

**ALASKA MUNICIPAL BOND BANK AUTHORITY**  
(a Component Unit of the State of Alaska)

Financial Statements

For the Year Ended June 30, 2015

Together with Independent Auditor's Report Thereon

**ALASKA MUNICIPAL BOND BANK AUTHORITY**  
(a Component Unit of the State of Alaska)

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# **ALASKA MUNICIPAL BOND BANK AUTHORITY**

(a Component Unit of the State of Alaska)

## *Management's Discussion and Analysis*

Year Ended June 30, 2015

This Management's Discussion and Analysis (MD&A) is required by GASB Statement 34, a standard established by the Governmental Accounting Standards Board. This section is intended to make the financial statements more understandable to the average reader who is not familiar with traditional accounting terminology.

This financial report has two integral parts: this MD&A and the financial statements with the accompanying notes that follow. Together, they present the Alaska Municipal Bond Bank Authority's (Bond Bank) financial performance during the fiscal year ended June 30, 2015. Summarized prior fiscal year information is shown within this MD&A, as needed, for comparative purposes.

### **Required Financial Statements**

GASB 34 requires two types of financial statements: the Statement of Net Position and Governmental Fund Balance Sheets and the Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balances/Net Position. These statements report financial information about the Bond Bank's activities using accounting principles generally accepted in the United States of America. In addition to the basic financial statements, the Notes to Financial Statements provide information that is essential to a full understanding of the data provided in the basic financial statements.

### **Financial Highlights**

During fiscal year 2015, the Bond Bank entered into 11 municipal loan agreements for construction projects in 7 communities. The Bond Bank issued \$175.6 million in bonds and had one \$3.2 million direct loan, which resulted in \$81.9 million in loans to communities for new capital projects, and included \$118.0 million used to refinance 25 community loans for savings. Bond Bank bond activity in fiscal year 2015 resulted in present value savings of approximately \$17.1 million to the borrowing communities. In comparison, the Bond Bank's activity level in fiscal year 2014 was an issuance of \$178.5 million, resulting in \$191.4 million in loans to communities for capital projects. During fiscal year 2014 the Bond Bank entered into 9 municipal loan agreements for new capital projects in 7 communities. The Bond Bank's community benefit for fiscal year 2014 was present value savings of approximately \$12.7 million to the borrowing communities.

### **Statement of Net Position**

The Statement of Net Position reports assets, liabilities and net position of the Bond Bank.

### **Assets**

Assets represent 1) The value of the Bond Bank's investments and investment income receivable on the financial statement dates, recorded at fair market value, and 2) Bond principal and interest payments receivable from municipalities. The investments generate income for the Bond Bank, used to meet reserve requirements and pay operating costs. Historically excess operating account earnings were transferred to the State of Alaska's (State) general fund each year. The fiscal year ending June 30, 2015 marked the eighth consecutive year that the State operating budget has appropriated any excess earnings of the operating account to the Bond Bank's reserve fund (HB 72, Sec. 25). Interest received on bonds purchased from municipalities is used to pay the Bond Bank's corresponding interest payments on the bonds that it has issued.

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*Management's Discussion and Analysis*

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**Liabilities**

Liabilities represent claims against the fund for 1) goods and services provided before the financial statement date but not yet paid for at that date, and 2) interest and bond payments due to purchasers of the Bond Bank's bonds after the financial statement date.

**Restricted and Unrestricted Net Position**

Net position is comprised of two components. The restricted portion reflects monies maintained in separate trust accounts where their use is limited by applicable bond covenants for repayment of bonds. The unrestricted portion reflects monies that are available for any authorized purpose of the Bond Bank.

The following table shows the value of Bond Bank assets summarized as of June 30, 2015 and 2014, as well as liabilities and net position:

	As of June 30,		Changes from 2014 to 2015	
	2015	2014	Dollars	Percent
<b>Assets:</b>				
Cash and investments	\$ 72,860,616	\$ 77,969,569	\$ (5,108,953)	-6.55%
Bonds and bond interest receivable	940,576,872	915,839,560	24,737,312	2.70%
Other receivables	75,991	-	75,991	100.00%
Total assets	<u>1,013,513,479</u>	<u>993,809,129</u>	<u>19,704,350</u>	<u>1.98%</u>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	3,352,177	3,318,954	33,223	1.00%
Bonds and bond interest payable	<u>954,000,573</u>	<u>933,926,183</u>	<u>20,074,390</u>	<u>2.15%</u>
Total liabilities	<u>957,352,750</u>	<u>937,245,137</u>	<u>20,107,613</u>	<u>2.15%</u>
<b>Net Position:</b>				
Restricted	37,473,539	40,270,255	(2,796,716)	-6.94%
Unrestricted	<u>18,687,190</u>	<u>16,293,737</u>	<u>2,393,453</u>	<u>14.69%</u>
Total net position	<u>\$ 56,160,729</u>	<u>\$ 56,563,992</u>	<u>\$ (403,263)</u>	<u>-0.71%</u>

The Bond Bank's investments are all held in U.S. Government securities.

The increase in bonds and bond interest receivable, as well as in bonds and bond interest payable, reflects the issuance of approximately \$175.6 million in new bonds during the year, net of principal payments on bonds previously issued of approximately \$53.1 million. \$81.9 million in new bonds and loans during the year were lent to communities for projects, and \$118.0 million in new bonds were used to refinance community loans for savings. Included in the totals above is a short-term direct loan to the Kenai Peninsula Borough in the amount of \$3.2 million.

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*Management's Discussion and Analysis*

Year Ended June 30, 2015

**Statement of Activities**

The statement of activities shows how the Bond Bank's net position changed during the most recent fiscal year.

Revenues

Revenues include total return on investments and interest payments received from municipalities. Earnings on investments include interest on fixed income marketable securities and the change in fair market value of those investments.

Expenses

Expenses include interest payments made to bond holders who purchased the Bond Bank's bonds, payments made to the State of Alaska and operating expenses. Operating expenses include all expenditures required to issue bonds during the current year and include in-house expenses, as well as external consultant fees. Expenses are subtracted from revenues.

The following is a condensed statement of the Bond Banks' changes in net position as of June 30, 2015, and 2014:

	As of June 30,		Changes from 2014 to 2015	
	2015	2014	Increase/(Decrease)	
			Dollars	Percent
Revenues:				
Interest income on bonds receivable	\$ 44,121,701	\$ 34,752,725	\$ 9,368,976	26.96%
Investment earnings	1,141,876	859,892	281,984	32.79%
Total income	<u>45,263,577</u>	<u>35,612,617</u>	<u>9,650,960</u>	<u>27.10%</u>
Expenses:				
Interest expense on bonds payable	44,962,647	35,606,432	9,356,215	26.28%
Operating expenses	704,193	841,091	(136,898)	-16.28%
Total expenses	<u>45,666,840</u>	<u>36,447,523</u>	<u>9,219,317</u>	<u>25.29%</u>
Change in net position	(403,263)	(834,906)	431,643	51.70%
Net position, beginning of period	<u>56,563,992</u>	<u>57,398,898</u>	<u>(834,906)</u>	<u>-1.45%</u>
Net position, end of period	<u>\$ 56,160,729</u>	<u>\$ 56,563,992</u>	<u>\$ (403,263)</u>	<u>-0.71%</u>

Interest income and expense on bonds receivable and payable are a function of the total amount of bonds outstanding, the age of the bonds and the interest rates at which they are issued. The increases in both of these line items of \$9.4 million (interest income) and \$9.4 million (interest expense) are consistent with the increase in bond receivable and payable balances, respectively.

Investment earnings are a function of market conditions, and active management. The Bond Bank uses other assets to subsidize debt service during times of low investment returns in bond reserve funds. The decrease in net position is primarily due to debt service on reserve obligations.

**ALASKA MUNICIPAL BOND BANK AUTHORITY**

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*Management's Discussion and Analysis*

Year Ended June 30, 2015

**Governmental Funds**

The governmental funds include the General Fund, which accounts for the primary operations of the Bond Bank, and the Debt Service Fund, which accounts for the resources accumulated and payments made on the long-term debt of the Bond Bank. The primary difference between the governmental funds balance sheet and the statement of net position is the elimination of inter-fund payables and receivables. Bond proceeds are reported as other financing source in the governmental funds statement of revenues and expenses and this contributes to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of debt principal is recorded as expenditure in the governmental funds statement of revenues and expenses and reduces the liability in the statement of net assets.

The following tables show governmental funds' condensed balance sheets and statements of revenues, expenditures and changes in fund balances as of June 30, 2015, and 2014.

**General Fund**

	As of June 30,		Changes from 2014 to 2015	
	2015	2014	Increase/(Decrease) Dollars	Percent
<b>Assets:</b>				
Cash, investments and related				
accrued interest	\$ 14,599,556	\$ 17,775,612	\$ (3,176,056)	-17.87%
Bonds and bond interest receivable	4,922,414	1,836,923	3,085,491	167.97%
Interfund receivable	4,647,774	3,363,749	1,284,025	38.17%
Total assets	<u>24,169,744</u>	<u>22,976,284</u>	<u>1,193,460</u>	<u>5.19%</u>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	<u>257,400</u>	<u>187,848</u>	<u>69,552</u>	<u>37.03%</u>
<b>Fund Balance:</b>				
Restricted for debt service	4,956,430	4,956,430	-	0.00%
Unassigned	<u>18,955,914</u>	<u>17,832,006</u>	<u>1,123,908</u>	<u>6.30%</u>
Total fund balance	<u>23,912,344</u>	<u>22,788,436</u>	<u>1,123,908</u>	<u>4.93%</u>
Total liabilities and fund balance	<u>\$ 24,169,744</u>	<u>\$ 22,976,284</u>	<u>\$ 1,193,460</u>	<u>5.19%</u>

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*Management's Discussion and Analysis*

Year Ended June 30, 2015

**Debt Service Fund**

	As of June 30,		Changes from 2014 to 2015	
	2015	2014	Dollars	Percent
<b>Assets:</b>				
Cash, investments and related accrued interest	\$ 58,261,060	\$ 60,193,957	\$ (1,932,897)	-3.21%
Bonds and bond interest receivable	935,654,458	914,002,637	21,651,821	2.37%
Other receivables	75,991	-	75,991	100.00%
<b>Total assets</b>	<b>993,991,509</b>	<b>974,196,594</b>	<b>19,794,915</b>	<b>2.03%</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	3,094,777	3,131,106	(36,329)	-1.16%
Interfund payables	4,647,774	3,363,749	1,284,025	38.17%
<b>Total liabilities</b>	<b>7,742,551</b>	<b>6,494,855</b>	<b>1,247,696</b>	<b>19.21%</b>
<b>Fund Balance:</b>				
Restricted for debt service	986,248,958	967,701,739	18,547,219	1.92%
<b>Total liabilities and fund balance</b>	<b>\$ 993,991,509</b>	<b>\$ 974,196,594</b>	<b>\$ 19,794,915</b>	<b>2.03%</b>

**General Fund**

	As of June 30,		Changes from 2014 to 2015	
	2015	2014	Dollars	Percent
<b>Revenues:</b>				
Interest income	\$ 306,561	\$ 281,398	\$ 25,163	8.94%
<b>Expenditures:</b>				
Operating expenses	704,193	841,091	(136,898)	-16.28%
Excess (deficiency) of revenues over expenditures	(397,632)	(559,693)	162,061	28.96%
Other financing sources (uses) - transfers	1,521,540	(5,185,772)	6,707,312	129.34%
Excess (deficiency) of revenues and transfers over expenditures	1,123,908	(5,745,465)	6,869,373	119.56%
Fund balance, beginning of period	22,788,436	28,533,901	(5,745,465)	-20.14%
<b>Fund balance, end of period</b>	<b>\$ 23,912,344</b>	<b>\$ 22,788,436</b>	<b>\$ 1,123,908</b>	<b>4.93%</b>

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*Management's Discussion and Analysis*

Year Ended June 30, 2015

**Debt Service Fund**

	As of June 30,		Changes from 2014 to 2015	
	2015	2014	Dollars	Percent
<b>Revenues:</b>				
Interest income on bonds receivable	\$ 44,099,543	\$ 34,732,354	\$ 9,367,189	26.97%
Investment earnings	857,473	598,865	258,608	43.18%
Total revenues	44,957,016	35,331,219	9,625,797	27.24%
<b>Expenditures:</b>				
Interest payments	42,333,257	35,947,564	6,385,693	17.76%
Principal payments	53,070,000	56,605,000	(3,535,000)	-6.25%
Total expenditures	95,403,257	92,552,564	2,850,693	3.08%
Excess (deficiency) of revenues over expenditures	(50,446,241)	(57,221,345)	6,775,104	11.84%
<b>Other financing sources (uses):</b>				
Bond proceeds	175,555,000	178,525,000	(2,970,000)	-1.66%
Payments to Bond Escrow Agent	(105,040,000)	-	(105,040,000)	-100.00%
Transfers	(1,521,540)	5,185,772	(6,707,312)	-129.34%
Total other financing sources (uses):	68,993,460	183,710,772	(114,717,312)	-62.44%
Excess of revenues and transfers over expenditures	18,547,219	126,489,427	(107,942,208)	-85.34%
Fund balance, beginning of period as previously reported	967,701,739	851,793,807	115,907,932	13.61%
Removal of conduit debt obligations	-	(10,581,495)	10,581,495	100.00%
Fund balance, beginning of period as restated	967,701,739	841,212,312	126,489,427	15.04%
Fund balance, end of period	\$ 986,248,958	\$ 967,701,739	\$ 18,547,219	1.92%

Long-term Debt

At June 30, 2015 the Bond Bank had \$940,920,000 of bonds and notes outstanding, up 1.9% from \$923,475,000 at June 30, 2014. This excludes conduit debt obligations of the Coastal Energy Loan Program. Payment of principal and interest on the Bond Bank's Coastal Energy Bond is not secured by a pledge of any amounts held by or payable to the Bond Bank under the General Bond Resolution, including the Reserve Account, and is not in any way a debt or liability of the Bond Bank and accordingly, are not included in the basic financial statements. Please see note (7), to the financial statements.

As discussed in the previous sections, net increase in 2015 long term debt balances is due to new bond issuances for loans to communities.



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AS 44.85.180(c) was originally enacted in 1975, limiting the Bond Bank outstanding bonds at any time to \$150 million. This Statute has been periodically amended to raise the limit, and modify the definition of authorized borrowers. At the beginning of fiscal year 2015, the limit was \$1.5875 billion.

During fiscal year 2015, the legislature passed, and the Governor signed into law a bill to authorize the Authority to make loans to Joint Action Agencies and Regional Health Organizations, effective May 26, 2015. Joint Action Agency lending is now part of the main political subdivision program. Regional Health Organization lending is limited to no more than \$205 million in total, no more than 49% of any single project where the other 51% of the project's funding is in place, and not more than \$102.5 million for any single project. With this legislation, the total debt limit as of June 30, 2015 was \$1.7925 billion, comprised of \$1.5 billion in authority for political subdivisions, \$87.5 million for the University of Alaska, and \$205 million for Regional Health Organizations. Total Bond Bank bonds and notes outstanding as of June 30, 2015 was approximately \$940.9 million. The limit on additional bond issuance as of June 30, 2015 was approximately \$851.6 million, of which \$559.1 million of authority was available for the main political subdivision program, \$87.5 million has been specifically designated to the University of Alaska, and \$205 million has been specifically designated to Regional Health Organizations.

Outstanding long term debt is comprised of the following bonds and loans at year end:

	As of June 30,		Changes from 2014 to 2015	
	2015	2014	Increase/(Decrease)	
	Dollars	Dollars	Dollars	Percent
GO bonds payable	\$ 940,920,000	\$ 919,090,000	\$ 21,830,000	2.38%
Revenue bonds payable	-	4,385,000	(4,385,000)	-100.00%
	<u>\$ 940,920,000</u>	<u>\$ 923,475,000</u>	<u>\$ 17,445,000</u>	<u>1.89%</u>

**Contacting the Bond Bank's Financial Management**

This financial report is designed to provide our customers, investors, and creditors with a general overview of the Bond Bank's finances and to demonstrate the Bond Bank's accountability of its assets. If you have any questions about this report or need additional financial information, contact the Finance Director or the Executive Director of the Bond Bank at (907) 465-2893 or (907) 465-3750 respectively.



Tel: 907-278-8878  
Fax: 907-278-5779  
www.bdo.com

3601 C Street, Suite 600  
Anchorage, AK 99503

## Independent Auditor's Report

Board of Directors  
Alaska Municipal Bond Bank Authority  
Juneau, Alaska

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Alaska Municipal Bond Bank Authority (the Authority), a component unit of the State of Alaska, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Alaska Municipal Bond Bank Authority, as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages I-VII be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Alaska Municipal Bond Bank Authority's basic financial statements. The supplemental schedules and tables noted in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*BDO USA, LLP*

September 30, 2015  
Anchorage, Alaska

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Statement of Net Position and  
Governmental Funds Balance Sheets

June 30, 2015

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Net Position
<b>ASSETS</b>					
Cash and cash equivalents	\$ 922,551	\$ 4,753,632	\$ 5,676,183	\$ -	\$ 5,676,183
Investments, at fair value (note 4)	13,672,353	53,341,867	67,014,220	-	67,014,220
Accrued interest receivable:					
Bonds receivable	46,184	12,879,458	12,925,642	-	12,925,642
Investment securities	4,652	165,561	170,213	-	170,213
Bonds receivable (note 5)	4,876,230	922,775,000	927,651,230	-	927,651,230
Other receivables	-	75,991	75,991	-	75,991
Interfund receivables	4,647,774	-	4,647,774	(4,647,774)	-
Total assets	<u>\$ 24,169,744</u>	<u>\$ 993,991,509</u>	<u>\$ 1,018,161,253</u>	<u>(4,647,774)</u>	<u>1,013,513,479</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 45,819	\$ -	\$ 45,819	-	45,819
Due to Primary Government	211,581	-	211,581	-	211,581
Principal and interest payments received in advance	-	3,094,777	3,094,777	-	3,094,777
Accrued interest payable	-	-	-	13,080,573	13,080,573
Interfund payables	-	4,647,774	4,647,774	(4,647,774)	-
Long-term liabilities (note 6):					
Portion due or payable within one year:					
General obligation bonds payable	-	-	-	56,455,000	56,455,000
Portion due or payable after one year:					
General obligation bonds payable	-	-	-	884,465,000	884,465,000
Total liabilities	<u>257,400</u>	<u>7,742,551</u>	<u>7,999,951</u>	<u>949,352,799</u>	<u>957,352,750</u>
<b>FUND BALANCES/NET POSITION</b>					
Fund balances:					
Restricted (note 2)	4,956,430	986,248,958	991,205,388	(991,205,388)	-
Unassigned	18,955,914	-	18,955,914	(18,955,914)	-
Total fund balances	<u>23,912,344</u>	<u>986,248,958</u>	<u>1,010,161,302</u>	<u>(1,010,161,302)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 24,169,744</u>	<u>\$ 993,991,509</u>	<u>\$ 1,018,161,253</u>		
Net position:					
Restricted (note 2)				37,473,539	37,473,539
Unrestricted				18,687,190	18,687,190
Total net position				<u>\$ 56,160,729</u>	<u>\$ 56,160,729</u>

The accompanying notes to the financial statements are an integral part of these statements.

ALASKA MUNICIPAL BOND BANK AUTHORITY  
(a Component Unit of the State of Alaska)

Statement of Activities and  
Governmental Funds Statements of Revenues, Expenditures, and  
Changes in Fund Balances/Net Position

For the Year Ended June 30, 2015

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Activities
<b>Revenues:</b>					
Investment earnings	\$ 284,403	\$ 857,473	\$ 1,141,876	\$ -	\$ 1,141,876
Interest income on bonds receivable	22,158	44,099,543	44,121,701	-	44,121,701
Total revenues	<u>306,561</u>	<u>44,957,016</u>	<u>45,263,577</u>	<u>-</u>	<u>45,263,577</u>
<b>Expenditures / expenses:</b>					
Debt service:					
Principal payments	-	53,070,000	53,070,000	(53,070,000)	-
Interest payments / expense	-	42,333,257	42,333,257	2,629,390	44,962,647
Professional services	485,784	-	485,784	-	485,784
Personal services	175,489	-	175,489	-	175,489
Administrative travel	36,720	-	36,720	-	36,720
Office expense	6,200	-	6,200	-	6,200
Total expenditures / expenses	<u>704,193</u>	<u>95,403,257</u>	<u>96,107,450</u>	<u>(50,440,610)</u>	<u>45,666,840</u>
Excess (deficiency) of revenues over expenditures / expenses	<u>(397,632)</u>	<u>(50,446,241)</u>	<u>(50,843,873)</u>	<u>50,440,610</u>	<u>(403,263)</u>
<b>Other financing sources / (uses):</b>					
Proceeds from bond refunding	-	175,555,000	175,555,000	(175,555,000)	-
Payments to refunded bond escrow agent	-	(105,040,000)	(105,040,000)	105,040,000	-
Transfers to/from Custodial Fund	1,428,076	(1,428,076)	-	-	-
Transfers - internal activities	93,464	(93,464)	-	-	-
Total other financing sources / (uses)	<u>1,521,540</u>	<u>68,993,460</u>	<u>70,515,000</u>	<u>(70,515,000)</u>	<u>-</u>
Net change in fund balance / net position	1,123,908	18,547,219	19,671,127	(20,074,390)	(403,263)
<b>Fund balances / net position:</b>					
Beginning of the year	<u>22,788,436</u>	<u>967,701,739</u>	<u>990,490,175</u>	<u>(933,926,183)</u>	<u>56,563,992</u>
End of the year	<u>\$ 23,912,344</u>	<u>\$ 986,248,958</u>	<u>\$ 1,010,161,302</u>	<u>\$ (954,000,573)</u>	<u>\$ 56,160,729</u>

The accompanying notes to the financial statements are an integral part of these statements.

ALASKA MUNICIPAL BOND BANK AUTHORITY  
(a Component Unit of the State of Alaska)

Notes to Financial Statements

For the Year Ended June 30, 2015

**(1) History/Reporting Entity**

The Alaska Municipal Bond Bank Authority (Authority or Bond Bank) was created pursuant to Alaska Statute, Chapter 85, Title 44, as amended, (Act) as a public corporation and instrumentality of the State of Alaska (State), but with a legal existence independent of and separate from the State. The Authority is a discretely presented component unit of the State of Alaska for purposes of financial reporting. The Authority commenced operations in August 1975.

The Authority was created for the purpose of making monies available to authorized borrowers within the State to finance capital projects primarily through the issuance of bonds by the Authority. Bond proceeds are then used to purchase, from authorized borrowers general obligation and revenue bonds.

The bonds are obligations of the Authority, payable only from revenues or funds of the Authority, and the State of Alaska is not obligated to pay principal or interest thereon, and neither the faith and credit nor the taxing power of the State is pledged to the bonds. The municipal bonds and municipal bond payments, investments thereof and proceeds of such investments, if any, and all funds and accounts established by the bond resolution to be held by the Trustee (with the exception of the Coastal Energy Loan Debt Service Program, which is administered by the Authority) are pledged and assigned for the payment of bonds.

AS 44.85.180(c) was originally enacted in 1975, limiting Bond Bank outstanding bonds at any time to \$150 million. This Statute has been periodically amended to raise the limit, and modify the definition of authorized borrowers. At the beginning of fiscal year 2015, the limit was \$1.5875 billion.

During fiscal year 2015, the legislature passed, and the Governor signed into law a bill to authorize the Authority to make loans to Joint Action Agencies and Regional Health Organizations, effective May 26, 2015. Joint Action Agency lending is now part of the main political subdivision program. Regional Health Organization lending is limited to no more than \$205 million in total, no more than 49% of any single project where the other 51% of the project's funding is in place, and not more than \$102.5 million for any single project. With this legislation, the total debt limit as of June 30, 2015 was \$1.7925 billion, comprised of \$1.5 billion in authority for political subdivisions, \$87.5 million for the University of Alaska, and \$205 million for Regional Health Organizations. Total Bond Bank bonds and notes outstanding as of June 30, 2015 was approximately \$940.9 million. The limit on additional bond issuance as of June 30, 2015 was approximately \$851.6 million, of which \$559.1 million of authority was available for the main political subdivision program, \$87.5 million has been specifically designated to the University of Alaska, and \$205 million has been specifically designated to Regional Health Organizations.

**(2) Summary of Significant Accounting Policies**

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the Authority's accounting policies are described below.

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Notes to Financial Statements

**(a) Government-wide and Fund Financial Statements**

The government-wide statement of net position and the statement of activities report information on all of the activities of the Authority. For the most part, the effect of interfund activity has been removed from these statements. The balance sheet and statement of revenues, expenditures and changes in fund balances are provided for governmental funds.

**(b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The Authority reports the following major governmental funds:

The *General Fund* is the Authority's primary operating fund. It accounts for all financial resources of the Authority, except those required to be accounted for in another fund. The Authority adopts an annual budget for the operating account only which does not encompass entire operations of the General Fund, therefore, budgetary comparison information for the General Fund is not presented.

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term debt of the Authority. The Authority does not adopt a budget for the Debt Service Fund because it is not legally required to do so.

The purposes of each of these funds are described in the following paragraphs:

**General Fund**

The General Fund is comprised of a Custodian Account and an Operating Account. The Custodian Account is established to account for appropriations by the State of Alaska Legislature available to fund the Special Reserve Accounts. The Operating Account is established to account for the ordinary operations of the Authority. Moneys are derived from the following sources: (a) amounts appropriated by the Legislature, (b) fees and charges collected, (c) income on investments of the Statutory Reserve Account in excess of required debt service reserves required by bond resolutions and (d) any other monies made available for purposes of the General Fund from any other source. Amounts in the Operating Account may be used to pay (a) administrative expenses of the Authority, (b) fees and expenses of the Trustee and paying agents, (c) financing costs incurred with respect to issuance of bonds and (d) any expenses in carrying out any other purpose then authorized by the Act. The excess revenues of the Operating Account are returned to the State of Alaska. The State of Alaska may appropriate the excess revenues to the Bond Bank Custodian Account to fund Reserve Accounts.

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Notes to Financial Statements

**Debt Service Fund**

Within the Debt Service Fund, separate Debt Service Programs have been established for each bond resolution to account for the portion of bond sale proceeds used to purchase obligations of the municipalities and for the payment of interest and principal on all bonds of the Authority issued under its resolutions. Each program is comprised of an “interest account” and a “principal account”, both of which are maintained by a trustee. The receipts of interest and principal from the municipalities and the Statutory Reserve Account are deposited in these programs and are used to pay interest and principal on the Authority bonds. One additional Debt Service Program has been established to account for transactions not involving bond resolutions. This is the Coastal Energy Loan Debt Service Program. The Coastal Energy Loan Debt Service Program is not maintained by a trustee. Payments of interest and principal by municipalities having coastal energy loans are made directly to the federal government by the municipalities and are accounted for in the Coastal Energy Loan Debt Service Program.

Each debt service fund program contains a Statutory Reserve Account established to account for (a) money available to fund debt service reserves required by future bond sales under various bond resolutions (Custodian Account) and (b) debt service reserves which have already been established under various bond resolutions which are to be used in the case of deficiency in a Debt Service Program in accordance with its respective bond resolution (reserve accounts). Separate reserve accounts exist under each bond resolution as follows:

*1976 General Bond Resolution* – The reserve account is comprised of an ordinary reserve sub-account and a special reserve sub-account. The ordinary reserve sub-account may fund up to one-third of the required debt service reserve and can be funded with bond proceeds or with a transfer from the Custodian Account. The special reserve sub-account must fund at least two-thirds of the required debt service reserve and must be funded with transfers from the Custodian Account. Both sub-accounts are maintained by a trustee.

On August 23, 1999, the Authority amended the debt service reserve requirement for the 1976 bond resolution from the greater of the maximum annual debt service requirement of 10% of all municipal loan obligations outstanding to the current test of the least of: (i) 10% of the original stated principal amount of all bonds outstanding; (ii) the maximum annual principal and interest requirements on all bonds then outstanding; (iii) 125% of the average principal and interest requirements on all bonds then outstanding; or (iv) such lesser amount as shall be required to maintain the exemption of interest of all bonds outstanding from inclusion in gross income for federal income tax purposes under the Internal Revenue Code. The amendment took effect at the beginning of fiscal year 2013 when all bonds outstanding as of the date of the passage of the 1999 resolution were retired. The shift in the reserve requirement significantly reduced the 1976 Resolution reserve requirement. However, per the 1976 resolution the Bond Bank cannot remove principal from the reserve (special or ordinary) until all reserve obligations are paid off. Consequently, during fiscal 2013 the Authority defeased the remaining principal reserve obligations of the 1976 resolution reserves and released excess funds to the Custodial Account.

*2005 General Bond Resolution* – The reserve fund may be funded with transfers from the custodian account, surety policies, bond proceeds, or other funds available to the Bond Bank.

*2010 General Bond Resolution* – The reserve fund may be funded with transfers from the custodian account, surety policies, bond proceeds, or other funds available to the Bond Bank.



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At June 30, 2015, the 1976 General Bond Resolution, 2005 General Bond Resolution, and 2010 General Bond Resolution reserves must be the least of: (i) 10% of the initial principal amount of each Series of Bonds outstanding; (ii) the maximum annual principal and interest requirements on all bonds outstanding; (iii) 125% of the average annual debt service on all bonds then outstanding; or (iv) such lower amount as may be allowed by law. Amounts in excess of the required debt service in any reserve are transferred to the Operating Account on a periodic basis.

On September 23, 2015 the Bond Bank determined that the amount on deposit in the 1976 Resolution Reserve Fund was below the reserve requirement due to a transfer of funds from the 1976 resolution reserve fund to the 2005 resolution reserve fund during the fiscal year. On September 24, 2015 the Bond Bank deposited \$627,000 to replenish the 1976 Resolution Reserve Fund to the October 1, 2015 reserve requirement. As of October 1, 2015 the amount held in the 1976 Resolution Reserve Fund satisfies the reserve requirement and is equal to the amount of debt service due on February 1, 2016. On that date, all remaining bonds issued under the 1976 Resolution will be retired and the amount held in the 1976 Resolution Reserve Fund will be transferred to the Bond Bank's Custodian Account.

**(c) Adjustments**

Certain adjustments are considered to be necessary to the governmental funds in order to present the Authority's financial position and the results of its operations. These adjustments include the elimination of inter-fund payables and receivables. Additionally, bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds and reduces the liability in the statement of net position.

**(d) Restricted Assets**

Certain resources set aside for the repayment of the Authority's bonds, net of certain proceeds from additional bonds issued, are classified as restricted on the statement of net position because they are maintained in separate trust accounts and their use is limited by applicable bond covenants. Cash and cash equivalents and investments include \$37,473,539 of restricted assets. These assets were funded as follows:

Original State of Alaska appropriation	\$	18,601,414
2008 appropriation of excess earnings		855,347
2009 appropriation of excess earnings		819,843
2010 appropriation of excess earnings		32,628
2011 appropriation of excess earnings		86,814
2012 appropriation for loan forgiveness		13,000,000
Total State of Alaska appropriated equity	\$	33,396,046

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Notes to Financial Statements

Restricted for Debt Service:

Appropriated amounts residing in reserve accounts	\$ 28,439,616
Appropriated amounts residing in Custodial account	<u>4,956,430</u>
Total State of Alaska appropriated equity	33,396,046
Bond Bank equity residing in reserve accounts	<u>4,077,493</u>
Total restricted for debt service/net position	<u><u>\$ 37,473,539</u></u>

**(e) Bond Receivables**

Bond receivables are secured by the revenues or are general obligations of the municipalities. Interest rates correspond with the interest rates on the related bonds payable by the Authority. The bond receivables mature during the same period as the related bond payables. Bond receivables are recorded at the par amount of the bonds issued.

**(f) Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Any premium or discount on bond issuance or refunding is not recorded by the Authority as the premium or discount is recorded by the municipalities associated with the issuance and amortized by them, therefore, bonds payable are presented at par. Bond issue costs are generally paid by the municipality but when a portion is paid by the Authority they are paid from the General Account and considered operating expenses.

**(g) Fund Equity**

Generally, fund equity represents the difference between the current assets and current liabilities and is classified as fund balance. Bond Bank, in accordance with GASB Statement No. 54 provisions, which require classification of fund balance as nonspendable, restricted, committed, assigned or unassigned, had fund balances in restricted and unassigned categories.

*Restricted Fund Balance* – Restricted fund balance is that portion of fund equity that has constraints placed upon the use of the resources either by an external party or imposed by law.

*Unassigned Fund Balance* – this classification represents fund balance that has not been restricted, committed or assigned to specific purposes within the general fund.

The Authority does not have a policy for its use of unrestricted fund balance amounts, therefore, it considers that committed amounts are reduced first (if any), followed by assigned amounts (if any), and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

In the government-wide financial statements, restrictions of net position are reported when constraints placed on net position are either externally imposed by creditors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

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Notes to Financial Statements

**(h) Interfund Receivables, Payables and Transfers**

Interfund balances represent cash collected or disbursed on behalf of another fund. Interfund transfers are transfers between funds that are required when revenue is generated in one fund and expenditures are paid from another fund.

**(i) Interest Arbitrage Rebate**

Bonds issued and funds segregated into reserves after August 15, 1986 are subject to Internal Revenue Service income tax regulations which require rebates to the U.S. Government of interest income earned on investments purchased with the proceeds from the bonds or any applicable reserves in excess of the allowable yield of the issue. Amounts owed are expensed when paid and refunds are recorded when received at the five year anniversary date of the bond issue or upon final repayment. Beginning for FY 2013 the Bond Bank's arbitrage rebate consultant will update all general obligation bond rebate analysis annually as of June 30. As of June 30, 2015 the Bond Bank's net arbitrage rebate liability was \$-0-.

**(j) Income Taxes**

The Authority is exempt from paying federal and state income taxes.

**(3) Cash**

The Authority considers all highly liquid investments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents. Cash and cash equivalents at June 30, 2015 consist of money market accounts held with various financial institutions.

The bank balance of all of the Authority's cash and cash equivalents are collateralized by securities held in the Authority's name by its custodial agent.

**(4) Investments**

The fair value of debt security investments by contractual maturity as of June 30, 2015 is shown below.

	Less than 1	1-5	6-10	More than 10	Total
<b>General Fund</b>					
U.S. Treasury securities	\$ 1,252,441	\$ 7,984,825	\$ 1,004,336	\$ -	\$ 10,241,602
U.S. Government agencies securities	431,023	2,999,728	-	-	3,430,751
	<u>1,683,464</u>	<u>10,984,553</u>	<u>1,004,336</u>	<u>-</u>	<u>13,672,353</u>
<b>Debt Service Fund</b>					
U.S. Treasury securities	3,570,518	37,527,012	5,056,641	-	46,154,171
U.S. Government agencies securities	2,691,106	4,496,590	-	-	7,187,696
	<u>6,261,624</u>	<u>42,023,602</u>	<u>5,056,641</u>	<u>-</u>	<u>53,341,867</u>
<b>Total investments</b>	<u>\$ 7,945,088</u>	<u>\$ 53,008,155</u>	<u>\$ 6,060,977</u>	<u>\$ -</u>	<u>\$ 67,014,220</u>

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Notes to Financial Statements

Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without penalty.

**(a) Investment Policies**

The Authority has distinct investment objectives and policies associated with funds held in the Custodian Account, Reserve Funds, and municipal debt payments received prior to scheduled debt service payment dates. The three classes of funds are listed below:

Custodian Account

The Custodian Account investment portfolio is designed with the objective of attaining the highest market rate of return subject to the required use of the Custodian Account for operation, funding transfers to the state, and funding reserves. The Custodian Account balance must maintain a minimum balance of \$5 million, and be forecasted to maintain that \$5 million balance for the subsequent twelve-month period, and an analysis of risk profile and historical benefit between the varying strategies must be undertaken before any shift in the investment strategy of the Account. The Custodian Account has to maintain sufficient liquidity to meet operating requirements, provide the prior fiscal year's state dividend, and to allow transfers to reserves as needed for bond issuance activity. Long-term preservation of principal is the third objective of the Custodian Account's investment program. Investments shall be undertaken in a manner that minimizes the probability of long-term loss.

- There are no arbitrage restrictions.

The bond resolutions limit investments to:

- 5% +/- 2% money market funds (no less than \$750,000).
- 95% +/- 3% government agencies and U.S. Treasuries.
- The performance benchmark is 5% +/- 2% three month U.S. Treasury Bill, and 95% +/- 3% Barclays 1-5 year government bond index.

The following transactions are prohibited with the Custodian Account unless those transactions have the prior written consent of the Investment Committee:

- Short sale of securities (the sale and settlement of a security not currently owned by the Authority and a formal agreement to borrow the security to facilitate the settlement of the short sale);
- Purchases of futures, forwards or options for the purpose of speculating (currency futures, forwards and options are permitted only for hedging or to facilitate otherwise permissible transactions);
- Borrowing to leverage the return on investments. Extended settlement of securities purchases executed to facilitate or improve the efficiency of a transaction will not be considered borrowing, provided that sufficient cash equivalent securities or receivables are available to facilitate the extended settlement;
- Purchases of "private placement" or unrated corporate bonds.

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Bond Reserve Funds

Preservation of principal is the foremost objective of the Bond Reserve Funds investment program. These funds shall be managed to ensure that the corpus is preserved. These funds will not be expended until the final maturity of the bond issue they secure, unless there is a failure to pay debt service by a community. As there is limited benefit in maximizing return it is the least important objective of the Bond Reserve Funds. It is anticipated that the Reserve Funds cumulative average return should target the blended arbitrage yield limit of the bond issues secured.

Bond resolutions limit allowed investment of these funds. Investment risk is examined on an annual basis to ensure that no greater than the minimum level of risk required to achieve the highest probability of earning the arbitrage yield limit on the bonds is incurred.

The 2005 and 2010 Reserve Fund bond resolutions limit investments to:

- 90% +/- 10% government agencies and U.S. Treasuries with maturities of less than 5 years.
- 10% +/- 10% government agencies and U.S. Treasuries with maturities of more than 5 years and less than 10 years.
- Performance benchmark is 90% Barclays US 1-5 year government bond index and 10% Barclays US aggregate index.

The 1976 Reserve Fund bond resolutions limit investments to:

- Government agencies and U.S. Treasuries with maturities of 3 years or less.
- Performance benchmark is Barclays US 1-3 year government bond index.

Municipal Debt Payments

Preservation of principal and liquidity are the foremost objectives of the Municipal Debt Payments investment program, as these funds will be expended within seven business days of receipt. Return on investment is a benefit of holding these funds for the advance payment period, but not the focus of investing the funds. The bond resolutions limit investments to:

- 100% Money Market Fund.
- Performance benchmark is three-month U.S. Treasury Bill.

**(b) Concentration Risk**

Concentration risk is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. Concentration limits are not established in the bond indentures and governing agreements for pledged investments. The Authority's policies set out maximum concentration limits for investments managed by the external investment manager.

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**(c) Credit Risk**

Credit risk is the risk of loss due to the failure of the security or backer. The Authority mitigates its credit risk by limiting investments permitted in the investment policies. U.S. Treasury securities and securities of agencies that are explicitly guaranteed by the U.S. government are not considered to have credit risk.

**(d) Custodial Credit Risk**

The Authority assumes levels of custodial credit risk for its deposits with financial institutions, bank investment agreements, and investments. For deposits, custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The Authority has not established a formal custodial credit risk policy for its investments. The Authority had no investments registered in the name of a counterparty.

**(e) Interest Rate Risk**

Interest rate risk is the risk that the market value of investments will decline as a result of changes in general interest rates. For non-pledged investments, the Authority mitigates interest rate risk by structuring its investments' maturities to meet cash requirements, thereby avoiding the need to sell securities in the open market prior to maturity. For investments held in trust, investment maturities are structured to meet cash requirements as outlined in its bond indentures and contractual and statutory agreements.

**(5) Bonds Receivable**

The General Fund includes bonds receivable with interest rates varying from 1% to 5% due from the City of Galena and Kenai Peninsula Borough with maturities as follow:

	City of Galena	Kenai Peninsula Borough	Total General Fund Bonds Receivable
2016	\$ 162,182	\$ 395,000	\$ 557,182
2017	163,812	383,000	546,812
2018	165,457	387,000	552,457
2019	167,119	392,000	559,119
2020	168,798	398,000	566,798
2021-2025	848,862	1,245,000	2,093,862
	\$ 1,676,230	\$ 3,200,000	\$ 4,876,230

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Bonds receivable by debt service program at June 30, 2015 mature in varying annual installments as follows:

Year ending June 30	1976 General	2005 General	2010 General	Total Principal
2016	\$ 2,520,000	\$ 51,835,000	\$ 140,000	\$ 54,495,000
2017	-	53,870,000	145,000	54,015,000
2018	-	54,220,000	150,000	54,370,000
2019	-	55,600,000	160,000	55,760,000
2020	-	52,885,000	165,000	53,050,000
2021-2025	-	241,415,000	900,000	242,315,000
2026-2030	-	179,550,000	1,070,000	180,620,000
2031-2035	-	124,640,000	1,280,000	125,920,000
2036-2040	-	47,815,000	285,000	48,100,000
2041-2045	-	40,230,000	-	40,230,000
2046-2050	-	13,900,000	-	13,900,000
	<u>\$ 2,520,000</u>	<u>\$ 915,960,000</u>	<u>\$ 4,295,000</u>	<u>\$ 922,775,000</u>

**(6) Long-Term Liabilities**

During the year ended June 30, 2015 the Authority's long-term liabilities changed as follows:

	Beginning of year	New debt	Repayments/ Adjustments	End of year
General obligation bonds payable	\$ 919,090,000	\$ 175,555,000	(153,725,000)	\$ 940,920,000
Revenue bonds payable	4,385,000	-	(4,385,000)	-
Total	<u>\$ 923,475,000</u>	<u>\$ 175,555,000</u>	<u>\$ (158,110,000)</u>	<u>\$ 940,920,000</u>

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Bond Bank's long term liabilities consist of the following as of June 30, 2015:

Issue	Debt Service Account		Statutory Reserve Account Ordinary Reserve Sub-Account	
	Interest rate	Principal outstanding	Interest rate	Principal outstanding
1976 General Bond Resolution Program:				
2005-C Series	4.00%-5.00%	\$ 1,425,000	5.00%	\$ -
Haines Borough				
Petersburg				
Northwest Arctic Borough				
2006-A Series	4.00%-4.35%	1,095,000	4.00%	-
Aleutians East Borough				
Ketchikan Gateway Borough				
Lake and Peninsula Borough				
Nome				
Wrangell				
Total 1976 General Bond Resolution Fund		2,520,000		-
2005 Series General Bond Resolution Program:				
2005-One Series	3.00%-5.00%	2,510,000	3.00%-5.00%	350,000
Ketchikan, City of				
Nome				
Seward				
2006-One Series	4.00%-6.00%	335,000	4.50%-6.00%	-
Kenai Peninsula Borough				
Seward				
2006-Two Series - Ketchikan, City of	4.25%-4.75%	32,660,000	5.00%	1,765,000
2007-One Series	4.00%-5.50%	14,865,000	4.00%-5.50%	1,265,000
Kenai Peninsula Borough				
Inter-Island Ferry Authority				
Nome				
Northwest Arctic Borough				
Petersburg				
Seward				
Sitka, City and Borough of				
Wasilla				
2007-Two Series	3.75%-5.00%	22,575,000	4.50%	685,000
Kenai Peninsula Borough				
Aleutians East Borough				
2007-Three Series	4.25%-5.50%	3,775,000	4.00%	415,000
Bethel, City of				
Juneau, City and Borough of				
2007-Four Series - Kenai Peninsula Borough	4.25%-5.00%	1,955,000	4.25%-4.50%	1,070,000
2007-Five Series - Kodiak, City of	4.00%-6.00%	5,425,000	-	-
2008-One Series	4.00%-5.00%	47,385,000	5.00%	3,260,000
Dillingham				
Kodiak Island Borough				
Kodiak, City of				
Seward				
2008-Two Series	4.40%-6.00%	9,945,000	4.75%-6.00%	1,200,000
Seward				
Sitka, City and Borough of				
Skagway				
2009-One Series	3.00%-5.63%	4,000,000	4.00%-5.50%	560,000
Kodiak, City of				
Unalaska, City of				
2009-Two Series	4.00%-6.00%	4,990,000	4.00%-6.00%	1,400,000
Cordova				
Nome, City of				
Unalaska, City of				
Kodiak, Island Borough				

(continued)



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Notes to Financial Statements

Issue	Debt Service Account		Statutory Reserve Account Ordinary Reserve Sub-Account	
	Interest rate	Principal outstanding	Interest rate	Principal outstanding
2009-Three Series - Juneau, City and Borough of	2.00%-4.00%	6,730,000	2.00%-4.00%	495,000
2009-A-Four Series Kenai Peninsula Borough Ketchikan Gateway Borough	3.00%-4.00%	575,000	3.00%-4.00%	430,000
2009-B-Four Series - Ketchikan Gateway Borough	4.63%-5.40%	20,425,000	-	-
2010-A-Series One Ketchikan, City of Ketchikan Gateway Borough Kenai, City of Northwest Arctic Borough Petersburg Unalaska	2.00%-5.00%	7,515,000	3.00%	-
2010-B Series One Kenai, City of Northwest Arctic Borough Petersburg Unalaska	5.99%-6.34%	7,415,000	-	-
2010-A Series Two Juneau, City and Borough of Cordova King Cove, City of	2.00%-3.00%	650,000	3.00%	325,000
2010-B Series Two Juneau, City and Borough of Cordova King Cove, City of	3.75%-4.91%	11,405,000	-	-
2010-A Series Three Aleutians East Borough Unalaska King Cove, City of	2.00%-4.00%	2,445,000	2.00%-4.00%	405,000
2010-B Series Three Aleutians East Borough Unalaska King Cove, City of	4.93%-5.43%	6,900,000	-	-
2010-A Series Four Kenai Peninsula Borough Ketchikan, City of Ketchikan Gateway Borough Sitka, City and Borough of Sitka, City and Borough of (Refunding) Soldotna	2.00%-5.00%	19,220,000	-	-
2010-B Series Four Kenai Peninsula Borough Ketchikan, City of Ketchikan Gateway Borough Sitka, City and Borough of Soldotna	1.42%-6.26%	47,915,000	-	-
2011-Series One Kodiak Island Borough Wrangell	3.00%-5.13%	6,980,000	3.00%	415,000
2011-Series Two Juneau, City and Borough of Sitka, City and Borough of	2.00%-4.38%	8,295,000	2.00%	815,000

(continued)

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Notes to Financial Statements

Issue	Debt Service Account		Statutory Reserve Account Ordinary Reserve Sub-Account	
	Interest rate	Principal outstanding	Interest rate	Principal outstanding
2011-Series Three	2.00%-5.00%	67,575,000	2.00%-5.00%	1,390,000
Wrangell				
Aleutians East Borough				
Northwest Arctic Borough				
Ketchikan Gateway Borough				
Kenai Peninsula Borough				
Cordova				
Hoonah				
Skagway				
Seward				
Kodiak Island Borough				
2012-Series One	2.00%-5.00%	11,585,000	-	-
Juneau, City and Borough of (Wildflower Court)				
Juneau, City and Borough of				
2012-Series Two	1.75%-5.00%	46,605,000	2.00%-4.00%	1,900,000
Juneau, City and Borough of				
Ketchikan, City of				
Ketchikan Gateway Borough				
Kodiak Island Borough				
Nome, City of				
North Pole, City of				
Palmer, City of				
Petersburg				
Sitka, City and Borough of				
Valdez				
2012-Series Three	1.50%-5.00%	18,340,000	-	-
Juneau, City and Borough of (School)				
Juneau, City and Borough of (REF)				
Petersburg				
Haines Borough				
2013-Series One	2.00%-5.00%	91,695,000	-	-
Juneau, City and Borough of (Hospital Rev Ref)				
Juneau, City and Borough of				
Kenai Peninsula Borough				
Ketchikan Gateway Borough				
Kodiak Island Borough				
Sand Point, City of				
Sitka, City and Borough of (Harbor)				
Sitka, City and Borough of (Electric)				
2013-Series Two A	2.00%-4.00%	17,095,000	-	-
Homer, City of				
Ketchikan, City of				
Ketchikan, City of (REF)				
Skagway				
2013-Series Two B				
Kodiak Island Borough	3.00%-4.00%	16,505,000	-	-
2013 Series Three	1.50%-5.00%	70,505,000	-	-
Juneau, City and Borough of				
Kenai Peninsula Borough				
Lake and Peninsula Borough				
Sitka, City and Borough of				
2014-Series One A	.38%-5.00%	58,530,000	-	-
Juneau, City and Borough of				
Kodiak Island Borough				
Kenai Peninsula Borough- Exempt				
Kenai Peninsula Borough- Taxable				

(continued)

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Notes to Financial Statements

Issue	Debt Service Account		Statutory Reserve Account Ordinary Reserve Sub-Account	
	Interest rate	Principal outstanding	Interest rate	Principal outstanding
2014-Series Two A Ketchikan, City of (Harbor) Ketchikan, City of (Hospital) King Cove, City of	3.00%-5.00%	45,080,000	-	-
2014-Series Three City & Borough of Juneau City of Saxman City & Borough of Sitka City of Adak (REF) Municipality of Anchorage (Rev REF) Haines Borough (REF) Kenai Peninsula City of Nome (REF) Northwest Arctic Borough (REF) Petersburg Borough (REF) City of Seward (REF) City of Seward (REF) - 2	1.25%-5.00%	55,370,000	-	-
2015-Series One City of Craig - New Money City of Cordova - New Money City of Cordova (REF2005A) City of Ketchikan (REF2005A) Northwest Arctic Borough (REF2005A) City and Borough of Sitka (REF2005A) City of Unalaska (REF2005A) Ketchikan Gateway Borough (REF2005E) Aleutians East Borough (REF2006A) City of Nome (REF2006A) City of Wrangell (REF2006A) City and Borough of Sitka (REF2008-2) City of Unalaska (REF2009-1) City of Cordova (REF2009-2) City of Nome (REF2009-2)	2.00%-5.00%	60,635,000	-	-
2015-Series Two City of Cordova - CC Municipality of Skagway - PSB City and Borough of Juneau - PP Municipality of Skagway - PP City and Borough of Juneau - School City and Borough of Juneau (REF2007-3) Kenai Peninsula Borough (REF2007-4)	2.00%-5.00%	59,550,000	-	-
Total 2005 Series General Bond Resolution Fund		915,960,000		18,145,000
2010 Series General Bond Resolution Program				
2010-A-1 Series One Ketchikan Gateway Borough	3.00%-4.00%	595,000	-	-
2010-A-2 Series One Ketchikan Gateway Borough	5.78%-6.86%	3,700,000	-	-
Total 2010 Series General Bond Resolution Program		4,295,000		-
		\$ 922,775,000		\$ 18,145,000

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Notes to Financial Statements

All bonds are secured by bonds receivable and by amounts in the reserve account. The Act further provides that if a municipality defaults on its principal and/or interest payments, upon written notice by the Authority, the State of Alaska must consider paying to the Authority all funds due from the defaulting municipality from the State in an amount sufficient to clear the default. The Bond Bank Executive Director is obligated per resolution to seek and the State may provide an appropriation annually to replenish reserves. This appropriation was requested, and the State has included this appropriation in the fiscal year 2016 State Budget.

In October 2014 the Authority issued \$55.3 million in general obligation and refunding bonds with interest rates ranging between 1.25% and 5%. The Authority issued the bonds to advance refund \$31,145,000 of the outstanding the 2004B (Anchorage) Revenue bond and 2004D, 2005C, 2005-1, and 2006-1 General Obligation bonds with interest rates averaging between 4.188% and 4.95%. The Authority used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the series bonds listed above. As a result, these bonds are considered defeased, and the Authority has removed the liability from its financial statements. The outstanding principal of the defeased bonds was \$31,145,000 at June 30, 2015.

The advance refunding reduced total debt service payments over the next 20 years by nearly \$3.5 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2.8 million.

In February 2015 the Authority issued \$60.6 million in general obligation and refunding bonds with interest rates ranging between 2% and 5%. The Authority issued the bonds to advance refund \$57,140,000 of the outstanding 2005A, 20005B, 2006A, 2008-1, 2009-1, and 2009-2 General Obligation bonds with interest rates averaging between 3.44% and 4.96%. The Authority used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the series bonds listed above. As a result, these bonds are considered defeased, and the Authority has removed the liability from its financial statements. The outstanding principal of the defeased bonds was \$57,140,000 at June 30, 2015. The advance refunding reduced total debt service payments over the next 20 years by nearly \$5.4 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$4.9 million.

In May 2015 the Authority issued \$59.5 million in general obligation and refunding bonds with interest rates ranging between 2% and 5%. The Authority issued the bonds to advance refund \$16,755,000 of the outstanding 2007-3 and 2007-4 General Obligation bonds with interest rates averaging between 4.5% and 4.7%. The Authority used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the series bonds listed above. As a result, these bonds are considered defeased, and the Authority has removed the liability from its financial statements. The outstanding principal of the defeased bonds was \$16,755,000 at June 30, 2015. The advance refunding reduced total debt service payments over the next 18 years by nearly \$635,000. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$740,000.

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Notes to Financial Statements

The above bonds mature in varying annual installments. The maturities at June 30, 2015 are as follows:

Year ending June 30	1976	2005		2010
	General	General	Reserve	General
2016	\$ 2,520,000	\$ 51,835,000	\$ 1,960,000	\$ 140,000
2017	-	53,870,000	425,000	145,000
2018	-	54,220,000	4,805,000	150,000
2019	-	55,600,000	1,035,000	160,000
2020	-	52,885,000	925,000	165,000
2021-2025	-	241,415,000	4,135,000	900,000
2026-2030	-	179,550,000	3,095,000	1,070,000
2031-2035	-	124,640,000	-	1,280,000
2036-2040	-	47,815,000	1,765,000	285,000
2041-2045	-	40,230,000	-	-
2046-2050	-	13,900,000	-	-
	<u>\$ 2,520,000</u>	<u>\$ 915,960,000</u>	<u>\$ 18,145,000</u>	<u>\$ 4,295,000</u>

Year ending June 30	Total Principal	Total Interest
2016	\$ 56,455,000	\$ 41,814,124
2017	54,440,000	40,384,854
2018	59,175,000	38,258,782
2019	56,795,000	35,858,065
2020	53,975,000	33,488,178
2021-2025	246,450,000	132,451,843
2026-2030	183,715,000	80,285,636
2031-2035	125,920,000	39,690,036
2036-2040	49,865,000	18,973,450
2041-2045	40,230,000	8,742,050
2046-2050	13,900,000	1,265,749
	<u>\$ 940,920,000</u>	<u>\$ 471,212,767</u>

**(7) Conduit Debt**

Under the Coastal Energy Loan Program (Program), the Authority issued \$5,000,000 1986 Series A Coastal Energy Bonds (Bonds) payable to the National Oceanic and Atmospheric Administration (NOAA). The proceeds of these bonds were used to purchase port revenue bonds from the City of Nome. The City of Nome entered into a tripartite agreement with NOAA and the Authority effective August 2, 1994 to defer payment of the principal and accrual of interest for ten years. Effective January 29, 2009 a second amendment to the tripartite agreement was executed. The amendment authorized the issuance of 2009A Bonds for the purpose of refunding by exchange the outstanding City of Nome, Alaska, Port Revenue Bond 1986 Series A. As of June 30, 2015 the aggregate amount outstanding for conduit debt obligations was \$4,360,984.

Also under the Program, the Authority issued \$6,563,000 1987 Series A Coastal Energy Bonds payable to NOAA. The proceeds of these bonds were used to purchase port revenue bonds from the City of St. Paul. The City of St. Paul entered into a tripartite agreement with NOAA and the Authority effective December 14, 2000 to modify and defer payment. As of June 30, 2015 the aggregate amount outstanding for the City of St. Paul conduit debt obligations was \$6,005,878.

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Notes to Financial Statements

The related loan payables do not represent a general obligation of the Authority as they are payable only from proceeds received from the City of Nome and St. Paul, respectively. Payment of principal and interest on the Bond Bank's Coastal Energy Bond is not secured by a pledge of any amounts held by or payable to the Bond Bank under the General Bond Resolution, including the Reserve Account, and is not in any way a debt or liability of the Bond Bank and accordingly, are not included in the basic financial statements.

The Coastal Energy Bonds and related accounts are included in the Bond Bank's statutory limit for total bonds outstanding.

**(8) Commitments**

During 2011 State Legislature appropriated \$2,450,000 to Bond Bank to issue a 15-year, one percent interest loan to the City of Galena to retire existing debt obligations and make certain utility improvements. The intent of the legislature was that loan repayments made for the loan be paid into the State of Alaska General Fund in accordance with the provisions of the AS 44.85.270(h). The amount of receipts available to the Authority during fiscal 2014 as discussed in Note 2(d), included \$178,200 of City of Galena loan repayments for the year ended June 30, 2015. There were no excess receipts over operating expenditures during fiscal year 2015.

The amount of Authority receipts determined under AS 44.85.270(h) and, as discussed in Note 2(d), available for transfer by the Authority and appropriation to the Bond Bank Authority Reserve Fund under AS 44.85.270(a) was \$-0- for fiscal year 2015; the cumulative state appropriated amount, therefore, remained \$33,396,046 at June 30, 2015.

The entire Custodian Account balance is available for appropriation, at any time, by the State Legislature.

**(9) Subsequent Events**

Subsequent to June 30, 2015, the Bond Bank issued the 2015 Series Three general obligation bonds in the principle amount of \$96.21 million. The 2015 Series Three bond proceeds are being used for the following purposes: (i) to make five loans to Governmental Units for new money purposes; and (ii) to pay a portion of the costs of issuance of the 2015 Series Three Bonds. The 2015 Series Three Bond proceeds used for new money purposes include: (i) a loan to the University of Alaska to pay a portion of the costs of constructing a new Combined Heat and Power Plant at the University's Fairbanks campus; (ii) a loan to Haines Borough for mechanical system upgrades and replacement of an air handling unit at Haines High School; (iii) two loans to the Kodiak Island Borough for expansion of Kodiak High School and for various renewal and replacement projects in Borough schools, and (iv) a loan to the City of King Cove to pay a portion of the costs to construct a run-of-the-river hydroelectric facility. The 2015 Series Three Bonds priced on August 26, 2015, and are expected to close on or about September 16, 2015. The True Interest Cost (TIC) for the total issuance was 4.00% with last maturity on October 1, 2044.

## Supplemental Schedule

ALASKA MUNICIPAL BOND BANK AUTHORITY  
(A Component Unit of the State of Alaska)

Supplemental Schedule of Statutory Reserve Accounts - Assets, Liabilities, and Account Reserves

June 30, 2015

	1976 General "Special"	2005 Resolution	2010 Resolution	Total
<b>ASSETS</b>				
Cash	\$ 502	\$ 1,178,748	\$ 8,862	\$ 1,188,112
Accrued interest receivable	4,171	160,415	975	165,561
Marketable securities	505,315	52,439,321	397,232	53,341,868
Interaccount receivables	787,596	-	-	787,596
Other receivables	-	128,048	-	128,048
	<u>\$ 1,297,584</u>	<u>\$ 53,906,532</u>	<u>\$ 407,069</u>	<u>\$ 55,611,185</u>
<b>LIABILITIES</b>				
Interaccount payables	\$ -	\$ 5,003,712	\$ 12,977	\$ 5,016,689
Bond payable	-	18,145,000	-	18,145,000
Accrued interest payable	-	201,107	-	201,107
	<u>-</u>	<u>23,349,819</u>	<u>12,977</u>	<u>23,362,796</u>
<b>RESERVES</b>				
State appropriated	-	28,046,530	393,086	28,439,616
Unappropriated	1,401,670	2,674,358	1,465	4,077,493
Unrealized gain (loss)	(104,086)	(164,175)	(459)	(268,720)
	<u>1,297,584</u>	<u>30,556,713</u>	<u>394,092</u>	<u>32,248,389</u>
	<u>\$ 1,297,584</u>	<u>\$ 53,906,532</u>	<u>\$ 407,069</u>	<u>\$ 55,611,185</u>

See Independent Auditor's report



## Continuing Disclosure Tables

Pursuant to the Securities and Exchange Commission Rule 15c2-12 and the Authority's continuing disclosure undertakings, the Authority is obligated to provide annual financial information. In addition to annual financial statements the Authority must provide a statement of authorized, issued and outstanding bonded debt, reserve fund balances, and government unit statistics in substantially the same form as Appendix C of official statements of the Authority. The following supplemental information related to the 1976, 2005, and 2010 master resolutions is provided in compliance with the Appendix C filing requirement.

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Supplemental Schedule of 1976 Master Resolution Program - Community Concentration

June 30, 2015

<u>Borrower</u>	<u>Outstanding Par</u>	<u>Percent of Outstanding</u>
Lake & Peninsula Borough	\$ 965,000	38.29%
Haines Borough	835,000	33.13%
Northwest Arctic Borough	310,000	12.30%
Petersburg Borough	280,000	11.11%
Ketchikan Gateway Borough	130,000	5.16%
Total Outstanding Par	<u>\$ 2,520,000</u>	<u>100.00%</u>

See Independent Auditor's report

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Supplemental Schedule 1976 Master Resolution Program  
Debt Service Requirements

June 30, 2015

<u>Borrower</u>	<u>2016*</u>
Lake and Peninsula Borough	\$ 1,003,600
Haines Borough	855,875
Northwest Arctic Borough	317,750
Petersburg Borough	287,000
Ketchikan Gateway Borough	<u>135,200</u>
Total Outstanding Par	<u>\$ 2,599,425</u>

\* Final year in which bonds issued under the 1976 Resolution will be outstanding.

See Independent Auditor's report

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Supplemental Schedule of 2005 Master Resolution Program - Community Concentration

June 30, 2015

Borrower	Outstanding Par	Percent of Outstanding
City and Borough of Sitka	\$ 149,205,000	15.97%
City and Borough of Juneau	137,680,000	14.74%
Kenai Peninsula Borough	117,195,000	12.55%
City of Ketchikan	104,750,000	11.21%
Kodiak Island Borough	85,790,000	9.18%
Ketchikan Gateway Borough	40,300,000	4.31%
Northwest Arctic Borough	39,055,000	4.18%
City of Seward	36,950,000	3.96%
City of Unalaska	35,960,000	3.85%
Aleutians East Borough	28,610,000	3.06%
Municipality of Skagway	21,430,000	2.29%
City of Cordova	18,985,000	2.03%
Lake & Peninsula Borough	17,780,000	1.90%
City of Kodiak	13,205,000	1.41%
Petersburg Borough	11,945,000	1.28%
City of Dillingham	11,275,000	1.21%
Haines Borough	10,580,000	1.13%
City of Nome	5,425,000	0.58%
Municipality of Anchorage	3,735,000	0.40%
City of Homer	3,475,000	0.37%
City of Bethel	2,790,000	0.30%
City of Valdez	2,725,000	0.29%
City of Sand Point	2,500,000	0.27%
City of King Cove	2,175,000	0.23%
City of Soldotna	2,120,000	0.23%
City of Craig	1,810,000	0.19%
City of Kenai	1,615,000	0.17%
City and Borough of Wrangell	1,550,000	0.17%
City of Wasilla	1,540,000	0.16%
City of Hoonah	1,135,000	0.12%
City of Palmer	860,000	0.09%
City of Adak	825,000	0.09%
City of North Pole	820,000	0.09%
City of Saxman	165,000	0.02%
Reserve Obligations	18,145,000	1.94%
<b>Total Outstanding Par</b>	<b>\$ 934,105,000</b>	<b>100.00%</b>

See Independent Auditor's report

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Supplemental Schedule 2005 Master Resolution Program - Debt Service Requirements

June 30, 2015

Borrower	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City of Ketchikan Utility - 2005 Loan	\$ 1,331,680	\$ 1,332,480	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Kenai Peninsula Borough Cent. Em. Svcs. Dist. - 2006 Loan	124,800	-	-	-	-	-	-	-	-	-
City of Seward - 2006 Port Loan	223,600	-	-	-	-	-	-	-	-	-
City of Ketchikan Port - 2006 Loan	2,555,069	2,556,963	2,553,063	2,548,063	2,550,038	2,543,850	2,544,363	2,541,300	2,539,525	2,538,763
City of Nome - 2007 Refunding	179,894	177,419	180,247	182,859	180,619	178,609	-	-	-	-
Northwest Arctic Borough - 2007 Refunding	255,856	1,259,844	1,249,172	1,248,350	1,248,825	1,245,163	-	-	-	-
Petersburg Borough - 2007 Refunding	141,944	145,919	140,159	144,391	143,681	147,991	-	-	-	-
City of Seward - 2007 Refunding	235,606	241,044	241,709	237,394	238,363	234,525	239,994	-	-	-
City and Borough of Sitka - 2007 Refunding	847,319	848,781	851,672	849,219	-	-	-	-	-	-
City of Wasilla - 2007 Refunding	420,819	421,681	423,241	424,588	-	-	-	-	-	-
Kenai Peninsula Borough - 2007 Loan	313,225	312,625	-	-	-	-	-	-	-	-
Petersburg Borough - 2007 Loan	91,431	88,544	90,778	92,894	90,100	92,356	89,425	91,297	92,906	89,406
Aleutians East Borough - 2007 Refunding	945,438	947,338	1,772,238	1,818,363	1,835,863	1,844,988	1,856,938	2,121,938	2,271,750	2,347,869
South Kenai Peninsula Hospital - 2007 Refunding	144,700	144,100	143,500	142,825	146,950	789,450	788,250	784,350	787,325	-
City and Borough of Juneau - 2007 III Dock Loan	353,925	356,325	353,625	-	-	-	-	-	-	-
City of Bethel - 2007 III Court Facility Loan	291,838	293,038	294,125	295,125	290,750	291,000	290,750	290,000	293,625	291,625
Kenai Peninsula Borough South Hospital Service Area	696,506	694,413	695,300	-	-	-	-	-	-	-
City of Kodiak M&P Loan	128,671	125,971	128,121	125,121	127,521	125,287	127,878	125,313	127,593	124,700
City of Kodiak Lift Loan	240,330	240,980	241,330	241,380	242,030	243,271	244,186	244,804	245,126	245,119
Kodiak Island Borough 2008 One Loan	622,460	624,960	620,160	624,960	623,960	621,323	623,048	623,360	622,210	624,180
City of Dillingham 2008 One Loan	1,179,590	1,176,340	1,178,540	1,174,540	1,174,540	1,176,390	1,176,753	1,179,565	1,174,515	1,176,040
Kodiak Police Station 2008 One Loan	531,990	532,240	529,040	505,640	507,840	509,128	504,990	505,365	505,015	508,735
City of Seward Long Term Care 2008 One Loan	1,970,163	1,971,913	1,970,513	1,972,713	1,973,313	1,969,750	1,969,488	1,970,925	1,968,725	1,971,855
City and Borough of Sitka 2008 Two Loan	355,620	353,220	355,100	-	-	-	-	-	-	-
Municipality of Skagway 2008 Two Loan	393,035	394,435	395,210	391,110	395,330	393,630	396,210	392,815	393,803	393,923
City of Seward 2008 Two Loan	393,886	393,686	393,151	394,751	393,151	391,176	393,816	395,826	392,276	393,396
City of Unalaska 2009 One Loan	857,500	860,500	856,625	855,875	-	-	-	-	-	-
City of Kodiak 2009 One Boat Lift Loan	68,713	67,713	71,588	70,338	69,088	67,838	71,463	69,963	68,425	66,850
City of Unalaska 2009 Two Loan	558,775	558,800	563,588	560,413	-	-	-	-	-	-
City of Cordova 2009 Two Loan	801,750	798,063	799,188	801,338	-	-	-	-	-	-
City of Nome 2009 Two Loan	29,869	28,806	32,775	31,425	-	-	-	-	-	-
City and Borough of Juneau - 2009 Three Loan	1,500,650	1,485,600	1,495,800	1,444,800	1,468,800	-	-	-	-	-
Ketchikan Gateway Borough-2009 Four Loan	1,777,769	1,775,519	1,768,232	1,754,104	1,743,479	1,731,390	1,722,642	1,707,107	1,694,654	1,684,964
City of Kenai-2010 One Loan	178,798	175,398	176,998	178,398	172,704	172,011	171,018	164,725	163,433	161,840
Ketchikan Gateway Borough-2010 One Loan	729,800	725,800	731,000	730,000	728,000	-	-	-	-	-
Northwest Arctic Borough-2010 One Loan	283,565	283,165	282,565	281,765	280,765	284,565	281,315	276,127	275,640	269,552
Petersburg Borough - 2010 One Loan	238,044	239,094	234,494	234,794	234,894	234,794	238,694	235,849	232,010	227,870
City of Unalaska-2010 One Loan	425,149	427,149	428,749	424,949	425,949	426,549	424,299	424,017	417,835	411,055
Northwest Arctic Borough - 2010 Refunding	-	967,200	-	-	-	-	-	-	-	-
City and Borough of Juneau - 2010 Two Loan	1,139,319	1,139,029	1,129,772	1,117,534	1,107,744	2,472,665	1,820,539	1,779,639	1,517,673	1,742,096
City of Cordova 2010 Two Loan	49,780	48,430	46,859	45,138	48,188	46,070	-	-	-	-
City of King Cove 2010 Two Loan	41,512	45,743	44,762	43,686	42,540	41,363	40,155	38,847	42,319	40,652
Aleutians East Borough - 2010 Loan	397,078	398,878	395,378	396,578	397,966	392,943	390,877	383,441	380,636	372,462
City of King Cove 2010 Three Loan	59,892	58,692	62,392	60,992	59,680	58,205	61,359	59,389	57,419	55,449
City of Unalaska 2010 Three Loan	436,267	437,267	437,867	438,067	433,605	432,617	429,319	420,652	416,616	407,211
Kenai Peninsula Borough 2010 Four Loan	1,468,022	1,459,887	1,442,725	1,431,305	1,411,775	1,395,269	1,376,201	1,358,946	1,338,264	1,314,029
City of Ketchikan 2010 Four Loan	628,044	623,153	616,549	608,190	603,500	597,854	586,163	578,214	568,842	562,857
Ketchikan Gateway Borough 2010 Four Loan	333,976	332,198	324,287	320,209	315,233	314,574	308,091	300,753	292,534	288,269
City and Borough of Sitka 2010 Four Loan	4,064,732	4,064,932	4,075,151	4,062,570	4,047,570	4,058,570	4,050,648	4,038,926	4,030,419	4,000,527
City of Soldotna 2010 Four Loan	219,070	215,646	216,594	211,905	211,752	206,311	205,509	199,279	197,602	195,333

(continued)

ALASKA MUNICIPAL BOND BANK AUTHORITY  
(A Component Unit of the State of Alaska)

Supplemental Schedule 2005 Master Resolution Program - Debt Service Requirements

June 30, 2015

Borrower	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City and Borough of Wrangell 2011 One Loan	25,075	24,475	28,875	28,000	27,000	26,000	-	-	-	-
Kodiak Island Borough 2011 One Loan	621,850	622,550	622,950	621,400	622,800	623,600	623,800	625,513	626,275	626,088
City and Borough of Juneau 2011 Two Loan	658,831	657,831	658,831	657,300	659,600	655,200	-	-	-	-
City and Borough of Sitka 2011 Two Loan	407,609	408,009	412,134	410,090	407,590	407,390	411,790	407,690	408,071	411,271
Aleutians East Borough 2011 Three Refunding	833,750	976,625	229,375	229,875	226,000	231,625	230,625	-	-	-
Kenai Peninsula Borough 2011 Three Refunding	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	621,250	616,300	618,175	618,800	615,900	616,875	614,000	609,875	-	-
Northwest Arctic Borough 2011 Three Refunding	2,484,400	2,491,900	2,486,775	2,492,025	2,492,700	2,488,875	2,485,000	2,485,625	1,681,000	-
Wrangell 2011 Three Refunding	93,800	41,000	-	-	-	-	-	-	-	-
Kenai Peninsula Borough (Central Hospital) 2011 Three	3,525,050	3,522,125	3,521,750	3,520,000	3,521,000	3,525,500	3,528,625	3,533,750	3,520,875	-
City of Cordova 2011 Three	54,800	57,875	55,625	53,375	56,250	54,000	56,375	-	-	-
City of Hoonah 2011 Three	107,600	114,875	111,625	113,250	90,500	93,125	90,375	92,500	89,500	91,700
Kodiak Island Borough 2011 Three	298,600	300,475	300,975	300,975	301,550	301,625	300,125	298,125	300,500	298,600
Municipality of Skagway 2011 Three	34,350	33,675	37,800	36,800	35,900	35,000	34,000	37,875	36,625	35,500
City of Seward 2011 Three	243,350	244,175	244,300	244,175	244,350	244,275	243,400	242,275	245,775	244,600
City and Borough of Juneau G. O. Refunding 2012 One	1,319,125	1,091,625	-	-	-	-	-	-	-	-
Juneau Wildflower Court Refunding 2012 One	1,702,025	1,344,900	1,418,125	1,486,925	1,555,825	437,725	484,575	534,966	583,463	442,172
Juneau 2012 Two	1,902,150	1,920,400	1,940,250	1,958,400	-	-	-	-	-	-
City of Ketchikan 2012 Two	356,944	354,444	356,644	352,519	352,019	355,894	355,344	354,294	351,544	353,169
Ketchikan Gateway Borough 2012 Two	689,150	686,150	682,350	689,250	681,625	-	-	-	-	-
Kodiak Island Borough 2012 Two	1,449,250	1,449,850	1,439,500	1,447,950	1,439,025	1,442,275	1,433,950	1,433,125	1,433,250	1,435,000
City of Nome 2012 Two	147,300	148,200	148,900	148,825	147,950	146,825	146,100	150,000	133,250	-
City of North Pole 2012 Two	36,550	100,250	102,550	99,400	100,775	101,900	103,200	104,250	99,750	100,125
City of Palmer 2012 Two	111,050	108,050	105,800	108,450	104,850	105,725	106,800	107,625	107,750	107,625
Petersburg Borough 2012 Two	490,600	490,600	496,600	491,075	488,125	488,375	489,750	485,250	468,125	246,000
City and Borough of Sitka 2012 Two	1,455,650	1,456,250	1,460,150	1,456,775	1,455,650	1,456,650	1,451,200	1,453,000	1,450,375	630,375
City of Valdez 2012 Two	341,950	347,850	348,250	351,850	343,725	340,225	342,550	344,125	343,500	317,750
Haines Borough 2012 Three	87,219	85,981	84,744	82,719	85,344	82,844	85,219	87,344	84,344	86,544
Juneau 2012 Three Refunding	909,050	916,950	918,950	928,250	937,125	948,625	947,875	959,750	973,750	-
Juneau 2012 Three School Construction	1,455,375	1,440,838	1,430,600	1,400,375	1,363,625	1,364,875	1,363,125	1,363,250	-	-
Petersburg Borough 2012 Three	101,525	104,838	103,050	105,000	101,500	102,875	104,000	104,875	105,500	101,450
Kenai Peninsula Borough (Bear Creek Fire) 2013 One	97,420	95,620	93,820	97,020	94,520	97,520	95,320	93,120	95,920	92,920
City and Borough of Juneau (Bartlett Hospital) 2013 One	1,652,113	1,657,213	1,659,263	1,665,563	1,661,863	1,661,513	1,666,713	1,665,313	1,667,513	1,668,263
City and Borough of Juneau 2013 One	201,010	202,410	203,610	199,610	204,610	200,210	200,810	201,210	201,410	200,160
Ketchikan Gateway Borough 2013 One	608,150	610,550	607,150	608,150	608,400	607,600	611,000	608,400	-	-
Kodiak Island Borough 2013 One	1,690,140	1,689,740	1,688,140	1,690,340	1,687,590	1,691,790	1,689,390	1,690,590	1,690,190	1,687,690
City of Sand Point 2013 One	183,180	180,580	182,980	180,180	181,680	183,680	180,480	182,280	183,880	184,380
City and Borough of Sitka (Harbor) 2013 One	310,300	309,700	308,900	307,900	310,150	308,550	311,750	309,550	312,150	307,400
City and Borough of Sitka (Electric) 2013 One	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	1,757,360
City of Homer 2013 Two	289,750	292,050	287,850	288,650	289,300	293,300	291,900	290,300	293,500	294,500
City of Ketchikan 2013 Two	1,064,400	1,069,500	1,069,200	1,068,450	1,072,250	1,069,850	1,071,650	1,072,450	1,077,250	1,079,250
Kodiak Island Borough 2013 Two	1,355,538	1,356,788	1,355,988	1,355,888	1,360,188	1,361,588	1,361,788	1,363,038	1,367,288	1,364,288
Municipality of Skagway 2013 Two	66,950	71,350	70,300	69,250	68,200	71,800	70,200	68,600	72,000	69,750
City and Borough of Juneau 2013 Three	902,325	902,475	903,650	905,450	903,650	902,125	902,000	905,000	902,000	-
Kenai Peninsula Borough	1,628,725	1,627,300	1,626,550	1,625,550	1,626,600	1,627,325	1,628,500	1,627,675	1,630,175	1,630,175
Lake and Peninsula Borough 2013 Three	1,424,450	1,420,088	1,421,950	1,419,850	1,423,900	1,423,250	1,424,250	1,423,500	1,422,000	1,423,375
City and Borough of Sitka 2013 Three	1,274,975	1,274,975	1,274,975	1,274,975	1,274,975	1,274,975	1,274,975	1,274,975	1,274,975	1,274,975
Kenai Peninsula Borough 2014 One	2,958,056	2,956,280	2,956,670	2,956,062	2,959,103	2,955,849	2,955,849	2,957,500	2,955,500	2,958,250
Kodiak Island Borough 2014 One	1,775,663	1,777,113	1,774,713	1,772,713	1,775,113	1,772,113	1,776,363	1,773,113	1,772,613	1,769,613
City and Borough of Juneau 2014 One	403,188	407,838	404,838	403,138	406,538	404,138	404,638	405,638	406,138	406,138
City of Ketchikan Hospital (G.O.) 2014 Two	1,753,700	1,753,700	2,553,700	2,553,700	2,551,700	2,552,700	2,556,450	2,557,700	2,556,450	2,557,700

(continued)

ALASKA MUNICIPAL BOND BANK AUTHORITY  
(A Component Unit of the State of Alaska)

Supplemental Schedule 2005 Master Resolution Program - Debt Service Requirements

June 30, 2015

Borrower	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City of Ketchikan Harbor (G.O.) 2014 Two	207,500	203,900	205,300	205,550	205,550	205,300	204,800	209,050	207,800	206,300
City of King Cove Electric 2014 Two	165,250	160,650	161,050	160,050	163,800	42,050	41,050	40,050	39,050	38,050
City and Borough of Juneau 2014 Three	911,838	910,469	909,900	908,400	909,000	911,375	907,625	907,750	911,500	908,875
City and Borough of Sitka 2014 Three	816,250	816,250	816,250	816,250	816,250	816,250	816,250	816,250	816,250	816,250
City of Saxman 2014 Three	12,763	12,681	12,550	12,350	12,125	11,875	11,625	11,375	16,000	15,500
City of Adak Refunding 2014 Three	104,138	107,969	106,000	103,000	104,500	100,500	101,375	102,000	102,375	102,500
Municipality of Anchorage Refunding 2014 Three	294,900	292,950	294,700	294,600	298,500	296,375	294,000	296,250	298,000	294,375
Haines Borough Refunding 2014 Three	426,688	1,196,844	1,196,100	1,198,600	1,195,375	1,191,125	1,194,625	1,190,750	1,189,500	1,190,625
Kenai Peninsula Borough Refunding 2014 Three	64,488	178,769	180,650	180,750	180,000	183,250	181,125	178,750	181,000	177,875
City of Nome Refunding 2014 Three	269,200	266,275	271,350	268,650	269,625	268,125	268,125	266,625	269,500	271,625
Northwest Arctic Borough Refunding 2014 Three	159,825	448,013	445,300	448,200	448,875	447,250	449,750	446,375	447,125	442,000
Petersburg Borough Refunding 2014 Three	143,100	401,475	399,550	398,750	401,000	401,125	400,500	399,125	401,875	398,750
City of Seward 2005 Refunding 2014 Three	37,613	102,206	105,400	107,500	104,125	105,250	106,125	106,750	107,125	102,375
City of Seward 2006 Refunding 2014 Three	118,100	118,100	323,900	320,400	320,475	318,975	316,975	319,350	320,975	321,850
City of Cordova 2015 One New Money	135,821	136,325	134,225	136,725	134,125	136,075	132,575	133,950	135,075	135,950
City of Cordova 2015 One 2005 Refunding	194,569	189,275	193,300	191,200	193,800	-	-	-	-	-
City of Cordova 2015 One 2009 Refunding	537,946	567,300	564,850	566,950	593,350	1,354,000	1,348,500	1,345,875	1,345,875	1,343,375
City of Craig 2015 One New Money	135,990	136,488	134,388	136,888	134,288	136,238	132,738	134,113	135,238	136,113
Aleutians East Borough 2015 One 2006 Refunding	424,423	328,850	276,000	253,100	250,400	251,375	255,750	269,125	169,125	117,500
Ketchikan Gateway Borough 2015 One 2005 Refunding	589,288	583,350	594,200	586,500	-	-	-	-	-	-
Ketchikan 2015 One 2005 Refunding	804,128	797,725	800,700	-	-	-	-	-	-	-
Nome 2015 One 2006 Refunding	88,629	85,975	88,950	91,450	83,950	86,125	87,750	89,125	90,250	86,250
Nome 2015 One 2009 Refunding	20,466	19,700	19,700	19,700	49,100	52,625	50,875	49,125	52,250	50,250
Northwest Arctic Borough 2015 One 2005 Refunding	1,637,307	1,636,200	1,637,600	1,635,100	1,630,400	1,640,000	-	-	-	-
Sitka 2015 One 2005 Refunding	396,269	400,250	397,800	398,100	397,800	-	-	-	-	-
Sitka 2015 One 2008 Refunding	203,908	196,275	196,275	539,275	535,075	533,500	539,125	538,625	537,688	536,000
Unalaska 2015 One 2005 Refunding	395,905	394,975	397,600	397,900	392,700	-	-	-	-	-
Unalaska 2015 One 2009 Refunding	847,629	815,900	815,900	815,900	1,852,438	1,853,125	1,849,844	1,848,994	1,846,138	1,841,825
Wrangell 2015 One 2006 Refunding	242,501	245,625	238,450	240,050	241,250	240,875	-	-	-	-
Cordova 2015 Two	179,705	209,150	211,450	212,650	212,650	212,400	211,900	211,150	213,750	212,500
Skagway 2015 Two	680,524	684,700	683,550	680,150	684,400	682,900	680,900	683,400	683,100	684,600
City and Borough of Juneau 2015 Two (G.O. Refunding)	704,260	698,050	705,350	705,750	708,750	-	-	-	-	-
City and Borough of Juneau 2015 Two (Harbor Refunding)	268,558	362,100	362,100	742,100	738,100	738,350	737,600	740,850	741,650	743,150
Kenai Peninsula Borough 2015 Two	404,856	407,200	402,050	1,097,050	1,097,300	1,090,800	1,092,800	1,092,800	1,091,000	1,093,250
Juneau 2015 Two (Cruise Dock)	1,690,869	1,689,400	1,687,500	1,692,500	1,688,250	1,692,250	1,689,000	1,688,750	1,686,250	1,686,500
Skagway 2015 Two (Port)	362,113	362,738	363,088	361,688	363,438	359,688	360,688	361,188	361,188	360,688
<b>Total Loan Obligation Debt Service</b>	<b>\$ 92,515,057</b>	<b>\$ 93,255,969</b>	<b>\$ 91,567,293</b>	<b>\$ 90,703,592</b>	<b>\$ 85,671,672</b>	<b>\$ 81,956,394</b>	<b>\$ 77,110,315</b>	<b>\$ 76,775,896</b>	<b>\$ 72,186,901</b>	<b>\$ 63,075,684</b>

ALASKA MUNICIPAL BOND BANK AUTHORITY  
(A Component Unit of the State of Alaska)

Supplemental Schedule of 2010 Master Resolution Program - Community  
Concentration

June 30, 2015

<u>Borrower</u>	<u>Outstanding Par</u>	<u>Percent of Outstanding</u>
Ketchikan Gateway Borough	\$ 4,295,000	100.00%
Total Outstanding Par	<u>\$ 4,295,000</u>	<u>100.00%</u>

See Independent Auditor's report



ALASKA MUNICIPAL BOND BANK AUTHORITY  
(A Component Unit of the State of Alaska)

Supplemental Schedule 2010 Master Resolution Program - Debt Service Requirements

June 30, 2015

Borrower	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Ketchikan Gateway Borough	\$ 400,544	\$ 400,544	\$ 399,644	\$ 403,444	\$ 400,474	\$ 395,791	\$ 390,819	\$ 385,558	\$ 380,007	\$ 374,168
Total Loan Obligation DS	<u>\$ 400,544</u>	<u>\$ 400,544</u>	<u>\$ 399,644</u>	<u>\$ 403,444</u>	<u>\$ 400,474</u>	<u>\$ 395,791</u>	<u>\$ 390,819</u>	<u>\$ 385,558</u>	<u>\$ 380,007</u>	<u>\$ 374,168</u>

See Independent Auditor's report