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PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 16, 2013

New Issue
Book-Entry Only

Fitch Rating: ____
Moody's Rating: ____
(See "Ratings" herein.)

In the opinion of Bond Counsel, based on an analysis of existing statutes, regulations, rulings and court decisions, and assuming, among other things, compliance by the Bond Bank and the Governmental Units with covenants relating to certain requirements in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the 2013 Series Three Bonds is excludable from gross income of owners thereof for federal income tax purposes. Interest on the 2013 Series Three Bonds is not treated as a tax preference item for purposes of either the individual or corporate alternative minimum tax. However, interest on the 2013 Series Three Bonds is taken into account in determining adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations. See "TAX MATTERS" herein.

\$73,825,000*

Alaska Municipal Bond Bank General Obligation Bonds, 2013 Series Three

Dated: Date of Delivery

Due: As shown on inside cover

The Alaska Municipal Bond Bank (the "Bond Bank") is issuing \$73,825,000* principal amount of General Obligation, 2013 Series Three (Tax-Exempt Governmental Purpose) (the "2013 Series Three Bonds"). The 2013 Series Three Bonds initially will be issued as fully registered bonds, in book-entry form only, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will serve as depository for the 2013 Series Three Bonds. Individual purchases of the 2013 Series Three Bonds will be made in principal amounts of \$5,000 or integral multiples thereof within a single maturity. Purchasers of the 2013 Series Three Bonds will not receive certificates representing their beneficial ownership interests in the 2013 Series Three Bonds. Interest on the 2013 Series Three Bonds will accrue from the date of delivery of the 2013 Series Three Bonds, or from the most recent interest payment date to which interest has been paid, and is payable on each May 1 and November 1, commencing May 1, 2014.

The Bank of New York Mellon Trust Company, N.A., of Seattle, Washington, as the Trustee and Paying Agent for the 2013 Series Three Bonds, will make principal and interest payments to DTC. Disbursement of such payments to DTC's Participants is the responsibility of DTC. Disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants. See "DESCRIPTION OF THE 2013 SERIES THREE BONDS" and "APPENDIX G – DTC AND BOOK-ENTRY SYSTEM."

The 2013 Series Three Bonds are subject to redemption prior to their stated maturity dates. See "DESCRIPTION OF THE 2013 SERIES THREE BONDS – Optional Redemption, – Mandatory Redemption."

The 2013 Series Three Bonds are general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged for the punctual payment of the principal of and interest on the 2013 Series Three Bonds. The 2013 Series Three Bonds are equally and ratably secured by the pledge and assignment of all Municipal Bonds acquired by the Bond Bank under the Bond Bank's 2005 General Bond Resolution on a parity with other Bonds of the Bond Bank heretofore or hereafter issued under the 2005 General Bond Resolution. The 2013 Series Three Bonds are the twenty-seventh series of Bonds issued under the 2005 General Obligation Bond Resolution.

The 2013 Series Three Bonds do not constitute a debt or other liability of the State of Alaska, and the 2013 Series Three Bonds do not directly, indirectly or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2013 Series Three Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2013 Series Three Bonds. The Bond Bank has no taxing power. See "SECURITY FOR THE 2013 SERIES THREE BONDS."

The 2013 Series Three Bonds are offered when, as and if issued, subject to the approving legal opinion of Wohlforth, Brecht, Cartledge & Brooking of Anchorage, Alaska, Bond Counsel. Certain legal matters will be passed upon for the Governmental Units by their respective bond counsel and for the Underwriters by their counsel, Foster Pepper PLLC of Seattle, Washington. It is expected that the 2013 Series Three Bonds in definitive form will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York, on or about November 14, 2013.

RBC Capital Markets

* - Preliminary, subject to change.

\$73,825,000*
Alaska Municipal Bond Bank
General Obligation Bonds
2013 Series Three
(Tax-Exempt Governmental Purpose)

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS

Due November 1	Amounts	Interest Rate	Yield	CUSIP Number⁽¹⁾ 011798	Due November 1	Amounts	Interest Rate	Yield	CUSIP Number⁽¹⁾ 011798
2014					2031				
2015					2032				
2016					2033				
2017					2034				
2018					2035				
2019					2036				
2020					2037				
2021					2038				
2022					2039				
2023					2040				
2024					2041				
2025					2042				
2026					2043				
2027					2044				
2028					2045				
2029					2046				
2030					2047				

\$ _____ % Term Bond due November 1, 20__; Yield ____%
 CUSIP Number⁽¹⁾ 011798 ____

* Preliminary, subject to change.

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This Official Statement is furnished by the Bond Bank to provide information regarding the sale of the 2013 Series Three Bonds referred to herein and may not be reproduced or be used, in whole or in part, for any other purpose. The delivery of this Official Statement does not imply that information herein is correct as of any time subsequent to the date hereof. No dealer, salesman or any other person has been authorized by the Bond Bank to give any information or to make any representation other than as contained in this Official Statement in connection with the offering described herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer of any securities other than those described on the cover page or an offer to sell or a solicitation of an offer to buy in any jurisdiction in which it is unlawful to make such an offer, solicitation, or sale.

The information and expressions of opinion set forth in this Official Statement have been furnished by the Bond Bank and include information from other sources that the Bond Bank believes to be reliable. Neither this Official Statement nor any statement which may have been made orally is to be construed as a contract with the owners of any of the 2013 Series Three Bonds.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information set forth in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

UPON ISSUANCE, THE 2013 SERIES THREE BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE, OR OTHER GOVERNMENTAL ENTITY OR AGENCY, OTHER THAN THE BOND BANK, WILL HAVE PASSED ON THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE 2013 SERIES THREE BONDS FOR SALE. THE 2005 GENERAL BOND RESOLUTION WILL NOT BE QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED.

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Board of Directors

Mark Pfeffer - Chair
Luke Welles - Vice Chair
Gregory Gurse - Member
Susan Bell - Member
(Ted Leonard - First Delegate to Susan Bell)
Angela Rodell - Member
(_____ - First Delegate to Angela Rodell)

Executive Director

Deven J. Mitchell

Bond Counsel

Wohlforth, Brecht, Cartledge & Brooking
Anchorage, Alaska

Trustee

The Bank of New York Mellon Trust Company, N.A.
Seattle, Washington

Financial Advisor

Western Financial Group, LLC
Portland, Oregon

The reference above to the Bond Bank's website is contact information provided only for convenience. The reference is not a hyperlink and, by this reference, the Bond Bank's website is not incorporated into this Official Statement.

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OFFICIAL STATEMENT

\$73,825,000*

ALASKA MUNICIPAL BOND BANK GENERAL OBLIGATION BONDS 2013 SERIES THREE

INTRODUCTION

This Official Statement is furnished by the Alaska Municipal Bond Bank (the “Bond Bank”) to provide information regarding the Bond Bank in connection with the sale of \$73,825,000* principal amount of General Obligation Bonds, 2013 Series Three (Tax-Exempt Governmental Purpose) (the “2013 Series Three Bonds”). The Bond Bank was created pursuant to Alaska Statutes 44.85.005 – 44.85.420, as amended (the “Act”), for the primary purpose of lending money to Governmental Units in the State of Alaska (the “State”) including the purchase of Municipal Bonds issued by such Governmental Units. Certain capitalized terms used in this Official Statement, and not otherwise defined herein, are defined under “DEFINITIONS.”

All references herein to agreements and documents are qualified in their entirety by reference to the definitive forms thereof, and all references to the 2013 Series Three Bonds are further qualified by reference to the information with respect thereto contained in the 2005 General Obligation Bond Resolution, adopted by the Board of Directors of the Bond Bank on July 13, 2005, as amended on August 19, 2009 (the “2005 General Bond Resolution”), and Resolution No. 2013-___, adopted by the Board of Directors of the Bond Bank on August 28, 2013 (the “Series Resolution,” and together with the 2005 General Bond Resolution, the “Bond Resolution”). All bonds which are issued under and pursuant to the terms of the 2005 General Bond Resolution are hereafter referred to as the “Bonds.” Any statements or information which include matters of opinion or estimates are represented as opinions or estimates in good faith, but no assurance can be given that the facts will materialize as so opined or estimated.

Appendix D contains financial, economic and demographic summary information relating to the Governmental Units whose Municipal Bonds represent 10 percent or more of the Loan Obligations outstanding under the 2005 General Bond Resolution.

PURPOSE OF THE 2013 SERIES THREE BONDS

Authorization and Purpose

The 2013 Series Three Bonds are being issued pursuant to the terms of the Bond Resolution, and are the twenty-seventh series of Bonds issued under the 2005 General Bond Resolution.

The 2013 Series Three Bonds

The 2013 Series Three Bond proceeds is being used for the following purposes: (i) to make four loans to Governmental Units; and (ii) to pay a portion of the costs of issuance of the 2013 Series Three Bonds. A portion of the proceeds of the 2013 Series Three Bonds will be loaned: (a) to the City and Borough of Juneau to fund upgrades and renovations to Auke Bay Elementary School; (b) to the City of King Cove to fund improvements to the City’s hydroelectric system and to refund a prior loan from the United States Department of Agriculture; (c) to the Lake and Peninsula Borough for extensive renovations and additions to the Tanalian School, gymnasium and kitchen renovations to the Newhalen School and district-wide HVAC and energy efficiency upgrades; and (d) to the City and Borough of Sitka for improvements to the City and Borough’s hydroelectric system.

* - Preliminary, subject to change.

DESCRIPTION OF THE 2013 SERIES THREE BONDS

General Description

The 2013 Series Three Bonds are issuable only as fully registered bonds, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), as securities depository for the 2013 Series Three Bonds. Principal of and interest on the 2013 Series Three Bonds are payable by The Bank of New York Mellon Trust Company, N.A., of Seattle, Washington, as Trustee under the 2005 General Bond Resolution, to DTC which, in turn, is obligated to disburse such principal and interest payments to its participants (the “DTC Participants”) in accordance with DTC procedures. See “Appendix G – DTC and Book-Entry System.”

2013 Series Three Bonds

The 2013 Series Three Bonds mature on the dates and bear interest at the rates set forth on the inside cover page of this Official Statement. The 2013 Series Three Bonds are issuable in denominations of \$5,000 or any integral multiple thereof within a single maturity, are dated as of the date of delivery and bear interest from their date payable on May 1, 2014, and semiannually thereafter on each November 1 and May 1 to their date of maturity or prior redemption, whichever may occur first.

Optional Redemption

The 2013 Series Three Bonds maturing on or after November 1, 2024 are subject to redemption in whole or in part at the option of the Bond Bank on any date on or after November 1, 2023 at a price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date of redemption. The Governmental Units may prepay their loans on terms identical to the redemption provisions associated with the 2013 Series Three Bonds.

Mandatory Redemption

The 2013 Series Three Bonds maturing on November 1, 20__, are subject to mandatory sinking fund redemption on November 1 of the years and in the principal amounts set forth in the following table. Any such redemption shall be at a price equal to 100 percent of the principal amount to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption, but without premium.

Date	<u>Principal Amount</u>
November 1, 20__	
November 1, 20__*	

* Maturity

Notice of Redemption

At least 30 days, but not more than 60 days, prior to the date upon which any 2013 Series Three Bonds are to be redeemed, the Trustee will mail a notice of redemption to the registered owner of any 2013 Series Three Bond all or a portion of which is to be redeemed, at the owner’s last address appearing on the registration books of the Bond Bank kept by the Trustee. When all of the 2013 Series Three Bonds are held under the DTC book-entry system, such notice will be sent to DTC, and any notice to the beneficial owners of the 2013 Series Three Bonds will be the responsibility of DTC Participants. Neither the Bond Bank nor the Trustee will provide redemption notices to the beneficial owners.

Selection of 2013 Series Three Bonds for Redemption

If fewer than all of a subseries of the 2013 Series Three Bonds are to be optionally redeemed prior to maturity, the Bond Bank may select the maturity or maturities to be redeemed in accordance with terms of the 2005 General Bond Resolution. If, at the time notice of redemption is given the 2013 Series Three Bonds are in book-entry form, then DTC will select the 2013 Series Three Bonds for redemption within a maturity in accordance with the Letter of Representations. The 2005 General Bond Resolution provides that if less than all of the Bonds of any one maturity of a Series are called for redemption and the Bonds are not in book-entry form, the Bonds to be redeemed are to be selected by lot by the Trustee or in any manner as the Trustee, in its sole discretion, may deem appropriate and fair. See “Appendix G – DTC and Book-Entry System.”

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SECURITY FOR THE 2013 SERIES THREE BONDS

General

The 2013 Series Three Bonds constitute general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged to the payment of the principal of and interest on the 2013 Series Three Bonds. **The 2013 Series Three Bonds do not constitute an indebtedness or other liability of the State of Alaska, and the 2013 Series Three Bonds do not directly, indirectly or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2013 Series Three Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2013 Series Three Bonds. The Bond Bank has no taxing power.**

The 2013 Series Three Bonds are the twenty-seventh series of Bonds issued under the 2005 General Bond Resolution. As of October 1, 2013, not taking into account the issuance of the 2013 Series Three Bonds, the Bond Bank has outstanding \$60,740,000 of general obligation bonds issued under its 1976 General Bond Resolution, \$702,510,000 of Bonds issued under its 2005 General Bond Resolution and \$4,435,000 of general obligation bonds issued under its 2010 Municipal Obligation Bond Resolution.

Moral Obligation. As additional security for payment of principal of and interest on the 2013 Series Three Bonds and other Bonds issued under the 2005 General Bond Resolution, the Bond Bank has established a common Reserve Fund. See “SECURITY FOR THE 2013 SERIES THREE BONDS – 2005 General Bond Resolution Reserve Fund.” The Act provides that in order to ensure the maintenance of the Reserve Fund Requirement, the Chair of the Bond Bank is annually required (before each January 30) to make and deliver to the Governor and to the State Legislature a certificate stating the amount, if any, required to restore the Reserve Fund to the amount of the Reserve Fund Requirement. Money received by the Bond Bank from the State pursuant to such certification will, to the extent such certification was occasioned by the fact that the amount in the Reserve Fund was less than the Reserve Fund Requirement, be deposited in the Reserve Fund. The State Legislature is legally authorized, but not legally obligated, to appropriate such sums during the then current State fiscal year. This provision of the Act does not create a debt obligation on behalf of the State or a legally enforceable obligation of the State.

Beginning in 2009, and continuing through the current fiscal year (2014), the Bond Bank has been obligated to seek and has obtained a standing appropriation within the State’s annual budget to replenish the Reserve Fund, if necessary. No such replenishment from State appropriation has been necessary. If the Bond Bank must draw on the Reserve Fund because of a default by a Governmental Unit, an amount equal to the amount drawn from the Reserve Fund is appropriated from the State’s General Fund to the Reserve Fund. There is no guarantee that the Bond Bank will be able to secure future standing appropriations within the State’s operating budget for replenishment of the Reserve Fund.

Pledge Effected by the 2005 General Bond Resolution

Pursuant to the 2005 General Bond Resolution, all Municipal Bonds, all Municipal Bonds Payments, the investments thereof and the proceeds of such investments, and all funds and accounts established by the 2005 General Bond Resolution, are pledged and assigned to the Trustee, equally and ratably, to secure the payment of the principal of, redemption premium, if any, and interest on all Bonds, subject only to the provisions of the 2005 General Bond Resolution permitting the application thereof for the purposes and on the terms and conditions specified in the 2005 General Bond Resolution.

The Act and the 2005 General Bond Resolution provide among other things that (i) any pledge made in respect of the Bonds will be valid and binding from the time the pledge is made, (ii) the Municipal Bonds, the Municipal Bonds Payments and all other money and securities so pledged and thereafter received by the Bond Bank immediately will be subject to the lien of such pledge without any further act, and (iii) the lien of any such pledge will be valid and binding against all parties having any claims of any kind in tort, contract or otherwise against the Bond Bank irrespective of whether the parties have notice.

Municipal Bonds

Under the provisions of the Act and the 2005 General Bond Resolution, the Bond Bank can purchase Municipal Bonds from any Governmental Unit. The 2005 General Bond Resolution defines Municipal Bonds as “general obligation bonds, revenue bonds, notes or other evidences of debt issued by any Governmental Unit as now or hereafter defined in the Act which have heretofore been or will hereafter be acquired by the Bond Bank as evidence of a Loan to the Governmental Unit pursuant to the Act.”

For each issue of Municipal Bonds that the Bond Bank purchases, the Bond Bank will obtain a bond counsel’s opinion stating that (a) such Municipal Bonds are valid debt obligations of such Governmental Unit as required by the Act and (b) a Loan Agreement has been duly authorized and executed between the Bond Bank and the Governmental Unit that constitutes a valid and binding obligation of the Governmental Unit.

Each Loan Agreement obligates a Governmental Unit to (a) make interest payments on its Municipal Bond sufficient in amount and at such times to provide the Bond Bank funds to meet interest payments on its Loan Obligations as they become due; and (b) make principal payments on its Municipal Bond sufficient in amount and at such times to provide the Bond Bank funds to meet principal payments on its Loan Obligations as they become due. Pursuant to the Loan Agreement, the Governmental Unit may be required to pay fees and charges to the Bond Bank to meet the Governmental Unit’s allocable portion of certain expenses. Each Loan Agreement also contains restrictions on the sale or redemption of Municipal Bonds.

2005 General Bond Resolution Reserve Fund

The 2005 General Bond Resolution established the Reserve Fund to be held by the Trustee and maintained at an amount equal to the Reserve Fund Requirement. The Reserve Fund Requirement is equal to the least of the following: (i) 10% of the initial principal amount of each Series of Bonds then Outstanding; (ii) Maximum Annual Debt Service with respect to all Bonds Outstanding; (iii) 125% of Average Annual Debt Service on all Bonds Outstanding; or (iv) such lower amount as may be required by law. See “DEFINITIONS – Required Debt Service Reserve.” The Reserve Fund has been funded with Bond proceeds and cash deposits from the Bond Bank. The Reserve Fund does not contain any surety policies or other forms of liquidity facility. The Reserve Fund Requirement may, however, be satisfied entirely, or in part, by a letter of credit, line of credit, credit facility, surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds. As of September 30, 2013, the Reserve Fund value was approximately \$___ million (unaudited), an amount sufficient to satisfy the Reserve Fund Requirement. As of that date, approximately 60% of the assets in the Reserve Fund were funded from cash deposits by the Bond Bank from the Custodian Fund.

The 2005 General Bond Resolution requires the Bond Bank to annually submit to the State a budget request for an appropriation to cause, if necessary, amounts held in the Reserve Fund to equal the Reserve Fund Requirement. The appropriation, if secured, would be used to replenish the Reserve Fund in the event amounts held therein were used to pay debt service on Bonds. Since 2009, and continuing through fiscal year 2013, the State has included in its operating budget a standing appropriation to replenish the Reserve Fund, if necessary. The State is not obligated, legally or otherwise, to include the appropriation in its annual operating budget. This credit feature is in addition to the moral obligation feature discussed below.

On or before December 31 of each year, and subject to the requirements of the 2005 General Bond Resolution, the Trustee will transfer from the Reserve Fund any amounts remaining in the Reserve Fund derived from income or interest earned and profits realized by the Reserve Fund due to investments thereof to the Operating Fund, but only to the extent that there remains after such transfer an amount in the Reserve Fund equal to the Required Debt Service Reserve. See “SUMMARY OF THE 2005 GENERAL BOND RESOLUTION – Funds and Accounts – Reserve Fund.”

Moral Obligation. The Bond Bank is required to deliver a statement to the Governor and the State Legislature annually, before January 30, stating the amount, if any, necessary to restore the Reserve Fund to the Required Debt Service Reserve resulting from a draw on the Reserve Fund at any time during the prior year. The State Legislature may, but is under no legal obligation to, appropriate money sufficient to restore the Reserve Fund to the Required Debt Service Reserve. The Bond Bank has never reported a deficiency in any of the reserve funds held by the Bond Bank.

Custodian Account. Money not held by the Trustee in the Reserve Fund or in reserves for bonds issued under other bond resolutions is maintained by the Bond Bank in an account herein referred to as the Custodian Account (the “Custodian Account”). The Custodian Account contains direct and indirect State appropriations, prior year retained earnings not subject to the statutory annual earnings transfer, and current year investment earnings. As of June 30, 2012, the Custodian Account cash and cash equivalents and investments at fair value balance (audited) was \$7,517,574. As of September 30, 2013 the Custodian Account market value balance (unaudited) was \$_____. The increase from the audited fiscal year 2012 figure reflects the transfer from the reserve fund associated with the 1976 General Bond Resolution to the Custodian Account. The transfer resulted from the diminished reserve requirement associated with the 1976 General Bond Resolution.

The Act requires that earnings on funds directly appropriated by the State to the Bond Bank be transferred to the State in the following fiscal year. The statutory earnings transfer generated by activity in fiscal year 2011 and by statute due to the State’s general fund in fiscal year 2012 was \$86,814. The statutory earnings transfer generated by activity in fiscal year 2012 and by statute due to the State’s general fund in fiscal year 2013 was \$0. The statutory earnings transfer for 2011, and prospectively 2013, have been appropriated back to the Bond Bank in the State’s subsequent year’s operating budget. The State Legislature may, but is under no legal obligation to, appropriate statutory earnings back to the Bond Bank. The entire Custodian Account balance is available for appropriation, at any time, by the State Legislature.

State Payments

The Act provides that any department or agency of the State, after notice from the Bond Bank that a Governmental Unit is in default on the payment of the principal of or interest on its Municipal Bonds then held or owned by the Bond Bank, will withhold the payment of money held by it and payable to such Governmental Unit and pay over such money to the Bond Bank for the purpose of paying principal of and interest on the bonds of the Bond Bank. State payments to Governmental Units include payments through the School Debt Reimbursement Program and Education Support Funding through the Department of Education and Early Development; and community jail funding through the Department of Corrections. A table appears in Appendix B that presents the amount of State payments to communities that have borrowed from the Bond Bank as well as the maximum annual loan payments and associated estimated coverage provided by those State payments. There is no guarantee that State payments will continue or remain at the current levels.

The payment and amount of such State payments is uncertain, and Legislative authorization for such payments is subject to appropriation and amendment or repeal. See “APPENDIX B – STATE PAYMENTS TO GOVERNMENTAL UNITS.” The Bond Bank has never implemented the State payment intercept remedy.

Pledge of the State

Pursuant to the Act, the State has pledged and agreed with the holders of the Bonds that it will not limit or restrict the rights vested in the Bond Bank by the Act to, among other things, purchase, hold and dispose of Municipal Bonds and fulfill the terms of an agreement (including the 2005 General Bond Resolution) made by the Bond Bank with such holders, or in any way impair the rights or remedies of such holders until the Bonds, including interest on the Bonds and interest on unpaid installments of interest and all costs and expenses in connection with an action or proceeding by or on behalf of such holders, are fully met, paid and discharged.

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THE ALASKA MUNICIPAL BOND BANK

Organization

The powers of the Bond Bank are vested in the Directors. The membership of the Bond Bank consists of five Directors: the Commissioners of the Department of Revenue and the Department of Commerce, Community and Economic Development of the State and three Directors appointed by the Governor. The three appointees serve four-year staggered terms and must be qualified voting residents of the State. The Commissioners of the Department of Revenue and the Department of Commerce, Community and Economic Development may appoint delegates to the Bond Bank Board of Directors to serve in their absence.

The Directors elect one of their members as chair and one of their members as vice-chair and also elect a secretary and treasurer who need not be Directors. Action may be taken and motions and resolutions adopted by the Bond Bank at any meeting by the affirmative vote of at least three Directors. The Directors appoint an Executive Director to manage the business of the Bond Bank.

Board of Directors

The Bond Bank's Board of Directors includes members listed below.

Mark Pfeffer - Chair. Term expires July 15, _____. Mr. Pfeffer was originally appointed to the Board on October 10, 2001. Mr. Pfeffer is a registered architect who owns an architectural practice in Anchorage, Alaska. He is active in the development, design and management of commercial real estate projects, many of which include public/private partnerships. He is President of Pfeffer Development, LLC. Mr. Pfeffer received a Bachelor of Architecture Degree from the University of Nebraska in 1980.

Luke Welles - Vice-Chair. Term expires July 15, 2015. Mr. Welles was originally appointed to the Board on May 21, 2008. Mr. Welles became Vice President of Finance of the Arctic Slope Native Association, Ltd in March 2011. Prior to his current job he served as Chief Financial Officer of LifeMed Alaska, LLC, which provides medivac services in Alaska. Previously, Mr. Welles was the Chief Financial Officer for the Yukon Kuskokwim Healthcare Corporation which administers healthcare in 52 rural communities including a hospital located in Bethel, Alaska. He has management experience in healthcare, civil construction and commercial real estate. Over the past 15 years he has served on several economic development commissions in the State, as a city council member in Homer, Alaska and on multiple boards. Mr. Welles received a Bachelor of Arts Degree in Foreign Service and International Business from Baylor University in 1989.

Gregory Gursej - Member. Term expires July 15, 2014. Mr. Gursej was appointed to the Board on June 22, 2009. Mr. Gursej became President of Benefit Brokers, Inc. in 2001, after working as Vice President of Investments for Wedbush Morgan Securities for 11 years. Mr. Gursej also serves as a FINRA industry arbitrator in both civil and industry arbitration cases. After graduating from the University of Alaska Anchorage with a degree in finance, Mr. Gursej became involved with the University of Alaska Foundation. He served as the first Chairman of the UAA College of Fellows, served as a Trustee to the UA Foundation, and was a member of the Investment Committee to the UA Foundation. Mr. Gursej has served on both the State of Alaska Dental Examiner's Board and the U.S Treasury Department's Taxpayer Advocacy Panel. He served on the Investment Commission for the Municipality of Anchorage and several other local boards.

Ted Leonard - Member. Mr. Leonard is the first delegate for Susan Bell, Commissioner of the Department of Commerce, Community and Economic Development. Mr. Leonard was appointed Executive Director of the Alaska Industrial Development and Export Authority (AIDEA) on May 19, 2008. He was most recently the Deputy Commissioner of the Department of Commerce, Community and Economic Development. In the Deputy Commissioner capacity, he oversaw the regulatory divisions of the department which included the Division of Insurance, the Division of Banking and Securities, and the Division of Corporations, Business and

Professional Licensing. He served as the Commissioner's designee on the boards of the Alaska Housing Finance Corporation, Alaska Aerospace Development Corporation, and Alaska Community Service Commission. Mr. Leonard has worked for the last 19 years in both the government and private sector in the areas of finance and accounting in Alaska including the Mat-Su and Lower Kuskokwim School Districts as well as the City of Dillingham. He also served as the Director of Finance and Administrative Services for the City of Wasilla. He received his undergraduate degree from the College of Idaho and a Masters of Management from Willamette University. He is a Certified Management Accountant and Senior Professional in Human Resources.

Angela Rodell - Member. Ms. Rodell was appointed acting Commissioner of the Department of Revenue on August 7, 2013. Ms. Rodell joined the State of Alaska as Deputy Commissioner of the Department of Revenue in September 2011, and is responsible for the oversight of more than \$24 billion of State funds and more than \$20 billion of retirement assets. She has responsibility for portfolio management, cash management, debt management, unclaimed property, child support division and the permanent fund division. Ms. Rodell also serves as the ex officio board designee on a number of State boards including the Alaska Industrial Development and Export Authority, the Alaska Energy Authority, the Knik Arm Bridge & Toll Authority, the Alaska Student Loan Corporation, the Alaska Municipal Bond Bank Authority and the State Bond Committee. Formerly, Ms. Rodell served as financial advisor to more than \$30 billion of transactions for state and state authorities in Alaska, Arkansas, California, Illinois, New Jersey, New York, North Carolina, Rhode Island and Virginia. Transactions included general obligation, pension obligation, public power, tobacco securitization, single family housing, multifamily housing, military housing, toll road and transportation financing. Prior to becoming a financial advisor, Ms. Rodell served as the finance officer to Kentucky Housing Corporation. She has a Bachelor of Arts degree from Marquette University, Milwaukee, Wisconsin and a Master of Public Administration from the University of Kentucky, Lexington, Kentucky.

Management

Deven J. Mitchell, who also serves as State Debt Manager and Investment Officer in the Department of Revenue – Division of Treasury, was appointed Executive Director of the Bond Bank in 1999. Mr. Mitchell has worked for the State Department of Revenue since 1992. He previously held several positions in Alaska financial institutions. Mr. Mitchell holds a Bachelor of Science Degree in Business Administration from Northern Arizona University.

Rather than employ staff, the Bond Bank contracts in the private sector for a wide range of professional services. The Executive Director coordinates the activities of these professionals, which include bond counsel, financial advisor, accountants, auditors, fund trustees, bond trustees and investment managers.

Future Financing Plans

The Bond Bank anticipates issuing additional bonds pursuant to its 2005 General Bond Resolution or other bond resolutions within the next 12 months. The principal amount of such additional bonds depends on the number and size of the applications for Bond Bank financing from Governmental Units.

The total amount of Bond Bank bonds and notes outstanding at any one time may not exceed \$1 billion. As of October 1, 2013, the total principal amount of the Bond Bank's bonds and notes outstanding, not including the 2013 Series Three Bonds, was \$796,252,527.

Debt Payment Record

The Bond Bank has always made principal and interest payments on its general obligation and revenue bonds when due. No deficiencies have arisen in any Bond Bank debt service fund or reserve fund, nor has there been a need to exercise the provision requiring that State payments to Governmental Units be paid to the Bond Bank.

BONDS OUTSTANDING

Under the provisions of the Act, the Bond Bank can issue additional series of Bonds under its 2005 General Bond Resolution or issue bonds under other resolutions. The Bond Bank currently has bonds outstanding under the following resolutions:

1976 General Bond Resolution

As of October 1, 2013, the Bond Bank has issued \$721,985,000 of general obligation bonds under the 1976 General Bond Resolution, \$60,740,000 of which remain outstanding.

2005 General Bond Resolution

The 2013 Series Three Bonds are the twenty-seventh issue of Bonds under the 2005 General Bond Resolution. As of October 1, 2013, the Bond Bank has issued \$792,260,000 of general obligation bonds under the 2005 General Bond Resolution (not including the principal amount of the 2013 Series Three Bonds), \$702,510,000 of which remains outstanding.

2010 Municipal Obligation Bond Resolution

On November 2, 2010, the Bond Bank's Board of Directors approved the 2010 Municipal Obligation Bond Resolution ("2010 Resolution"). Bonds issued pursuant to the terms of the 2010 Resolution are general obligation bonds, equally and ratably secured by a pledge and assignment of all obligations acquired by the Bond Bank under the 2010 Resolution. As of October 1, 2013, the Bond Bank has issued \$4,765,000 of general obligation bonds under the 2010 Resolution, \$4,435,000 of which remains outstanding.

Revenue Bond Resolutions

The Authority (with respect to the issuance of revenue bonds the Bond Bank is referred to as the Authority) has issued revenue bonds under stand-alone revenue bond resolutions. The proceeds of these revenue bonds are applied toward the purchase of revenue bonds issued by municipal borrowers. A list of the outstanding revenue bond resolutions, amount of bonds outstanding and obligated municipal borrowers appears in the table titled "TOTAL BOND BANK BONDS ISSUED AND OUTSTANDING AS OF OCTOBER 1, 2013" herein.

Coastal Energy Impact Program

The Bond Bank issued bonds to provide loans to local governments that qualified for aid under the Coastal Energy Impact Program ("CEIP"). CEIP is a federal program designed to provide financial assistance to coastal states and municipalities facing impacts from offshore oil development. The United States Department of Commerce, National Oceanic and Atmospheric Administration ("NOAA") and the Bond Bank entered into an agreement whereby the Bond Bank was the direct lending agency for the CEIP in the State, with \$50 million available to make loans to local governments or to establish reserves for loans to local governments.

The Bond Bank issued CEIP bonds, the proceeds of which were used to purchase bonds issued by the Kenai Peninsula Borough, the City of Seward, the City of Nome and the City of St. Paul. The total amount of CEIP bonds outstanding as of June 30, 2012, under the Coastal Energy Impact Loan Program was \$10,682,527, consisting of loans to the City of St. Paul and the City of Nome.

The CEIP loans are administered directly by NOAA without involvement of the Bond Bank. Bonds issued for the CEIP are not secured by a pledge of any amounts held by or payable to the Bond Bank under the 2005 General Bond Resolution, including the Reserve Fund, nor are they secured directly or indirectly by any reserve account created under the Act.

Direct Loans

The Bond Bank has purchased certain bond anticipation notes and defeased certain Bond Bank bonds with money from the Custodian Account while retaining underlying communities' bonds.

As of October 1, 2013, the Bond Bank holds \$1,764,107 of City of Galena Utility Revenue Bonds and \$191,908 of City of Galena appropriation obligations in its financial portfolio. The Bond Bank also holds \$1,000,000 of Ketchikan Gateway Borough airport ferry revenue bonds in its financial portfolio.

Loans by the State of Alaska

In November 2010 and August 2011 the Bond Bank borrowed \$6.0 million and \$7.0 million, respectively from the State for authorized uses of the Bond Bank. The State of Alaska's fiscal year 2013 capital budget converted the 2010 and 2011 loans to grants through a \$13.2 million appropriation to the Bond Bank that was effective April 15, 2012. This amount reflected the original loan amounts plus interest accrued on those loans.

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TOTAL BOND BANK BONDS ISSUED AND OUTSTANDING AS OF OCTOBER 1, 2013

		<u>Original Amount Issued</u>	<u>Amount Outstanding</u>
I.	Total 2005 General Bond Resolution G.O. Bonds ⁽¹⁾	\$866,085,000 ⁽¹⁾	\$776,335,000 ⁽¹⁾
II.	Total 1976 General Bond Resolution G.O. Bonds	721,985,000	60,740,000
III.	Total 2010 Resolution G.O. Bonds	4,765,000	4,435,000
IV.	Revenue Bonds		
	2003B Resolution	19,000,000	13,500,000
	2004B Resolution	5,365,000	4,385,000
	<u>Municipal Borrower</u>		
	City of Valdez		
	Municipality of Anchorage		
V.	Coastal Energy Impact Loan Program	35,456,046	10,682,527

REMAINING DEBT CAPACITY AFTER THE ISSUANCE OF THE 2013 SERIES THREE BONDS

Debt Limit (Section 44.85.180 of the Act)		\$1,000,000,000 ⁽²⁾
Less Outstanding Bonds		
General Obligation Bonds		
1976 General Bond Resolution	\$60,740,000	
2010 Resolution	4,435,000	
2005 General Bond Resolution	776,335,000 ⁽¹⁾	\$841,510,000 ⁽¹⁾
Revenue Bonds		17,885,000
Coastal Energy Loan Program		<u>10,682,527</u>
Total Outstanding Debt		\$870,077,527 ⁽¹⁾
Remaining Debt Capacity		<u>\$129,922,473⁽¹⁾</u>

(1) Includes the 2013 Series Three Bonds. Preliminary, subject to change.

(2) The limit applies to all outstanding bonds or notes issued by the Bond Bank.

**DEBT SERVICE REQUIREMENTS OF
OUTSTANDING 2005 GENERAL BOND RESOLUTION
GENERAL OBLIGATION BONDS
AND THE 2013 SERIES THREE BONDS⁽¹⁾
(Fiscal Years Ending June 30)**

Fiscal Year	Existing Debt Service	2013 Series Three Principal	2013 Series Three Interest	Total Debt Service
2014	63,478,784	\$	\$	
2015	70,726,912			
2016	71,768,599			
2017	69,798,436			
2018	71,431,763			
2019	67,460,094			
2020	63,459,128			
2021	60,336,130			
2022	57,222,826			
2023	59,121,015			
2024	52,524,464			
2025	43,708,348			
2026	39,084,834			
2027	37,337,403			
2028	38,152,662			
2029	33,397,070			
2030	27,983,296			
2031	27,008,187			
2032	21,219,298			
2033	20,714,728			
2034	12,823,697			
2035	10,876,985			
2036	10,887,381			
2037	6,544,214			
2038	6,260,235			
2039	4,647,978			
2040	3,273,250			
2041	3,272,500			
2042	3,276,250			
2043	3,274,000			
2044	3,275,750			
2045	3,276,000			
2046	3,274,500			
2047	3,276,000			
2048				
	\$1,074,172,717			

(1) Totals may not foot due to rounding. The 2013 Series Three Bonds are the twenty-seventh Series of Bonds issued under the 2005 General Bond Resolution.

SUMMARY OF THE 2005 GENERAL BOND RESOLUTION

The following is a summary of certain provisions of the 2005 General Bond Resolution. For a complete statement of the provisions or contents of the 2005 General Bond Resolution, see Appendix F. Words and terms used in this summary are defined in the above-mentioned document and will have the same meanings herein as contained in that document, except as defined in this Official Statement.

2005 General Bond Resolution Constitutes Contract

The 2005 General Bond Resolution constitutes a contract between the Bond Bank, the Trustee and the owners of the Bonds, and the pledges made in the 2005 General Bond Resolution and the covenants and agreements therein set forth to be performed by the Bond Bank will be for the equal and proportionate benefit, protection and security of the holders of any and all of the Bonds, all of which will be of equal rank without preference, priority or distinction.

Obligation of Bonds

The Bonds are general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged for the payment of the principal or redemption price of, interest on and sinking fund installments for, the Bonds solely from the sources provided in the 2005 General Bond Resolution and any Series Resolution. The State will not be liable for payment on the Bonds, and the Bonds will not be a debt or liability, or constitute a pledge or loan of the faith and credit of the State.

Pledge

The Municipal Bonds and the Municipal Bonds Payments, the investments thereof and the proceeds of such investments, if any, and all funds and accounts established by the 2005 General Bond Resolution to be held by the Trustee are pledged and assigned for the payment of the principal of, redemption price of, interest on, and sinking fund installments for, the Bonds in accordance with the terms and provisions of the 2005 General Bond Resolution, subject only to the provisions of the 2005 General Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the 2005 General Bond Resolution. The Municipal Bonds and the Municipal Bonds Payments and all other money and securities pledged pursuant to the 2005 General Bond Resolution immediately will be subject to the lien of such pledge without any further act, and such lien will be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Bond Bank, regardless of whether such parties have notice thereof.

Power to Issue Bonds and Make Pledges

The Bond Bank covenants that it is duly authorized by law to issue the Bonds and to pledge the Municipal Bonds Payments, the Municipal Bonds and other money, securities, funds and property purported to be pledged by the 2005 General Bond Resolution which will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the 2005 General Bond Resolution, except for the liens in favor of the Trustee and Paying Agent as provided in the 2005 General Bond Resolution. The Bond Bank will at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Municipal Bonds Payments, the Municipal Bonds and other money, securities, funds and property pledged under the 2005 General Bond Resolution and all the rights of the Bondholders under the 2005 General Bond Resolution against all claims and demands of all persons whomsoever.

General

The Bond Bank will do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Bond Bank under law and the 2005 General Bond Resolution in accordance with the terms thereof.

The Bond Bank pledges and agrees with the Holders of the Bonds that it will not cause the State to limit or alter the rights vested by the Act in the Bond Bank to fulfill the terms of any agreements made with Bondholders, or in any way impair the rights and remedies of such Bondholders, until the Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully met and discharged.

Waiver of Laws

The Bond Bank will not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of any stay or extension of law now or at any time hereafter in force which may affect the covenants and agreements contained in the 2005 General Bond Resolution or in any Series Resolution or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the Bond Bank.

Loan Agreement Provisions

No loan will be made by the Bond Bank from proceeds of the sale of Bonds and no Bonds will be issued for the purpose of providing funds with which to make a loan, unless the Loan Agreement under which such loan is to be made will comply with, but not be limited to, the following:

(a) The Governmental Unit which is a party to such Loan Agreement must be a Governmental Unit as defined by the 2005 General Bond Resolution, and the Loan Agreement must be executed in accordance with existing laws.

(b) The Governmental Unit, prior to or simultaneously with the issuance of Bonds, will issue Municipal Bonds which are valid debt obligations of the Governmental Unit as required by the Act.

(c) The Municipal Bonds Payment to be made by the Governmental Unit under such Loan Agreement will be not less than the interest and principal payments the Bond Bank is required to make on the Loan Obligations and will be scheduled by the Bond Bank in such manner and at such times as to provide funds sufficient to pay principal and interest on the Loan Obligations as the same become due.

(d) The Governmental Unit will be obligated to pay Fees and Charges to the Bond Bank at the times and in the amounts which will enable the Bond Bank to comply with the provisions of the 2005 General Bond Resolution.

(e) The Governmental Unit will agree that in the event the Municipal Bonds Payment is not paid by it to the Bond Bank on or before the times specified in the Loan Agreement, any money payable to the Governmental Unit by any department or agency of the State will be withheld from such Governmental Unit and paid over directly to the Trustee acting under the 2005 General Bond Resolution.

(f) The Bond Bank will not sell, and the Governmental Unit will not redeem prior to maturity, any of the Municipal Bonds with respect to which the Loan is made in an amount greater than the Outstanding Bonds issued with respect to such Loan which are then redeemable, and any such sale or redemption of such Municipal Bond will be in an amount not less than the aggregate of (i) the principal amount of the Loan Obligation to be redeemed, (ii) the interest to accrue on the Loan Obligation so to be redeemed to the next redemption date, (iii) the applicable redemption premium, and (iv) the costs and expenses of the Bond Bank in effecting the redemption of the Loan Obligation.

(g) The Government Unit must give the Bond Bank at least fifty (50) days' notice of its intent to redeem its Municipal Bonds.

Modification of Loan Agreement Terms

The Bond Bank will not consent to the modification of, or modify, the rates of interest of, or the amount or time of payment of any installment of principal of or interest on, any Municipal Bonds evidencing a Loan, or the amount or time of payment of any Fees and Charges payable with respect to such Loan, or the security for or any terms or provisions of such Loan or the Municipal Bonds evidencing the same, in a manner which adversely affects or diminishes the rights of the Bondholders.

Enforcement of Municipal Bonds

The Bond Bank will diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of, all terms, covenants and conditions of all Loan Agreements and the Municipal Bonds, including the prompt collection, and the giving of notice to the Commissioner of Revenue, Commissioner of Commerce, Community and Economic Development and the Commissioner of Administration and any other department or agency of the State which is custodian of any money payable to the Governmental Unit of any failure or default of the Governmental Unit in the payment of its Municipal Bonds Payments and will promptly transfer any such money, upon receipt thereof, to the Trustee and the Trustee will deposit any such money in the Principal Account and Interest Account in place of said unpaid Municipal Bonds Payments or in the event deficiencies in said Accounts created by such default will have been made up by the Reserve Fund, into the Reserve Fund to the extent of such deficiencies.

Funds and Accounts

The 2005 General Bond Resolution established a Debt Service Fund, consisting of an Interest Account, a Principal Account and a Redemption Account; a Reserve Fund; a Rebate Fund, which consists of a separate sub-account for each Series of Bonds; and an Operating Fund. The Debt Service Fund, the Rebate Fund and the Reserve Fund are held by the Trustee. The Operating Fund is held by the Bond Bank.

Debt Service Fund. The Trustee will deposit Municipal Bonds Interest Payments and any other money available for the payment of interest in the Interest Account upon receipt thereof. The Trustee will, on or before each interest payment date, pay out of the Interest Account the amounts required for the payment of the interest becoming due on each series of Bonds on such interest payment date.

The Trustee will deposit Municipal Bonds Principal Payments and any other money available for the payment of principal in the Principal Account upon receipt thereof. The Trustee will, on or before each principal payment date or Sinking Fund Installment date, pay out of the Principal Account the amounts required for the payment of the principal or Sinking Fund Installment due on each series of Bonds on such date.

The Trustee establishes in the Redemption Account a separate sub-account for each Series of Bonds. Any money deposited into the Redemption Account from any source other than pursuant to Section 607 or Section 916 of the 2005 General Bond Resolution will be applied to the purchase or redemption of Bonds. Any money deposited into the Redemption Account from the Reserve Fund because of a reduction in the Required Debt Service Reserve will be applied to the purchase or redemption of Reserve Fund Obligations.

Reserve Fund. Monthly, the Trustee will set aside from amounts in the Reserve Fund derived from investment earnings and profits realized by the Reserve Fund due to investments thereof, an amount which, when added to the amounts theretofore set aside for such purpose and not paid into the Interest Account, will on such date be equal to the unpaid interest on the Reserve Fund Obligations accrued and to accrue to the last day of such month.

On or before each principal payment date and Sinking Fund Installment payment date of Reserve Fund Obligations, the Trustee will withdraw from amounts in the Reserve Fund and deposit in the Principal Account an amount which, when added to the amount then on deposit in the Principal Account and derived from sources other than Municipal Bonds Payments, will be equal to the Principal Installment of the Reserve Fund Obligations falling due on such date.

On or before December 31 of each year, after satisfying the deposit requirements set forth above, the Trustee will withdraw from the Reserve Fund any amount remaining therein derived from investment earnings or profits due to investments thereof, and pay over said amount to the Bond Bank for deposit in the Operating Fund, but only to the extent that there remains after such withdrawal an amount in the Reserve Fund at least equal to the Reserve Fund Requirement.

The Bond Bank will pay into the Reserve Fund (a) money made available by the State and paid by the State for the purpose of the Alaska Municipal Bond Bank Reserve Fund created by the Act in the amount provided by a Series Resolution; (b) all money paid to the Bond Bank pursuant to the Act for the purpose of restoring the Reserve Fund to the amount of the Reserve Fund Requirement; (c) such portion of the proceeds of sale of Bonds, if any, as will be provided by any Series Resolution; (d) Credit Enhancement; and (e) any other money which may be made available to the Bond Bank for the purposes of the Reserve Fund from any other source or sources. The Reserve Fund Requirement may be satisfied entirely, or in part, by a letter of credit, a line of credit, a credit facility, a surety bond, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds; provided, however, any credit enhancement satisfying all or any part of the Reserve Fund Requirement after the initial issuance of Bonds or issued in substitution of any prior credit enhancement previously issued will not, by itself, cause a withdrawal or downward revision of the ratings maintained by any Rating Agency with respect to the Bonds.

In the event there will be a deficiency in the Interest Account or in the Principal Account, the Trustee will make up such deficiencies from the Reserve Fund.

Administration of Reserve Fund. Money and securities held in the Reserve Fund will not be withdrawn therefrom at any time in such amount as would reduce the amount in such Fund to an amount less than the Reserve Fund Requirement except for the payment when due of debt service on Reserve Fund Obligations and to cure a deficiency in the Principal Account or the Interest Account.

Rebate Fund. There will be deposited in the Rebate Fund the amount of the Rebate Requirement for each Series of Bonds, and the Trustee will pay over to the United States Government such amounts as determined by the Bond Bank and as set forth in the 2005 General Bond Resolution. All amounts held in the Rebate Fund, including income earned from investment of the Rebate Fund, shall be held by the Trustee free and clear of the lien of the 2005 General Bond Resolution.

Operating Fund. There will be deposited in the Operating Fund all Fees and Charges, to the extent not otherwise encumbered or pledged, and any other money which may be made available to the Bond Bank therefor from any other source or sources. Money at any time held for the credit of the Operating Fund will be used for and applied solely to the following purposes: (a) to pay the Administrative Expenses of the Bond Bank; (b) to pay the fees and expenses of the Trustee and any Paying Agent; (c) to pay financing costs incurred with respect to a Series of Bonds; and (d) to pay any expenses incurred in carrying out any other purpose then authorized by the Act.

All amounts in the Operating Fund will be free and clear of any lien or pledge created by the 2005 General Bond Resolution.

Security for Deposits

All money held by the Trustee will be continuously and fully secured, for the benefit of the Bond Bank and the Bondholders in such manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds. It will not be necessary for the Trustee or any paying agent to give security for the deposit of any money with them held in trust for the payment of the principal or Redemption Price of or interest on any Bonds, or for the Trustee to give security for any money which will be represented by obligations purchased under the provisions of the 2005 General Bond Resolution as an investment of such money.

Payment of Bonds

The Bond Bank will duly and punctually pay or cause to be paid the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner provided in the Bonds according to the true intent and meaning thereof, and will duly and punctually satisfy all Sinking Fund Installments, if any, becoming payable with respect to any Series of Bonds.

Fees and Charges

The Bond Bank may charge such Fees and Charges to each Governmental Unit to which a Loan is made, and will revise such Fees and Charges if necessary, so that such Fees and Charges actually collected from each such Governmental Unit will at all times produce money which, together with such Governmental Unit's Allocable Proportion of other money available under the provisions of the 2005 General Bond Resolution, and other money available therefor, will be at least sufficient to pay, as the same become due, the Governmental Unit's Allocable Proportion of the Administrative Expenses of the Bond Bank and of the fees and expenses of the Trustee and any Paying Agent.

Issuance of Additional Obligations

The Bond Bank may issue additional Bonds and refunding Bonds pursuant to the terms of the 2005 General Bond Resolution; however, no additional series of Bonds will be issued unless:

- (a) the aggregate principal amount of Bonds and Notes Outstanding at the time of issuance and delivery of such additional Bonds including the principal amount of such additional Bonds, will not exceed any limit thereon imposed by State law;
- (b) there is at the time of the issuance of such additional Bonds no deficiency in the amounts required by the 2005 General Bond Resolution or any Series Resolution to be paid into the Debt Service Fund and into the Reserve Fund;
- (c) the amount of the Reserve Fund, upon the issuance and delivery of such additional Bonds, will not be less than the Required Debt Service Reserve; and
- (d) the maturities of, or Sinking Fund Installments for, the additional Bonds representing Loan Obligations, unless such additional Bonds are being issued to refund Outstanding Bonds, will be equal to the scheduled Municipal Bonds Principal Payments to be made in respect of the Loans with respect to which such additional Bonds are to be issued.

The Bond Bank expressly reserves the right to adopt other general bond resolutions and reserves the right to issue notes and any other obligations so long as the same are not a charge or lien on the Municipal Bonds, the Municipal Bonds Payments and the Fees and Charges or payable from the Debt Service Fund or the Reserve Fund.

Defeasance

If the Bond Bank will pay or cause to be paid to the holders of all Bonds then Outstanding, the principal and interest and/or Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the 2005 General Bond Resolution and also will pay or cause to be paid all other sums payable under the 2005 General Bond Resolution, including any amounts payable to the United States, then, at the option of the Bond Bank, as expressed in an instrument in writing signed by an Authorized Officer and delivered to the Trustee, the covenants, agreements and other obligations of the Bond Bank to the Bondholders will be discharged and satisfied. All Outstanding Bonds of any Series will, prior to the maturity or redemption date thereof, be deemed to have been paid if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Bond Bank will have given to the Trustee in form satisfactory to it irrevocable instructions to publish notice of redemption on said date of such Bonds, and (b) there will have been deposited with the Trustee either monies in an amount which will be sufficient or Investment Securities which are not subject to redemption prior to the dates on which amounts will be needed to make payments on the Bonds and described in clause (1) of the definition thereof, the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Trustee or Paying Agent at the same time, will be sufficient, to pay, when due, the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as may be the case.

Supplements and Amendments

The Bond Bank may adopt a Series Resolution or Supplemental Resolution without the consent of the Bondholders or the Trustee for various purposes not inconsistent with the 2005 General Bond Resolution, to provide for the issuance of additional Series of Bonds, to impose additional limitations or restrictions on the issuance of Bonds, to impose other restrictions on the Bond Bank, to surrender any right, power or privilege, or to confirm any pledge of or lien upon the Municipal Bonds or the Municipal Bonds Payments or any other funds. The Bond Bank may also supplement the 2005 General Bond Resolution to cure any ambiguity or defect in the 2005 General Bond Resolution, provided such modifications are not contrary to or inconsistent with the 2005 General Bond Resolution as theretofore in effect.

Any modification or amendment of the 2005 General Bond Resolution and of the rights and obligations of the Bond Bank and of the Bondholders may be made with the written consent (a) of the holders of at least two-thirds in principal amount of the Bonds Outstanding at the time such consent is given, or (b) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the holders of at least two-thirds in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given; provided, however, that such modification or amendment will not permit (i) a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or Sinking Fund Installment therefor, (ii) a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon, (iii) a reduction of the percentage of the Holders of which is required to effect any such modification or amendment, or (iv) the creation of any lien prior to or on a parity with the lien created by the 2005 General Bond Resolution (except in the manner provided by the 2005 General Bond Resolution) or deprive the Bondholders of the lien created by the 2005 General Bond Resolution, without the consent of the holders of all the Bonds Outstanding or of the Series of Bonds affected by such modification or amendment. To the extent that the full payment of the interest and principal of Bonds of a Series is secured by Credit Enhancement, the Credit Enhancement Agency will be considered to be the Bondholder of all the Bonds of the Series for purposes of exercising any rights with respect to supplements and amendments to the 2005 General Bond Resolution if the Credit Enhancement so provides.

Events of Default and Remedies

Each of the following events is an Event of Default under the 2005 General Bond Resolution:

(a) the Bond Bank defaults in the payment of the principal or Redemption Price of, Sinking Fund Installment for, or interest on, any Bond when and as the same will become due whether at maturity or upon call for redemption, or otherwise;

(b) the Bond Bank fails or refuses to comply with the provisions of the Act regarding the certification of deficiencies in the 2005 General Bond Resolution Reserve Fund, or such amounts as will be certified to the Governor and to the Legislature pursuant to the Act will not be appropriated and paid to the Bond Bank prior to the termination of the then current State fiscal year; or

(c) the Bond Bank fails or refuses to comply with the provisions of the Act, other than as provided in (b) above, or defaults in the performance or observance of any other of the covenants, agreements or conditions on its part in the 2005 General Bond Resolution, any Series Resolution, any Supplemental Resolution, or in the Bonds contained, and such failure, refusal or default will continue for a period of 45 days after written notice thereof by the Trustee or the Holders of not less than 25 percent in principal amount of the Outstanding Bonds;

provided, however, that an event of default will not be deemed to exist under the provisions of clause (c) above upon the failure of the Bond Bank to make and collect Fees and Charges required to be made and collected by the 2005 General Bond Resolution or upon the failure of the Bond Bank to enforce any obligation undertaken by a Governmental Unit pursuant to a Loan Agreement including the making of the stipulated Municipal Bonds Payments so long as the Bond Bank may be otherwise directed by law and so long as the Bond Bank will be provided with money from the State or otherwise, other than withdrawals from or reimbursements of the Reserve Fund, sufficient in amount to pay the principal of and interest on all Bonds as the same will become due during the period for which the Bond Bank will be directed by law to abstain from making and collecting such Fees and Charges and from enforcing the obligations of a Governmental Unit under the applicable Loan Agreement.

Upon the happening and continuance of any event of default specified in paragraph (a) above, the Trustee will proceed, or upon the happening and continuance of any event of default specified in paragraphs (b) and (c) above, the Trustee may proceed, and upon the written request of the holders of not less than 25 percent in principal amount of the Outstanding Bonds will proceed, in its own name, to protect and enforce its rights and the rights of the Bondholders by such of the following remedies as the Trustee, being advised by counsel, will deem most effectual to protect and enforce such rights:

(a) by mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Bond Bank to make and collect Fees and Charges and Municipal Bonds Payments adequate to carry out the covenants and agreements as to, and pledge of, such Fees and Charges and Municipal Bonds Payments, and other properties and to require the Bond Bank to carry out any other covenant or agreement with Bondholders and to perform its duties under the Act;

(b) by bringing suit upon the Bonds;

(c) by action or suit in equity, require the Bond Bank to account as if it were the trustee of an express trust for the holders of the Bonds;

(d) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of the Bonds.

Upon the occurrence of an event of default in the payment of principal of and interest on Bonds then Outstanding, the Trustee may, and upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding will, declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same will be immediately due and payable. This provision, however, is subject to the condition that if before any judgment or decree for the payment of the money due will have been obtained or entered, the Bond Bank will deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest upon all the Bonds, with interest on such overdue installments of principal at the rate borne by the respective Bonds, and the reasonable expenses of the Trustee, and any and all other defaults known to the Trustee will have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate will have been made therefor, then the holders of at least a majority in aggregate principal amount of the Bonds then outstanding, may, on behalf of the holders of all of the Bonds, rescind and annul such declaration and its consequences and waive such default.

Bondholders' Direction of Proceedings. The holders of a majority in principal amount of the Bonds then Outstanding will have the right to direct the method of conducting all remedial proceedings to be taken by the Trustee, provided that such direction will not be otherwise than in accordance with law or the 2005 General Bond Resolution, and that the Trustee will have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Limitation on Rights of Bondholders. No holder of any Bond will have any right to institute any suit, action, mandamus or other proceeding in equity or at law under the 2005 General Bond Resolution, or for the protection or enforcement of any right under the 2005 General Bond Resolution or any right under law unless such holder will have given to the Trustee written notice of the event of default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the holders of not less than 25 percent in principal amount of the Bonds then Outstanding will have made written request of the Trustee and will have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted under law or to institute such action, suit or proceeding in its name and unless, also, there will have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred thereby, and the Trustee will have refused or neglected to comply with such request within a reasonable time. No holder of the Bonds will have any right to affect, disturb or prejudice the security of the 2005 General Bond Resolution, or to enforce any right with respect to the Bonds or the 2005 General Bond Resolution, except in the manner provided in the 2005 General Bond Resolution, and all proceedings at law or in equity will be instituted, held and maintained in the manner herein provided and for the benefit of all Bondholders.

Excess Earnings

The Bond Bank covenants and agrees to calculate Rebatable Arbitrage and to pay Rebatable Arbitrage to the United States of America in the manner necessary to comply with the then applicable federal tax law. Within 30 days after the end of every fifth Bond Year, and within 60 days of the date when all of each Series of Bonds have been retired (or at such other time or times as may then be required by the Code and the applicable Income Tax Regulations), the Bond Bank will determine the Rebatable Arbitrage with respect to each Series of Bonds, and pay rebate amounts due the United States of America with respect thereto, as provided in Section 148(f) of the Code.

Modifications to the 2005 General Bond Resolution

The 2005 General Bond Resolution authorizes modifications of any provision set forth in the 2005 General Bond Resolution by the terms of a Supplemental Resolution, with such modifications becoming effective after all Bonds of each Series Outstanding as of the date of such Supplemental Resolution authorizing such modification cease to be Outstanding. A first supplemental resolution (the "First Supplemental Resolution") was approved by the Board of Directors of the Bond Bank at a meeting held on February 19, 2013.

The First Supplemental Resolution authorizes the following modifications to the 2005 General Bond

Resolution: (i) to authorize the Trustee to release to the Bond Bank amounts held in the Reserve Fund which exceed the Required Debt Service Reserve whenever there is a reduction in the Required Debt Service Reserve, (ii) to authorize the Trustee to release to the Bond Bank earnings and profits realized from investments in the Reserve Fund on or before June 30 of each year so long as the balance therein equals the Required Debt Service Reserve, (iii) to allow for certain amendments and modifications to the 2005 General Bond Resolution to be effective upon securing the consent of Holders of at least two-thirds in principal amount of Bonds then Outstanding, and (iv) to establish that consent of Holders of Bonds, when required under the terms of the 2005 General Bond Resolution, specifically includes the consent of an underwriter or purchaser of a Series of Bonds at the time such Bonds are issued.

The modifications to the 2005 General Bond Resolution set forth in the First Supplemental Resolution shall become effective after all Bonds issued prior to the 2013 Series One Bonds cease to be Outstanding and compliance by the Bank with certain requirements set forth in the 2005 General Bond Resolution, at which time these modifications will apply to the 2013 Series Three Bonds and govern the rights and obligations of the Holders thereof.

LITIGATION

Upon the delivery of the 2013 Series Three Bonds, the Bond Bank will furnish a certificate to the effect that, among other things, there is no litigation pending in any court to restrain or enjoin the issuance or delivery of the 2013 Series Three Bonds, or in any way contesting the validity or enforceability of the 2013 Series Three Bonds, the 2005 General Bond Resolution or any Bonds or money pledged under the 2005 General Bond Resolution.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale by the Bond Bank of the 2013 Series Three Bonds are subject to the approving legal opinion of Wohlforth, Brecht, Cartledge & Brooking of Anchorage, Alaska, Bond Counsel to the Bond Bank. The proposed form of the opinion of Bond Counsel is included herein as Appendix A.

Certain legal matters will be passed upon for (i) the Lake and Peninsula Borough by its bond counsel, Birch Horton Bittner & Cherot, of Anchorage, Alaska; (ii) the City and Borough of Juneau and the City and Borough of Sitka by their bond counsel, K&L Gates LLP of Seattle, Washington, and (iii) the City of Sand Point by its co-bond counsel, Foster Pepper PLLC of Seattle, Washington and Walker and Levesque, LLC of Anchorage, Alaska.

Certain legal matters will be passed upon for the Underwriters by their counsel, Foster Pepper PLLC of Seattle, Washington. Any opinion of such firm will be delivered solely to the Underwriters, will be limited in scope, and cannot be relied upon by investors.

UNDERWRITING

The 2013 Series Three Bonds are to be purchased by RBC Capital Markets and _____ (the "Underwriters") from the Bond Bank at an aggregate purchase price of \$ _____ (equal to the aggregate principal amount of the 2013 Series Three Bonds, plus a net original issue premium of \$ _____, less Underwriters' discount of \$ _____), subject to the terms of a Bond Purchase Contract between the Bond Bank and the Underwriters. The Bond Purchase Contract provides that the Underwriters will purchase all of the 2013 Series Three Bonds if any are purchased and that the obligation to make such purchase is subject to certain terms and conditions set forth in the Bond Purchase Contract, including the approval by counsel of certain matters.

The initial offering prices (or prices corresponding to the yields) set forth on the inside cover of this Official Statement may be changed from time to time by the Underwriters without prior notice to any person after

the date of the sale of the 2013 Series Three Bonds. The Underwriters may offer and sell the 2013 Series Three Bonds to certain dealers, unit investment trusts or money market funds at prices lower than the initial offering prices (or prices corresponding to the yields) set forth on the inside cover of this Official Statement.

FINANCIAL ADVISOR

Western Financial Group, LLC has acted as financial advisor (the “Financial Advisor”) to the Bond Bank in connection with the issuance of the 2013 Series Three Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. Western Financial Group, LLC is an independent advisory firm registered with the Securities and Exchange Commission and is not engaged in the business of underwriting, trading, or distributing municipal securities or other public securities.

The Financial Advisor also serves as financial advisor to the City and Borough of Juneau. Western Financial Group has secured the consent of the Bond Bank and the City and Borough of Juneau regarding the multiple representations of clients in this transaction.

FINANCIAL STATEMENTS

The financial statements of the Bond Bank included as Appendix E to this Official Statement have been audited by Elgee Rehfeld Mertz LLC, independent certified public accounts, to the extent and for the periods indicated in their report thereon. Such financial statements have been included in reliance upon the report of Elgee Rehfeld Mertz LLC.

The Bond Bank has not requested Elgee Rehfeld Mertz LLC to provide written consent for inclusion of the financial statements in this Official Statement.

TAX MATTERS

In the opinion of Bond Counsel, based on an analysis of existing laws, regulations, rulings and court decisions and assuming, among other things, compliance with certain covenants, interest on the 2013 Series Three Bonds is excludable from gross income for federal income tax purposes. Interest on the 2013 Series Three Bonds is not an item of tax preference for purposes of determining alternative minimum taxable income for individuals or corporations under the Code. However, interest on the 2013 Series Three Bonds is taken into account in determining adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations.

Bond Counsel is also of the opinion, based on existing laws of the State as enacted and construed that interest on the 2013 Series Three Bonds is excludable from taxation by the State except for transfer, estate and inheritance taxes.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2013 Series Three Bonds. The Bond Bank and Governmental Units have covenanted to comply with certain restrictions designed to assure that interest on the 2013 Series Three Bonds is excludable from federal gross income. Failure to comply with these covenants may result in interest on the 2013 Series Three Bonds being included in federal gross income, possibly from the date of issuance of the 2013 Series Three Bonds. Bond Counsel's opinion is subject to the condition that the Bond Bank and the Governmental Units comply with these covenants and, in addition, will rely on representations by the Bond Bank and the Governmental Units and their advisors with respect to matters solely within the knowledge of the Bond Bank and the Governmental Units and their advisors, respectively.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the 2013 Series Three Bonds may adversely affect the tax status of interest on the 2013 Series Three Bonds.

Although Bond Counsel has rendered an opinion that interest on the 2013 Series Three Bonds is excludable from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, such 2013 Series Three Bonds may otherwise affect a 2013 Series Three Bond Owner's federal or State tax liability. The nature and extent of these other tax consequences will depend upon the 2013 Series Three Bond Owner's particular tax status and the 2013 Series Three Bond Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the 2013 Series Three Bonds. Owners of the 2013 Series Three Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the 2013 Series Three Bonds, which may include original issue discount, original issue premium, purchase at market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

Backup Withholding. Interest on tax-exempt obligations such as the 2013 Series Three Bonds is in many cases subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007 to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. This reporting requirement does not in and of itself affect or alter the excludability of interest on the 2013 Series Three Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Original Issue Discount. The 2013 Series Three Bonds maturing ____ 1, 20__, (the "Discount Bonds") are being sold at an original issue discount. The difference between the initial public offering prices, as set forth on the cover page, of such Discount Bonds and their stated amounts to be paid at maturity, constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the 2013 Series Three Bonds.

The amount of original issue discount which is treated as having accrued with respect to such Discount Bond is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received upon disposition of such Discount Bond which are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount which would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less the amount of any interest payable for such Discount Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount which would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Bond.

Original Issue Premium. The 2013 Series Three Bonds maturing ____ 1, 20__ through and including ____ 1, 20__ (collectively, the “Premium Bonds”) are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. An initial purchaser of a Premium Bond must amortize any premium over such Premium Bond’s term using constant yield principles, based on the purchaser’s yield to maturity or, in the case of Premium Bonds callable prior to their maturity, by amortizing the premium to the call date, based on the purchaser’s yield to the call date and giving effect to the call premium). As premium is amortized, the purchaser’s basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser’s basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Bonds should consult with their tax advisors with respect to the determination and treatment of amortizable premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Changes in Federal Tax Law. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the 2013 Series Three Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the 2013 Series Three Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the 2013 Series Three Bonds or the market value thereof would be impacted thereby. Purchasers of the 2013 Series Three Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the 2013 Series Three Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

Bond Counsel’s opinion is not a guarantee of a result and is not binding on the Internal Revenue Service (“IRS”); rather, the opinion represents its legal judgment based upon its review of existing statutes, regulations, published rulings, and court decisions and the representations and covenants of the Bond Bank. The IRS has an ongoing program of auditing the tax-exempt status of the interest on governmental obligations. If an audit of the 2013 Series Three Bonds is commenced, under current procedures, the IRS is likely to treat the Bond Bank as the “taxpayer,” and the owners of the 2013 Series Three Bonds (the “Owners”) would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the 2013 Series Three Bonds, the Bond Bank may have different or conflicting interests from the Owners. Public awareness of any future audit of the 2013 Series Three Bonds could adversely affect the value and liquidity of the 2013 Series Three Bonds during the pendency of the audit, regardless of its ultimate outcome.

RATINGS

Moody’s Investors Service Inc. (“Moody’s”) and Fitch Ratings (“Fitch”) have assigned “___” and “___” ratings, respectively, to the 2013 Series Three Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody’s, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, (212) 553-0300; Fitch, One State Street Plaza, New York, New York 10004, (212) 908-0500. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. **There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2013 Series Three Bonds.**

CONTINUING DISCLOSURE UNDERTAKING

Basic Undertaking to Provide Annual Financial Information and Notice of Material Events.

Continuing disclosure is provided for the benefit of beneficial owners. Pursuant to the Securities and Exchange Commission (the "SEC") Rule 15c2-12 (the "Rule"), the Bond Bank will agree to provide, or cause to be provided, to the Municipal Securities Rulemaking Board ("MSRB") annual financial information and operating data as described below. In addition, if any Governmental Unit has outstanding with the Bond Bank an amount of bonds equal to or greater than 10 percent of all Bonds outstanding, such Governmental Unit will be deemed an "Obligated Person" under the Rule and will be contractually required, at a minimum, to provide updated financial information of the type included in Appendix D hereof and annual financial statements prepared in accordance with generally accepted accounting principles applicable to the governmental entities, as such principles may be changed from time to time.

Not later than 120 days after the end of each Bond Bank fiscal year, the Bond Bank will notify each Governmental Unit that has, or had, an amount of bonds equal to or greater than 10 percent of all Bonds Outstanding, of its continuing disclosure undertaking responsibility. A list of Governmental Units deemed Obligated Persons for the prior fiscal year will be included in the Bond Bank's annual financial information filing.

The Bond Bank will also undertake to provide or cause to be provided to the MSRB a notice of the occurrence of any of the following events specified by the Rule with respect to the 2013 Series Three Bonds within ten business days of the occurrence of the event: (a) principal and interest payment delinquencies; (b) unscheduled draws on debt service reserves reflecting financial difficulties; (c) unscheduled draws on credit enhancements reflecting financial difficulties; (d) substitution of credit or liquidity providers, or their failure to perform; (e) adverse tax opinions or events affecting the tax-exempt status of the 2013 Series Three Bonds; (f) defeasances; (g) rating changes; (h) tender offers; (i) bankruptcy, insolvency, receivership or similar proceeding by the Bond Bank or "obligated person". The Bond Bank will also file with the MSRB a notice of any of the following events with respect to the 2013 Series Three Bonds within ten business days of the occurrence of such event, if material: (a) non-payment related defaults; (b) modification to rights of holders of 2013 Series Three Bonds; (c) bond calls, other than mandatory, scheduled redemptions not otherwise contingent on the occurrence of an event; (d) release, substitution or sale of property securing repayment of the 2013 Series Three Bonds; (e) other than in the normal course of business, the consummation of a merger, consolidation or acquisition involving an "obligated person," or the sale of all or substantially all of the assets of the Bond Bank or "obligated person," or the entry into a definitive agreement to undertake such an action, or a termination of a definitive agreement relating to any such actions, other than in accordance with its terms; (f) appointment of a successor or additional trustee or the change in name of the Trustee for the 2013 Series Three Bonds.

The Bond Bank also will provide to the MSRB timely notice of its failure to provide required annual financial information on or before the date specified below.

Type of Annual Financial Information Undertaken to be Provided by the Bond Bank. The annual financial information that the Bond Bank undertakes to provide will consist of (a) annual financial statements for the Bond Bank, prepared in accordance with generally accepted accounting principles applicable to governmental entities, as such principles may be changed from time to time; (b) a statement of authorized, issued and outstanding bonded debt; (c) Reserve Fund balance; and (d) Governmental Unit statistics in substantially the same form as Appendix C attached hereto. This information will be provided to the MSRB not later than 210 days after the end of each fiscal year of the Bond Bank (currently, the 12-month period ending June 30), as such fiscal year may be changed as required by State law, commencing with the Bond Bank's fiscal year ending June 30, 2014.

Amendment of Undertaking. The Undertaking is subject to amendment after the primary offering of the 2013 Series Three Bonds without the consent of any Beneficial Owner of any 2013 Series Three Bond, or any

broker, dealer, municipal securities dealer, participating underwriter, rating agency, or the MSRB, if (a) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Bond Bank; (b) the Undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the 2013 Series Three Bonds, after taking into account any amendments or interpretations of the Rule by the SEC and any changes in circumstances; (c) the Bond Bank obtains an opinion of nationally recognized bond counsel to the effect that the amendment will not adversely affect the Bond Bank's compliance with the Undertaking and Rule; and (d) the Bond Bank notifies and provides the MSRB with copies of the opinions and amendments. Such amendment may be adopted without the consent of any Beneficial Owner of any of the 2013 Series Three Bonds, notwithstanding any other provision of the Undertakings or the Bond Resolution.

The first annual report containing amended operating data or financial information pursuant to an amendment of the Bond Bank continuing disclosure undertaking will explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

All notices, financial information and operating data required by this undertaking to be provided to the MSRB must be in electronic format as prescribed by the MSRB. All documents provided to the MSRB pursuant to this undertaking must be accompanied by identifying information as prescribed by the MSRB.

Termination. The obligations of the Bond Bank under its undertaking will terminate upon the legal defeasance, prior redemption or payment in full of all of the 2013 Series Three Bonds.

Remedy for Failure to Comply with Undertaking. No failure by the Bond Bank and/or the Obligated Persons identified in Appendix D hereto to comply with any provisions of their respective undertakings will constitute a default in respect of the 2013 Series Three Bonds, and the sole remedy under the respective undertakings in the event of any failure of the Bond Bank and/or the Obligated Persons identified in Appendix D hereto to comply with their respective undertaking will be the right to obtain specific performance of the undertaking.

Prior Compliance with Continuing Disclosure Undertakings Under the Rule

The Bond Bank has previously entered into continuing disclosure undertakings under the Rule. The Bond Bank did not file event notices in connection with certain downgrades of ratings of insurers of certain of its existing General Obligation Bonds. Additionally, the Bond Bank did not file an event notice for an underlying ratings upgrade from Moody's in November 2010 in relation to two series of outstanding General Obligation Bonds. All such notices were subsequently filed. The Bond Bank has otherwise complied in the past five years in all material respects with its previous undertakings with regard to the Rule to provide annual reports or notices of certain events.

SOURCES OF CERTAIN INFORMATION

As of the date of this Official Statement, the Governmental Units which have loan obligations in an amount of ten percent (10%) or greater in the pool of loans financed with proceeds of Bonds are the City and Borough of Sitka (15.75%), the City and Borough of Juneau (15.66%), and the Kenai Peninsula Borough (10.55%). These Governmental Units are considered "Obligated Persons" under the Rule and have provided the information appearing in Appendix D of this Official Statement.

The Bond Bank makes no representation as to the accuracy of the information concerning the City and Borough of Juneau, the Kenai Peninsula Borough or the City and Borough of Sitka found in Appendix D of this Official Statement.

DEFINITIONS

The following terms are used in this Official Statement with the following meanings:

"Act" — The Alaska Municipal Bond Bank Act, codified as Chapter 85, Title 44, of the Alaska Statutes, as amended.

"Bond Bank" — The Alaska Municipal Bond Bank, a public corporation and instrumentality of the State of Alaska within the Department of Revenue but with legal existence independent of and separate from the State.

"Bonds" — Bonds issued by the Bond Bank under the 2005 General Bond Resolution pursuant to a Series Resolution. These include "Loan Obligations" and "Reserve Fund Obligations" as defined below.

"Code" — Internal Revenue Code of 1986 and the regulations thereunder, as amended.

"Credit Enhancement" — A letter of credit, a line of credit, a credit facility, a surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds to further secure the payment of the Bonds of such Series or to satisfy the Reserve Fund Requirement.

"Credit Enhancement Agency" — Any bank or other institution that provides Credit Enhancement.

"Debt Service Fund" — A fund established by the 2005 General Bond Resolution to be maintained and held by the Trustee. The 2005 General Bond Resolution defines and provides that the "Interest Account," "Principal Account" and "Redemption Account" are maintained within the Debt Service Fund.

"Fees and Charges" — All fees and charges authorized to be charged by the Bond Bank pursuant to Sections 44.85.080 (8), (15), and (16) of the Act and charged by the Bank pursuant to the terms and provisions of the Loan Agreements.

"Governmental Unit" — A municipality or such other entity from which the Bond Bank is authorized by law to purchase its revenue bonds, general obligation bonds, notes, or other forms of indebtedness and which otherwise satisfies conditions found in the 2005 General Bond Resolution and in the Loan Agreement.

"Loan Agreement" — An agreement, and any amendments thereto, entered into between the Bond Bank and a Governmental Unit setting forth the terms and conditions of a loan.

"Loan Obligations" — The amount of Bonds and the Bonds themselves issued by the Bond Bank for the purchase of Municipal Bonds of a Governmental Unit.

"Municipal Bonds" — General obligation bonds, revenue bonds, notes or other evidence of debt issued by any Governmental Unit, as defined in the Act, which have been acquired by the Bond Bank as evidence of a loan to the Governmental Unit pursuant to the Act.

"Municipal Bonds Payment" — The amounts paid or required to be paid, from time to time, for principal and interest by a Governmental Unit to the Bond Bank on the Governmental Unit's Municipal Bonds.

"Notes" — Any obligations referred to in the 2005 General Bond Resolution issued by the Bond Bank other than Bonds.

"Operating Fund" — A fund established by the 2005 General Bond Resolution. This fund is not held by the Trustee and money therein is not pledged as security for Bonds.

"Outstanding" — When used with reference to Bonds, shall mean, as of any date, Bonds theretofore or then being delivered under the provisions of the 2005 General Bond Resolution, other than Bonds owned or held by or for the account of the Bond Bank except: (i) any Bonds cancelled by the Trustee at or prior to such date, (ii) any Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been delivered pursuant to the 2005 General Bond Resolution, and (iii) Bonds deemed to have been paid as provided in the 2005 General Bond Resolution.

"Reserve Fund" — The reserve account established by the 2005 General Bond Resolution and held by the Trustee pursuant to the provisions of the 2005 General Bond Resolution.

"Reserve Fund Obligations" — Bonds issued by the Bond Bank to obtain funds to deposited in the Reserve Fund.

"Reserve Fund Requirement" — The amount required to be on deposit in the 2005 General Bond Resolution Reserve Fund is the least of the following: (i) 10% of the initial stated principal amount of each Series of Bonds then Outstanding; (ii) maximum annual principal and interest requirements on all Bonds then Outstanding; (iii) 125% of average annual principal and interest requirements on all Bonds then Outstanding; or (iv) such lesser amount as shall be required by law. The Reserve Fund Requirement may be satisfied entirely, or in part, by Credit Enhancement; provided, however, any Credit Enhancement satisfying all or any part of the Reserve Fund Requirement after the initial issuance of Bonds or issued in substitution for any prior Credit Enhancement previously issued will not, by itself, cause a withdrawal or downward revision of the ratings maintained by any Rating Agency with respect to the Bonds.

"Required Debt Service Reserve" — As of any date of calculation, the amount required to be on deposit in the Reserve Fund which amount shall at least be equal to the Reserve Fund Requirement.

"Series Resolution" — A resolution of the Bond Bank authorizing the issuance of a series of Bonds in accordance with the terms of the 2005 General Bond Resolution.

"2005 General Bond Resolution" — The Bond Bank's 2005 General Obligation Bond Resolution adopted July 13, 2005, as amended August 19, 2009. (The Bond Bank may adopt additional general obligation resolutions for the same or different purposes.)

MISCELLANEOUS

The summaries or descriptions of provisions in the Bond Resolution and all references to other materials not purporting to be quoted in full are only brief outlines of certain provisions thereof and do not constitute complete statements of such documents or provisions, and reference is hereby made to the complete documents and materials, copies of which will be furnished by the Bond Bank on request. The 2005 General Bond Resolution has been included herein as Appendix F.

Any statements made in this Official Statement indicated to involve matters of opinion or estimates are represented as opinions or estimates in good faith. No assurance can be given, however, that the facts will materialize as so opined or estimated.

PRELIMINARY OFFICIAL STATEMENT

The Bond Bank hereby deems this Preliminary Official Statement pursuant to the SEC Rule 15c2-12 as final as of its date except for the omission of the information dependent upon the pricing of the issue, such as offering prices, interest rates, delivery date and other terms of the 2013 Series Three Bonds dependent on the foregoing matters.

OFFICIAL STATEMENT

The Bond Bank has authorized the execution and distribution of this Official Statement.

ALASKA MUNICIPAL BOND BANK

/s/

Deven J. Mitchell
Executive Director

APPENDIX A

Form of Legal Opinion

APPENDIX B

State Payments to Governmental Units

Appendix B

State Payments to Governmental Units

The State of Alaska (the “State”) disburses to Alaskan cities and boroughs (the “Governmental Units”) funds that generally are available for uses other than paying municipal bond debt service. In the event of default by a Governmental Unit with respect to a Loan Agreement, the Bond Bank can cause such funds, held in custody by the State prior to disbursement, to be paid over to the Bond Bank. However, the State may at any time reduce or terminate the disbursements or programs under which they are made. Four of the departments of the State that disburse money to Governmental Units are as follows:

(1) Department of Education and Early Development. The Department of Education and Early Development (DEED) disburses State aid for educational purposes primarily through two programs. The first program provides a system under which the State, subject to annual appropriation by the State Legislature, will reimburse municipalities that operate school districts for certain costs of school construction. State reimbursement applies to debt service on locally issued general obligation school bonds. Timing of reimbursements is determined by municipalities’ debt service payments, and is made throughout the year. This program provides that subject to statutory and regulatory conditions that the State will reimburse municipalities for a pre-determined percentage of debt service incurred for such bonds, depending on when such bonds were issued and the project components. The State has in the past, and may in the future, appropriate less than the full amount to which the municipalities are entitled. When appropriations are less than 100 percent of the entitlement, funds have been allocated pro rata among the eligible school districts.

Under the second program, the State aids local school districts in the payment of operating expenses under the State “K-12 Support” funding which provides education-related aid for operating costs associated with qualified K-12 schools as well as programs such as the Public School Foundation, boarding home grants, youth and detention funding, handicapped facilities, pupil transportation, and nutrition programs. The program provides for monthly distributions to the school districts.

(2) Department of Revenue. The Department of Revenue disburses shares of various State taxes collected by the within the jurisdiction of certain Governmental Units including corporate income, amusement, aviation fuel, electric, telephone, liquor and fisheries taxes. Payments are distributed both semi-annually in January and July and annually in October depending upon the type of tax.

(3) Department of Commerce, Community and Economic Development. The Department of Commerce, Community and Economic Development (DCCED) administers a payment in lieu of taxes program under which the federal government pays a fee for use of land. The payments received from the federal government are passed through the State to certain Governmental Units. Distributions occur annually in July. The State also disburses money to certain Governmental Units through the DCCED's Capital Matching Grants program to provide assistance in financing capital projects. Distributions are made throughout the year as approved projects are constructed. Additionally the State Revenue Sharing program provides an annual transfer to certain governmental units based on population.

(4) Department of Corrections. The Department of Corrections transfers monthly amounts to pay operational expenses of local communities that house prisoners in municipal-owned facilities.

Sources: State of Alaska, Department of Administration, Division of Finance; State of Alaska, Office of Management and Budget; and State of Alaska, Department of Revenue, Tax Division. Further information regarding the State of Alaska may be found at <http://alaska.gov> (this reference is not a hyperlink, and, by this reference, the State of Alaska’s website is not incorporated into this Official Statement).

Alaska Municipal Bond Bank Capability to Intercept Funds (to be updated)

	Shared Taxes & Fees FY2012	DOT Reimbursement Program FY 2013	School Debt Reimbursement FY2013	Education Support FY2013	Matching Grants Through FY2013 (1)	Community Jails FY 2012	Revenue Sharing FY 2013	Total Intercept Capability	Fiscal Year 2013 Total Debt Service (2)	Coverage Ratio
Boroughs										
Aleutians East Borough	\$2,082,874	\$514,838	\$641,928	\$5,312,704	\$4,542,842	0	\$575,711	\$13,670,897	\$2,602,051	5.25
Haines Borough	486,904	0	911,249	3,595,614	33,894,143	0	2,911,989	\$41,799,899	1,382,392	30.24
City & Borough of Juneau	4,662,940	0	14,333,513	44,160,753	27,119,002	0	2,911,989	\$93,188,197	11,103,655	8.39
Kenai Peninsula Borough	1,473,978	0	2,055,727	85,783,122	56,141,466	0	3,838,645	\$149,292,938	8,432,941	17.70
Ketchikan Gateway Borough	2,639,506	0	2,135,246	20,980,809	20,388,110	0	897,081	\$47,040,752	5,900,744	7.97
Kodiak Island Borough (3)	1,222,846	943,676	3,677,661	27,612,782	20,576,130	0	1,042,431	\$55,075,526	5,803,305	9.49
Northwest Arctic Borough	6,695	0	3,168,611	35,256,494	18,811,762	944,172	635,710	\$58,823,444	6,374,394	9.23
City & Borough of Sitka	1,641,483	0	2,563,509	13,468,594	52,149,536	419,450	1,301,072	\$71,543,644	9,599,237	7.45
Municipality of Skagway (3)	3,485,620	0	0	528,514	15,045,144	0	639,304	\$19,698,582	429,960	45.81
City & Borough of Wrangell	409,023	0	207,480	4,532,934	17,235,019	474,907	846,656	\$23,706,019	372,050	63.72
Cities										
Bethel*	\$3,937	\$0	\$0	\$0	\$71,985,180	\$0	\$566,499	\$72,555,616	\$293,344	247.34
Cordova	1,517,031	351,179	970,893	3,811,379	19,262,110	185,784	294,223	26,392,599	1,675,586	15.75
Dillingham	419,943	0	822,009	6,927,296	5,491,658	460,725	300,237	14,421,868	1,174,590	12.28
Hoonah	756,778	0	69,898	2,079,269	20,101,778	0	188,050	23,195,773	109,400	212.03
Homer* (3)	197,140	0	0	0	14,612,494	0	485,141	15,294,775	0	--
Ketchikan* (3)	2,465,255	0	0	0	41,432,990	0	698,801	44,597,046	7,029,739	6.34
Kenai*	363,172	0	0	0	10,322,585	0	627,466	11,313,223	175,848	64.34
King Cove*	524,085	0	0	0	703,320	0	201,529	1,428,934	105,804	13.51
Kodiak*	1,371,504	0	0	0	45,945,333	793,335	572,306	48,682,478	967,654	50.31
Nome	54,785	0	233,272	9,340,281	38,174,693	0	391,410	48,194,441	779,782	61.81
North Pole*	61,605	0	0	0	456,580	0	282,196	800,381	151,342	5.29
Palmer*	151,713	0	0	0	10,852,998	0	556,753	11,561,464	262,401	44.06
Petersburg	1,056,400	0	499,417	6,212,320	18,218,709	247,710	345,443	26,579,999	1,396,510	19.03
Sand Point*	365,756	0	0	0	2,723,843	0	144,287	3,233,886	162,822	19.86
Seward*	869,806	0	0	0	10,243,591	433,210	324,914	11,871,521	4,241,289	2.80
Soldotna*	46,057	0	0	0	9,016,506	0	432,124	9,494,687	220,916	42.98
Unalaska	8,542,195	366,594	834,585	48,580,088	3,670,777	602,385	437,654	63,034,278	3,765,841	16.74
Valdez	485,678	225,811	99,165	5,185,930	12,210,754	427,262	411,940	19,046,540	2,029,831	9.38
Wasilla*	252,454	0	0	0	16,709,201	0	693,410	17,655,065	422,744	41.76

* Communities that are located in a borough which operates the public schools in the community and receives that related Education Support Funding.

(1) Matching grants are appropriated by the Alaska State Legislature and can vary significantly from year to year.

(2) Includes annual debt service on general obligation and revenue-backed loans issued through AMBB.

(3) Borrowers to this issue.

APPENDIX C
Government Unit Statistics
Regarding Participation in the Bond Bank

APPENDIX C
GOVERNMENTAL UNIT STATISTICS
REGARDING PARTICIPATION IN THE BOND BANK

2005 GENERAL BOND RESOLUTION
OUTSTANDING LOAN PRINCIPAL TO GOVERNMENTAL UNIT BORROWERS OF THE
ALASKA MUNICIPAL BOND BANK
AS OF OCTOBER 1, 2013
(Does Not Include 2013 Series Three Bonds)

Borrower	Outstanding Par	Percent of Outstanding
City and Borough of Sitka	110,630,000	15.75%
City and Borough of Juneau	102,970,000	14.66%
Kenai Peninsula Borough	74,110,000	10.55%
Kodiak Island Borough	68,710,000	9.78%
City of Ketchikan	64,660,000	9.20%
Ketchikan Gateway Borough	41,760,000	5.94%
City of Seward	40,590,000	5.78%
City of Unalaska	35,190,000	5.01%
Northwest Arctic Borough	30,510,000	4.34%
Aleutians East Borough	27,675,000	3.94%
City of Cordova	15,020,000	2.14%
City of Kodiak	13,695,000	1.95%
City of Dillingham	12,505,000	1.78%
City of Petersburg	9,420,000	1.34%
City of Nome	5,720,000	0.81%
Municipality of Skagway	5,460,000	0.78%
City of Homer	3,735,000	0.53%
City of Bethel	2,940,000	0.42%
City of Valdez	2,725,000	0.39%
City of Sand Point	2,615,000	0.37%
City of Soldotna	2,225,000	0.32%
City of Wasilla	2,200,000	0.31%
City of Kenai	1,775,000	0.25%
City of Hoonah	1,190,000	0.17%
Haines Borough	1,180,000	0.17%
City of King Cove	1,100,000	0.16%
City of Palmer	860,000	0.12%
City of North Pole	820,000	0.12%
City and Borough of Wrangell	390,000	0.06%
Reserve Obligations	20,130,000	2.87%
Total Outstanding Par	\$702,510,000	100.00%

**DEBT SERVICE OF OUTSTANDING GENERAL OBLIGATION LOANS TO GOVERNMENTAL UNIT BORROWERS OF THE ALASKA
MUNICIPAL BOND BANK UNDER THE 2005 GENERAL BOND RESOLUTION
FISCAL YEARS 2014-2023
(Includes 2013 Series Three Bonds; Preliminary, subject to change)**

(Table reflects Loan Payments through fiscal year 2023. Debt service on bonds issued under the 2005 Resolution continues to 2048.)

Borrower	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
City of Ketchikan Utility - 2005 Loan	\$1,315,180	\$1,330,180	\$1,331,680	\$1,332,480						
City of Nome - 2005 Loan	301,338	302,338	302,838	299,838	301,433	302,564	303,114	303,244	302,709	301,744
Kenai Peninsula Borough Cent. Em. Svcs. Dist. - 2006 Loan	190,128	190,728	191,128	191,328	191,171	190,809	190,071	194,121	192,671	190,890
City of Seward - 2005 Port Loan	116,935	118,435	114,685	116,685	118,405	114,899	116,329	117,549	118,464	119,164
City of Seward - 2005 Refunding	286,750	288,750								
City of Seward - 2006 Port Loan	344,380	346,380	342,980	344,380	345,099	345,405	344,993	344,155	347,760	345,510
City of Ketchikan Port - 2006 Loan	2,559,450	2,556,156	2,555,069	2,556,963	2,553,063	2,548,063	2,550,038	2,543,850	2,544,363	2,541,300
City of Nome - 2007 Refunding	177,488	181,397	179,894	177,419	180,247	182,859	180,619	178,609		
Northwest Arctic Borough - 2007 Refunding	256,331	256,094	255,856	1,259,844	1,249,172	1,248,350	1,248,825	1,245,163		
City of Petersburg - 2007 Refunding	147,181	147,131	141,944	145,919	140,159	144,391	143,681	147,991		
City of Seward - 2007 Refunding	241,838	243,859	235,606	241,044	241,709	237,394	238,363	234,525	239,994	
City and Borough of Sitka - 2007 Refunding	846,575	845,341	847,319	848,781	851,672	849,219				
City of Wasilla - 2007 Refunding	417,744	422,263	420,819	421,681	423,241	424,588				
Kenai Peninsula Borough - 2007 Loan	314,538	316,725	313,225	312,625						
City of Petersburg - 2007 Loan	91,281	88,925	91,431	88,544	90,778	92,894	90,100	92,356	89,425	91,297
Aleutians East Borough - 2007 Refunding	1,206,238	1,203,438	945,438	947,338	1,772,238	1,818,363	1,835,863	1,844,988	1,856,938	2,121,938
South Kenai Peninsula Hospital - 2007 Refunding	145,900	145,300	144,700	144,100	143,500	142,825	146,950	789,450	788,250	784,350
City and Borough of Juneau - 2007 III Dock Loan	753,159	748,813	747,175	749,575	746,875	749,125	745,500	746,000	745,500	748,875
City of Bethel - 2007 III Court Facility Loan	292,413	295,225	291,838	293,038	294,125	295,125	290,750	291,000	290,750	290,000
Kenai Peninsula Borough South Hospital Service Area	1,129,569	1,129,600	1,128,569	1,126,475	1,127,363	1,124,313	1,122,938	1,119,813	1,119,813	1,117,813
City of Kodiak M&P Loan	128,621	126,221	128,671	125,971	128,121	125,121	127,521	125,287	127,878	125,313
City of Kodiak Lift Loan	243,580	244,530	240,330	240,980	241,330	241,380	242,030	243,271	244,186	244,804
Kodiak Island Borough 2008 One Loan	625,210	624,210	622,460	624,960	620,160	624,960	623,960	621,323	623,048	623,360
City of Dillingham 2008 One Loan	1,176,090	1,176,090	1,179,590	1,176,340	1,178,540	1,174,540	1,174,540	1,176,390	1,176,753	1,179,565
Kodiak Police Station 2008 One Loan	529,990	531,240	531,990	532,240	529,040	505,640	507,840	509,128	504,990	505,365
City of Seward Long Term Care 2008 One Loan	1,970,663	1,971,413	1,970,163	1,971,913	1,970,513	1,972,713	1,973,313	1,969,750	1,969,488	1,970,925
City and Borough of Sitka 2008 Two Loan	563,445	562,045	565,245	562,845	564,725	564,625	564,005	562,355	564,645	565,610
Municipality of Skagway 2008 Two Loan	394,235	391,235	393,035	394,435	395,210	391,110	395,330	393,630	396,210	392,815
City of Seward 2008 Two Loan	393,686	393,886	393,886	393,686	393,151	394,751	393,151	391,176	393,816	395,826
City of Unalaska 2009 One Loan	1,914,000	1,916,800	1,909,900	1,912,900	1,909,025	1,908,275	1,905,525	1,905,650	1,903,525	1,904,025
City of Kodiak 2009 One Boat Lift Loan	70,413	69,613	68,713	67,713	71,588	70,338	69,088	67,838	71,463	69,963
City of Unalaska 2009 Two Loan	561,425	559,025	558,775	558,800	563,588	560,413				
Kodiak Island Borough 2009 Two Loan	1,502,800									
City of Cordova 2009 Two Loan	1,370,481	1,370,681	1,371,656	1,367,969	1,369,094	1,371,244	1,369,906	1,369,906	1,367,906	1,371,706
City of Nome 2009 Two Loan	54,263	53,263	52,138	51,075	55,044	53,694	52,269	55,769	54,019	52,181
City and Borough of Juneau - 2009 Three Loan	1,479,850	1,493,075	1,500,650	1,485,600	1,495,800	1,444,800	1,468,800			
Ketchikan Gateway Borough-2009 Four Loan	1,775,819	1,774,769	1,777,769	1,775,519	1,768,232	1,754,104	1,743,479	1,731,390	1,722,642	1,707,107
Kenai Peninsula Borough-2009 Four Loan	1,055,150	1,055,600								
City of Kenai-2010 One Loan	178,598	176,198	178,798	175,398	176,998	178,398	172,704	172,011	171,018	164,725
Ketchikan Gateway Borough-2010 One Loan	729,000	722,050	729,800	725,800	731,000	730,000	728,000			
Northwest Arctic Borough-2010 One Loan	281,215	282,465	283,565	283,165	282,565	281,765	280,765	284,565	281,315	276,127
City of Petersburg-2010 One Loan	239,419	236,269	238,044	239,094	234,494	234,794	234,894	234,794	238,694	235,849
City of Unalaska-2010 One Loan	426,699	425,999	425,149	427,149	428,749	424,949	425,949	426,549	424,299	424,017

Table Continues on Following Page.

Borrower	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Northwest Arctic Borough - 2010 Refunding	970,750	969,350	967,200							
City and Borough of Juneau - 2010 Two Loans	1,143,819	1,141,794	1,139,319	1,139,029	1,129,772	1,117,534	1,107,744	2,472,665	1,820,539	1,779,639
City of Cordova 2010 Two Loan	46,955	45,905	49,780	48,430	46,859	45,138	48,188	46,070		
City of King Cove 2010 Two Loan	42,712	42,112	41,512	45,743	44,762	43,686	42,540	41,363	40,155	38,847
Aleutians East Borough - 2010 Loan	399,778	399,003	397,078	398,878	395,378	396,578	397,966	392,943	390,877	383,441
City of King Cove 2010 Three Loan	61,842	60,942	59,892	58,692	62,392	60,992	59,680	58,205	61,359	59,389
City of Unalaska 2010 Three Loan	435,192	438,892	436,267	437,267	437,867	438,067	433,605	432,617	429,319	420,652
Kenai Peninsula Borough 2010 Four Loan	1,487,777	1,477,241	1,468,022	1,459,887	1,442,725	1,431,305	1,411,775	1,395,269	1,376,201	1,358,946
City of Ketchikan 2010 Four Loan	632,888	631,272	628,044	623,153	616,549	608,190	603,500	597,854	586,163	578,214
Ketchikan Gateway Borough 2010 Four Loan	339,087	334,573	333,976	332,198	324,287	320,209	315,233	314,574	308,091	300,753
City and Borough of Sitka 2010 Four Loan	4,069,032	4,082,982	4,064,732	4,064,932	4,075,151	4,062,570	4,047,570	4,058,570	4,050,648	4,038,926
City of Soldotna 2010 Four Loan	219,162	216,905	219,070	215,646	216,594	211,905	211,752	206,311	205,509	199,279
City and Borough of Wrangell 2011 One Loan	26,275	25,675	25,075	24,475	28,875	28,000	27,000	26,000		
Kodiak Island Borough 2011 One Loan	624,850	626,000	621,850	622,550	622,950	621,400	622,800	623,600	623,800	625,513
City and Borough of Juneau 2011 Two Loan	660,231	659,631	658,831	657,831	658,831	657,300	659,600	655,200		
City and Borough of Sitka 2011 Two Loan	411,709	412,209	407,609	408,009	412,134	410,090	407,590	407,390	411,790	407,690
Aleutians East Borough 2011 Three Refunding	298,000	569,125	833,750	976,625	229,375	229,875	226,000	231,625	230,625	
Kenai Peninsula Borough 2011 Three Refunding	1,169,000	1,656,275	1,647,050	1,640,450	1,630,075	1,621,825	1,617,850	967,375	958,750	953,250
Ketchikan Gateway Borough 2011 Three Refunding	618,600	620,325	621,250	616,300	618,175	616,825	615,900	616,875	614,000	609,875
Northwest Arctic Borough 2011 Three Refunding	1,336,500	2,493,150	2,484,400	2,491,900	2,486,775	2,492,025	2,492,700	2,488,875	2,485,000	2,485,625
Wrangell 2011 Three Refunding	96,300	87,600	93,800	41,000						
Kenai Peninsula Borough (Central Hospital) 2011 Three	1,343,600	3,522,725	3,525,050	3,522,125	3,521,750	3,520,000	3,521,000	3,525,500	3,528,625	3,533,750
City of Cordova 2011 Three	58,400	56,600	54,800	57,875	55,625	53,375	56,250	54,000	56,375	
City of Hoonah 2011 Three	112,550	110,075	107,600	114,875	111,625	113,250	90,500	93,125	90,375	92,500
Kodiak Island Borough 2011 Three	298,800	301,350	298,600	300,475	300,975	300,975	301,550	301,625	300,125	298,125
Municipality of Skagway 2011 Three	35,700	35,025	34,350	33,675	37,800	36,800	35,900	35,000	34,000	37,875
City of Seward 2011 Three	159,400	242,275	243,350	244,175	244,300	244,175	244,350	244,275	243,400	242,275
City and Borough of Juneau G. O. Refunding 2012 One	1,319,500	1,323,700	1,319,125	1,091,625						
Juneau Wildflower Court Refunding 2012 One	1,569,700	1,637,075	1,702,025	1,344,900	1,418,125	1,486,925	1,555,825	437,725	484,575	534,966
Juneau 2012 Two	318,000	1,892,250	1,902,150	1,920,400	1,940,250	1,958,400				
City of Ketchikan 2012 Two	357,794	358,344	356,944	354,444	356,644	352,519	352,019	355,894	355,344	354,294
Ketchikan Gateway Borough 2012 Two	135,450	135,450	689,150	686,150	682,350	689,250	681,625			
Kodiak Island Borough 2012 Two	503,550	503,550	1,449,250	1,449,850	1,439,500	1,447,950	1,439,025	1,442,275	1,433,950	1,433,125
City of Nome 2012 Two	52,150	145,725	147,300	148,200	148,900	148,825	147,950	146,825	146,100	150,000
City of North Pole 2012 Two	41,600	36,550	36,550	100,250	102,550	99,400	100,775	101,900	103,200	104,250
City of Palmer 2012 Two	37,550	37,550	111,050	108,050	105,800	108,450	104,850	105,725	106,800	107,625
City of Petersburg 2012 Two	175,400	333,000	494,000	490,600	496,600	491,075	488,125	488,375	489,750	485,250
City and Borough of Sitka 2012 Two	1,061,450	1,058,050	1,455,650	1,456,250	1,460,150	1,456,775	1,455,650	1,456,650	1,451,200	1,453,000
City of Valdez 2012 Two	126,350	126,350	341,950	347,850	348,250	351,850	343,725	340,225	342,550	344,125
Haines Borough 2012 Three	84,208	83,919	87,219	85,981	84,744	82,719	85,344	82,844	85,219	87,344
Juneau 2012 Three Refunding	396,616	903,050	909,050	916,950	918,950	928,250	937,125	948,625	947,875	959,750
Juneau 2012 Three School Construction	1,584,494	1,482,875	1,455,375	1,440,838	1,430,600	1,400,375	1,363,625	1,364,875	1,363,125	1,363,250

Table Continues on Following Page.

Borrower	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
City of Petersburg 2012 Three	104,978	103,925	101,525	104,838	103,050	105,000	101,500	102,875	104,000	104,875
Kenai Peninsula Borough (Bear Creek Fire) 2013 One	83,488	94,020	97,420	95,620	93,820	97,020	94,520	97,520	95,320	93,120
City and Borough of Juneau (Bartlett Hospital) 2013 One	1,680,044	1,656,213	1,652,113	1,657,213	1,659,263	1,665,563	1,661,863	1,661,513	1,666,713	1,665,313
City and Borough of Juneau 2013 One	198,241	204,610	201,010	202,410	203,610	199,610	204,610	200,210	200,810	201,210
Ketchikan Gateway Borough 2013 One	540,621	610,150	608,150	610,550	607,150	608,150	608,400	607,600	611,000	608,400
Kodiak Island Borough 2013 One	1,496,335	1,689,340	1,690,140	1,689,740	1,688,140	1,690,340	1,687,590	1,691,790	1,689,390	1,690,590
City of Sand Point 2013 One	162,822	180,580	183,180	180,580	182,980	180,180	181,680	183,680	180,480	182,280
City and Borough of Sitka (Harbor) 2013 One	272,728	310,700	310,300	309,700	308,900	307,900	310,150	308,550	311,750	309,550
City and Borough of Sitka (Electric) 2013 One	1,557,216	1,757,360	1,757,360	1,757,360	1,757,360	1,757,360	1,757,360	1,757,360	1,757,360	1,757,360
City of Homer 2013 Two	281,953	287,350	289,750	292,050	287,850	288,650	289,300	293,300	291,900	290,300
City of Ketchikan 2013 Two	1,182,650	1,700,400	1,064,400	1,069,500	1,069,200	1,068,450	1,072,250	1,069,850	1,071,650	1,072,450
Kodiak Island Borough 2013 Two	711,253	1,353,688	1,355,538	1,356,788	1,355,988	1,355,888	1,360,188	1,361,588	1,361,788	1,363,038
Municipality of Skagway 2013 Two	66,243	67,550	66,950	71,350	70,300	69,250	68,200	71,800	70,200	68,600
City and Borough of Juneau 2013 Three	117,921	887,800	914,600	907,450	911,375	909,625	903,500	902,700	900,700	902,400
City of King Cove 2013 Three	47,015	205,300	203,200	205,500	207,125	203,675	204,550	204,650	135,950	133,550
Lake and Peninsula Borough 2013 Three	382,453	1,453,100	1,475,050	1,473,075	1,472,225	1,470,775	1,469,900	1,469,300	1,467,500	1,469,400
City and Borough of Sitka 2013 Three	1,043,054	2,248,500	2,248,500	2,248,500	2,248,500	2,248,500	2,248,500	2,248,500	2,248,500	2,248,500
Total Loan Obligation DS	\$63,590,802	\$73,440,787	\$73,840,749	\$73,442,361	\$70,789,063	\$70,731,556	\$66,879,466	\$64,225,223	\$61,192,951	\$60,844,640

APPENDIX D

Summaries of Borrowers Representing
10% or More of Outstanding Principal of Bonds
Issued Under the 2005 General Bond Resolution

Kenai Peninsula Borough - General Fund General Obligation Financial Summary							
Municipal Financial Position		2008	2009	2010	2011	2012	Average
Property Tax Collections							
Borrower's Property Tax Rate per \$1,000		\$5.50	\$4.50	\$4.50	\$4.50	\$4.50	\$5.50
Municipal Levy		\$30,042,125	\$26,779,449	\$28,875,124	\$29,058,274	\$30,419,493	\$29,075,468.00
Current Year's Collections		\$29,651,635	\$26,431,968	\$28,375,677	\$28,630,610	\$29,946,804	\$28,652,398.78
Current Collection Rate		98.70%	98.70%	98.27%	98.53%	98.45%	98.54%
Total Year's Collections		\$30,033,406	\$26,766,274	\$28,856,141	\$28,989,201	\$29,946,804	\$29,009,081.44
Total Collection Rate		99.97%	99.95%	99.93%	99.76%	98.45%	99.77%
General Fund							
Total Ending Fund Balance		\$ 24,460,074	\$ 25,138,217	\$ 23,025,423	\$ 21,705,814	\$ 21,466,583	
Unreserved Ending Fund Balance		\$ 23,979,600	\$ 24,604,294	\$ 22,864,839	\$ 21,454,058	\$ 21,268,520	\$20,704,636
Expenditures		\$ 62,252,359	\$ 69,119,691	\$ 70,829,556	\$ 72,163,558	\$ 71,347,868	\$63,830,592
Fund Balance/Expenditures		39%	36%	32%	30%	30%	32%
Total Revenues		\$ 66,420,270	\$ 69,797,834	\$ 68,716,762	\$ 70,799,893	\$ 71,108,637	\$63,817,196
Intergovernmental Revenues		\$ 7,786,421	\$ 9,477,866	\$ 8,987,813	\$ 8,538,331	\$ 9,749,464	\$7,885,232
Percentage Intergovernmental		12%	14%	13%	12%	14%	12%
Overall Municipal Debt Position							
Revenue Debt - Governmental Funds		\$ -	\$ -	\$ -	\$ -	\$ -	
Revenue Debt - Enterprise Funds		\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue Debt		\$ -	\$ -	\$ -	\$ -	\$ -	
General Obligation Debt - Governmental Funds (General Fund only)		\$ 20,174,000	\$ 17,904,000	\$ 20,364,000	\$ 33,910,000	\$ 30,230,000	
General Obligation Debt - Enterprise Funds		\$ -	\$ -	\$ -	\$ -	\$ -	
Total General Obligation Debt		\$ 20,174,000	\$ 17,904,000	\$ 20,364,000	\$ 33,910,000	\$ 30,230,000	
Total Revenue and General Obligation Debt		\$ 20,174,000	\$ 17,904,000	\$ 20,364,000	\$ 33,910,000	\$ 30,230,000	
Governmental GO Debt/Assessed Value (mry)		0.38%	0.30%	0.32%	0.53%	0.46%	
Enterprise GO Debt / Assessed Value (mry)		0.00%	0.00%	0.00%	0.00%	0.00%	
Total Revenue and GO Debt/A.V. (mry)		0.38%	0.30%	0.32%	0.53%	0.46%	
General Obligation Debt Per Capita		\$381	\$338	\$380	\$612	\$536	
Total Revenue and GO Debt Per Capita		\$381	\$338	\$380	\$612	\$536	
General Economic and Demographic Data							
		2008	2009	2010	2011	2012	Annual Growth Rate
Population		52,990	52,990	53,578	55,400	56,369	1.75%
Assessed Value		\$ 5,369,378,000	\$ 5,966,757,000	\$ 6,369,098,000	\$ 6,393,531,000	\$ 6,633,241,000	3.75%
Assessed Value Per Capita		\$ 101,328	\$ 112,602	\$ 118,875	\$ 115,407	\$ 117,675	
Top 10 Tax Payers as a % of Total Assessed Value		17.68%	15.77%	15.23%	14.38%	14.38%	

**CITY AND BOROUGH OF SITKA
GENERAL OBLIGATION FINANCIAL SUMMARY**

Municipal Financial Position	2007	2008	2009	2010	2011	2012	Average
Property Tax Collections							
Borrower's Property Tax Rate per \$1,000	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Municipal Levy	\$5,003,463	\$5,558,821	\$5,735,000	\$5,768,331	\$5,799,400	\$5,904,617	\$5,628,272
Current Year's Collections	\$4,983,438	\$5,501,591	\$5,689,030	\$5,735,962	\$5,753,039	\$5,874,918	\$5,589,663
Current Collection Rate	99.60%	98.97%	99.20%	99.44%	99.20%	99.50%	99.32%
Total Year's Collections	\$5,013,706	\$5,525,653	\$5,746,123	\$5,801,822	\$5,797,927	\$5,874,918	\$5,626,692
Total Collection Rate	100.20%	99.40%	100.19%	100.58%	99.97%	99.50%	99.98%
General Fund							
Unreserved Ending Fund Balance	\$ 8,766,337	\$ 6,389,357	\$ 7,193,254	\$ 8,853,936	\$ 11,508,475	\$ 13,584,873	\$ 9,382,705
Expenditures	\$ 23,002,357	\$ 23,575,260	\$ 23,817,458	\$ 23,597,203	\$ 23,260,649	\$ 24,075,729	\$ 23,554,776
Fund Balance/Expenditures	38%	27%	30%	38%	49%	56%	39.81%
Total Revenues	\$ 23,513,736	\$ 24,718,668	\$ 25,925,306	\$ 24,882,306	\$ 24,709,916	\$ 26,584,728	\$ 25,055,777
Intergovernmental Revenues	\$ 1,949,569	\$ 2,174,717	\$ 2,393,157	\$ 2,219,501	\$ 2,380,298	\$ 2,659,323	\$ 2,296,094
Percentage Intergovernmental	8%	9%	9%	9%	10%	10%	9.15%
Overall Municipal Debt Position							
Revenue Debt - Enterprise Funds	\$ 48,625,608	\$ 50,247,039	\$ 50,517,063	\$ 48,467,078	\$ 68,857,276	\$ 66,881,864	
Revenue Debt - Governmental Funds	\$ -	\$ 195,000	\$ 185,250	\$ 175,500	\$ 165,750	\$ 156,000	
General Obligation Debt - Governmental Funds	\$ 30,540,000	\$ 29,035,000	\$ 34,410,000	\$ 32,550,000	\$ 36,300,000	\$ 34,040,000	
General Obligation Debt - Enterprise Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total General Obligation Debt	\$ 30,540,000	\$ 29,035,000	\$ 34,410,000	\$ 32,550,000	\$ 36,300,000	\$ 34,040,000	
Total Revenue and General Obligation Debt	\$ 79,165,608	\$ 79,477,039	\$ 85,112,313	\$ 81,192,578	\$ 105,323,026	\$ 101,077,864	
Governmental GO Debt/Taxable Assessed Value	3.54%	3.47%	3.65%	3.42%	3.96%	3.46%	
Total Revenue and GO Debt/A.V.	9.18%	8.49%	9.04%	8.52%	11.50%	10.26%	
General Obligation Debt Per Capita	\$3,533	\$3,370	\$3,989	\$3,665	\$4,138	\$3,803	
Total Revenue and GO Debt Per Capita	\$9,158	\$9,225	\$9,866	\$9,142	\$12,005	\$11,291	
General Economic and Demographic Data							
	2007	2008	2009	2010	2011	2012	Annual Growth Rate
Population	8,644	8,615	8,627	8,881	8,773	8,952	2.04%
Taxable Assessed Value	\$ 861,978,476	\$ 935,894,126	\$ 941,464,880	\$ 952,574,685	\$ 916,072,379	\$ 985,073,126	7.53%
Assessed Value Per Capita	\$ 99,720	\$ 108,635	\$ 109,130	\$ 107,260	\$ 104,420	\$ 110,039	
Top 10 Tax Payers as a % of Assessed Value	6.51%	6.35%	8.36%	8.21%	7.64%	7.57%	

**City and Borough of Sitka
Electric Enterprise Fund
Financial Summary**

	2007	2008	2009	2010	2011	2012
	Audited	Audited	Audited	Audited	Audited	Audited
Assets						
Cash	8,458,918	9,393,512	8,993,721	8,868,159	24,320,421	31,450,650
Restricted Assets	6,964,401	7,020,244	7,376,785	7,149,277	6,871,164	3,595,875
Other Assets	2,189,489	3,185,865	3,602,067	4,256,023	5,010,167	7,266,275
Construction in Progress	1,524,810	1,130,584	2,883,684	5,555,467	11,646,987	18,086,724
Utility Plant in Service	<u>69,898,054</u>	<u>67,869,782</u>	<u>66,094,407</u>	<u>64,914,833</u>	<u>63,103,150</u>	<u>61,775,003</u>
Total Assets	89,035,672	88,599,987	88,950,664	90,743,759	110,951,889	122,174,527
Liabilities and Net Assets						
Liabilities						
Other Liabilities	663,351	654,181	419,304	636,920	1,722,772	2,477,182
Revenue Bonds Payable	34,570,000	32,550,000	30,395,000	28,090,000	48,700,000	47,570,000
Deferred loss/premium on bonds	(1,232,682)	(1,093,244)	(954,781)	(815,343)	1,471,509	(1,711,547)
Revenue Note Payable	<u>9,760,076</u>	<u>9,534,167</u>	<u>9,299,130</u>	<u>9,054,598</u>	<u>8,800,188</u>	<u>8,535,498</u>
Total Liabilities	43,760,745	41,645,104	39,158,653	36,966,175	60,694,469	56,871,133
Net Assets	45,274,927	46,954,883	49,792,011	53,777,584	50,257,420	65,303,394
Operating Revenues	10,716,798	10,939,726	11,846,117	10,852,914	11,401,523	11,611,319
Operating Expenses						
Administrative and General	1,392,512	1,799,393	1,955,508	1,699,737	1,739,698	2,003,768
Operation and Maintenance	3,752,626	4,144,733	4,465,023	4,366,115	5,257,342	5,914,895
Depreciation	<u>2,006,972</u>	<u>2,024,708</u>	<u>1,998,438</u>	<u>1,994,177</u>	<u>1,987,558</u>	<u>1,971,739</u>
Operating Income	3,564,688	2,970,892	3,427,148	2,792,885	2,416,925	1,720,917
Nonoperating revenue (expense)						
Investment Income	791,965	1,020,133	642,422	523,298	490,986	459,107
Interest Expense	(2,741,335)	(2,621,198)	(2,469,192)	(2,369,426)	(1,725,198)	(2,848,639)
Other	<u>50,717</u>	<u>315,931</u>	<u>351,823</u>	<u>208,962</u>	<u>-</u>	<u>625,748</u>
Net Income before contributions and transfers	1,666,035	1,685,758	1,952,201	1,155,719	1,182,713	(42,867)
Capital contributions	1,300,914		603,582	2,853,752	4,039,237	5,266,050
Extraordinary Item:						
Net Pension Obligation Relief			281,345		119,824	139,806
Transfer In (Out) net	<u>-</u>	<u>(5,802)</u>	<u>-</u>	<u>(23,898)</u>	<u>-</u>	<u>-</u>
Change In Net Assets	<u>2,966,949</u>	<u>1,679,956</u>	<u>2,837,128</u>	<u>3,985,573</u>	<u>5,341,774</u>	<u>5,362,989</u>
Population of City and						
Borough	8,644	8,615	8,627	8,881	8,773	
# of electric customers	5,113	5,197	5,257	5,278	5,282	
KwH Sold	106,491,085	109,997,183	114,866,192	108,739,970	111,795,344	
Revenue Bond Debt Service	4,024,958	4,113,594	4,106,690	4,108,407	3,477,959	
Revenue Bond Coverage (> 1.25)	1.59	1.54	1.56	1.34	1.41	

**CITY AND BOROUGH OF JUNEAU
FINANCIAL SUMMARY
General Governmental Fund**

Municipal Financial Position	2008	2009	2010	2011	2012	Average
Property Tax Collections						
Borrower's Property Tax Rate per \$1,000	\$10.37	\$10.37	\$10.60	\$10.51	\$10.55	\$10.48
Municipal Levy	\$39,585,556	\$40,446,577	\$41,048,853	\$40,739,944	\$41,751,673	\$40,714,521
Current Year's Collections	\$39,220,681	\$40,159,018	\$40,691,450	\$40,329,083	\$41,431,682	\$40,366,383
Current Collection Rate	99.08%	99.29%	99.13%	98.99%	99.23%	99.14%
Total Year's Collections	\$39,220,681	\$40,159,018	\$40,691,450	\$40,329,083	\$41,431,682	\$40,366,383
Total Collection Rate	99.08%	99.29%	99.13%	98.99%	99.23%	99.14%
General Fund						
Unreserved - Undesignated Ending Fund Balance	\$ 7,661,221					\$ 7,661,221
Unassigned Plus Emergency Operating Res (GASB#54)		\$ 5,479,594	\$ 5,714,731	\$ 1,729,385	\$ 3,438,792	\$ 4,090,626
Expenditures	\$ 45,344,930	\$ 48,556,036	\$ 49,158,125	\$ 50,540,314	\$ 51,283,781	\$ 48,976,637
Fund Balance/Expenditures	17%	11.29%	11.63%	3.42%	6.71%	9.99%
Total Revenues	\$ 64,317,473	\$ 67,503,826	\$ 66,541,842	\$ 66,008,466	\$ 50,055,357	\$ 62,885,393
Intergovernmental Revenues	\$ 11,288,000	\$ 14,141,624	\$ 12,389,683	\$ 14,313,000	\$ 15,464,700	\$ 13,519,401
Percentage Intergovernmental	18%	21%	19%	22%	31%	21.94%
Overall Municipal Debt Position						
Revenue Debt - Enterprise Funds	\$ 48,330,982	\$ 47,552,969	\$ 46,370,845	\$ 45,208,341	\$ 43,679,682	
Revenue Debt - Governmental Funds	\$ 173,032	\$ 2,888,891	\$ 2,718,662	\$ 3,599,575	\$ 2,861,747	
General Obligation Debt - Governmental Funds	\$ 114,309,000	\$ 142,543,000	\$ 156,356,000	\$ 148,301,000	\$ 133,446,000	
General Obligation Debt - Enterprise Funds	\$ 45,000	\$ -	\$ -	\$ -	\$ -	
Total General Obligation Debt	\$ 114,354,000	\$ 142,543,000	\$ 156,356,000	\$ 148,301,000	\$ 133,446,000	
Total Revenue and General Obligation Debt	\$ 162,858,014	\$ 192,984,860	\$ 205,445,507	\$ 197,108,916	\$ 179,987,429	
Governmental GO Debt/Taxable Assessed Value	2.97%	3.60%	3.98%	3.72%	3.28%	
Total Revenue and GO Debt/A.V.	4.24%	4.87%	5.22%	4.94%	4.42%	
General Obligation Debt Per Capita	\$3,690	\$4,641	\$4,999	\$4,742	\$4,133	
Total Revenue and GO Debt Per Capita	\$5,256	\$6,284	\$6,569	\$6,302	\$5,574	
General Economic and Demographic Data						
Population	30,988	30,711	31,275	31,275	32,290	3.25%
Taxable Assessed Value	\$ 3,845,256,273	\$ 3,964,306,237	\$ 3,933,364,442	\$ 3,989,344,944	\$ 4,071,713,732	3.52%
Assessed Value Per Capita	\$ 124,089	\$ 129,084	\$ 125,767	\$ 127,557	\$ 126,098	
Top 10 Tax Payers as a % of Assessed Value	8.94%	9.60%	10.52%	13.78%	13.73%	

**CITY AND BOROUGH OF JUNEAU
HARBOR ENTERPRISE FUND
FINANCIAL SUMMARY**

	2008 Audited	2009 Audited	2010 Audited	2011 Audited	2012 Audited
ASSETS					
Plant In-Service (net of depreciation)	\$14,065,027	\$13,081,747	\$11,923,364	\$13,827,335	\$12,844,129
Construction Work in Progress	21,482,038	27,841,706	29,935,711	29,889,294	33,499,769
Cash	4,087,343	3,299,922	4,470,053	4,728,522	4,660,755
Restricted Assets	12,546,998	9,929,753	7,588,584	10,702,703	11,196,479
Other Assets	233,341	1,178,214	866,059	764,741	847,869
Total Assets	52,414,747	55,331,342	54,783,771	59,912,595	63,049,001
LIABILITIES AND NET ASSETS					
Revenue Bonds Payable	10,450,000	10,210,000	9,960,000	9,700,000	9,691,595
Other Liabilities	2,946,716	2,590,015	1,726,240	2,110,290	2,140,909
Total Liabilities	13,396,716	12,800,015	11,686,240	11,810,290	11,832,504
NET ASSETS	39,018,031	42,531,327	43,097,531	48,102,305	51,216,497
Operating Revenues	2,686,154	2,630,220	3,040,330	2,854,858	3,154,885
Operation and Maintenance	2,368,561	2,396,922	2,133,877	2,492,110	2,434,329
Administrative and General	-	-	-	-	-
Depreciation	1,235,019	1,048,281	799,254	899,956	986,619
Operating Income (Loss)	(917,426)	(814,983)	107,199	(537,208)	(266,063)
Non-Operating Revenue (Expense)	431,688	422,169	(183,181)	46,509	155,306
Net Income (Loss) Before Contribution	(485,738)	(392,814)	(75,982)	(490,699)	(110,757)
Capital Contributions	2,094,317	317,339	242,186	1,690,873	2,549,949
Net Transfers-In (Out)	(112)	3,250,000	400,000	3,804,600	675,000
Special item - NPO/OPEB write off		338,771			
Change in Net Assets	1,608,467	3,513,296	566,204	5,004,774	3,114,192
Population of City	30,988	30,711	31,275	31,275	32,290
Revenue Bond Coverage	3.89	1.67	2.19	1.19	1.79

City and Borough of Juneau
Conduit Debt
WILDFLOWER COURT (A not for profit organization)
FINANCIAL SUMMARY

(All figures rounded to thousands)

	2007	2008	2009	2010	2011	2012
	Audited	Audited	Audited	Audited	Audited	Audited
ASSETS						
Plant In-Service	8,269,919	7,422,377	6,520,271	5,674,338	4,909,305	4,621,000
Cash	1,030,875	1,162,402	1,500,220	1,255,867	1,582,128	1,752,044
Restricted Assets	1,753,935	1,756,235	1,760,358	1,735,178	1,707,402	2,170,928
Other Assets	1,183,595	1,149,867	1,142,642	1,312,915	1,399,517	1,444,751
Total Assets	12,238,324	11,490,881	10,923,491	9,978,298	9,598,352	9,988,723
LIABILITIES AND NET ASSETS						
Bond Debt	15,300,000	14,850,000	14,250,000	13,650,000	13,050,000	11,705,000
Other Liabilities	798,560	923,777	872,825	878,190	904,428	2,052,665
Total Liabilities	16,098,560	15,773,777	15,122,825	14,528,190	13,954,428	13,757,665
NET ASSETS (DEFICIT)	(3,860,236)	(4,282,896)	(4,199,334)	(4,549,892)	(4,356,076)	(3,768,942)
Operating Revenues	8,305,603	8,972,432	10,290,008	10,361,609	10,859,195	10,841,326
Operating Expenses	7,667,554	8,438,613	9,302,040	9,802,944	9,894,353	9,594,317
Depreciation	1,021,764	988,053	951,871	937,147	832,579	780,765
Operating Income (Loss)	(383,715)	(454,234)	36,097	(378,482)	132,263	466,245
Non-Operating Revenue (Expense)	135,696	31,574	47,465	27,924	61,553	120,890
Change in Net Assets	(248,019)	(422,660)	83,562	(350,558)	193,816	587,134
Revenue Bond Coverage	1.29	1.10	1.27	1.01	1.33	1.32

**CITY AND BOROUGH OF JUNEAU
BARTLETT REGIONAL HOSPITAL
FINANCIAL SUMMARY**

	2008 Audited	2009 Audited	2010 Audited	2011 Audited	2012 Audited
ASSETS					
Plant In-Service (net of depreciation)	\$54,074,505	\$71,272,745	\$74,736,663	\$72,772,410	\$74,566,327
Construction Work in Progress	17,059,590	8,224,160	3,126,611	6,866,781	6,202,224
Cash	11,061,880	16,297,926	18,036,202	14,990,308	17,386,169
Restricted Assets	14,414,883	5,462,944	8,555,051	10,160,114	6,549,498
Other Assets	16,925,949	17,751,193	20,549,937	23,011,263	23,462,113
Total Assets	113,536,807	119,008,968	125,004,464	127,800,876	128,166,331
LIABILITIES AND NET ASSETS					
Revenue Bonds Payable	27,295,000	26,740,000	26,165,000	25,570,000	24,926,795
Other Liabilities	11,708,161	10,484,387	11,066,147	11,391,053	8,999,867
Total Liabilities	39,003,161	37,224,387	37,231,147	36,961,053	33,926,662
NET ASSETS	74,533,646	81,784,581	87,773,317	90,839,823	94,239,669
Operating Revenues	68,693,315	76,333,369	82,640,681	90,680,836	95,026,373
Operation and Maintenance	61,982,608	66,831,133	72,975,632	83,883,389	89,411,913
Administrative and General	-	-	-	-	-
Depreciation	4,470,386	5,474,872	6,270,565	6,552,177	7,145,290
Operating Income (Loss)	2,240,321	4,027,364	3,394,484	245,270	(1,530,830)
Non-Operating Revenue (Expense)	(677,429)	243,415	911,555	1,579,634	3,306,366
Net Income (Loss) Before Contribution	1,562,892	4,270,779	4,306,039	1,824,904	1,775,536
Capital Contributions	2,136,890	870,700	536,697	89,002	471,910
Net Transfers-In (Out)	1,102,100	1,103,000	1,146,000	1,152,600	1,152,400
Special item - NPO/OPEB write off		1,006,456			
Change in Net Assets	4,801,882	7,250,935	5,988,736	3,066,506	3,399,846
Population of City	30,988	30,711	31,275	31,275	32,290
Revenue Bond Coverage	3.58	5.07	5.15	3.63	3.00

APPENDIX E

Financial Statements of the
Alaska Municipal Bond Bank
for the Year Ended June 30, 2012

APPENDIX F

2005 General Obligation Bond Resolution

APPENDIX G

DTC and Book-Entry System

DTC AND BOOK-ENTRY SYSTEM

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2013 Series Three Bonds. The 2013 Series Three Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of each subseries of the 2013 Series Three Bonds in the aggregate principal amount of such maturity, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating from Standard & Poor's of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of 2013 Series Three Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2013 Series Three Bonds on DTC's records. The ownership interest of each actual purchaser of each 2013 Series Three Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2013 Series Three Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2013 Series Three Bonds, except in the event that use of the book-entry system for the 2013 Series Three Bonds is discontinued.

4. To facilitate subsequent transfers, all 2013 Series Three Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2013 Series Three Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2013 Series Three Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2013 Series Three Bonds are

credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2013 Series Three Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2013 Series Three Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2013 Series Three Bond documents. For example, Beneficial Owners of 2013 Series Three Bonds may wish to ascertain that the nominee holding the 2013 Series Three Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the 2013 Series Three Bonds within a maturity of each subseries are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2013 Series Three Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Bank as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2013 Series Three Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Payments on the 2013 Series Three Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Bond Bank or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Bank or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Bank or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the 2013 Series Three Bonds at any time by giving reasonable notice to the Bond Bank or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, 2013 Series Three Bond certificates are required to be printed and delivered.

10. The Bond Bank may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2013 Series Three Bond certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Bond Bank believes to be reliable, but the Bond Bank takes no responsibility for the accuracy thereof.