

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

ASD MEMORANDUM #3 (2002-2003)

July 29, 2002

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

SUBJECT: SALE OF 2002 GENERAL OBLIGATION AND
REFUNDING BONDS, SERIES B (SCHOOLS) - \$202,145,000

PERTINENT FACTS:

On June 27, 2002 the Municipality of Anchorage, on behalf of the Anchorage School District, sold \$202.145 million of 2002 General Obligation and Refunding Bonds, Series B (Schools). This included \$131.8 million of new bonds and \$70.345 million of refunding bonds.

The portion of new bonds includes \$59 million of bonds related to Proposition 11 approved by the voters in April 1999, \$33.8 million of bonds related to Proposition 5 approved by the voters in April 2002, and \$39 million of bonds related to Proposition 6 approved by the voters in April 2002 for a total of \$131.8 million of general obligation bonds.

This bond issue also includes \$70.345 million of refunding bonds that refunded \$69.105 million of bonds for a savings of \$3.558 million. The District has coordinated the bond refunding with the Alaska Department of Education and Early Development and has received their approval. The local taxpayers and the State of Alaska will share the savings. The refunding portion of the issue refunded \$940,000 of the 1993 General Obligation School Bonds, Series A; \$6.7 million of the 1994 General Obligation School Bonds, Series A; \$6.38 million of the 1995 General Obligation School Bonds, Series A; \$20.8 million of the 1996 General Obligation School Bonds, Series A; \$14.49 million of the 1997 General Obligation School Bonds, Series A; \$5.9 million of the 1999 General Obligation School Bonds, Series A; \$1.91 million of the 2000 General Obligation School Bonds, Series A; and \$11.985 million of the 2000 General Obligation School Bonds, Series B.

The pricing of the bond sale occurred on June 18, 2002 with bond closing on June 27, 2002. The net interest cost for the 2002 General Obligation and Refunding

Bonds, Series B (Schools) is 4.69 percent. The net interest rates that were negotiated compared favorably to the then current Bond Buyer's General Obligation Bond Index of 5.04 percent.

CC/JS

Prepared and approved by: Janet Stokesbary, Chief Financial Officer