next five years, \$52-56 million of bonds will be paid off totaling more than \$279 million.

State to help ease burden on taxpayers

All projects in the propositions qualify for 40-70% state debt reimbursement or matching grants.

Click the map to find out how the school bonds will affect your neighborhood (PDF)

Make an informed decision

[Learn more](#)

...then vote on April 5

Bond Menu

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- Comments or Questions
- Past Bonds

April 2009

April 2008

April 2007

April 2006

November 2004

April 2004

April 2003

April 2002

More election information

Municipality of Anchorage

Municipal election workers needed

This has been a quick overview of the bond propositions coming up on April 5.

I encourage you to learn more about the bonds by visiting our Web site (address is on the screen).

Questions?