S&P Global Ratings

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Alaska; Appropriations; General Obligation; Moral Obligation

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Credit Profile		
Alaska approp		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Alaska GO		
Long Term Rating	AA/Negative	Downgraded, Removed from CreditWatch
Alaska Energy Auth, Alaska		
Alaska		
Alaska Energy Auth (Alaska) pwr rev (Bradley Lake Hydroelectric Proj)		
Long Term Rating	A/Negative	Downgraded, Removed from CreditWatch

Rationale

S&P Global Ratings has lowered its rating on Alaska's general obligation (GO) debt to 'AA' from 'AA+', and its ratings on the state's appropriation-backed debt to 'AA-' from 'AA'. We also lowered our rating to 'A' from 'A+' on bonds that were issued by the Alaska Energy Authority and are backed by a moral obligation pledge from the state. At the same time, we removed the state's ratings from CreditWatch where it had been placed with negative implications. The outlook on all the ratings is negative.

The rating actions reflect continued lack of agreement on fiscal reforms to return the state to structural balance. While we recognize the state's sizable reserve position is intended to offset volatile economic cycles, continued reliance on reserves (its constitutional budget reserve [CBR]), coupled with the state's economic contraction since 2012 and the fallout of oil prices in mid-2015, have reached an unstainable level. The state maintains sizable reserves in its Permanent Fund earnings account, but these have not been used as unrestricted general fund revenue. The 2017 legislative session ended without agreement on reforms for the third consecutive year and the state's adopted fiscal 2018 budget further relied on the state's diminishing CBR. The continued reliance on budgetary reserves that have significantly diminished over the years places the state in a more vulnerable position. Deteriorated reserves and continued dependence on revenues from natural resources will only exacerbate budgetary pressures as the state's revenue, categorized as unrestricted general fund revenue from oil production is likely to remain modest.

Further of concern, Alaska is relying on reserves during a prolonged period of state economic contraction. According to IHS Markit, employment declined 2.1% year over year in the first quarter of 2017, the second-worst-performing state. It continues to experience significant job loss as a majority of sectors saw losses. Manufacturing, natural resources and mining, and the construction sectors suffered double-digit year-over-year losses of 17.3%, 15.5%, and 10.9%, respectively, as the professional/business services sectors also felt the blow-back from the declining energy sector. In our opinion, the heavy reliance on oil revenues is constraining the economy of the state. The economy has been contracting since 2012, with most of the decline reflecting the oil and gas sector, the effects are being felt in other areas. We expect the state to experience limited employment and private-investment growth or possibly decline consistent with the trend over the past five years following the collapse of the price per barrel of oil. The state overly relies on an energy sector that has experienced structural decline in both output and employment and which affects other areas of employment and investment.

The negative outlook continues to reflect our opinion that if lawmakers fail to enact significant fiscal reforms to reduce the state's unrestricted general fund revenue fiscal imbalance during the 2018 legislative session or fiscal 2019 budget, Alaska's downward rating transition will likely persist, possibly by multiple notches as its structural imbalance becomes more protracted. Future downward rating action could accelerate if the state's budget reserves (not including the permanent fund) approach depletion faster than expected.

Despite the lack of agreement, we recognize that there has been incremental progress. During the 2017 legislative session, lawmakers agreed to a $1,100 permanent fund dividend, whereas the prior year, a $1,022 dividend was enacted through a veto by the governor. The amounts are approximately 50% of the statutorily required dividend amount and have resulted in approximately $1.3 billion of retained earnings in the Permanent Fund earnings reserve. While not adopted as part of the 2018 budget, the House of Representatives passed HB 115 to levy a broad-based personal income tax to generate an estimated $700 million. In addition, the House and Senate each passed budgets within their respective chambers to use some portion of the permanent fund earnings reserve to fund general fund operations. Absent revenue changes, the state has already made significant expenditure reductions of $1.9 billion since fiscal 2015, a 27% decrease in three years. A few days ago, the legislature reached a compromise on HB 111 (drilling subsidies) to create tax write-offs in future years. According to a fiscal analysis of the bill by the Alaska Department of Revenue (DOR), savings of $95 million are expected beginning in fiscal 2019 and $185 million in 2020.

The state's large reservoir of permanent fund earnings provides it with options that we believe have the potential to stabilize its credit quality and prevent further deterioration. However, this becomes irrelevant as other reserve funds are depleted or drawing on the earnings reserve is done in such a manner that depletes that account without adequate replenishment. Governor Bill Walker's fiscal year 2017 and 2018 budget proposals have included measures to potentially reduce the effect of oil price volatility on state finances, but have not gained approval by the legislature. These reforms include: an education head tax, a motor fuels tax, and the Permanent Fund Protection Act. The politics of enacting what amounts to an austerity-based overhaul of state finances continue to render enactment of structural reforms uncertain. In our view, until the state's budgetary trajectory and reliance on non-recurring revenues are significantly removed from future budgets, the state's credit quality is under negative pressure.

The state's credit quality nevertheless continues to benefit from several strong features, including its:

- Still otherwise very strong reserves in its permanent fund earnings accounting for at least 3x annual appropriations (May 31, 2017);
- Potential to resolve much of the unrestricted general fund structural imbalance by overhauling the flow and customary treatment of various legally unrestricted state revenues; and
- Moderate debt burden and closed defined-benefit retirement system that should benefit actuarially from a recent large asset infusion.

Traditionally, the state's vast reserves have been an offset to its economic volatility. Reflecting its linkage to the commodity markets, Alaska's economy has begun to contract and is out of step with the U.S. economy, which continues to expand. For many of the past 40 years, taxes and royalties on oil production have been sufficient to pay for a majority of the state's general fund expenses. For instance, in fiscal 2012 when Alaska North Slope (ANS) west coast spot prices averaged $112.65 per barrel, the state brought in nearly $9.5 billion in total unrestricted general fund revenue. Based on April 2017 projections, the state's ANS oil price forecast--$50.05 per barrel in fiscal 2017--was projected to produce just $1.6 billion in unrestricted general fund revenue. The state DOR estimates an average price per barrel of $54.00 in fiscal 2018; however, if projections fall short, the state will need to further use its remaining constitutional budget reserve balance, further narrowing fiscal margins into the next fiscal year.

Based on the analytic factors evaluated for Alaska, on a four-point scale of '1.0' (as the strongest) to '4.0' (as the weakest), S&P Global Ratings has assigned a composite score of '1.9' to the state, which is associated with an 'AA' indicative credit level. The indicative score has worsened from '1.8' at the time our last review due to our revised view of its budget management framework as the state continues to rely on diminishing reserves (not including the Permanent Fund earnings reserve) and its inability to reach agreement on fiscal reforms to address its structural imbalance, coupled with the state's continued economic contraction with a significant concentration in the energy sector that could make fiscal reforms more difficult to implement if not timely adopted.

Outlook

The negative outlook reflects the state's deteriorating credit quality as it continues to rely on its budgetary reserves (not including the Permanent Fund earnings reserve) to fill its structural gap. Lawmakers again have not reached agreement on using fiscal reforms to stabilize the state's financial position. While the state's historically very strong reserve are intended to offset its reliance on the volatile energy sector, in our opinion, continued reliance absent resurgence in the energy sector, will leave the state stuck in an environment that continues to contract. If lawmakers fail to enact significant fiscal reforms to reduce the state's fiscal imbalance during the 2018 legislative session or fiscal 2019 budget, we will likely lower the state's ratings further. Future downward rating action could accelerate if the state's budget reserves approach depletion faster than expected. However, if agreement can be reached on structural reforms that allow to the state to operate without reliance on non-recurring revenues, we may revise the outlook to stable.

Budgetary Performance

The state's 2018 budgetary outlook looks largely similar to the prior two fiscal years of persistent depressed oil prices and a significant reliance on budgetary reserves (its CBR). Evidenced by continued lack of agreement on fiscal reforms, the politics of enacting what amounts to an austerity-based overhaul of state finances threatens the state's credit quality. Continued reliance on reserves during a prolonged period of state economic contraction, coupled with reliance on volatile commodity-based revenues, make the future of Alaska's budgetary performance uncertain. In our view, until its budgetary trajectory and reliance on non-recurring revenues are significantly removed from future budgets, we have a negative view of the state's overall budgetary performance which may further diminish if structural reforms are not implemented in a timely manner.

Fiscal 2017 projections

Based on April 2017 forecasts, unrestricted general fund revenue is now forecast to be $1.6 billion in fiscal 2017, an increase from the fall 2016 forecast of $200 million. The revenue forecast is based on an annual ANS oil price of $50.05 per barrel for 2017 (up from $46.81 per barrel in the fall 2016 forecast) and expectations for North Slope oil production to average 523,700 barrels per day. Based on these improved revenue projections form the time the budget was enacted, the state should see a surplus. However, the budget totaled $4.4 billion relying on $3.2 billion of reserves (73% of undesignated general fund revenues).

While we recognize that the interest and investment earnings generated through the Permanent Fund and deposited into the earnings reserve account exceeded the fiscal 2017 reserve appropriation, the earnings reserve has never been used for general fund operations despite being available with an affirmative majority vote of the Legislature and the governor's consent. In addition, by definition, investment earnings are economically sensitive and may create volatility year to year should the U.S. as a whole enter into an economic recession. While proposals have been put forward to use these untapped reserves for budgetary balance, it could be viewed as a credit weakness if not adequately implemented in such a way that ensures the funds' solvency during periods of economic contraction.

Fiscal 2018 adopted budget

To avoid shuttering government services, the legislature and governor agreed on a $4.1 billion unrestricted general fund budget during its second special session, a roughly 6% decline from fiscal 2017 and 21% decline from fiscal 2016. While the governor had proposed various other reforms, including an education head tax, a motor fuels tax, and the Permanent Fund Protection Act, none of the bills were acted on during the regular or special sessions. In the adopted budget, the state continues to draw on its CBR by $2.4 billion, leaving it with approximately one year of reserves in that fund entering into fiscal 2019 unless further expenditure cuts are made, petroleum-related revenues rebound, or a draw on Permanent Fund earnings is approved.

Alaska's dwindling reserves

Alaska has traditionally been vulnerable to economic cycles due to its dependence on natural resources. In 1976, the state created the Alaska Permanent Fund to hedge against the risk of declining oil revenues. Subsequently, the state established two reserve accounts: The statutory budget reserve (SBR) and the CBR were created in 1986 and 1991, respectively. The SBR and CBR have acted as rainy day funds to stave off budget shortfalls and commodity price volatility. However, after five consecutive years of budget gaps, significant amounts of the funds have been used while the balance in the Permanent Fund earnings fund reserve has increased.

The SBR fund had no assets as of October 2015, down from a $4.7 billion balance of June 30, 2013. At that time, the remaining $287 million in the SBR was transferred to the CBR after use for balance prior budget shortfalls. The CBR fund (CBRF) had a balance of $4.81 billion as of May 31, 2017, down from a high of $10.1 billion at the end of fiscal 2015. In fiscal years 2015 and 2016, $3 billion and $3.1 billion, respectively, were drawn from the funds. For fiscal 2015, $3 billion was appropriated from the CBRF in the form of a transfer to the pension system and a year-end transfer from the SBR to the general fund of $2.5 billion. It is expected, based on current projections provided by the state, that the ending fiscal 2017 CBR balance will be approximately $4.3 billion. Adoption of the fiscal 2018 budget included approximately $2.4 billion of CBR to balance the budget, continuing the erosion of the fund. If projections based on the budget hold, the state will have only about one year left of revenues in the CBR to balance the budget.

The state also maintains the Permanent Fund, which (as of June 30, 2016) was comprised of a non-spendable principal balance of $44.2 billion and a spendable earnings reserve account (ERA) balance of $8.6 billion. Based on current figures (May 31, 2017), the principal balance was $47.0 billion and the ERA balance was $12.5 billion, an improvement based on earnings. Proceeds of the ERA can be appropriated by the legislature for any purpose. However, the funds have not been appropriated in the past to balance the budget, but have typically been re-deposited into the Permanent Fund for inflation-proofing, paying for the expenses of managing the fund, and providing for the annual Permanent Fund dividend. Absent adoption of structural reforms to fund state government, the ERA will likely need to be used to balance future budgets within the next two years. If the ERA balance is zero or less, a dividend cannot be paid. The governor's 2018 proposed baseline scenario estimates the ERA will have insufficient cash flow to pay dividends beginning in fiscal 2023. However, as the statutory amount of dividend payments have been reduced in 2017 and 2018, dividends may likely be paid out beyond fiscal 2023. Despite over $40 billion in the Permanent Fund, constitutionally, this principal deposit cannot be spent.

Based on a current projected balances and the 2018 draw on the CBR, the ending balance is expected to be $2.2 billion (without additional deposits). While the ERA is available for appropriation, it has never been used to pay for the general government. In our view, drawing on a previously untapped reserve source is not a structural reform.

We have assigned a score of '1.7' to Alaska's budgetary performance, where '1.0' is the strongest score and '4.0' the weakest.

Economy

While the U.S. economy continues its state of expansion, Alaska shows signs of contraction with nearly all of the loss reflecting the decline in the oil and gas sector. Year-over-year real gross state product declined 5% from 2015 to 2016 compared to 1.5% growth for the U.S. and negative 1.4% the last five years compared to nearly 2% growth for the US. This decline has been occurring on a nominal basis since 2012, when state GDP reached a high of $60.9 billion. This has also resulted in declining income levels with personal income per capita as a percentage of the U.S. declining the past five years from 119% in 2012 to 112% in 2016. However, the population growth has been steady at 0.5% over the past five years.

The state also has seen elevated unemployment levels at 6.6% in 2016 compared to 4.9% nationally, remaining above the national level for the past three years and ranking as the highest nationally. According to the Department of Revenue, oil makes up 90% of the mining sector in Alaska, and even at its diminished 2016 value, mining represented 14% of Alaska's total gross domestic product. Between 2012 and 2016, the sector's overall value fell by nearly two-thirds, from $21.4 billion to $7.5 billion. Oil and gas was the only industry whose GDP value was less in 2016 than in 2012. In our opinion, it is unlikely the state will experience significant economic expansion in the near term to suggest resurgence in the oil and gas sector. However, we note that other sectors of the economy have been relatively static to slightly improving.

According to IHS Markit, employment declined 2.1% year over year in the first quarter of 2017, the second-worst-performing state. The state continues to experience significant job loss as a majority of sectors saw losses. Manufacturing, natural resources and mining, and the construction sectors suffered double-digit year-over-year losses of 17.3%, 15.5%, and 10.9%, respectively, as the professional/business services sectors also felt the blow-back from the declining energy sector.

In our opinion, the heavy reliance on oil production is constraining the economy of the state. The economy has been contracting since 2012, with most of the decline reflecting the oil and gas sector, while the effects are being felt in other areas. We expect the state to experience limited employment and private-investment growth or possibly decline, consistent with the trend over the past five years following the collapse of the price per barrel of oil. The state overly relies on an energy sector that has experienced structural decline in both output and employment and affects other areas of employment and investment.

On a four-point scale on which '1' is strongest, we have assigned a score of '1.8' to Alaska's economy. The score has weakened from '1.5' since our last review due to our revised view of the state's economic development, which relies heavily on a contracted oil and gas sector the past several years.

Financial Management Assessment

We consider Alaska's formal management practices "good" under our Financial Management Assessment (FMA) methodology. An FMA of "good" indicates our view that the state maintains many best practices we consider critical to supporting credit quality, particularly in the finance department. These practices, however, may not be institutionalized or formalized in policy, may lack detail or long-term elements, or may have little recognition by decision-makers outside of the finance department.

The state has a statutory budget reserve in its general fund that, although not always funded, is available to provide liquidity. In addition, it has established the CBR fund, which voters approved. Funds may be appropriated for certain purposes by a vote of three-fourths of each house of the legislature, but money can be used for interfund borrowing for general fund expenditures. All appropriations from the fund are recorded as a general fund liability. Per the state's constitution, this fund receives all oil and gas tax dispute settlements. Until recently, the state's forecast of its leading predictor of state revenue, the price per barrel of oil, has tended to err on the low side. (This changed in fiscal 2015 following the unanticipated collapse in global commodity prices.) The state also forecasts production and has recently enhanced its methodology on this front. Budget amendments can occur throughout the year.

Alaska produces detailed revenue forecasts, with the focus being the price of oil, which--unless the governor's reform package is adopted--remains the leading determinant of unrestricted general fund revenue. Other revenue sources are also included in the revenue source book, which is released twice each year. The tax division of the Alaska DOR prepares the book, using numerous outside sources of information to help predict the price of oil.

In addition to the revenue forecast, the Office of Management and Budget (OMB) maintains a 10-year fiscal forecast, which is updated annually. Expenditure projections are less detailed, although the state accounts for some inflationary and caseload pressures on spending levels.

The state's debt management policy is updated annually with the public debt report and debt affordability analysis as required by statute. The debt report describes the different types of debt that Alaska issues, mainly certificates of participation and GO bonds. For general fund-supported bonds, the state has a debt capacity that it determines, by policy, to be 8% of unrestricted revenue.

Investment management is also covered by the investment policy statement, and the performance of the state's investment portfolio is monitored daily. Each year, the portfolio undergoes a fiduciary audit, which includes a review of legal and administrative constraints for each invested fund. The audit policy's stated goal is to keep Alaska's investment process intact during periods of market upheaval.

Alaska enacts an annual capital budget. Expenditure assumptions for the state's operating budget are adjusted as appropriate when capital projects begin. A transportation agency capital plan provides an annually prioritized plan detailing three years of projects and funding sources.

We have revised our view of the state's budgetary management. In our opinion, the framework is adequate with established budget monitoring. However, as the state continues to rely on an ever-diminishing reserve positon (its CBR), coupled with its reliance on economically volatile revenues, it is our opinion that such measures under consideration to achieve structural balance have not been implemented in a timely manner. While we recognize the state has flexibility through investment and interest earnings in its Permanent Fund earnings reserve account, the unrestricted general fund revenue generated is also economically sensitive.

We have assigned a score of '2.5 ' out of '4.0' to the state of Alaska's financial management, where '1.0' is the strongest score and '4.0' the weakest. The score has diminished from '2.0' at the time of our last review due to our revised opinion of the state budget management framework.

Government Framework

The DOR issues formal revenue forecasts twice a year, in the spring and fall. The forecast is based on consultation with an engineering firm and the state department of natural resources. As noted above, the methodology for forecasting oil production has been revised to incorporate the greater variability associated with production forecasts from some oil fields that are still under development or are in the evaluation phase of development. The net effect of these changes has been to increase the long-term rate of production decline. The revenue forecast has historically been used as presented for budget adoption and not been adjusted during the budget-adoption process.

Historically, Alaska has used existing high fund balances to carry deficits and is not legally required to make midyear budget adjustments if a midyear gap develops. The governor has the discretion to hold back spending in the middle of the fiscal year if a budget gap appears to be developing. Such adjustments were last made in fiscal 2009, during oil price fluctuations. The governor can unilaterally prioritize such holdbacks, but the holdbacks have no formal requirement or schedule. Since oil prices and the state's oil-related revenues collapsed in mid-2015, the state's lawmakers have stopped short of approving comprehensive fiscal reforms. To date, they have responded by reducing general fund expenditures, the Permanent Fund dividend, and recently diminished oil and gas tax credits.

We have assigned a score of '1.5' out of '4.0' to the state of Alaska's government framework, where '1.0' is the strongest score and '4.0' the weakest.

Debt And Liability Profile

Total tax-supported debt per capita is $1,560 (as of fiscal 2016 audited financial and population figures) and tax-supported debt (GO and appropriation) to personal income at 2.8%. Tax-supported debt service as a percentage of general fund spending was low, at about 1.1%, in fiscal 2016. The state's debt principal amortizing in 10 years is 92.7% following permanent financing of an outstanding bond anticipation note.

At June 30, 2016, the state had about $823.2 million of GO debt, but about $11.6 million of this is considered self-supporting veterans' mortgage revenue-secured debt, leaving about $820.6 million in net tax-supported GO debt. At the end of fiscal 2016, Alaska also had about $333.8 million of annual appropriation-supported debt.

Pension And Other Postemployment Benefit (OPEB) Liabilities

In 2006, Alaska moved all new employees to a defined-contribution retirement plan from a defined-benefit plan, but employees hired before that continue under the state's defined-benefit pension plan. In addition, unlike those of most other states, Alaska's OPEBs are constitutionally protected. Also, unlike most states, however, the state has an OPEB trust fund and a track record of funding the liability on an actuarial basis. Thanks to a large, extraordinary $3 billion contribution from the state's CBRF to its pension systems, its funded ratios--for both its defined-benefit pension and OPEB liabilities--improved markedly in fiscal 2015. The contribution was split between the Public Employees' Retirement System (PERS; $1 billion) and the Teachers' Retirement System (TRS; $2 billion). Following the increased contributions, PERS and TRS actuarial funding ratios as of June 30, 2015, were 78.3% and 83.3%, respectively. However, these funding ratios combine pension and OPEB reporting.

Based on the plan, June 30, 2016 CAFRs and GASB 67 reporting requirements for pension plans only, the Alaska PERS multiemployer plan had a 60% funded ratio (not including OPEBs) at June 30, 2016, down from 64% the prior year. We estimate that, as of fiscal 2016, the state's proportionate net pension liability related to PERS is $5.6 billion. The separate TRS had a 68% pension-funded ratio as of fiscal 2016, down from a 74% ratio in fiscal 2015. Both PERS and TRS employ an 8.0% assumed rate of return on invested assets.

Combined with the liabilities associated with much smaller pension systems for judicial officials and retired National Guard and naval militia members, the total PERS and TRS net pension liability was $6.35 billion as of June 30, 2016. The net pension liability on this basis remains high, in our view, at $8,599 per capita and 15.3% of total state personal income.

Annual employer contributions to PERS and TRS have been set at 22% for PERS and 12.56% for TRS. However, on July 1 of each year or as soon as funds are available thereafter, the state is required by statute to contribute sufficient additional funds to bring the total pension contribution for the prior fiscal year to the actuarially determined level, which we view favorably.

The OPEB liability also includes those of other participating local governments. The state is required by statute to fund the annual contributions to the pension system at the actuarially recommended level.

In addition to the state's direct debt, since 1970, Alaska has supported the bonds issued by prequalified school districts, with the legislature able to reimburse municipalities for 60% to 100% of debt service costs. The actual program funding depends on annual legislative appropriations. We note the state debt service reimbursement program for school districts has been suspended Jan. 1, 2015 through Jan. 1, 2020; partial payments have also been made in past years.

The state also has about $1.2 billion of self-supporting state moral obligation debt issued by the Alaska Municipal Bond Bank (AMBB), the Alaska Energy Authority, and the Alaska Student Loan Corp. Our rating on the AMBB debt recognizes features we view as strengthening related to its 2005, 2010, and 2016 resolution requiring an annual open-ended appropriation to backfill the reserve, if necessary.

We have assigned a score of '2.2' out of '4.0' to the state of Alaska's debt and liability profile, where '1.0' is the strongest score and '4.0' the weakest.

Ratings Detail (As Of July 18, 2017)		
Alaska GO		
Long Term Rating	AA/Negative	Downgraded, Removed from CreditWatch
Alaska GO		
Unenhanced Rating	AA(SPUR)/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank, Alaska		
Alaska		
Alaska Mun Bnd Bank (Alaska) approp		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank (Alaska) approp		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank (Alaska) approp		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank (Alaska) approp (AMBAC)		
Unenhanced Rating	AA-(SPUR)/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank (Alaska) master resolution GO bnds (Alaska)		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank (Alaska) GO and rfdg bnds (Alaska) ser 2016 FOUR due 12/01/2035		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank (Alaska) GO and rfdg bnds (Alaska) ser 2016 FOUR due 12/01/2035		
Unenhanced Rating	AA-(SPUR)/Negative	Downgraded, Removed from CreditWatch

Ratings Detail (As Of July 18, 2017) (cont.)		
Alaska Mun Bnd Bank (Alaska) GO and rfdg bnds (Alaska) ser 2016 THREE due 12/01/2037		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank (Alaska) GO and rfdg bnds (Alaska) ser 2016 THREE due 12/01/2037		
Unenhanced Rating	AA-(SPUR)/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank (Alaska) GO bnds (Alaska) 2017 ser ONE due 05/01/2037		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank (Alaska) GO bnds (Alaska) 2017 ser TWO (AMT) due 05/01/2043		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Alaska Mun Bnd Bank GO		
Unenhanced Rating	AA-(SPUR)/Negative	Downgraded, Removed from CreditWatch
Matanuska-Susitna Boro, Alaska		
Alaska		
Matanuska-Susitna Boro (Alaska) lse rev rfdg bnds (Alaska) (Goose Creek Correctional Ctr Proj)		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Matanuska-Susitna Boro (Alaska) l(Goose Creek Correctional) approp		
Long Term Rating	AA-/Negative	Downgraded, Removed from CreditWatch
Preliminary Rating	NR(prelim)	
Matanuska-Susitna Boro (Alaska) (Goose Creek Correctional) approp (ASSURED GTY)		
Unenhanced Rating	AA-(SPUR)/Negative	Downgraded, Removed from CreditWatch

Many issues are enhanced by bond insurance.