

**ALASKA MUNICIPAL BOND BANK  
AUTHORITY**

**BOARD OF DIRECTOR'S MEETING**

**TO BE HELD AT:**

**Department of Revenue  
550 W 7th Avenue, Suite 670  
Anchorage, AK 99501**

**With Telephonic Access: 1-907-202-7104  
with Code 552 725 152#**

**December 10, 2024**

**3:00 pm Alaska Time**





333 Willoughby Avenue, 11<sup>th</sup> Floor  
P.O. Box 110405  
Juneau, Alaska 99811-0405

Phone: (907) 465-2893  
dor.trs.ambba@alaska.gov

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## AGENDA FOR BOARD OF DIRECTOR'S MEETING

### Meeting Place:

#### Telephonic Meeting

State of Alaska - Department of Revenue,  
550 W 7<sup>th</sup> Avenue, Suite 670  
Anchorage, AK 99501  
With Access: (907) 202-7104  
and passcode 552 725 152#

December 10, 2024, at 3:00 p.m. Alaska Time

- I. Call to Order
- II. Roll Call
- III. Public Meeting Notice
- IV. Approval of Agenda
- V. Minutes of the September 12, 2024, Meeting of the Board of Directors
- VI. General Business
  - A. Petersburg Borough – Credit Review Summary and Application – GO School
  - B. Ketchikan Gateway Borough – Credit Review Summary and Application – REVENUE Airport
  - C. AMBBA Resolution 2024-02 – Series Resolution Authorizing GO and Refunding Bonds, 2025 Series One and 2025 Series Two
  - D. AMBBA Independent Audit – Fiscal Year 2024 Audited Financial Statements
  - E. Executive Director's Report
  - F. Executive Session to discuss with legal counsel the AMBBA Series 2015-2B Bonds in accordance with AS 44.62.310(c)(1),(3)
- VII. Public Comments
- VIII. Board Comments
- IX. Adjournment

STATUS: **Active**

## NOTICE OF PUBLIC MEETING - AMBBA Board of Director's Meeting 12/10/2024

Meeting Place: Telephonic, Alaska Department of Revenue, 550 W 7th Ave., Suite 670, Anchorage, Alaska 99501; For telephonic access: (907) 202-7104, With pass code 552 725 152#; December 10, 2024, at 3:00 p.m. Alaska Time.

The public is invited to attend. Individuals who may need special modifications to participate should call (907) 465-2893 prior to the meeting.

### AGENDA FOR BOARD OF DIRECTOR'S MEETING, AMBBA:

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### Attachments, History, Details

#### Attachments

[AMBBA Agenda 12-10-2024.pdf](#)

#### Revision History

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Events/Deadlines:



333 Willoughby Avenue, 11th floor  
P.O. Box 110405  
Juneau, Alaska 99811-0405

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## MINUTES of the BOARD OF DIRECTORS MEETING

### ALASKA MUNICIPAL BOND BANK AUTHORITY

September 12, 2024

#### I. CALL TO ORDER

Luke Welles called the meeting to order on September 12, 2024, at 3:03 p.m. Alaska Time. Members participated at the State of Alaska, Department of Revenue, 333 Willoughby Ave, Floor 11, Juneau, AK 99801, and telephonically at 1-907-202-7104, with passcode 368 464 728#.

#### II. ROLL CALL

Luke Welles  
Bruce Tangeman (*absent*)  
Fadil Limani  
Micaela Fowler  
Ken Koelsch  
*There was a quorum.*

#### OTHERS IN ATTENDANCE:

- Ryan Williams, Executive Director, Alaska Municipal Bond Bank Authority
- Matthew Schoenfeld, PFM, Municipal Advisor to the Alaska Municipal Bond Bank Authority
- Les Krusen, Bond Counsel to AMBBA, Orrick, Herrington & Sutcliffe LLP
- John Stanley, Bond Counsel to AMBBA, Orrick, Herrington & Sutcliffe LLP
- Joy Merriner, Principal and Practice Leader, Audit Engagement Lead, BDO
- Marcus Brown, Assurance Manager, Engagement Manager, BDO

III. PUBLIC MEETING NOTICE

Mr. Williams reviewed the public meeting notice. A copy of the Online Public Notice concerning the date, location, and purpose of the meeting was reviewed for the record. The public notice was officially published on September 5, 2024, on the Alaska Online Public Notice website. The public notice requirement was met for the September 12, 2024, meeting date.

IV. APPROVAL OF AGENDA

The agenda was reviewed by the board. Mr. Welles asked if there were any comments. There were no comments and no objections to the agenda as written. Mr. Welles mentioned that there is an Executive Session for consideration under General Business. The agenda was approved unanimously by present board members.

V. Minutes of the February 27, 2024, Meeting of the Board of Directors

The February 27, 2024, minutes of the AMBBA Board of Director's meeting were reviewed by the board. Mr. Limani moved approval of the February 27, 2024, Meeting Minutes as written and Mr. Koelsch seconded. Mr. Welles asked if there were any comments. There were no additional comments and no objections. Mr. Williams conducted a roll call vote, and there were four 'yes' votes, and the minutes were approved unanimously by present board members.

VI. GENERAL BUSINESS

*Election of Officers for Fiscal Year 2025*

Mr. Limani made a motion to keep elected officers of the Bond Bank in the same positions in fiscal year 2025 as fiscal year 2024 (Mr. Welles as Chair, Mr. Tangeman as Vice-Chair, and Mr. Williams as Treasurer / Secretary). Ms. Fowler seconded. There were no objections by the Board. Mr. Williams took roll call and there were four 'yes' votes and the motion passed unanimously by present board members.

*AMBBA Independent Audit Fiscal Year 2024 – BDO Audit Planning Communication and Presentation*

Mr. Williams introduced BDO as the AMBBA's fiscal year 2024 independent auditor. Mr. Williams noted that current field work is ongoing, and the Bond Bank has provided certain preliminary documents to BDO within the last few weeks. The audit plan presentation was previously distributed to the Board for review. Ms. Merriner, BDO, noted that she has received the draft statements, and so far, no issues on the audit and the plan is to complete review in approximately two weeks. The presentation outlined responsibilities, scope, and the general approach to the Bond Bank's independent audit. Ms. Merriner noted that the audit contains a review and confirmation directly from underlying borrowers for loan receivables as well as through the trustee bank (BNY Mellon) as well as several other levels of risk factors to review and consider for the program. Their opinion underlines risk and internal controls and noted that AMBBA has a small team so multiple levels of review are conducted including postings provided by the contract accountant. Ms. Merriner reviewed the client service team and noted that BDO works for the Board and has been obtaining information through the Executive Director and welcomed any members of the Board to reach out directly. Ms. Merriner also reviewed certain loan loss provisions and other topics that are reviewed for the program and reiterated the audit timeline. Mr. Welles asked if BDO had received all borrower level confirmations. Ms. Merriner noted that a portion of them have been received. Mr. Brown noted that certain confirmations from the trustee bank are expected to come in by the end of the week. There were no additional questions and Mr. Welles thanked the BDO team for the informative presentation.

*Review of Preliminary Fiscal Year 2024 Actuals and Fiscal Year 2025 Operating Budget*

Mr. Williams reviewed preliminary actuals to budget for fiscal year 2024 by category. Mr. Williams noted that expenses for the fiscal year, on a preliminary basis were approximately \$522 thousand. The Bond Bank is a demand driven program, self-funded through program receipts, and with only the 2023 Series Three issuance, expenses came in under budget for the fiscal year. Mr. Williams noted that he would review the final financial statements with the Board at the next meeting. Mr. Williams reviewed FY2025 operating budget authority for the Bond Bank and noted that it was relatively flat when compared to FY2024. Mr. Williams noted that he would discuss potential program activity during the Executive Director's report. It was noted that the Bond Bank received state level

FY2025 appropriations of excess receipts as well as the “standing” appropriation to backfill the reserve funds in an instance of deficiency by an underlying borrower and would again request these important Bond Bank appropriations for FY2026. This appropriation has been in the budget since 2009 and is more akin to a subject to appropriation credit of the State of Alaska.

*Executive Director’s Report*

Mr. Williams reported on the following items not already covered during the meeting:

The 3/31/2024 and 6/30/2024 quarterly ethics reports were filed with the Department of Law without any findings.

On April 30, 2024, S&P Global Ratings upgraded their rating on State of Alaska General Obligation debt to “AA” from “AA-.” At the same time, the rating on Bond Bank GO debt was upgraded to “AA-” from “A+.” The outlook is stable. All underlying disclosures related to the rating change were completed within the required timeframe.

On April 30, 2024, Moody’s Investors Service revised their outlook to positive from stable on State of Alaska General Obligation debt. At the same time, the outlook on Bond Bank GO debt was revised to positive from stable (“A1,” positive outlook).

At the end of June 2024, Kenai Peninsula Borough applied to the Bond Bank, subject to local vote, for the benefit of the South Kenai Peninsula Hospital Service Area. The Ballot question will ask for authorization of the issuance of service area GO Bonds in the amount of \$38.5 million. The application has been provided to PFM and Orrick for a preliminary review but is still subject to a local vote in October 2024, and will track the local election results.

At the end of July 2024, the Ketchikan Gateway Borough submitted a revenue bond application for their airport terminal expansion project, in the amount of \$5 million. This application and credit review is still in-process and anticipate providing additional details and a credit analysis at a subsequent meeting this Fall.

The Bond Bank is undergoing preparation of the financial statements and accompanying note disclosures for fiscal year 2024. We are currently working with our accounting preparation firm, Elgee Rehfeld, CPAs, on the fiscal years' closeout. We are on schedule and anticipate completion of required documents for the audit for our September 30, 2024, statutory deadline.

The Accounting and Financial Statement Preparation contract (Elgee Rehfeld, CPAs) is reaching expiration after the completion of the FY2024 audit process (October 1, 2024). I would like to discuss the potential of a one-year extension to cover FY2025 and am working with procurement personnel on what may be required in this circumstance.

The contract with our Financial Advisor (PFM) was extended through 9/30/2024, which originally had an expiration date of 6/30/2024. With the current approved loan (Whittier) and additional applications (Ketchikan Gateway and Kenai Peninsula), they have given significant attention to current activity and are actively working on credit reviews and corresponding with certain folks in the underwriting pool to evaluate refunding opportunities.

On August 30, 2024, CBJ, in conjunction with AMBBA, provided funds to the associated Bond Bank debt service account to optionally redeem the final two maturities of the 2014 Series Three bonds, CBJ portion (October 1, 2032-2033 maturities, \$1,735,000 in total principal). BNY Mellon posted the required notices for the upcoming redemption date (10/1/2024).

At the February 27, 2024, meeting, the Bond Bank Board designated the Executive Director as an authorized representative to execute agreements covering tax matters specific to the Bond Bank 2015B Series Two Bonds and make payments associated with an agreement. After that meeting, the Bond Bank entered into an agreement and made payment to close tax matters associated with the above-mentioned Bonds. Total payment amount associated with the final agreement was in the amount of \$25,924.

Mr. Williams provided a portfolio analysis and fund performance as of June 30, 2024, for the Bond Bank's 2005 and 2016 Reserves, as well as the Custodian Account.

Mr. Williams asked for input from Mr. Krusen, Orrick, on Bond Bank approach to refunding outstanding debt, and what local level approval may be involved



for amending loan agreements and what options the Bond Bank has based on the underlying approval process. Mr. Limani clarified that the Bond Bank is looking at refunding transactions and based on loan agreements, is there potential language that could be inserted into loan agreements to streamline the Bond Bank's refunding process. Mr. Krusen would take the lead in researching this item.

Mr. Welles asked for a projected date of the Kenai Peninsula Borough vote. Mr. Williams noted an October 1, 2024, vote.

Mr. Welles asked which account made the payment for the associated issues with the 2015B Series Two Bonds. Mr. Williams noted that it was made directly from the custodian account. Mr. Limani asked if payment receipt was confirmed by the IRS as well as confirmation that the matter was fully resolved. Mr. Williams noted that the agreement was signed and countersigned by the IRS and payment was verified as received and the matter had been officially closed for the 2015B Series Two Bonds.

Mr. Limani moved approval of the Executive Director's report and Ms. Fowler seconded. Mr. Welles asked if there were any comments. There were no additional comments and no objections. Mr. Williams conducted a roll call vote, and there were four 'yes' votes, and the Executive Director's report was approved unanimously by present board members.

*Executive Session to discuss with legal counsel the AMBBA Series 2015B Series Two Bonds in accordance with AS 44.62.310(c)(1), (3)*

Mr. Welles stated: In accordance with the Open Meetings Act, I move that the Board of Directors of the Authority convene in executive session for the purpose of discussing the Series 2015B Series Two Bonds and receiving legal advice from our counsel on the same issue. This motion is made pursuant to Alaska Statute 44.62.310(c)(1) and (3) as the matter to be discussed involves attorney-client privileged communications that are confidential by law and matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the Authority. Mr. Koelsch moved to convene in executive session for the purposes Mr. Welles stated, and Mr. Limani seconded. Mr. Williams conducted a roll call vote, and there were four 'yes' votes, giving unanimous approval by present board members to convene in executive session.

The Bond Bank convened in executive session with the Board and Orrick.

Upon coming out of executive session, Mr. Welles stated that during the executive session, the Board of Directors of the Authority only discussed the items identified in the Motion to move into executive session. The Authority did not take any action while in executive session other than to provide direction to our legal counsel.

VII. PUBLIC COMMENTS

There were none.

VIII. BOARD COMMENTS

Mr. Limani recognized Mr. Williams for both positions as Executive Director and Debt Manager on the state side and noted that even though the Bond Bank had a comparatively slower year, that he had been involved with two significant state refunding transactions and appreciates the attention and work completed for all programs.

IX. ADJOURNMENT

Mr. Welles adjourned the meeting without objection at 4:03 p.m. Alaska Time.

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Luke Welles, Chairperson

# Alaska Municipal Bond Bank

## Application Credit Review Summary Page

Applicant:	Petersburg Borough (or “the Borough”)
Loan Amount:	\$3,500,000
Project Type:	School capital projects
Project Description:	School roof and other school capital projects
Term of Loan:	20 years
Revenues Pledged to Loan:	Property taxes (full faith and credit)
Most recent FY Property Taxes Collected:	\$3,801,870 (2024)
Estimated Maximum Annual Debt Service (2025 Loan):	\$261,000 <sup>1</sup>
Estimated Maximum Annual Debt Service (Outstanding Bonds + 2025 Loan):	\$1,763,200
Total Revenue Subject to Intercept	\$20,206,231
Debt Service Coverage of AMBB DS (incl. new bonds) from Total Revenue Subject to Intercept:	11.46x
Loan Subject to State Debt Service Reimbursement:	No
No Litigation Letter Received:	Yes

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<sup>1</sup> Assumes current rates as of 11/8/2024; project fund deposit of \$3,500,000, \$30,000 local cost of issuance, \$5/bond underwriter's discount

# Loan Application Evaluation

## Petersburg Borough

### Introduction

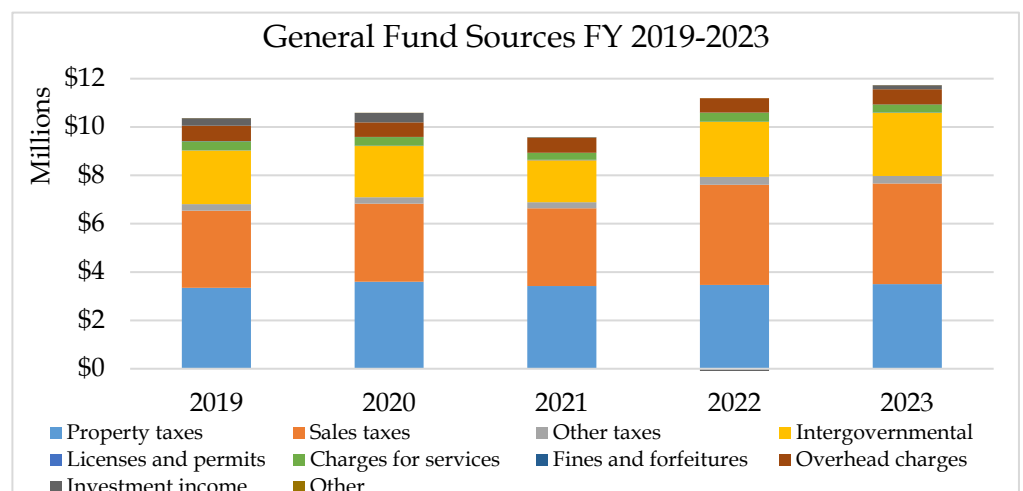
Petersburg Borough (“the Borough”) has submitted an application to the Alaska Municipal Bond Bank Authority (the “Bond Bank”) for a General Obligation School Bond loan, on behalf of the Petersburg School District totaling \$3,500,000. The measure for the School Bonds were on the ballot during the October 1, 2024 election and passed with 68.8% “Yes” votes. The Authorizing Ordinance is expected to be introduced to the Assembly on December 16, 2024. Note, all financial information included in this credit analysis was sourced from the Borough’s audited financial statements, unless otherwise noted.

### The Project

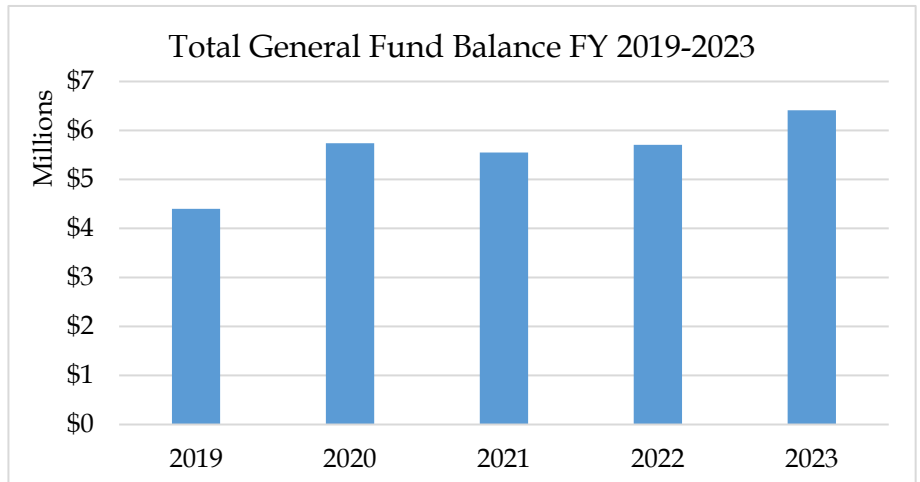
The Borough is seeking financing to fund capital projects for the middle and high school, including the construction of a new roof and security enhancements by replacing the schools’ doors. State grants are expected to pay for 65% of the roof replacement project. The proposed Bonds would fund the remaining 35% of the roof replacement, along with 100% of the security upgrades. The current roof was built in the 1950s and has been patchworked after decades of repairs, but recent heavy snow and ice damage has made a replacement essential. The projects are expected to be completed in August 2025 in time for the 2025-26 school year.

### Financial Position

The Borough’s largest sources of revenue are property and sales taxes. In Fiscal Year (“FY”) 2023, total property and sales tax revenues were \$3,500,000 and \$4,164,980, respectively. This represents a 4.6% increase in property taxes and a 30.5% increase in sales taxes from Fiscal Year (“FY”) 2019. Roughly half of the increase in sales tax collections is attributed to the Borough joining the Alaska Remote Sellers Sales Tax commission in 2020, with the remainder largely due to inflation.

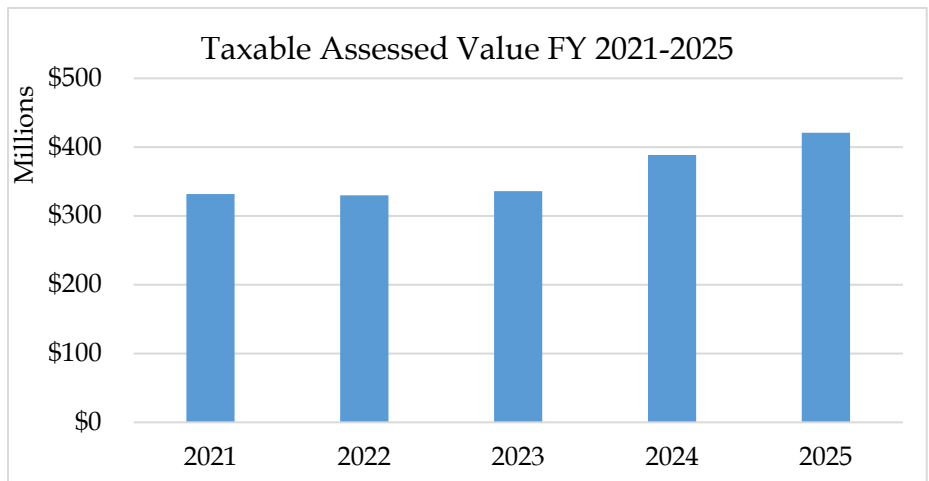


The Borough's general fund balance has grown since FY 2019, largely attributable to an increase in sales tax collections. Ending fund balance for FY 2023 was \$6.4 million, which represents 62% of total general fund expenditures. FY 2023 year-end balance was 12.3% higher than the previous year, and has grown by 45.66% since FY 2019. The general fund balance is all unassigned.



### **Security Pledge**

Petersburg Borough will pledge its full faith and credit for repayment of the School District Bond Bank loan. The taxable assessed value ("AV") of property within the Borough as of FY 2025 is \$420,815,339. The AV in the Borough has steadily grown, increasing by 26.88% between FY 2021 and FY 2025. The Borough's mill rate for FY 2025 is 10.00 mills<sup>2</sup>. This is inclusive of the Borough's two overlapping taxing areas (Areawide Education, Service Area 1) and the GO Bond Debt Retirement mill rate of 1.1. The Borough anticipates that the proposed bond will increase the mill rate by .62 mills.



### **State Aid**

In addition to the pledge of the Borough's full faith and credit, the Bond Bank has the ability to intercept state-shared revenues that would otherwise flow to the Borough. This is an additional source of security for this loan. The table below summarizes the revenues subject to the intercept, along with the maximum annual debt service on the Borough's bonds, including the proposed loans.

<sup>2</sup> Source: Petersburg Borough

Shared Taxes and Fees	\$982,345
Reimbursement and Other Education Funding	\$457,867
Education Support Funding	\$6,341,522
Active Matching Grants	\$11,713,871
Community Jails	\$369,484
PILT Transfers	-
Revenue Sharing	\$340,642
<b>Total Revenue Subject to Intercept</b>	<b>\$20,206,231</b>
FY 2025 Outstanding AMBBA Debt Service	\$1,502,200
Maximum Annual Debt Service on Proposed Loans (est.)	\$261,000
<b>Total Estimated Maximum Annual Debt Service</b>	<b>\$1,763,200</b>
<b>Debt Service Intercept Coverage</b>	<b>11.46x</b>

### **Future Capital Plans**

The Borough has no plans to issue additional debt at this time.

### **Statement of No Litigation**

The Borough has provided a letter of no litigation in connection with their application which states, in part, that: there is no litigation, affecting the corporate existence of the Borough, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, or the rights of the Borough to pay the principal of and interest on the Bonds, or pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds or the Loan Agreement between the Borough and the Bond Bank, or the resolution providing for the issuance and sale of the Bonds by the Borough, or contesting the power of the Borough or its authority with respect to the Bonds; or... against the Borough or involving any of the property or assets of or under the control of the Borough which, whether individually or in the aggregate involves the possibility of any judgment or uninsured liability which may result in any material change in the revenues, properties, or assets, or in the condition, financial or otherwise, of the Borough.

### **Summary**

Based on our assessment, the security offered by Petersburg Borough, as set forth in the Borough's loan application and supplemental materials, provides sufficient security to justify approval of the application. The security for this loan, which is primarily provided by the pledge of full faith and credit of the Borough, healthy fund balances, and stable revenue, is augmented by the ability to intercept state revenues that would otherwise flow to the Borough.

We recommend approval of this loan application. If you or any of the Board members have any questions regarding our analysis prior to the board meeting, please feel free to call me at (206) 858-5365.

For PFM Financial Advisors LLC

A handwritten signature in black ink, appearing to read 'M. Schoenfeld', with a long horizontal flourish extending to the right.

Matt Schoenfeld, Senior Managing Consultant

## Appendix A - Petersburg Community Economic and Demographic Information

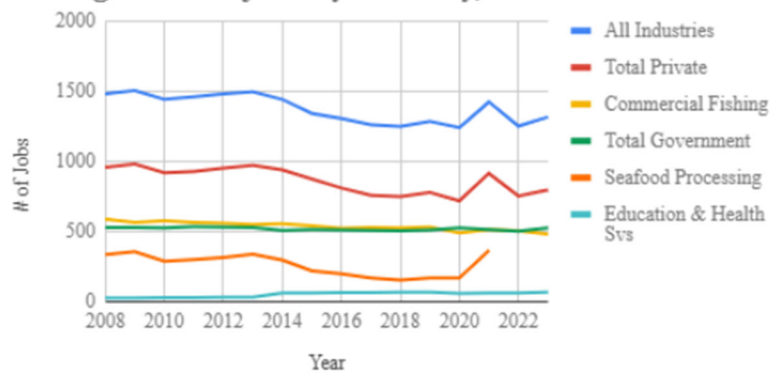
Petersburg Borough is a commercial fishing community at its core, but also maintains a healthy government sector with local, state and federal agency presences. The Borough sits within the Alexander Archipelago, a 300-mile-long group of islands dotted with small cities and remote communities in Southeast Alaska's Tongass National Forest. Population remains steady at approximately 3,367 residents (2023 estimate). As an island community, the Borough has no road or rail connections to the mainland of North America and relies on air carriers, barge freight, and other water-based transportation to move people and goods.

The main industry is commercial fishing and seafood processing with over 50% of private employment tied to these traditional industries. The Borough operates three municipal harbors and is homeport to over 550 vessels. Supply chain disruptions and drop in demand for fresh seafood products by restaurants due to Covid affected market prices in 2020. The Borough is off the main routes of large cruise ships but it's scenic location and small-town charm is growing the recreational boating and small cruise ship visitor industry component of the economy. This sector was significantly impacted by Covid with a 100% decline in port calls between 2019 and 2020, and local tour operators shuttered for the year. Public-sector employment with federal, state, local, and Tribal governments providing some insulation from the economic swings of natural resource and tourism-based sector.

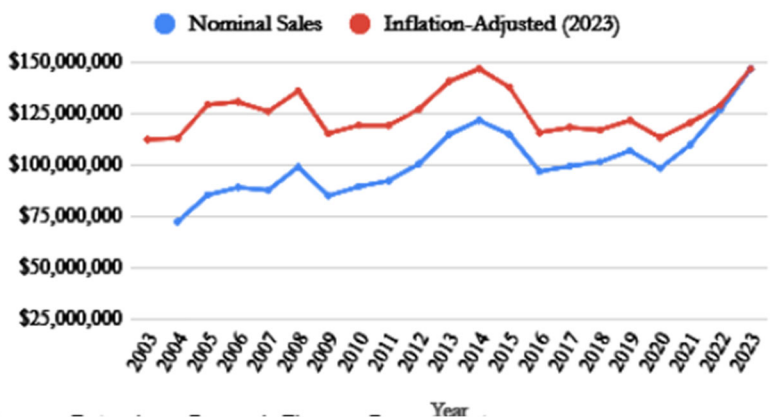
Jobs are trending down overall in the last eight years primarily driven by decline in seasonal seafood processing employment. However, commercial fishing, government, seafood processing and education are currently maintaining pre-pandemic levels. Private sector jobs have fallen off during the pandemic.

Prior to the pandemic, local gross sales had experienced a slow rise in business after a downturn in 2015. However, in 2022 nominal sales reached an all time high, with this trend continuing through 2023.

**Average Annual Jobs by Industry, 2008-2023**



**Gross Sales**





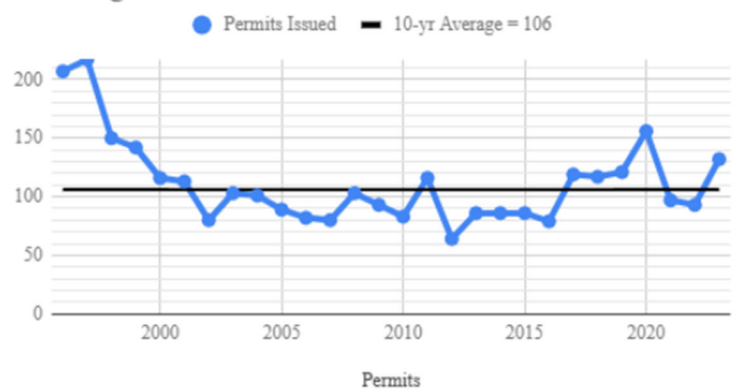
Petersburg is supported or hampered by fluctuating seafood landings. The below graph shows that most recently, poor fish returns and struggling markets have landings and value of catch on the decline. However, the 2021 fishing season did trend up, due to a strong Dungeness crab market and healthy landings, as well as a stronger than forecasted salmon season. The value of the 2022 catch again trended downwards, decreasing by 4.18%

Commercial Seafood Landings, 1999-2022



Building permit activity increased to above the 10-year average in 2023 after lower levels in 2021 and 2022.

Building Permits Issued 1996-2023



There are several large commercial development projects underway or expected in the near future (including two retail expansion projects (NAPA and grocery store), a new marine refrigeration facility, reconstruction of the catholic church, and numerous warehouse projects.

There are currently several public projects in the works, including renovation of the USFS Office, a new wellness center, construction of a public small vessel haul-out and work yard, renovation of a boat launch facility, and renovation of the locally owned hydro project.



## Application for Bonds

A request for the Alaska Municipal Bond Bank Authority (the Bond Bank) to purchase a revenue or general obligation bond issue of the applicant. This isn't considered a commitment on the part of the applicant or the Bond Bank. Additional information may be requested before a final recommendation.

### I. General Information

A. Name of Governmental Unit (Applicant):

Petersburg Borough

B. Type of government (home rule, first class, authority, etc.):

Home Rule

C. Contact Person for the government:

Name:		Title:	
Jody Tow		Finance Director	
Address:		City:	State: Zip:
PO Box 329		Petersburg	AK 99833
Phone:	Fax:	E-mail:	
(907) 772-5401	(907) 772-3759	<a href="mailto:jtow@petersburgak.gov">jtow@petersburgak.gov</a>	

D. Applicant's Bond Counsel:

Name:		Title:	
Cynthia Cartledge		OF Council	
Address:		City:	State: Zip:
111 West 16th Ave, Suite 203		Anchorage	AK 99501
Phone:	Fax:	E-mail:	
(907) 563-8844	(907) 563-7322	<a href="mailto:ccartledge@jdolaw.com">ccartledge@jdolaw.com</a>	

E. Applicant's Financial Advisor or Underwriter (if applicable):

Name:		Title:	
Address:		City:	State: Zip:
Phone:	Fax:	E-mail:	

## II. Issue Information

### A. Total amount of bond purchase request:

\$ 3,500,000.00

### B. Total term of requested loan: 20 years

### C. Preferred principal and interest payment months: Oct. principle /interest Apr. interest only

### D. If a bond election is required, provide a copy of the bond election ordinance and ballot proposition. q Attached

If a bond election has been held, provide the votes for and against the issue(s):

Yes:	No:	Percent of registered voters casting ballots:
706	323	35.30%

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? Provide details of the addition.  
No

### E. Will you need interim financing?

#### 1. If applicable, provide interim financing information:

No

Amount:	Maturity:	Rate:	Lender:
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2. Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing.  
☐ Attached

### F. Describe project to be financed, including the information requesting in 1-6. If this information is available in a project feasibility study, you may reference and attach it.

- Are engineering and specifications completed? ☐ Yes ☒ No
- If not, when are they projected for completion? Currently 65% complete; 100% estimated date 12/31/24.
- Have construction bids been awarded? ☐ Yes ☒ No
- Are there additional state or local approvals required? ☒ Yes ☐ No State Fire Marshall
- Describe timing/scheduling plan: Out to bid January 2025. Potential start date April/May 2025.

6. What is the projected completion date? August 22, 2025.

### G. Sources of uses of funds

#### Sources of Funds

Bonds (this application)	\$3,500,000.00
Federal Funds*	\$
State Funds*	\$2,777,384.00
Applicant's Funds	\$
Other (specify)	\$
Total:	\$6,277,384.00

#### Uses of Funds

Construction	\$5,142,283.00
Engineering	\$424,248.00
Contingency	\$257,114.00
Cost of Issuance	\$50,000.00
Other	\$ 403,739.00
Total:	\$6,277,384.00

\*If federal or state funds are involved, provide a complete description of the status and uses of these funds.

1. Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:

State funds will be used to pay for 65% of the Middle school/High School roof project.

Bonds will pay for remaining 35% of school roof project and 100% of other school capital project.



### III. Credit Information

A. Provide the loan agreements or copies of the cover page of official statements for your government's outstanding bonds.  
☒ Attached

B. Has your municipality entered into lease purchase agreements or other financing agreements supported by General Fund revenues? ☐ Yes ☒ No  
If yes, provide amount of financed, purpose and principal amount outstanding. \$

C. Are any of the above referenced issues supported by special assessments on benefited property, revenues, user fees or state reimbursement for school construction projects? ☒ Yes ☐ No  
If yes, please attach details. ☒ Attached

D. Has your government ever failed to meet its debt service coverage requirements or other covenants on general obligation, revenue, or special assessment bonds? ☐ Yes ☒ No  
If yes, please attach an explanation. ☐ Attached

E. Has your government ever defaulted on any of its general obligation, revenue, or special assessment bonds? ☐ Yes  
☒ No  
If yes, please attach an explanation. ☐ Attached

F. Provide information on the amount, timing, and purpose of any bonds you have authorized by the voters, but not yet issued. ☐ Attached. N/A

G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy. ☐ Attached [Nothing Planned.](#)

H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors. (If this information is available in an annual report, provide a copy with your application.)  
☐ Attached <https://www.petersburgak.gov/econdev/page/economic-trends-dashboard>

Are any of the community's major employers expected to make changes in work force or operations?  
☐ Yes ☒ No  
If yes, provide an explanations. ☐ Attached

J. Please provide population figures for your community for the last five years. Indicate the source of your figures.

Year	Population	Source
FY2024	3357	State of Alaska - Dept. of Commerce
FY2023	3368	
FY2022	3189	
FY2021	3226	
FY2020	3198	

L. Provide assessed valuation and property tax collected for all taxable property within your corporate limits for the past five years. ☒ Attached

M. Provide your audited financial statements from the last two years (provide your unaudited statement if audit hasn't been preformed). ☐ Attached [www.petersburgak.gov/finance/page/budget-financial-statements](http://www.petersburgak.gov/finance/page/budget-financial-statements)

N. Provide your current year's budget. ☐ Attached [www.petersburgak.gov/finance/page/budget-financial-statements](http://www.petersburgak.gov/finance/page/budget-financial-statements)

O. Provide your capital improvement plan. ☐ Attached [Priority Community Projects](#)

P. Provide any other financial or economic information that will assist evaluation of your application. ☒ Attached

### IV. Legal Information

- A. Provide a certificate of your legal counsel that establishes there is no litigation pending or threatened in any court in any
1. affecting the corporate existence of your government, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the loan agreement between the applicant and the Bond Bank, or contesting the power of your government or your authority with respect to the bonds; or
  2. against your government or involving any of the property or assets of or under the control of your government, which , whether individually or in the aggregate involves the possibility of any judgement or uninsured liability which may result in any material change in the revenues properties, or assets, or in the condition, financial or otherwise, of your government.
- B. An opinion or certificate to the same effect, dated the date of the closing, shall be delivered to the Bond Bank on the date of closing.
- C. If any such litigation is pending or threatened, attach a description of the litigation, including caption and case number, description of the relief requested as it pertains to the matters described, and the procedural status of the litigation

The facts and representations in this application and all attachments are true and accurate in all respects and no material facts are omitted to the best of my knowledge

Jody Tow  
Name (print)

Finance Director  
Title

Jody A. Tow  
Signature

10-28-24  
Date of Application

Please return all applications to:

Ryan Williams

Alaska Municipal Bond Bank Authority

Department of Revenue

PO Box 110405

Juneau, AK 99811-0405

(907)465-2893 phone

[ryan.williams@alaska.gov](mailto:ryan.williams@alaska.gov)

### Section III. Credit Information

A. All Bond Series have been issued through the Alaska Bond Bank

- a. Series 2012-3
- b. Series 2014-3 (Ref.)
- c. Series 2016-3/4 (Ref. 2007-1 School)
- d. Series 2020-1 (Ref. 2010-1-B BABs)
- e. Series 2022-1 Electric

C.

Series 2012-3	Paid by property taxes – matures in 2027.
Series 2014-3 (Ref.)	Paid by property taxes – Reimbursed 60% by the State of Alaska school bond debt reimbursement program. Matures in 2025.
Series 2016-3/4 (Ref. 2007-1 School)	Paid by property taxes – Reimbursed approximately 60% by the State of Alaska school bond debt reimbursement program. Matures in 2026.
Series 2020-1 (Ref. 2010-1-B BABs)	GO Bonds paid by Electric utility user fees. Matures in 2030.
Series 2022-1 Electric	Revenue Bonds paid by Electric utility user fees. Matures in 2046.

L. Assessed Valuation

	<i>Taxable Assessed Value – Borough Wide</i>	<i>Taxable Assessed Value – Service Area 1</i>	<i>Property Taxes</i>
<i>FY 21</i>	\$331,665,200.	\$280,866,900.	\$3,542,703.
<i>FY 22</i>	\$329,943,400.	\$280,042,900.	\$3,425,085.
<i>FY 23</i>	\$335,928,100.	\$284,031,400.	\$3,484,328.
<i>FY 24</i>	\$388,416,032.	\$326,886,048.	\$3,801,870.
<i>FY 25</i>	\$420,815,339.	\$353,354,378.	\$3,816,880.

P. Two bond series recently matured, series 2012-2 (Ref. 04B) and series 2012-2 (Ref. 04C). The other GO bonds paid by property taxes will also mature soon making this good timing to issue new GO debt.

**G. Project Breakdown Estimates:**

	Security Doors &		
	Roof	HS Renov.	Total
Construction	\$ 3,364,486	\$ 1,777,797	\$ 5,142,283
Engineering	\$ 336,449	\$ 87,799	\$ 424,248
Contingency	\$ 168,224	\$ 88,890	\$ 257,114
Cost of Issuance	\$ 30,000	\$ 20,000	\$ 50,000
Other	\$ 403,739		\$ 403,739
	\$ 4,302,898	\$ 1,974,486	\$ 6,277,384



**Petersburg Borough  
Priority Community Projects**

Project Title	Est. Project Cost	Funding Already Secured	Funding Required	Priority
Petersburg Medical Center Replacement -Phase 4 Main Hospital Construction (Phases 1-3 in the amount of \$29,000,000 are funded and work is in progress)	\$ 37,000,000		\$ 37,000,000	1
Petersburg Medical Center Replacement - Phase 5 Main Hospital Interior Build out	\$ 30,000,000		\$ 30,000,000	2
Roof Replacement (Votech, Middle School, High School)	\$ 4,500,000		\$ 4,500,000	3
Scow Bay Haul out & Wash down Pad	\$ 9,630,791	\$ 750,000	\$ 8,880,791	4
Papke's immediate repairs - dock, dredging and ramp**	\$ 800,000		\$ 800,000	5
Papke's (parking lot, dock, floats and ramp) Estimate.	\$ 9,221,000		\$ 9,221,000	6
Aquatic Center Refurbishment - \$2M (mechanical, control systems, etc)	\$ 2,000,000		\$ 2,000,000	7
Petersburg Airport Bypass Road	\$ 6,000,000		\$ 6,000,000	8
Banana Point facilities, including launch ramp, breakwater, parking lot and access road	\$ 2,000,000		\$ 2,000,000	9
Scow Bay Generator 2	\$ 4,600,000	\$ 1,400,000	\$ 3,200,000	10
North Harbor Sheet Pile Bulkhead Approach/Parking	\$ 2,530,000		\$ 2,530,000	11
South Harbor Ramp Replacement (ADA ramps)	\$ 2,000,000	\$ 200,000	\$ 1,800,000	12
	<b>\$ 110,281,791</b>	<b>\$ 2,350,000</b>	<b>\$ 107,931,791</b>	

9.

## Alaska Municipal Bond Bank Authority Application Credit Review Summary Page

Applicant:	Ketchikan Gateway Borough ("the Borough")
Loan Amount:	\$5,000,000 in project funds, plus \$500,000 for local costs of issuance and DSRF contribution
Project Type:	Terminal expansion project
Project Description:	Ketchikan Gateway Borough is redeveloping the Terminal Building at the Ketchikan International Airport to accommodate passenger access, demand, and safety concerns.
Term of Loan:	30 years
Revenues Pledged to Loan:	Airport Enterprise Fund revenues and Passenger Facility Charges (PFC)
Most recent Net Pledged Revenues (2024 Unaudited):	\$1,435,867
Estimated Maximum Annual Debt Service ("MADS") (2025 Loan) <sup>1</sup> :	\$338,792
FY 2024 Debt Service Coverage Ratio (with 2025 Loan MADS):	4.24x
Total Revenue Subject to Intercept:	\$28,652,392
Debt Service Coverage of AMBBA DS from Total Revenue Subject to Intercept:	9.31x
Loan Subject to State Debt Service Reimbursement:	No
No Litigation Letter Received:	No

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<sup>1</sup>Assumes current AMT rates as of 11/18/2024; project fund deposit of \$5,000,000, fully funded debt service reserve fund, \$30,000 local cost of issuance, \$5/bond underwriter's discount

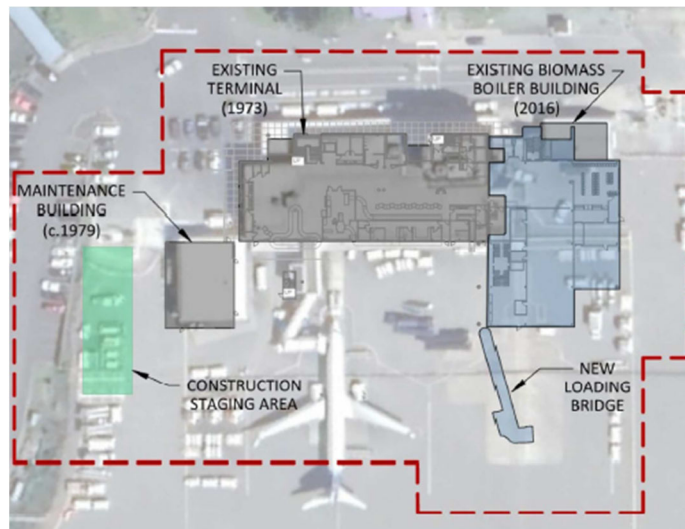
# Loan Application Evaluation Ketchikan Gateway Borough

## Introduction

The Ketchikan Gateway Borough (the “Borough”) has applied to the Alaska Municipal Bond Bank Authority (the “Bond Bank”) for a Revenue Bond Loan totaling approximately \$5,000,000. The Borough will use its loan for the Ketchikan International Airport (“KTN”) rehabilitation project. The Borough Assembly passed the bond Authorizing Ordinance on December 2, 2024. We have completed our review of this application, and the following is our overview of this project and the security provisions associated with the loan.

## The Project

The Ketchikan Gateway Borough is seeking financing to expand the existing Terminal Building at the Ketchikan International Airport (“KTN”). The Terminal Building was constructed in 1973 and has experienced growing passenger demand, with 2023 passenger enplanements reaching over 148,645 and is expected to increase to over 200,000 by 2038. In addition to the issue of capacity, the Terminal Building expansion plan will address potential safety concerns for passengers and optimizing the security-screening checkpoint.

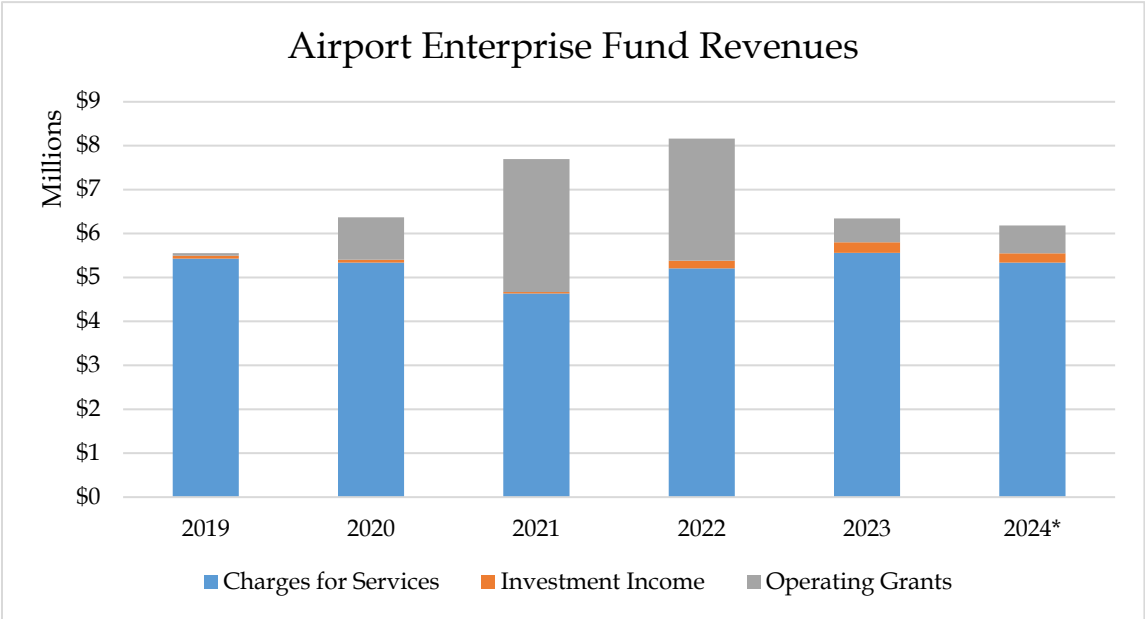


The total project cost is estimated to be \$41,940,384. The proposed bond bank loan is financing \$5,500,000 (including local Costs of Issuance and Debt Service Reserve Fund (“DSRF”) contribution), with \$5,547,300 paid for with local funds, and the remainder largely funded through federal grants.

## Borough Operations, Airport Enterprise Fund, PFC Revenues

This Airport Enterprise Fund is used to account for the operations of the Ketchikan International Airport. The Airport is responsible for the operation and maintenance of the airport facilities and ferry system. The Ketchikan Gateway Borough owns and operates the terminal buildings and the airport ferries while leasing the Ketchikan International Airport land through a long-term ground lease with the State of Alaska. The ground lease was extended with the State in 2023 for an additional 55 years.

In Fiscal Year (“FY”) 2023, operating revenues for the Airport increased by \$353,533 or 6.8%, and operating expenses decreased by \$48,658 or 0.8%. The 2023 increase in operating revenue (excluding grants) compared to 2022 was a result of increased passenger counts, use of the airport, and investment income. FY 2023 marked the first-year passenger counts exceeded pre-pandemic levels. Operating grants increased during the pandemic as the Borough allocated significant federal funding from the American Rescue Plan Act (“ARPA”) In Fiscal Year (“FY”) 2024 (unaudited), operating revenues for the Airport decreased by \$220,842, or 4.0%, and operating expenses increased by \$101,165, or 1.7%. Despite the decline in operating performance compared to the prior fiscal year, net revenues (net of depreciation) of the Airport exceeded \$1.02 million, compared to \$1.23 million in FY 2023.



Source: Ketchikan Gateway Borough  
 \*Unaudited

Additionally, the Borough has a separate Airport Passenger Facilities Charge (“PFC”) Fund. Authorized by the Federal Aviation Administration (“FAA”), the PFC is a per-passenger charge imposed by the Borough for individuals enplaning at KTN, and can only be used for airport projects. Proceeds from the fee are deposited directly into the Airport PFC Fund and then transferred to the Airport Enterprise Fund for specific uses; there are no other revenues (other than investment earnings) or associated expenditures.

As part of the Terminal Expansion Project, the FAA granted the Borough additional PFC collection authority at the maximum PFC rate of \$4.50 per eligible enplaned passenger (“PFC Application #3”). The current authorized PFC (“PFC Application #2”), also \$4.50 per enplaned passenger, was set to expire in 2028. The Borough is now authorized to collect the PFC annually through 2054, or until \$11,750,000 of total PFC’s are collected (based on the August 2028 start date), whichever comes first. Of the \$4.50 fee, \$0.11 is retained by the airlines. If the amount is not collected by 2054, the term could be extended beyond the 2054 expiration date with an expiration date amendment approval by the FAA. Based on current estimates, the Borough projects that total collections will exceed \$11,750,000 will be reached by 2047.

### Ketchikan International Airport - PFC Projections

Year	Enplanements <sup>2</sup>	PFC Rate <sup>3</sup>	Actual PFCs Collected <sup>4</sup>	Estimated PFCs Collected <sup>5</sup>	Total Estimated PFCs Collected <sup>6</sup>
2019	137,090	\$4.50	278,151		
2020	65,793	\$4.50	204,970		
2021	117,728	\$4.50	335,276		
2022	143,786	\$4.50	382,743		
2023	148,645	\$4.50	435,190		
2024	153,247	\$4.50		470,928	
2025	156,575	\$4.50		481,155	
2026	159,845	\$4.50		491,204	
2027	163,483	\$4.50		502,383	
2028	166,996	\$4.50		513,179	513,179
2029	170,216	\$4.50		523,074	1,036,253
2030	173,438	\$4.50		532,975	1,569,228
2031	176,544	\$4.50		542,520	2,111,748
2032	179,707	\$4.50		552,240	2,663,988
2033	183,047	\$4.50		562,503	3,226,491
2034	186,438	\$4.50		572,924	3,799,415
2035	189,958	\$4.50		583,741	4,383,156
2036	193,548	\$4.50		594,773	4,977,929
2037	197,154	\$4.50		605,854	5,583,783
2038	200,796	\$4.50		617,046	6,200,829
2039	204,655	\$4.50		628,905	6,829,734
2040	208,697	\$4.50		641,326	7,471,060
2041	212,670	\$4.50		653,535	8,124,595
2042	216,924	\$4.50		666,607	8,791,202
2043	221,103	\$4.50		679,450	9,470,652
2044	225,332	\$4.50		692,445	10,163,097
2045	229,458	\$4.50		705,124	10,868,221
2046	233,476	\$4.50		717,472	11,585,693
2047	237,811	\$4.50		164,307	11,750,000

<sup>2</sup> Source: 2019 through 2023 FAA actuals; 2024+ from the FAA's January 2024 Terminal Area Forecast

<sup>3</sup> The approved PFC rate is \$4.50 per enplaned passenger, which is the maximum allowed

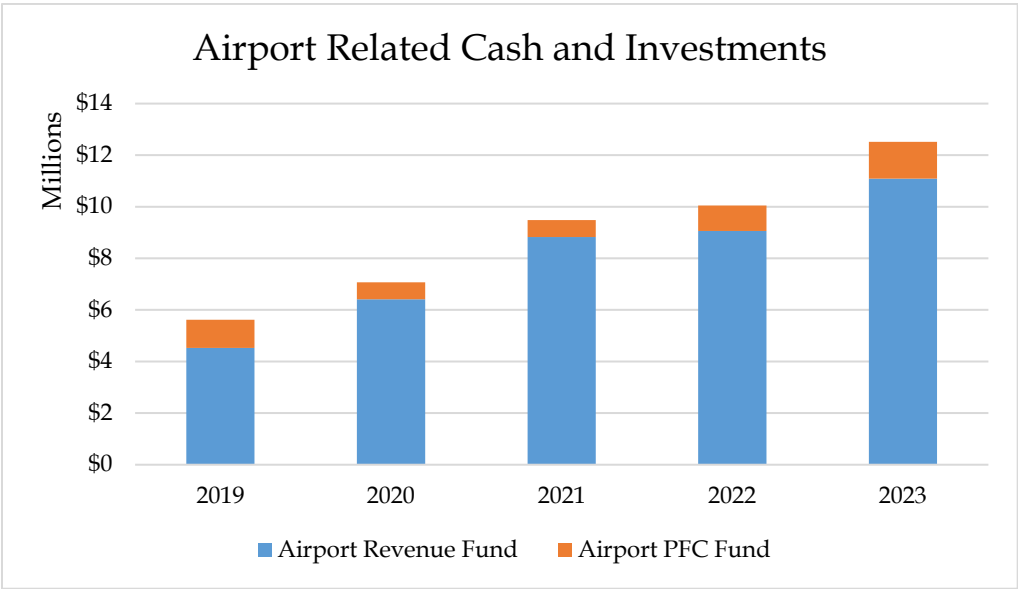
<sup>4</sup> Source: FAA System of Airports Reporting ("SOAR")

<sup>5</sup> Source: Ketchikan Gateway Borough; estimated enplanements times \$4.39 (\$4.50 rate less the \$0.11 retained by the airlines), times estimated 70% eligible enplanements

<sup>6</sup> Only the PFC collected after August 2028 count towards the \$11,750,000 limit

As with PFC Application #3, the current PFC Application #2 also has a collections limit. If that limit is met prior to August 2028, the expectation is PFC Application #3 will begin early, meaning there will be no gap in PFC collections. However, this could shift up the expiration date of PFC Application #3 to be earlier than August 2054. While the Borough projects to collect the full \$11,750,000 prior to the August 2054 expiration date, if collections are slower than expected, it could result in the Borough having to request an extension with the FAA.

The Borough maintains healthy liquidity between the Airport Enterprise Fund and Airport PFC Fund. Audited 2023 financial statements report a total of \$12,515,479 in available cash and investments, an increase of 123% since 2019. The Borough plans on utilizing about \$5 million of Airport Enterprise Fund cash to contribute to the project. Doing so would return cash and investment balances to roughly 2020 levels.



Source: Ketchikan Gateway Borough

**Security Pledge and Coverage**

The Borough will pledge Airport Net Revenues along with gross collections of the PFC. Airport Net Revenues are all revenue generated in the Airport Enterprise Fund, including interest earnings and grants, less operating expenses net of depreciation. The Authorizing Ordinance has an annual a coverage requirement that Airport Net Revenues, together with PFC Revenue, equal at least 1.25x debt service. As shown in the following table, the Borough has demonstrated sufficient coverage from 2019 through 2024 (unaudited), ranging from 4.07x to 10.32x. To issue additional parity bonds, the coverage requirement for any 12-month period must be met. There are no other parity bonds outstanding.

## Debt Service Coverage Pro Forma

						2024
	2019 <sup>7</sup>	2020 <sup>8</sup>	2021 <sup>9</sup>	2022 <sup>10</sup>	2023 <sup>11</sup>	Unaudited <sup>12</sup>
<b>Airport Fund Revenues</b>						
Charges for Services	\$ 5,428,676	\$ 5,337,555	\$ 4,634,081	\$ 5,204,970	\$ 5,558,503	\$ 5,377,661
Investment Income	67,349	64,882	33,787	177,219	241,414	209,408
Operating Grants	57,269	964,306	3,025,440	2,776,118	543,749	634,231
Airport Fund Total Revenues	5,553,294	6,366,743	7,693,308	8,158,307	6,343,666	6,221,300
PFC Airport Fund Revenue	146,010	317,526	278,453	396,684	453,476	413,307
<i>Total Gross Revenue</i>	5,699,304	6,684,269	7,971,761	8,554,991	6,797,142	6,634,607
<b>Airport Fund Expenses</b>						
Operating Expenses	5,509,987	5,733,867	6,098,562	6,142,735	6,094,077	6,195,242
Depreciation	(1,187,974)	(1,195,244)	(1,204,570)	(1,085,714)	(985,271)	(996,502)
<i>Net Expenses</i>	4,322,013	4,538,623	4,893,992	5,057,021	5,108,806	5,198,740
<b>Net Revenue Available for Debt Service</b>						
	\$ 1,377,291	\$ 2,145,646	\$ 3,077,769	\$ 3,497,970	\$ 1,688,336	\$ 1,435,867
2025 Loan Debt Service (est.) (assumes MADS) <sup>13</sup>	338,792	338,792	338,792	338,792	338,792	338,792
Total Net Debt Service Coverage	4.07x	6.33x	9.08x	10.32x	4.98x	4.24x

The Borough expects the PFC fee to be sufficient to coverage debt service on the bonds. The FAA has authorized the Borough to collect up to \$11,750,000 in PFC charges, beginning in 2028, through 2054 or when the full \$11,750,000 is collected, which every is sooner. PFM estimates total debt service on the bonds is equal to \$10,031,292<sup>14</sup>. The below table demonstrates annual PFC coverage for the proposed loan, as well as cumulative surplus, as current projections demonstrate the full \$11,750,000 being collected before the final maturity of the proposed loan.

<sup>7</sup> Source: Fiscal Year 2019 Audited Financial Statements.

<sup>8</sup> Source: Fiscal Year 2020 Audited Financial Statements.

<sup>9</sup> Source: Fiscal Year 2021 Audited Financial Statements.

<sup>10</sup> Source: Fiscal Year 2022 Audited Financial Statements.

<sup>11</sup> Source: Fiscal Year 2023 Audited Financial Statements.

<sup>12</sup> Source: Ketchikan Gateway Borough

<sup>13</sup> Based on rates as of 11/18/2024. Assumes the bonds will be issued as AMT Bonds. The tax analysis on the bonds is still pending.

<sup>14</sup> Based on rates as of 11/18/2024. Assumes the bonds will be issued as AMT Bonds. The tax analysis on the bonds is still pending.



### PFC Coverage Pro Forma

Year	Estimated PFCs Collected <sup>15</sup>	Estimated Debt Service <sup>16</sup>	Annual Coverage <sup>17</sup>	Cumulative Surplus/Shortfall (New PFC Only)
2024	470,928			
2025	481,155			
2026	491,204	338,792	1.45x	
2027	502,383	334,000	1.50x	
2028	513,179	334,875	1.53x	178,304
2029	523,074	335,500	1.56x	365,878
2030	532,975	335,875	1.59x	562,978
2031	542,520	336,000	1.61x	769,498
2032	552,240	335,875	1.64x	985,863
2033	562,503	335,500	1.68x	1,212,866
2034	572,924	334,875	1.71x	1,450,915
2035	583,741	334,000	1.75x	1,700,656
2036	594,773	332,875	1.79x	1,962,554
2037	605,854	331,500	1.83x	2,236,908
2038	617,046	334,750	1.84x	2,519,204
2039	628,905	332,625	1.89x	2,815,484
2040	641,326	335,125	1.91x	3,121,685
2041	653,535	332,250	1.97x	3,442,970
2042	666,607	334,000	2.0x	3,775,577
2043	679,450	335,250	2.03x	4,119,777
2044	692,445	336,000	2.06x	4,476,222
2045	705,124	336,250	2.10x	4,845,096
2046	717,472	331,125	2.17x	5,231,443
2047	164,307	335,500	0.49x	5,060,250
2048	-	334,250		4,726,000
2049	-	332,500		4,393,500
2050	-	335,125		4,058,375
2051	-	332,125		3,726,250
2052	-	333,500		3,392,750
2053	-	334,125		3,058,625
2054	-	334,000		2,724,625
2055	-	333,125		2,391,500

<sup>15</sup> Source: Ketchikan Gateway Borough; estimated enplanements times \$4.39 (\$4.50 rate less the \$0.11 retained by the airlines), times estimated 70% eligible enplanements

<sup>16</sup> Assumes current AMT rates as of 11/18/2024; project fund deposit of \$5,000,000, fully funded debt service reserve fund, \$30,000 local cost of issuance, \$5/bond underwriter's discount

<sup>17</sup> For FY 2026 and 2027, coverage provided by the current PFC.



The Borough will fund a local debt service reserve equal to the lesser of (i) Maximum Annual Debt Service (“MADS”); (ii) 1.25 average annual debt service; or (iii) 10% of the initial proceeds of each series of parity bonds. We project the reserve requirement for this issuance to be equal to MADS, approximately \$338,792, which the Borough expects to fund with bond proceeds.

### **State Aid**

In addition to the pledge of Airport Net Revenues and PFC revenues by the Borough, the Bond Bank has the ability to intercept state-shared revenues that will otherwise flow to the Borough. This is a significant source of security for this loan. The table below summarizes the revenues subject to intercept, along with the maximum annual debt service on the Borough’s bonds, including this proposed loan.

Shared Taxes and Fees	\$3,526,489
Reimbursement and Other Education Funding	\$436,506
Education Support Funding	\$24,226,746
Active Matching Grants	-
Community Jails	-
PILT Transfers	-
Revenue Sharing	\$462,651
<b>Total Revenue Subject to Intercept</b>	<b>\$28,652,392</b>
FY 2025 Outstanding AMBBA Debt Service	\$2,739,764
Maximum Annual Debt Service on Proposed Loans (est.)	\$338,792
<b>Total Estimated Maximum Annual Debt Service</b>	<b>\$3,078,556</b>
<b>Debt Service Intercept Coverage</b>	<b>9.31x</b>

### **Future Capital Plans**

The Borough does not have any additional planned financings.

### **Statement of No Litigation**

The Borough has provided a letter of no litigation in connection with their application which states in part that: There is no litigation pending or threatened in any court in any way: (1) affecting the corporate existence of the Borough...or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of an interest on the bonds or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or of the loan agreement between the applicant and the Bond Bank, or contesting the power of the Borough with respect to the bonds; (2) There is no litigation against the Borough or involving any of the property or assets under control of the Borough... which would result in any material change in the revenues properties or assets, or in the condition, financial or otherwise, of the Borough.

## Summary

Based on our assessment, the security offered by Ketchikan Gateway Borough, as set forth in the Municipality's loan application and supplemental materials, historical net revenue generated by the Airport identifies sufficient coverage to meet the debt service obligation on the proposed loan, while the additional PFC charge provides sufficient security to justify approval of the application. The security for this loan is enhanced by the deposit to a debt service reserve fund with the Bond Bank trustee. This security is augmented by the State's ability to intercept state revenues that would otherwise flow to the Borough.

We recommend approval of this loan application. If any of the Board members have questions regarding our analysis prior to the board meeting, please feel free to call (206) 858-5365.

PFM Financial Advisors LLC

A handwritten signature in dark ink, appearing to read 'M Schoenfeld', with a long horizontal flourish extending to the right.

Matt Schoenfeld, Senior Managing Consultant

## **Appendix A – Ketchikan Gateway Borough Economic and Demographic Information**<sup>18</sup>

Located on Revillagigedo Island in southern Southeast Alaska, and within the boundaries of the Tongass National Forest, Ketchikan is 650 miles north of Seattle, Washington, and 200 miles south of Juneau, Alaska's capital. Its boundaries extend around Revillagigedo Island, Gravina Island, Pennock Island and other smaller islands within the defined boundaries. The Borough is situated at the southern end of the 16.8- million-acre Tongass National Forest (the Tongass). The Tongass is the largest national forest in the United States. Harvesting and promoting the natural resources of the Tongass provide employment opportunities, directly or indirectly for the Borough. The City of Ketchikan and the City of Saxman are incorporated cities within the Borough.

The Borough was incorporated as a second-class borough on September 13, 1963, and has operated under the Assembly-Manager form of government since 1974. The Mayor and seven Assembly Members are elected by the voters at-large for staggered three-year terms. Local elections are held annually in October. The Assembly is responsible for enacting ordinances, adopting the annual budget, establishing policy, and appointing the Borough Manager, Borough Clerk, and Borough Attorney.

The Borough operates an enterprise fund for the Ketchikan International Airport including the airport ferry, and operates an enterprise fund for non-areawide services for wastewater. The Borough is responsible for property tax assessments, tax collection, and schools. Fire protection, emergency medical services, road maintenance, docks, and water utility service are provided through service areas. The transit system, Gateway Aquatic and Recreation Center, and parks are operated within the General Fund. Other areawide services include planning, platting, animal protection, and economic development. Other non-areawide services include library services and solid waste.

As part of the long-term financial planning process, the Assembly holds an annual work session each January or February. During the session, the Assembly considers the fiscal impact on fund balances of potential legislation, local policy actions and economic conditions. A planning window of at least five years is used. During the work session, the Assembly sets the initial assumptions to be used in preparation of the next annual budget.

The annual budget serves as the foundation for the Borough's financial plan and control. The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the annual budget adopted by the Ketchikan Gateway Borough Assembly. Departments are required to submit requests for appropriation to the Borough Manager. The Borough Manager uses these requests as a basis for developing a proposed annual budget that is submitted to the Borough Assembly by the first regular Assembly meeting in May. Upon adoption of the budget, the Manager may authorize the transfer of funds within a fund. The transfer of money between funds requires an action of the Assembly for ratification. Budget-to-actual comparisons are

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<sup>18</sup> Source: Ketchikan Gateway Borough Annual Comprehensive Report, 2023

provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.



## Application for Bonds

A request for the Alaska Municipal Bond Bank Authority (the Bond Bank) to purchase a revenue or general obligation bond issue of the applicant. This isn't considered a commitment on the part of the applicant or the Bond Bank. Additional information may be requested before a final recommendation.

I. General Information			
A. Name of Governmental Unit (Applicant):			
Ketchikan Gateway Borough			
B. Type of government (home rule, first class, authority, etc.):			
Second Class Borough			
C. Contact Person for the government:			
Name:		Title:	
Charlanne Thomas		Finance Director	
Address:		City:	State: Zip:
1900 First Avenue, Ste. 118		Ketchikan	AK 99901
Phone:	Fax:	E-mail:	
907-228-6613	907-228-6698	Charlannet@kgbak.us	
D. Applicant's Bond Counsel:			
Name:		Title:	
Alasaka Municipal Bond Bank Authority		Ryan Williams, Executive Director	
Address:		City:	State: Zip:
PO Box 110405		Juneau	AK 99801
Phone:	Fax:	E-mail:	
907-465-2893		ryan.williams@alaska.gov	
E. Applicant's Financial Advisor or Underwriter (if applicable):			
Name:		Title:	
Stradling Law		Alice Ostdiek, Partner	
Address:		City:	State: Zip:
601 Union Street, Ste. 2424		Seattle	WA 98101
Phone:	Fax:	E-mail:	
206-829-3002		aostdiek@stradlinglaw.com	

## II. Issue Information

### A. Total amount of bond purchase request:

\$5,000,000

### B. Total term of requested loan: 30 years

### C. Preferred principal and interest payment months: ☒ principal ☐ interest only

### D. If a bond election is required, provide a copy of the bond election ordinance and ballot proposition. Attached

If a bond election has been held, provide the votes for and against the issue(s):

Yes:	No:	Percent of registered voters casting ballots:
	<input checked="" type="checkbox"/>	%

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? Provide details of the additional security. Attached

N/A

### E. Will you need interim financing?

#### 1. If applicable, provide interim financing information:

Amount:	Maturity:	Rate:	Lender:
N/A			

2. Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing. ☐ Attached

### F. Describe project to be financed, including the information requesting in 1-6. If this information is available in a project feasibility study, you may reference and attach it.

- Are engineering and specifications completed? ☐ Yes ☒ No
- If not, when are they projected for completion? October 1, 2024 design development complete
- Have construction bids been awarded? ☐ Yes ☒ No
- Are there additional state or local approvals required? ☒ yes ☐ No
- Describe timing/scheduling plan:  
Est. Design Complete 10/1/2024. Est. Construction to begin January 2025

6. What is the projected completion date? 2027

### G. Sources of uses of funds

#### Sources of Funds

Bonds (this application)	\$5,000,000
Federal Funds*	\$30,653,084
State Funds*	\$
Applicant's Funds	\$5,547,300
Other (PFC Pay-Go-Funds)	\$250,000
Total:	\$41,450,384

#### Uses of Funds

Construction	\$32,026,812
Engineering	\$8,000,000
Contingency	
Cost of Issuance	\$
Other (ICRP/Admin)	\$1,423,572
Total:	\$41,450,384

\*If federal or state funds are involved, provide a complete description of the status and uses of these funds.

1. Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:  
Bond proceeds would pay for a portion of the construction phase of the project.

### III. Credit Information

A. Provide the loan agreements or copies of the cover page of official statements for your government's outstanding bonds. **All Bonds issued through the Bond Bank**

B. Has your municipality entered into lease purchase agreements or other financing agreements supported by General Fund revenues? **Certificates of Participation included in 2005 Resolution**

If yes, provide amount of financed, purpose and principal amount outstanding. \$

C. Are any of the above referenced issues supported by special assessments on benefited property, revenues, user fees or state reimbursement for school construction projects? Yes ☒ No

If yes, please attach details. ☐ Attached

D. Has your government ever failed to meet its debt service coverage requirements or other covenants on general obligation, revenue, or special assessment bonds? ☐ Yes ☒ No

If yes, please attach an explanation. ☐ Attached

E. Has your government ever defaulted on any of its general obligation, revenue, or special assessment bonds? ☐ Yes ☒ No

If yes, please attach an explanation. ☐ Attached

F. Provide information on the amount, timing, and purpose of any bonds you have authorized by the voters, but not yet issued. **Only the requested funds in this application**

G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy. N/A ☐ Attached

H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors. (If this information is available in an annual report, provide a copy with your application. **See MD&A in Comprehensive Annual Financial Report. Link below.**

Are any of the community's major employers expected to make changes in work force or operations?

☐ Yes ☒ No

If yes, provide an explanations. ☐ Attached

J. Please provide population figures for your community for the last five years. Indicate the source of your figures. Federal Reserve Bank

Year	Population	Source
2023	13,738	Federal Reserve Bank
2022	13,772	Federal Reserve Bank
2021	13,866	Federal Reserve Bank
2020	13,915	Federal Reserve Bank
2019	13,905	Federal Reserve Bank

L. Provide assessed valuation and property tax collected for all taxable property within your corporate limits for the past five years. **See Statistics Table 7 of attached Comprehensive Annual Financial Plan**

M. Provide your audited financial statements from the last two years (provide your unaudited statement if audit hasn't been performed). <https://www.kgbak.us/340/Financial-Information>. **Draft FY23 Attached**

N. Provide your current year's budget. ☒ BELOW

FY25 Annual Borough Budget attached

O. Provide your capital improvement plan.

FY25-29 Capital Plan attached

P. Provide any other financial or economic information that will assist evaluation of your application. ☐ Attached

#### **IV. Legal Information**

- A. Provide a certificate of your legal counsel that establishes there is no litigation pending or threatened in any court in
1. affecting the corporate existence of your government, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the loan agreement between the applicant and the Bond Bank, or contesting the power of your government or your authority with respect to the bonds; or
  2. against your government or involving any of the property or assets of or under the control of your government, which , whether individually or in the aggregate involves the possibility of any judgement or uninsured liability which may result in any material change in the revenues properties, or assets, or in the condition, financial or otherwise, of your government.
- B. An opinion or certificate to the same effect, dated the date of the closing, shall be delivered to the Bond Bank on the date of closing.
- C. If any such litigation is pending or threatened, attach a description of the litigation, including caption and case number, description of the relief requested as it pertains to the matters described, and the procedural status of the litigation



The facts and representations in this application and all attachments are true and accurate in all respects and no material facts are omitted to the best of my knowledge

Ruben Duran

Name (print)

Borough Manager

Title

Signature

Date of Application

Please return all applications to:

Ryan Williams

Alaska Municipal Bond Bank Authority

Department of Revenue

PO Box 110405

Juneau, AK 99811-0405

(907)465-2893 phone

[ryan.williams@alaska.gov](mailto:ryan.williams@alaska.gov)

**Ketchikan Gateway Borough  
Debt Service Schedule  
Fiscal Year 2025**

10/1/2022 to 09/30/30  
0.941

**Sequestration  
Rate**

<b>Name</b>	<b>Date Due</b>	<b>Principal</b>	<b>Interest</b>	<b>Interest Subsidy</b>	<b>Sequestration Rate 0.943</b>	<b>Account #</b>	<b>GLTDAAG</b>	<b>Interfund</b>
2022 Series One - Field Bonds	12/1/2024	225,000.00	157,750.00			265-10-000	660-2590	712-10-000
2022 Series One - Field Bonds	6/1/2025		152,125.00			265-10-000	660-2590	712-10-000
2020 CoP Lease - White Cliff	12/1/2024	145,000.00	58,000.00			250-10-001	660-2584	701-10-010
2020 CoP Lease - White Cliff	6/1/2025		54,375.00			250-10-001	600-2584	701-10-010
2020 Series One-Kayhi Roof	12/1/2024	250,000.00	12,875.00			260-10-001	660-2587	713-10-000
2020 Series One-Kayhi Roof	6/1/2025		6,625.00			260-10-001	660-2587	713-10-000
2009iV Taxable GAC	8/1/2024		459,982.09			284-10-002	660-2560	712-10-000
2009iV Taxable GAC	2/1/2025	765,000.00	459,982.09			284-10-002	660-2560	712-10-000
2009iV Interest Sub GAC	8/1/2024			(172,446.62)	(162,272.27)	284-10-002-4300		
2009iV Interest Sub GAC	2/1/2025			(172,446.62)	(162,617.16)	284-10-002-4300		

## II. Issue Information

### A. Total amount of bond purchase request:

\$5,500,000

### B. Total term of requested loan: 30 years

### C. Preferred principal and interest payment months: ☒ principal /interest ☐ interest only

### D. If a bond election is required, provide a copy of the bond election ordinance and ballot proposition. Attached

If a bond election has been held, provide the votes for and against the issue(s):

Yes:	No:	Percent of registered voters casting ballots:
	<input checked="" type="checkbox"/>	%

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? Provide details of the additional security. Attached

N/A

### E. Will you need interim financing?

1. If applicable, provide interim financing information:

Amount:	Maturity:	Rate:	Lender:
N/A			

2. Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing. ☐ Attached

### F. Describe project to be financed, including the information requesting in 1-6. If this information is available in a project feasibility study, you may reference and attach it.

1. Are engineering and specifications completed? ☐ Yes ☒ No  
2. If not, when are they projected for completion? October 1, 2024 design development complete

3. Have construction bids been awarded? ☐ Yes ☒ No  
4. Are there additional state or local approvals required? ☒ yes ☐ No

5. Describe timing/scheduling plan:

Est. Design Complete 10/1/2024. Est. Construction to begin January 2025

6. What is the projected completion date? 2027

### G. Sources of uses of funds

#### Sources of Funds

Bonds (this application)	\$5,500,000
Federal Funds*	\$30,653,084
State Funds*	\$
Applicant's Funds	\$5,547,300
Other (PFC Pay-Go-Funds)	\$250,000
Total:	\$41,950,384

#### Uses of Funds

Construction	\$32,026,812
Engineering	\$8,000,000
Contingency	
Cost of Issuance	\$500,000
Other (ICRP/Admin)	\$1,423,572
Total:	\$41,950,384

\*If federal or state funds are involved, provide a complete description of the status and uses of these funds.

1. Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:  
Bond proceeds would pay for a portion of the construction phase of the project.

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**ALASKA MUNICIPAL BOND BANK  
RESOLUTION NO. 2024-02**

**A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF  
GENERAL OBLIGATION AND REFUNDING BONDS, 2025 SERIES ONE AND 2025  
SERIES TWO OF  
THE ALASKA MUNICIPAL BOND BANK**

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**ADOPTED ON DECEMBER 10, 2024**

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**ALASKA MUNICIPAL BOND BANK  
RESOLUTION NO. 2024-02**

**A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF  
GENERAL OBLIGATION AND REFUNDING BONDS, 2025 SERIES ONE AND  
SERIES TWO OF  
THE ALASKA MUNICIPAL BOND BANK**

WHEREAS, the Board of Directors of the Alaska Municipal Bond Bank (the “Bank”) by Resolution entitled “A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof,” adopted on July 13, 2005, as amended (as further defined in Section 102 hereof, the “Resolution”), has created and established an issue of Bonds of the Bank; and

WHEREAS, the Resolution authorizes the issuance of said Bonds in one or more series pursuant to a Series Resolution authorizing each such series; and

WHEREAS, the Board of Directors of the Bank has determined that it is necessary and desirable that the Bank issue at this time a Series of Bonds in an aggregate principal amount of not to exceed \$49,470,000 (or otherwise as provided in Section 201 hereof), to be designated “Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series One” and a Series of Bonds in an aggregate principal amount of not to exceed \$14,650,000 (or otherwise as provided in Section 201 hereof), to be designated “Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series Two,” in each case to provide moneys to carry out the purposes of the Bank;

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ALASKA MUNICIPAL BOND BANK AS FOLLOWS:

**ARTICLE I  
AUTHORITY AND DEFINITIONS**

**Section 101- Series Resolution.**

This Series Resolution (the “Series Resolution”) is adopted in accordance with the provisions of the Resolution and pursuant to the authority contained in the Act.

**Section 102- Definitions.**

In this Series Resolution and with respect to the hereinafter defined 2025 Bonds:

(1) Unless otherwise defined in Article I herein, all capitalized terms herein shall have the meanings given to such terms in Article I of the Resolution.

(2) “Bank” shall mean the Alaska Municipal Bond Bank (in the Act also referred to as the “Alaska Municipal Bond Bank Authority”).

(3) “Beneficial Owner” shall mean the person in whose name a 2025 Bond is recorded as the beneficial owner of such 2025 Bond by the respective systems of The Depository Trust Company and Depository Trust Company Participants or the Holder of a 2025 Bond if such 2025 Bond is not then held in book-entry form pursuant to Section 206.

(4) “Bond Purchase Agreement” shall mean one or more bond purchase agreements entered into among one or more Underwriters and the Bank, providing for the purchase and the terms of one or more series of the 2025 Bonds.

(5) “Bond Year” shall mean each one-year period that ends on an anniversary of the date of issue of the 2025 Bonds.

(6) “Chairman” shall mean the chairman of the Board of Directors of the Bank.

(7) “Code” shall mean the Internal Revenue Code of 1986, together with all regulations applicable thereto.

(8) “Continuing Disclosure Certificate” shall mean the Continuing Disclosure Certificate executed by the Bank and dated the date of issuance and delivery of the 2025 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

(9) “Depository Trust Company” or “DTC” shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

(10) “Depository Trust Company Participant” or “DTC Participant” shall mean a trust company, bank, broker, dealer, clearing corporation and any other organization that is a participant of Depository Trust Company.

(11) “Escrow Agent” shall mean the Trustee, currently The Bank of New York Mellon Trust Company, N.A., as escrow agent.

(12) “Escrow Agreement” shall mean the agreement entered into by and between the Bank and the Escrow Agent, dated the date of issuance of the 2025 Bonds, securing payment for the Refunded Bonds.

(13) “Excess Investment Earnings” shall mean the amount of investment earnings on gross proceeds of the 2025 Bonds determined by the Bank to be required to be rebated to the United States of America under the Code.



(14) “Letter of Representations” shall mean the Blanket Issuer Letter of Representations, dated April 15, 2019, from the Bank to DTC, a copy of which is attached hereto as Appendix A, and the operational arrangements referred to therein.

(15) “Loan Agreement” shall mean, collectively, each of the following agreements pertaining to the repayment of a Loan or Loans to the related Governmental Unit as provided for herein (a) the agreement by and between the Bank and Ketchikan Gateway Borough, Alaska (“Ketchikan”) to finance a portion of certain capital improvements to the Ketchikan International Airport (the “Ketchikan Project”), (b) the agreement by and between the Bank and Petersburg Borough, Alaska (“Petersburg”) to finance a portion of certain capital improvements to the Petersburg High/Middle School (the “Petersburg Project”) and (c) the agreement by and between the Bank and City of Whittier, Alaska (“Whittier”) to finance a portion of certain capital improvements to Whittier’s small boat harbor (the “Whittier Project”).

(16) “Municipal Advisor” shall mean PFM Financial Advisors LLC.

(17) “New Money Portion” shall mean the 2025 Bonds or such other series or a portion of a series of 2025 Bonds designated by the Chairman or the Executive Director and the proceeds thereof other than the Refunding Portion.

(18) “Official Statement” shall have the meaning assigned thereto in Section 211 hereof.

(19) “Preliminary Official Statement” shall have the meaning assigned thereto in Section 211 hereof.

(20) “Record Date” shall mean the date fifteen calendar days preceding each interest payment date with respect to the 2025 Bonds of one or more series.

(21) “Refunded Bonds” shall mean, in each case, all or a portion of the following Outstanding Bonds that the Chairman or the Executive Director designates to be refunded pursuant to Section 304 hereof, at the request of:

(a) The City of Cordova, Alaska (“Cordova”), \$4,830,000 aggregate principal amount of the outstanding 2015 Series One Bonds, maturing on October 1, 2025 through October 1, 2028;

(b) Cordova, \$1,120,000, aggregate principal amount of the outstanding 2015 Series One Bonds, maturing on October 1, 2025 through October 1, 2034;

(c) Cordova, \$1,710,000, aggregate principal amount of the outstanding 2015A Series Two Bonds, maturing on March 1, 2026 through March 1, 2033 and March 1, 2035;

(d) The City and Borough of Juneau, Alaska (“Juneau”), \$4,180,000, aggregate principal amount of the outstanding 2014A Series One Bonds, maturing on March 1, 2026 through March 1, 2031, March 1, 2033 through March 1, 2035 and March 1, 2039;

(e) Juneau, \$4,875,000, aggregate principal amount of the outstanding 2015A Series Two Bonds, maturing on March 1, 2026 through March 1, 2033;

(f) Juneau, \$4,740,000, aggregate principal amount of the outstanding 2015B Series Two Bonds, maturing on March 1, 2026 through March 1, 2029;

(g) The Kenai Peninsula Borough, Alaska (“Kenai”), \$10,490,000, aggregate principal amount of the outstanding 2014A Series One Bonds, maturing on March 1, 2026 through March 1, 2029;

(h) Kenai, \$2,965,000, aggregate principal amount of the outstanding 2015A Series Two Bonds, maturing on March 1, 2026 through March 1, 2028;

(i) The Kodiak Island Borough, Alaska (“Kodiak”), \$4,140,000, aggregate principal amount of the outstanding 2015 Series Three Bonds, maturing on October 1, 2025 through October 1, 2032 and October 1, 2036; and

(j) The City of Unalaska, Alaska (“Unalaska”), \$13,690,000 aggregate principal amount of the outstanding 2015 Series One Bonds, maturing on October 1, 2025 through October 1, 2033.

(22) “Refunding Portion” shall mean the portion of 2025 Bonds or such other series or a portion of a series and the proceeds thereof allocable to the refunding of the Refunded Bonds determined by the Chairman or the Executive Director pursuant to Section 304 hereof.

(23) “Resolution” shall mean the General Bond Resolution, adopted by the Board of Directors on July 13, 2005, as amended by a Supplemental Resolution, Resolution No. 2009-03, adopted by the Board of Directors on May 28, 2009 and effective on August 19, 2009; and by a First Supplemental Resolution, Resolution No. 2013-02, adopted by the Board of Directors on February 19, 2013, the amendments in which are effective after all Bonds issued prior to February 19, 2013 are no longer outstanding and the requirements of such First Supplemental Resolution are satisfied.

(24) “Surety Bond Issuer” shall mean the Credit Enhancement Agency, if any, selected by the Chairman or the Executive Director to provide Credit Enhancement for a portion of the Reserve Fund Requirement.

(25) “Underwriter” shall mean RBC Capital Markets, LLC, the underwriter of one or more series of the 2025 Bonds.

(26) “2014A Series One Bonds” shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2014A Series One (Tax-Exempt), which are currently outstanding in the principal amount of \$14,670,000.

(27) “2015 Series One Bonds” shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2015 Series One which are currently outstanding in the principal amount of \$22,625,000.

(28) “2015A Series Two Bonds” shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2015A Series Two (Non-AMT) which are currently outstanding in the principal amount of \$19,955,000.

(29) “2015B Series Two Bonds” shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2015B Series Two (AMT) which are currently outstanding in the principal amount of \$8,880,000.

(30) “2015 Series Three Bonds” shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2015 Series Three, which are currently outstanding in the principal amount of \$79,335,000.

(31) “2025 Amendatory Loan Agreements” shall mean, collectively:

(a) the agreement by and between the Bank and Cordova, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of April 1, 2009, as amended by an amendatory loan agreement, dated as of March 1, 2015;

(b) the agreement by and between the Bank and Cordova, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2015;

(c) the agreement by and between the Bank and Cordova, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of June 1, 2015;

(d) the agreement by and between the Bank and Juneau, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of February 1, 2014;

(e) the agreement by and between the Bank and Juneau, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of June 1, 2015, as amended by an amendatory loan agreement, dated as of December 2, 2021;

(f) the agreement by and between the Bank and Juneau, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of July 1, 2007, as amended by an amendatory loan agreement, dated as June 1, 2015;

(g) the agreement by and between the Bank and Kenai, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of February 1, 2014;

(h) the agreement by and between the Bank and Kenai, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of August 1, 2007, as amended by an amendatory loan agreement, dated as of June 1, 2015;

(i) the agreement by and between the Bank and Kodiak, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of September 1, 2015;

(j) the agreement by and between the Bank and Unalaska, to be dated the date of sale of the 2025 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of January 1, 2009, as amended by an amendatory loan agreement, dated as of March 1, 2015.

(32) “2025 Bond Credit Enhancement” shall mean a Credit Enhancement, if any, issued by a 2025 Bond Insurer on the date of issuance of the 2025 Bonds for the purpose of further securing the payment of the principal of and interest on all or a portion of one or more series of 2025 Bonds.

(33) “2025 Bond Insurer” shall mean a monoline insurance company, if any, selected by the Chairman or the Executive Director to provide a 2025 Bond Credit Enhancement to further secure the payment of the principal of and interest on all or a portion of the one or more series of 2025 Bonds.

(34) “2025 Bonds” shall mean, collectively, the 2025 Series One Bonds, the 2025 Series Two Bonds and such other Series of Bonds authorized in Article II hereof.

(35) “2025 Reserve Fund Credit Enhancement” shall mean the Credit Enhancement, if any, issued by a Surety Bond Issuer on the date of issuance of the 2025 Bonds for the purpose of satisfying a portion of the Reserve Fund Requirement.

(36) “2025 Reserve Fund Credit Enhancement Agreement” shall mean if a 2025 Reserve Fund Credit Enhancement is obtained, a reimbursement agreement relating to a letter of credit, a policy from a monoline insurance company or an agreement with the State or with any department, political subdivision or agency thereof, credited to the Reserve Fund to satisfy all or a portion of the Reserve Fund Requirement, approved by the Authorized Officer in accordance with the provisions of Section 302 hereof.

(37) “2025 Series One Bonds” shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series One, authorized in Article II hereof.

(38) “2025 Series One Debt Service Account” shall mean the debt service account of that name established pursuant to Section 503 hereof.

(39) “2025 Series Two Bonds” shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series Two, authorized in Article II hereof.

(40) “2025 Series Two Debt Service Account” shall mean the debt service account of that name established pursuant to Section 503 hereof.

## ARTICLE II AUTHORIZATION OF 2025 BONDS

### Section 201- Principal Amount, Designation and Series.

Pursuant to the provisions of the Resolution, (i) a Series of Bonds designated as “Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series One” is hereby authorized to be issued in an aggregate principal amount not to exceed \$49,470,000 (except as provided in this Section 201) and (ii) a Series of Bonds designated as “Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series Two” is hereby authorized to be issued in an aggregate principal amount not to exceed \$14,650,000 (except as provided in this Section 201). The Chairman or the Executive Director, in consultation with the Bank’s Municipal Advisor, shall determine the number of series and the series names and designations and the aggregate principal amount of the 2025 Bonds of each series, provided that the aggregate principal amount of all 2025 Bonds issued pursuant to this Series Resolution does not exceed \$64,120,000.

The Chairman or the Executive Director is authorized hereby to change the designations of the 2025 Bonds, to establish additional series of 2025 Bonds, to determine designations thereof and/or to consolidate the 2025 Bonds into fewer series.

### Section 202- Purposes of the 2025 Bonds.

The purposes for which the 2025 Bonds are being issued are (i) to make Loans to the Governmental Units to the extent and in the manner provided in Article III, including in the case of the Refunding Portion, to refund the portions of the outstanding Refunded Bonds that the Chairman or the Executive Director designates to be refunded pursuant to Section 304 hereof; (ii) to make a deposit to the Reserve Fund, if necessary, as provided in Section 302 hereof; and (iii) to finance costs of issuing the 2025 Bonds.

### Section 203- Date, Maturities and Interest Rates.

(1) The 2025 Bonds of each series shall be dated the date the 2025 Bonds of such series are delivered to the Underwriter thereof, subject to the terms and conditions set forth in this Series Resolution and in the applicable Bond Purchase Agreement. Subject to adjustment as provided for in this Section 203, the 2025 Bonds of each series shall mature, or have Sinking Fund

Installments due, on the date(s) in each of the years and in the principal amounts to be set forth in the applicable Bond Purchase Agreement.

(2) The number of series of 2025 Bonds, the names and designations of, the aggregate principal amount of, the principal amount of each maturity, the amount of each Sinking Fund Installment, if any, and the maturity dates, Sinking Fund Installment dates, interest rates and payment dates of the 2025 Bonds of each series shall be fixed and determined by the Chairman or by the Executive Director at the time the applicable Bond Purchase Agreement is executed and delivered, pursuant to Section 210 hereof, but subject to the limitations set forth in Sections 201 and 210 hereof.

#### Section 204- Interest Payments.

The 2025 Bonds of each series shall bear interest from their date of delivery to the Underwriter thereof, payable on such date or dates as may be fixed and determined by the Chairman or the Executive Director at the time the applicable Bond Purchase Agreement is executed and delivered. Interest shall be computed on the basis of a 360-day year composed of twelve thirty-day months.

#### Section 205- Denominations, Numbers and Other Designation.

The 2025 Bonds of each series shall be issued in registered form in the denomination of \$5,000 or any integral multiple thereof within a maturity and interest rate, not exceeding the aggregate principal amount of the 2025 Bonds authorized herein. The 2025 Bonds of each series shall be numbered serially with any additional designation that the Chairman or the Executive Director deems appropriate.

#### Section 206- Securities Depository.

(1) The 2025 Bonds shall be registered initially in the name of “Cede & Co.,” as nominee of DTC, and shall be issued initially in the form of a single bond for each series, maturity and interest rate, in the aggregate principal amount for such series, maturity and interest rate. Transfers of ownership of the 2025 Bonds or any portions thereof, may not thereafter be registered except transfers (i) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (ii) to any substitute depository or such substitute depository’s successor; or (iii) to any person as provided in paragraph (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Bank that it is no longer in the best interest of Beneficial Owners to continue the system of book-entry transfers through DTC or its successors (or any substitute depository or its successor), the Bank may appoint a substitute depository or provide that 2025 Bonds no longer be held by a depository and instead be held as provided in paragraph (4). Any substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (i) or (ii) of paragraph (1) above, the Trustee shall, upon receipt of all Outstanding 2025 Bonds of a series, together with a written request of an Authorized Officer and a supply of new 2025 Bonds of such series, authenticate a single new 2025 Bond for the Outstanding 2025 Bonds of such series for each maturity and interest rate, registered in the name of such successor or such substitute depository, or its nominee, as the case may be, all as specified in such written request.

(4) In the event that (i) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (ii) the Bank determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bond certificates, the ownership of 2025 Bonds of such series may then be transferred to any person or entity as provided in the Resolution and the 2025 Bonds of such series shall no longer be held in book-entry form. An Authorized Officer shall deliver a written request to the Trustee to authenticate 2025 Bonds of such series as provided in the Resolution in any authorized denomination, together with a supply of definitive Bonds. Upon receipt of all then Outstanding 2025 Bonds of such series by the Trustee, together with a written request of an Authorized Officer to the Trustee, new 2025 Bonds of such series shall be issued and authenticated in such denominations and registered in the names of such persons as are requested in such written request.

(5) For so long as the 2025 Bonds are held in book-entry form under this Section, the Bank and the Trustee may treat DTC (or its nominee) or any substitute depository (or its nominee) as the sole and exclusive registered owner of the 2025 Bonds registered in its name for the purposes of payment of principal or Redemption Price of and interest on such 2025 Bonds, selecting such 2025 Bonds, or portions thereof, to be redeemed, giving any notice permitted or required to be given to Bondholders under the Resolution (except as otherwise provided pursuant to Section 508 hereof), registering the transfer of such 2025 Bonds and obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Bank nor the Trustee shall be affected by any notice to the contrary. Neither the Bank nor the Trustee shall have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the 2025 Bonds under or through DTC or any DTC Participant, or any other person not shown on the registration books of the Trustee as being a registered owner, with respect to the accuracy of any records maintained by DTC or any DTC Participant (or by any substitute depository or participant); the payment by DTC or any DTC Participant (or by any substitute depository or participant) of any amount in respect of the principal or Redemption Price of or interest on the 2025 Bonds, any notice that is permitted or required to be given to Bondholders under the Resolution, the selection by DTC or any DTC Participant (or by any substitute depository or participant) of any person to receive payment in the event of a partial redemption of the 2025 Bonds, or any consent given or other action taken by DTC as Bondholder. The Trustee shall pay from money available under the Resolution all principal and Redemption Price of and interest on the 2025 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Bank's obligations with respect to the principal or Redemption Price of and interest on the 2025 Bonds to the extent of the sum or sums so paid.

(6) In connection with any proposed transfer outside the book-entry system, prior to or in conjunction with the issuance of certificated 2025 Bonds the Bondholder (including, without limitation, DTC) shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Bank acknowledges such tax reporting obligations and, if necessary, and at the written request of the Trustee, shall provide such information to the Trustee, to the extent that such information is in the Bank's possession. Any transferor of the 2025 Bonds (to the extent not within the book-entry system) shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

#### Section 207- Places and Manner of Payment.

For so long as all Outstanding 2025 Bonds are registered in the name of Cede & Co. or its registered assigns, payment of principal and interest thereon shall be made as provided in the Letter of Representations and the operational arrangements referred to therein as amended from time to time. In the event that the 2025 Bonds are no longer registered in the name of Cede & Co. or its registered assigns or to a successor securities depository, (i) payment of interest on the 2025 Bonds will be made by check or draft mailed by first class mail to the registered owner, at the address appearing on the Record Date on the bond register of the Bank kept at the corporate trust office of the Trustee, or, upon the written request of a registered owner of at least \$1,000,000 in principal amount of 2025 Bonds received at least fifteen (15) days prior to an interest payment date, by wire transfer in immediately available funds to an account in the United States of America designated by such registered owner; and (ii) principal of the 2025 Bonds will be payable at the corporate trust office of the Trustee upon surrender of the 2025 Bonds representing such principal. Both principal of and interest on the 2025 Bonds are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

#### Section 208- Optional Redemption.

(1) The Chairman and the Executive Director are, and each of them is, hereby authorized to determine the optional redemption provisions, if any, for the 2025 Bonds of each series, and such provisions shall be included in the applicable Bond Purchase Agreement and in the form of the 2025 Bonds of such series.

(2) Unless otherwise determined by the Chairman or Executive Director by the time the applicable Bond Purchase Agreement is executed and delivered, notice of optional redemption shall be given at least 20 days, and not more than 60 days, prior to the date fixed for redemption of the 2025 Bonds to be redeemed and in addition to the requirements of Section 402(A)(1) through (5) and of Section 402(A)(7) of the Resolution, such notice of optional redemption shall state that



it is a conditional notice and that on the date fixed for redemption, provided that moneys sufficient to redeem the 2025 Bonds specified in such notice are on deposit with the Trustee, the redemption price will become due and payable and interest thereon will cease to accrue from and after said date.

#### Section 209- Mandatory Redemption.

(1) The Chairman or the Executive Director are, and each of them is, hereby authorized to approve the mandatory redemption provisions, if any, for the 2025 Bonds of each series that are term bonds, and such provisions shall be included in the applicable Bond Purchase Agreement and in the 2025 Bonds of such series and maturity.

(2) Unless otherwise determined by the Chairman or Executive Director by the time the applicable Bond Purchase Agreement is executed, notice of mandatory redemption shall be given at least 20 days, and not more than 60 days, prior to the date fixed for redemption of the applicable series of 2025 Bonds to be redeemed.

#### Section 210- Sale of 2025 Bonds.

(1) The 2025 Bonds of each series shall be sold to the Underwriter thereof pursuant to the terms of a Bond Purchase Agreement, as determined by the Executive Director or the Chairman after consulting with the Municipal Advisor. The Chairman and the Executive Director are, and each of them is, hereby authorized to (i) approve, execute and deliver one or more Bond Purchase Agreements, in each case with terms consistent with the provisions of this Series Resolution; (ii) determine the number of series of 2025 Bonds, and the name and designation of each such series, and for each series of 2025 Bonds, the dated date and the delivery date, the aggregate principal amount, the principal amount of Bonds of each series, maturity and interest rate, the purchase price, the maturity and the interest payment dates and the redemption provisions and interest rate(s); (iii) to designate, pursuant to Section 304 hereof, the Refunded Bonds, if any, to be refunded with proceeds of the 2025 Bonds; provided, however, that (A) the aggregate principal amount of the 2025 Bonds shall not exceed \$64,120,000; (B) the true interest cost on the 2025 Series One Bonds shall not exceed 4.95 percent; and (C) the true interest cost on the 2025 Series Two Bonds shall not exceed 5.54 percent. Prior to the execution and delivery of a Bond Purchase Agreement, the Chairman or the Executive Director, with the assistance of the Municipal Advisor, shall take into account those factors that, in their judgment, will result in the lowest true interest cost of the 2025 Bonds of each series.

(2) The authority granted to the Chairman and the Executive Director under this Section 210 shall expire one hundred twenty (120) days after the date of adoption of this Series Resolution.

#### Section 211- Preliminary Official Statement and Official Statement.

(1) The Chairman or the Executive Director are, and each of them is, hereby authorized to approve the final form of, and the distribution in electronic form to prospective purchasers and

other interested persons of, the preliminary official statement for the 2025 Bonds of one or more series (including any supplements and amendments thereto prior to the execution and delivery of the applicable Bond Purchase Agreement, the “Preliminary Official Statement”), each substantially in the form submitted to the Board prior to the date the Preliminary Official Statement is approved, with such changes as the Chairman or the Executive Director deems advisable. The distribution of the Preliminary Official Statement is hereby authorized, ratified and approved. The Chairman and the Executive Director are hereby further authorized to approve and execute the final official statement for the 2025 Bonds of one or more series (the “Official Statement”) substantially in the form of the Preliminary Official Statement with the addition of pricing information and such changes therein from the Preliminary Official Statement as the Chairman or the Executive Director deems advisable, and to approve and authorize the distribution of the final Official Statement in electronic and printed form.

(2) There is hereby delegated to the Chairman or the Executive Director the authority to “deem final” the Preliminary Official Statement on behalf of the Bank for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1).

### ARTICLE III DISPOSITION OF BOND PROCEEDS

#### Section 301 - Disposition of Proceeds for Loan and Refunding Purposes.

(1) Subject to Section 304 hereof, the Refunding Portion of the proceeds of the 2025 Bonds shall be applied at the direction of the Chairman or the Executive Director to redeem the Refunded Bonds on the date of issuance of the 2025 Bonds or used to purchase direct, non-callable obligations of the United States of America, the principal of and the interest on which when due will provide moneys that, together with cash, if any, then held by the Escrow Agent for such purpose, shall be sufficient and available to pay when due the principal of the Refunded Bonds not so redeemed on the date of issuance of the 2025 Bonds, and the interest to become due on such Refunded Bonds prior to and on the first maturity or optional redemption date, as applicable; provided, however, that such amounts shall be applied only with respect to the portions of the Bonds of the series and maturities that the Executive Director and/or the Chairman designates to be Refunded Bonds pursuant to Section 304 hereof.

(2) Upon the delivery of the 2025 Bonds, the Bank shall apply, in accordance with Article V of the Resolution, the New Money Portion of the proceeds derived from the sale of the 2025 Bonds (i) to make a Loan to Ketchikan in an aggregate principal amount not to exceed \$5,500,000, to finance a portion of the costs of the Ketchikan Project, to make a deposit to Ketchikan’s reserve account securing such Loan (if applicable) and to pay Ketchikan’s costs of issuance related thereto; (ii) to make a Loan to Petersburg in an aggregate principal amount not to exceed \$3,500,000, to finance a portion of the costs of the Petersburg Project and to pay Petersburg’s costs of issuance related thereto, (iii) to make a Loan to Whittier in an aggregate principal amount not to exceed \$4,500,000, to finance a portion of the costs of the Whittier Project, to make a deposit to Whittier’s reserve account securing such Loan (if applicable) and to pay

Whittier's costs of issuance related thereto, (iv) to satisfy the Reserve Fund Requirement as provided in Section 302 hereof; and (v) to finance costs of issuance of the 2025 Bonds.

#### Section 302- Reserve Fund Deposit; Credit Enhancement.

(1) On or before the date of sale of the 2025 Bonds of each series, but subject to Section 201 hereof, the Chairman or the Executive Director shall determine whether an additional deposit to the Reserve Fund is required and if so, whether it is in the best interest of the Bank to use (1) available cash, (2) a portion of the proceeds received from the sale of the 2025 Bonds of such series, (3) a 2025 Reserve Fund Credit Enhancement or (4) a combination of cash, proceeds from the sale of the 2025 Bonds and/or a 2025 Reserve Fund Credit Enhancement, to satisfy the Reserve Fund Requirement upon delivery of the 2025 Bonds, and shall cause such deposits and/or purchase to be made on or before the date of delivery of the 2025 Bonds.

(2) In the event a deposit to the Reserve Fund is required to satisfy the portion of the Reserve Fund Requirement related to the 2025 Bonds, the Chairman and the Executive Director are each hereby authorized to determine whether to satisfy such requirement by depositing with the Trustee a 2025 Reserve Fund Credit Enhancement in the form of a debt service reserve surety bond; to select a Surety Bond Issuer and purchase such 2025 Reserve Fund Credit Enhancement; and, to negotiate, approve, execute and deliver a 2025 Reserve Fund Credit Enhancement Agreement in form and with terms that comply with the requirements of the Resolution and that, in the Chairman's or Executive Director's judgment after consulting with the Bank's Municipal Advisor, are advisable and in the best interest of the Bank.

(3) The Governmental Units' responsibility for paying, or for reimbursing the Bank for the payment of any costs of providing and maintaining the Reserve Fund Requirement and the application (or the method for determining the application) of any moneys in excess of the Reserve Fund Requirement shall be determined by the Executive Director and set forth in each Loan Agreement and/or 2025 Amendatory Loan Agreement, as applicable, authorized in Section 507 hereof.

(4) The Chairman and the Executive Director are each hereby authorized to determine whether purchasing a 2025 Bond Credit Enhancement for any of the 2025 Bonds is in the best interest of the Bank and if so, to solicit commitments for such 2025 Bond Credit Enhancement with respect to payment of the interest on and principal of all or a portion of the 2025 Bonds and thereafter to accept one or more such commitments that are in the best interest of the Bank, to purchase such 2025 Bond Credit Enhancement, and to negotiate, approve, execute and deliver a 2025 Bond Credit Enhancement Agreement in form and with terms that comply with the requirements of the Resolution and that, in the Chairman's or Executive Director's judgment after consulting with the Bank's Municipal Advisor, are advisable and in the best interest of the Bank.

#### Section 303- Disposition of Remainder of Bond Proceeds.

(1) The balance of the proceeds received from the sale of the New Money Portion of the 2025 Bonds, including any premium received over the principal amount of the 2025 Bonds,

after deducting the amounts to be paid for costs of issuing the 2025 Bonds, amounts, if any, necessary to ensure the deposit to the Reserve Fund equals the Required Debt Service Reserve, and after deducting the amount allocable to the Reserve Obligations, if any, which amount shall be deposited in the Reserve Fund, shall be deposited with the Governmental Units and applied towards costs of issuance and debt service payments due and owing on their respective Municipal Bonds (as such term is defined in the related Loan Agreements or 2025 Amendatory Loan Agreements) or such other permitted purpose, including costs of the projects financed or refinanced with proceeds of the New Money Portion of the 2025 Bonds.

#### Section 304- Designation of Refunded Bonds.

(1) The Chairman and the Executive Director are, and each of them is, hereby authorized to determine, after consulting with the Municipal Advisor, whether any of the following shall be refunded, eliminating from the category of Refunded Bonds loan obligations corresponding to municipal bonds whose terms have not been amended by the Governmental Unit to conform to the terms of the refunding authorized by this 2025 Series Resolution as of the date of delivery of the 2025 Bonds:

- (a) the 2014A Series One Bonds, maturing on March 1, 2026 through March 1, 2031, March 1, 2033 through March 1, 2035 and March 1, 2039;
- (b) the 2015 Series One Bonds, maturing on October 1, 2025 through October 1, 2034;
- (c) the 2015A Series Two Bonds, maturing on March 1, 2026 through March 1, 2033 and March 1, 2035;
- (d) the 2015B Series Two Bonds, maturing on March 1, 2026 through March 1, 2029; and
- (e) the 2015 Series Three Bonds, maturing on October 1, 2025 through October 1, 2032 and October 1, 2036.

#### Section 305- Escrow Agreement(s).

(1) The Chairman and Executive Director are, and each of them is, hereby authorized and directed to enter into one or more Escrow Agreements with the Escrow Agent providing for the use and disposition of moneys, if any, and direct, non-callable obligations of the United States of America for the purpose set forth in Section 301(b) hereof:

#### Section 306- Election for Redemption of Refunded Bonds.

(1) The Chairman and Executive Director are, and each of them is, hereby authorized to provide irrevocable instructions to the trustee of the Refunded Bonds to redeem such bonds, designated to be Refunded Bonds pursuant to Section 304 hereof, on the first available optional

redemption date in accordance with the terms of the respective authorizing resolutions for the Refunded Bonds and as set forth in the applicable Escrow Agreement.

#### ARTICLE IV EXECUTION AND FORM OF 2025 BONDS

##### Section 401 - Execution and Form of 2025 Bonds.

The 2025 Bonds shall be executed in the manner set forth in Section 303 of the Resolution. Subject to the provisions of the Resolution, the 2025 Bonds, and the Trustee's certificate of authentication, shall be of substantially the following form and tenor:

##### ALASKA MUNICIPAL BOND BANK GENERAL OBLIGATION AND REFUNDING BONDS, 2025 SERIES [ONE][TWO]

INTEREST RATE:  
\_\_\_\_\_ %

MATURITY DATE:  
\_\_\_\_\_ 1, 20\_\_

CUSIP NO.:  
\_\_\_\_\_

Registered Owner: CEDE & Co.

Principal Amount: \_\_\_\_\_ and No/100 Dollars

Alaska Municipal Bond Bank (herein called the "Bank"), a public body corporate and politic, constituted as an instrumentality of the State of Alaska, organized and existing under and pursuant to the laws of the State of Alaska, acknowledges itself indebted to, and for value received, hereby promises to pay to CEDE & CO. or registered assigns, the principal sum specified above on the Maturity Date specified above, and to pay to the registered owner hereof interest on such principal sum from the date hereof to the date of maturity of this Bond at the rate per annum specified above, payable on each [\_\_\_\_\_] 1 and [\_\_\_\_\_] 1, commencing [\_\_\_\_\_] 1, 2025. For so long as this Bond is held in book-entry form, payment of principal and interest shall be made by wire transfer to the registered owner pursuant to written instructions furnished to The Bank of New York Mellon Trust Company, N.A., in San Francisco, California, as trustee under the General Bond Resolution of the Bank, adopted July 13, 2005, as amended (herein called the "Resolution"), or its successor or assigns as trustee (herein called the "Trustee"). In the event this Bond is no longer held in book-entry form, (i) payment of interest will be made by check or draft mailed by first class mail to the registered owner at the address appearing on the bond register of the Bank kept by the Trustee, or, upon the written request of a registered owner of at least \$1,000,000 in principal amount of 2025 Series [One][Two] Bonds received at least 15 days prior to an interest payment date, by wire transfer in immediately available funds to an account in the United States of America designated by such registered owner; and (ii) principal will be payable upon presentation and surrender hereof at the corporate trust office of the Trustee. Interest shall be computed on the basis of a 360-day year composed of twelve thirty-day months. Both principal of and interest on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is a general obligation of the Bank and is one of a duly authorized issue of Bonds of the Bank designated “Alaska Municipal Bond Bank General Obligation and Refunding Bonds” (herein called the “Bonds”), issued and to be issued in various series under and pursuant to the Alaska Municipal Bond Bank Act, constituting Chapter 85, Title 44, of the Alaska Statutes (herein called the “Act”), and under and pursuant to the Resolution and a series resolution authorizing each such series. As provided in the Resolution, the Bonds may be issued from time to time pursuant to series resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and, subject to the provisions thereof, may otherwise vary. The aggregate principal amount of Bonds that may be issued under the Resolution is not limited except as provided in the Resolution, the applicable Series Resolution, and the Act, and all Bonds issued and to be issued under said Resolution are and will be equally and ratably secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution and the applicable Series Resolution.

The Bank is obligated to pay the principal of and premium, if any, and interest on the Bonds, including this Bond, only from the revenues or funds of the Bank pledged under the Resolutions (as defined below), and the State of Alaska is not obligated to pay the principal or premium, if any, or interest on the Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged to the payment of the principal, premium, if any, or interest on the Bonds, including this Bond. The Bank has no taxing power.

This Bond is one of a series of Bonds (the “2025 Series [One][Two] Bonds”) issued in the aggregate principal amount of \$\_\_\_\_\_ under the Resolution of the Bank and a series resolution of the Bank, adopted on December 10, 2025, and entitled “A Series Resolution Authorizing the Issuance of General Obligation and Refunding Bonds, 2025 Series One and 2025 Series Two of the Alaska Municipal Bond Bank” (said resolutions being herein collectively called the “Resolutions”).

Copies of the Resolutions are on file at the office of the Bank and at the corporate trust office of the Trustee, and reference to the Resolutions and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the 2025 Series [One][Two] Bonds; the nature, extent and manner of enforcement of such pledges; the rights and remedies of the registered owners of the 2025 Series [One][Two] Bonds with respect thereto; and the terms and conditions upon which the Bonds are issued and may be issued thereunder; to all of the provisions of which the registered owner of this Bond, by acceptance of this Bond, consents and agrees. To the extent and in the manner permitted by the terms of the Resolutions, the provisions of the Resolutions or any resolution amendatory thereof or supplemental thereto may be modified or amended by the Bank, with the written consent of the registered owners of at least two-thirds in principal amount of the Bonds then outstanding and, in case less than all of the several Series of Bonds would be affected thereby, with such consent of the registered owners of at least two-thirds in principal amount of the Bonds of each series so affected then outstanding.

The 2025 Series [One][Two] Bonds are subject to redemption prior to their respective scheduled maturities as set forth below.

The 2025 Series [One][Two] Bonds maturing on or after \_\_\_\_\_ 1, 20\_\_, are subject to redemption, in whole or in part, on or after \_\_\_\_\_ 1, 20\_\_, at the option of the Bank at a redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption.

[Unless previously redeemed pursuant to the foregoing optional redemption provisions or purchased for cancellation, the 2025 Series [One][Two] Bonds maturing on \_\_\_\_\_ 1, 20\_\_ (the "Term Bonds") are subject to mandatory redemption on \_\_\_\_\_ 1 of the following years and in the following principal amounts at a redemption price equal to 100% of the principal amount of the 2025 Series [One][Two] Bonds to be redeemed plus accrued interest, if any, to the date fixed for redemption.]

Term Bonds Due \_\_\_\_\_ 1, 20\_\_

Year

Sinking Fund Requirement

Notice of redemption (which in the case of optional redemption shall be a conditional notice) will be mailed to registered owners of 2025 Series [One][Two] Bonds called for redemption not less than 20 days or more than 60 days before the date fixed for redemption. Except as provided in the Resolutions, interest on any 2025 Series [One][Two] Bonds called for redemption will cease on the date fixed for redemption.

This Bond is transferable, as provided in the Resolutions, only upon the books of the Bank kept for that purpose at the corporate trust office of the Trustee, by the registered owner hereof in person or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new registered 2025 Series Three Bond or Bonds in the same aggregate principal amount and of the same maturity, in authorized denominations, shall be issued to the transferee in exchange therefor as provided in the Resolutions and upon the payment of the charges, if any, therein prescribed.

The 2025 Series [One][Two] Bonds are issuable in the denomination of \$5,000 or any integral multiple thereof, not exceeding the aggregate principal amount of 2025 Series [One][Two] Bonds maturing in the year of maturity of the Bond for which the denomination of the Bond is to be specified. Subject to such conditions and upon payment of such charges, if any, 2025 Series [One][Two] Bonds, upon surrender thereof at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or its attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of registered 2025 Series [One][Two] Bonds of any other authorized denominations, of the same maturity.

This Bond is fully negotiable for all purposes of the Uniform Commercial Code, and each owner of this Bond by accepting this Bond shall be conclusively considered to have agreed that this Bond is fully negotiable for those purposes.

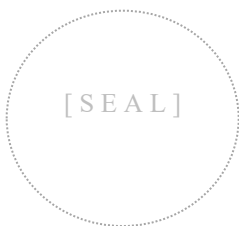
The obligations of the Bank contained in the Resolutions and in this 2025 Series [One][Two] Bond are the obligations of the Bank and not of any member, director, officer or employee of the Bank, and no recourse shall be had for the payment of the principal or redemption price or interest on this bond or for any claim hereon or on the Resolutions against any member, director, officer or employee of the Bank or any natural person executing the 2025 Series [One][Two] Bonds.

This Bond shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

The Bank modified the Resolution, effective on the date when all Bonds issued prior to February 19, 2013 cease to be Outstanding, by: (i) authorizing the Trustee to release to the Bank amounts held in the Reserve Fund which exceed the Required Debt Service Reserve whenever there is a reduction in the Required Debt Service Reserve; (ii) requiring the Trustee to withdraw earnings and profits realized in the Reserve Fund, and to provide such amounts to the Bank on or before June 30 of each year so long as the balance therein equals the Required Debt Service Reserve; (iii) authorizing certain amendments and modifications to the Resolution effective upon securing the consent of Holders of at least two-thirds in principal amount of Bonds then Outstanding; and (iv) providing that an underwriter or purchaser of a Series of Bonds may consent to a modification of, or amendment to, the Resolution as Holder of such Bonds at the time such Bonds are issued.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State of Alaska and the Resolutions to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 2025 Series [One][Two] Bonds, together with all other indebtedness of the Bank, is within every debt and other limit prescribed by law.

IN WITNESS WHEREOF, the Alaska Municipal Bond Bank has caused this Bond to be executed in its name by the manual or facsimile signature of its Chairman and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Executive Director all as of the \_\_\_\_\_ day of \_\_\_\_\_ 2025.



ALASKA MUNICIPAL BOND BANK

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LUKE WELLES  
Chairman

A T T E S T:

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RYAN S. WILLIAMS  
Executive Director

## TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolutions and is one of the 2025 Series [One][Two] Bonds of the Alaska Municipal Bond Bank.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,  
as Trustee

Date of Authentication:

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Authorized Officer

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### ARTICLE V MISCELLANEOUS

#### Section 501 - Paying Agent.

The Bank of New York Mellon Trust Company, N.A., or its successor or assigns, is appointed paying agent for the 2025 Bonds.

#### Section 502 – Arbitrage Rebate.

If any of the 2025 Bonds are issued on a tax-exempt basis, except as otherwise provided in the Bank's tax certificate, within 30 days after the end of every fifth Bond Year and within 60 days after the date on which all of the 2025 Bonds issued on a tax-exempt basis have been retired (and/or at such other times as may be required by the Code and applicable Income Tax Regulations), the Bank shall determine the Excess Investment Earnings and shall pay rebate amounts due to the United States of America as provided in Section 148(f) of the Code related to such 2025 Bonds issued on a tax-exempt basis.

#### Section 503 - 2025 Series One and Two Debt Service Accounts.

There is hereby established as special accounts in the Debt Service Fund (a) the "2025 Series One Debt Service Account," for the purpose of receiving amounts in the Debt Service Fund allocable to the 2025 Series One Bonds and (b) the "2025 Series Two Debt Service Account," for the purpose of receiving amounts in the Debt Service Fund allocable to the 2025 Series Two Bonds; provided, that if so determined by the Chairman or Executive Director, separate debt service accounts for any additional series of 2025 Bonds are hereby authorized to be established. Such amounts and the earnings thereon shall be deposited and held, and separately accounted for,

in the 2025 Series One Debt Service Account, the 2025 Series Two Debt Service Account or the Debt Service Fund.

Section 504 - Tax Exemption and General Tax Covenant.

The Bank intends that interest on any 2025 Bonds issued on a tax-exempt basis shall be excludable from gross income for federal income tax purposes pursuant to Section 103 and 141 through 150 of the Code, and the applicable regulations. If any 2025 Bonds are issued as tax-exempt bonds, the Bank covenants not to take any action, or knowingly omit to take any action within its control, that if taken or omitted would cause the interest on such 2025 Bonds issued on a tax-exempt basis to be included in gross income, as defined in Section 61 of the Code, for federal income tax purposes.

Section 505 - Arbitrage Covenant.

If any 2025 Bonds are issued on a tax-exempt basis, the Bank shall make no use or investment of the gross proceeds of such 2025 Bonds issued on a tax-exempt basis which will cause such 2025 Bonds to be “arbitrage bonds” subject to federal income taxation by reason of Section 148 of the Code. The Bank hereby covenants that so long as any of the 2025 Bonds issued on a tax-exempt basis are outstanding, the Bank, with respect to the gross proceeds of such 2025 Bonds, shall comply with all requirements of said Section 148 and of all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect.

Section 506 - Resolution Clarification.

It shall hereby be clarified that the Resolution, at Section 919, shall only apply to Bonds issued on a tax-exempt basis.

Section 507 - Loan Agreements and 2025 Amendatory Loan Agreements.

The Chairman and the Executive Director are each hereby authorized to execute the Loan Agreements and the 2025 Amendatory Loan Agreements between the Bank and the Governmental Units referred to therein, each in a form substantially similar to the applicable forms attached hereto as Appendix C and submitted to and part of the records of the meeting on December 10, 2025, with such changes as the Chairman or the Executive Director shall deem advisable.

Section 508 - Continuing Disclosure.

The Bank hereby covenants and agrees that it will execute and deliver and will comply with and carry out all of the provisions of the form of Continuing Disclosure Certificate, the proposed form of which is attached hereto as Appendix B, with such changes as the Chairman or the Executive Director shall deem advisable and in the best interest of the Bank. Notwithstanding any other provision of this Series Resolution, failure of the Bank to comply with the Continuing Disclosure Certificate shall not be a default of the Bank’s obligations under this Series Resolution,

the Resolution or the 2025 Bonds; however, the Beneficial Owner of any 2025 Bond may bring an action for specific performance, to cause the Bank to comply with its obligations under the Continuing Disclosure Certificate and this Section.

Section 509 - Chairman and Executive Director.

The Chairman and the Executive Director are, and each is, hereby authorized to execute all documents and to take any action necessary or desirable to carry out the provisions of this Series Resolution and to effectuate the issuance, delivery and management of the 2025 Bonds, including the approval, execution and delivery of one or more of the Bond Purchase Agreements, for the 2025 Bonds of one or more series, and all prior actions taken to effectuate and in connection with the provisions of this Series Resolution and the issuance and delivery of the 2025 Bonds are hereby ratified and confirmed. The authority and ratification granted in this Section 509 to the Chairman and the Executive Director includes authorization to determine the manner of sale and authorization to solicit commitments for a policy of insurance with respect to payment of the interest on and principal of all or a portion of the 2025 Bonds and/or a surety policy and thereafter to accept such commitment which is in the best interest of the Bank and enter into such agreement with the bond insurer as shall be in the best interests of the Bank.

Section 510 - Effective Date.

This Series Resolution shall take effect immediately on the date hereof (December 10, 2025).

## APPENDIX A

### BLANKET ISSUER LETTER OF REPRESENTATIONS

#### The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

#### BLANKET ISSUER LETTER OF REPRESENTATIONS

(To be completed by Issuer and Co-Issuer(s), if applicable)

#### Alaska Municipal Bond Bank

(Name of Issuer and Co-Issuer(s), if applicable)

April 15, 2019

(Date)

The Depository Trust Company  
18301 Bermuda Green Drive  
Tampa, FL 33647  
Attention: Underwriting Department

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request to be made eligible for deposit by The Depository Trust Company ("DTC").

Issuer is: (Note: Issuer shall represent one and cross out the other.)

☐ (Incorporated in) ☐ (Formed under the laws of)

the State of Alaska

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

#### Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

Alaska Municipal Bond Bank

By: 

(Authorized Officer's Signature)

Deven Mitchell, Executive Director

(Print Name)

333 Willoughby Avenue, 11th Floor

(Street Address)

Juneau, Alaska USA 99811

(City)

(State)

(Country)

(Zip Code)

(907) 465-2388

(Phone Number)

deven.mitchell@alaska.gov

(E-mail)

**DTCC**

(Address)

BLOR 06-2013

## APPENDIX B

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

The Alaska Municipal Bond Bank (the “Issuer”) executes and delivers this Continuing Disclosure Certificate (the “Disclosure Certificate”) in connection with the issuance of \$\_\_\_\_\_ Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series One and \$\_\_\_\_\_ Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series Two (collectively, the “Bonds”). The Bonds are being issued under the General Bond Resolution of the Issuer entitled “A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof,” adopted July 13, 2005, as amended on August 19, 2009 (the “General Bond Resolution”), and Series Resolution No. 2024-02, adopted on December 10, 2024 (the “Series Resolution,” and together with the General Bond Resolution, the “Resolutions”). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. The Issuer is executing and delivering this Disclosure Certificate for the benefit of the Beneficial Owners of the Bonds, and to assist the Participating Underwriter in complying with Securities and Exchange Commission (“SEC”) Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the Issuer pursuant to, and as described in, Section 3 of this Disclosure Certificate.

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means the fiscal year of the Issuer (currently the 12-month period ending June 30), as such fiscal year may be changed from time to time as required by State law.

“MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Market Access (“EMMA”) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” means the final official statement dated \_\_\_\_\_, 2025 relating to the Bonds.

“Participating Underwriter” means any of the original underwriters of the Bonds of one or more series required to comply with the Rule in connection with the offering of the Bonds of one or more series.

“Rule” means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as amended from time to time.

Section 3. Provision of Annual Reports and Financial Statements. Commencing with its Annual Report for Fiscal Year ending June 30, 2024, the Issuer will provide to the MSRB, in a format as prescribed by the Rule:

(a) Not later than 210 days after the end of each Fiscal Year, an Annual Report for the Fiscal Year. The Annual Report shall contain or incorporate by reference: (i) annual audited financial statements of the Issuer; (ii) a statement of authorized, issued and outstanding bonded debt of the Issuer; (iii) the Reserve Fund balance; and (iv) financial and operating data of Governmental Units that had an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution of the type included in the Official Statement, if any, as of the end of the prior Fiscal Year. Any or all of these items may be included by specific reference to documents available to the public or the internet website of the MSRB or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference. The Annual Report may be submitted as a single document or as separate documents comprising a package, provided that audited financial statements may be submitted separately from the remainder of the Annual Report.

(b) Not later than 120 days after the end of each Fiscal Year, the Issuer will notify each Governmental Unit, that had, as of the end of such Fiscal Year, an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution, of its continuing disclosure undertaking responsibility. A list of such Governmental Units for the prior Fiscal Year will be included in the Annual Report. The Issuer undertakes no responsibility and shall incur no liability whatsoever to any person, including any holder or beneficial owner of the Bonds, in respect of any obligations or reports, notices or disclosures provided or required to be provided by such Governmental Unit under its continuing disclosure agreement.

Section 4. Notice of Failure to Provide Information. The Issuer shall provide in a timely manner to the MSRB notice of any failure to satisfy the requirements of Section 3 of this Disclosure Certificate.

Section 5. Reporting of Significant Events. (a) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds of one or more series, within ten (10) business days of the occurrence of such event:

- (1) Principal and interest payment delinquencies.
- (2) Unscheduled draws on debt service reserves reflecting financial difficulties.

- (3)     Unscheduled draws on credit enhancements reflecting financial difficulties.
- (4)     Substitution of credit or liquidity providers, or their failure to perform.
- (5)     Adverse tax opinions or the issuance by the Internal Revenue Service (“IRS”) of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB).
- (6)     Defeasances.
- (7)     Rating changes.
- (8)     Tender offers.
- (9)     Bankruptcy, insolvency, receivership or similar event of the Issuer.<sup>1</sup>
- (10)    Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b)     The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds of one or more series, within ten (10) business days of the occurrence of such event, if material:

- (1)     Unless described in Section 5(a)(5), other notices or determinations by the IRS with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds.
- (2)     Nonpayment-related defaults.
- (3)     Modifications to rights of holders of the Bonds.
- (4)     Bond calls.
- (5)     Release, substitution or sale of property securing repayment of the Bonds.
- (6)     The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an

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<sup>1</sup> Note: for the purposes of the event identified in subparagraph 5(a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.



action, or a termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(7) Appointment of a successor or additional trustee or the change in name of the trustee for the Bonds.

(8) Incurrence of a Financial Obligation of the Issuer, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Bonds.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, provided that the amendment meets each of the following conditions:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer;

(b) This Disclosure Certificate, as amended, would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances;

(c) The Issuer obtains an opinion of counsel unaffiliated with the Issuer that the amendment does not materially impair the interests of the Beneficial Owners of the Bonds; and

(d) The Issuer notifies and provides the MSRB with copies of the opinions and amendments.

Any such amendment may be adopted without the consent of any Beneficial Owner of any of the Bonds, notwithstanding any other provision of this Disclosure Certificate or the Resolutions.

The first Annual Report containing amended operating data or financial information pursuant to an amendment of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

Section 8. Filing. Any filing required under the terms of this Disclosure Certificate may be made solely by transmitting such filing to the Electronic Municipal Market Access as provided at <http://www.emma.msrb.org>, or in such other manner as may be permitted from time to time by the Securities Exchange Commission.

Section 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Beneficial Owner may take such actions as may be necessary and

appropriate, including an action to compel specific performance, to cause the Issuer to comply with its obligations under this Disclosure Certificate. No failure to comply with any provision of this Disclosure Certificate shall be deemed an Event of Default under the Resolutions, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel specific performance.

Section 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Trustee, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATED this \_\_\_\_ day of \_\_\_\_\_ 2025.

ALASKA MUNICIPAL BOND BANK

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RYAN S. WILLIAMS  
Executive Director

## APPENDIX C

### FORM OF

### LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of the \_\_\_\_ day of \_\_\_\_\_ 20\_\_ (the “Loan Agreement”), between the Alaska Municipal Bond Bank (the “Bank”), a body corporate and politic constituted as an instrumentality of the State of Alaska (the “State”) exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the “Act”), having its principal place of business at Juneau, Alaska, and the [City] [Borough] of \_\_\_\_\_, Alaska, a duly constituted \_\_\_\_\_ [city] [borough] of the State (the “[City] [Borough]”):

#### W I T N E S S E T H:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and make loans of money (the “Loan” or “Loans”) to governmental units; and

WHEREAS, the [City] [Borough] is a “Governmental Unit” as defined in the General Bond Resolution of the Bank hereinafter mentioned and is authorized to accept a Loan from the Bank, evidenced by its municipal bond; and

WHEREAS, the [City] [Borough] desires to borrow money from the Bank in the amount not to exceed \$ \_\_\_\_\_ to [describe purpose] (the “[Name of project] Project”) and has submitted an application to the Bank for a Loan in the amount not to exceed \$ \_\_\_\_\_ (the “[Name of project] Loan”) to pay a portion of the costs of the [Name of project] Project; and

WHEREAS, the [City] [Borough] has duly authorized the issuance of its fully registered [General Obligation/Revenue Bond], [year] Series [ ] in the principal amount of \$[PAR] (the “Municipal Bond”), which Municipal Bond is to be purchased by the Bank as evidence of and security for the [City’s] [Borough’s] obligation to repay the [Name of project] Loan in accordance with this Loan Agreement; and

WHEREAS, the application of the [City] [Borough] contains the information requested by the Bank; and

WHEREAS, to provide for the issuance of bonds of the Bank to obtain from time to time money with which to make and/or refinance Loans, the Board of Directors of the Bank (the “Board”) has adopted its General Obligation Bond Resolution on July 13, 2005, as amended (the “General Bond Resolution”); and

WHEREAS, the Board approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, on December 10, 2025 the Board adopted Series Resolution No. 2024-02 (the “Series Resolution” and together with the General Bond Resolution, the “Bond Resolution”), authorizing the Bank to, among other things, issue the Bank’s General Obligation and Refunding Bonds, 2025 Series One and the General Obligation and Refunding Bonds, 2025 Series Two (collectively, the “2025 Bonds”), make the [*Name of project*] Loan to the [City] [Borough] and purchase the [City’s] [Borough’s] Municipal Bond.

NOW, THEREFORE, the parties agree as follows:

1. The Bank hereby makes the [*Name of project*] Loan, and the [City] [Borough], hereby accepts the [*Name of project*] Loan in the principal amount of \$[PAR]. As evidence of the [*Name of project*] Loan made to the [City] [Borough] and such money borrowed from the Bank by the [City] [Borough], the [City] [Borough] hereby agrees to sell to the Bank the Municipal Bond in the principal amount, with the principal installment payments, and bearing interest from its date at the rate or rates per annum, stated in Exhibit A.

2. The [City] [Borough] represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including [Ordinance] [Resolution] No. \_\_\_\_\_, adopted on \_\_\_\_\_, 20\_\_ (the “[City] [Borough] [Ordinance] [Resolution]”). The [City] [Borough] further represents to the Bank that the [City] [Borough] has taken or will take all proceedings required by law to enable it to enter into this Loan Agreement and to issue its Municipal Bond to the Bank and that the Municipal Bond will constitute [a general obligation bond, secured by the full faith and credit] [a revenue bond, secured by a special and limited obligation] of the [City] [Borough], all duly authorized by the [City] [Borough] [Ordinance] [Resolution].

The [City] [Borough] represents that the [City] [Borough] [Resolution] [Ordinance] is in full force and effect and has not been amended, supplemented or otherwise modified, other than as may have been previously certified by the [City] [Borough] to the Bank.

3. Subject to any applicable legal limitations, the amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing interest due on its Municipal Bond (the “Municipal Bond Interest Payments”) shall be computed at the same rate or rates of interest borne by the corresponding maturities of the bonds sold by the Bank in order to obtain the money with which to make the [*Name of project*] Loan and to purchase the Municipal Bond (the “Loan Obligations”) and shall be paid by the [City] [Borough] [*for certain revenue obligations* - in monthly installments] at least seven (7) Business Days before the Interest Payment Date to provide funds sufficient to pay interest as the same becomes due on the Loan Obligations.

4. The amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing principal due on its Municipal Bond in amounts sufficient to pay the principal of the Loan Obligations as the same matures based upon the maturity schedule stated in Exhibit A (the “Municipal Bond Principal Payments”), shall be paid [*for certain revenue obligations* - in monthly installments on the dates and in amounts sufficient] at least seven (7) Business Days before the payment date stated in the Municipal Bond.

5. In the event the amounts referred to in Sections 3 and 4 hereof to be paid by the [City] [Borough] pursuant to this Loan Agreement are not made available at any time specified herein, the [City] [Borough] agrees that any money payable to it by any department or agency of the State may be withheld from it and paid over directly to the Trustee acting under the General Bond Resolution, and this Loan Agreement shall be full warrant, authority and direction to make such payment upon notice to such department or agency by the Bank, with a copy provided to the [City] [Borough], as provided in the Act.

6. In the event that all or a portion of the Loan Obligations have been refunded and the interest rates the Bank is required to pay on its refunding bonds in any year are less than the interest rates payable by the [City] [Borough] on the Municipal Bond for the corresponding year pursuant to the terms of the Municipal Bond, then both the Municipal Bond Interest Payments and the Municipal Bond Principal Payments will be adjusted in such a manner that (i) the interest rate paid by the [City] [Borough] on any principal installment of the Municipal Bond is equal to the interest rate paid by the Bank on the corresponding principal installment of the Bank's refunding bonds and (ii) on a present value basis the sum of the adjusted Municipal Bond Interest Payments and Municipal Bond Principal Payments is equal to or less than the sum of the Municipal Bond Interest Payments and Municipal Bond Principal Payments due over the remaining term of the Municipal Bond as previously established under this Loan Agreement. In the event of such a refunding of the Loan Obligations, the Bank shall present to the [City] [Borough] for the [City's] [Borough's] approval, a revised schedule of principal installment amounts and interest rates for the Municipal Bond. If approved by the [City] [Borough] the revised schedule shall be attached hereto as Exhibit A and incorporated herein in replacement of the previous Exhibit A detailing said principal installment amounts and interest rates.

7. The [City] [Borough] is obligated to pay to the Bank Fees and Charges. Such Fees and Charges actually collected from the [City] [Borough] shall be in an amount sufficient, together with the [City's] [Borough's] Allocable Proportion (as defined below) of other money available therefor under the provisions of the Bond Resolution, and other money available therefor, including any specific grants made by the United States of America or any agency or instrumentality thereof or by the State or any agency or instrumentality thereof and amounts applied therefor from amounts transferred to the Operating Fund pursuant to Section 606 of the General Bond Resolution:

(a) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the Administrative Expenses of the Bank; and

(b) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the fees and expenses of the Trustee and paying agent for the Loan Obligations.

The [City's] [Borough's] Allocable Proportion as used herein shall mean the proportionate amount of the total requirement in respect to which the term is used determined by the ratio that the principal amount of the Municipal Bond outstanding bears to the total of all Loans then outstanding to all Governmental Units under the General Bond Resolution, as certified by the Bank. The waiver by the Bank of any fees payable pursuant to this Section 7 shall not constitute a subsequent waiver thereof.

8. The [City] [Borough] is obligated to make the Municipal Bond Principal Payments scheduled by the Bank. The first such Municipal Bond Principal Payment is due at least seven (7) Business Days prior to each date indicated in Exhibit A, and thereafter on the anniversary thereof each year. The [City] [Borough] is obligated to make the Municipal Bond Interest Payments scheduled by the Bank on a semi-annual basis commencing seven (7) Business Days prior to each date indicated in Exhibit A, and to pay any Fees and Charges imposed by the Bank within 30 days after receiving the invoice of the Bank therefor.

9. The Bank shall not sell and the [City] [Borough] shall not redeem prior to maturity any portion of the [City's] [Borough's] Municipal Bond in an amount greater than the related Loan Obligations which are then outstanding and which are then redeemable, and in the event of any such sale or redemption, the same shall be in an amount not less than the aggregate of (i) the principal amount of the Municipal Bond (or portion thereof) to be redeemed, (ii) the interest to accrue on the Municipal Bond (or portion thereof) to be redeemed to the next redemption date thereof not previously paid, (iii) the premium, if any, payable on the Municipal Bond (or portion thereof) to be redeemed, and (iv) the cost and expenses of the Bank in effecting the redemption of the Municipal Bond (or portion thereof) to be redeemed. The [City] [Borough] shall give the Bank at least 50 days' prior written notice of the [City's] [Borough's] intention to redeem its Municipal Bond.

In the event that the Loan Obligations with respect to which the sale or redemption prior to maturity of such Municipal Bond is being made have been refunded and the refunding bonds of the Bank issued for the purpose of refunding such Loan Obligations were issued in a principal amount in excess of or less than the principal amount of the Municipal Bond remaining unpaid at the date of issuance of such refunding bonds, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (i) above shall be the principal amount of such refunding bonds outstanding.

In the event that all or a portion of the Loan Obligations have been refunded and the interest the Bank is required to pay on the refunding bonds is less than the interest the Bank was required to pay on the Loan Obligations, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (ii) above shall be the amount of interest to accrue on such refunding bonds outstanding.

In the event that all or a portion of the Loan Obligations have been refunded, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (iii) above, when the refunded Loan Obligations or portion thereof are redeemed, shall be the premium, if any, on the Loan Obligations to be redeemed.

Nothing in this Section shall be construed as preventing the [City] [Borough] from refunding the Municipal Bond in exchange for a new Municipal Bond in conjunction with a refunding of all or a portion of the Loan Obligations.

10. Simultaneously with the delivery of the Municipal Bond to the Bank, the [City] [Borough] shall furnish to the Bank evidence satisfactory to the Bank which shall set forth, among other things, that the Municipal Bond will constitute a valid and binding [general obligation]

[special and limited obligation] of the [City] [Borough], secured by the [full faith and credit] [revenue of the \_\_\_\_\_] of the [City] [Borough].

11. Invoices for payments under this Loan Agreement shall be addressed to the [City] [Borough], Attention: \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, Alaska 99\_\_\_\_. The [City] [Borough] shall give the Bank and the corporate trust office of the Trustee under the General Bond Resolution at least 30 days' prior written notice of any change in such address.

12. [The [City] [Borough] hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to \$ \_\_\_\_\_) which secures payment of principal and interest on its Municipal Bond, that such fund shall be held in the name of the [City] [Borough] with the Trustee, and that the yield on amounts held in such fund shall be restricted to a yield not in excess of \_\_\_\_\_ percent.  
**(Applies to revenue bonds only.)]**

13. **[Rate covenant and other covenant language – if applicable.]**

14. The [City] [Borough] hereby agrees to keep and retain, until the date six years after the retirement of the Municipal Bond, or any bond issued to refund the Municipal Bond, or such longer period as may be required by the [City's] [Borough's] record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The [City] [Borough] agrees that all records required by the preceding sentence shall be made available to the Bank upon request.

15. Prior to payment of the amount of the [*Name of project*] Loan or any portion thereof, and the delivery of the Municipal Bond to the Bank or its designee, the Bank shall have the right to cancel all or any part of its obligations hereunder if:

(a) Any representation, warranty or other statement made by the [City] [Borough] to the Bank in connection with its application to the Bank for a Loan shall be incorrect or incomplete in any material respect.

(b) The [City] [Borough] has violated commitments made by it in the terms of this Loan Agreement.

(c) The financial position of the [City] [Borough] has, in the opinion of the Bank, suffered a materially adverse change between the date of this Loan Agreement and the scheduled time of delivery of the Municipal Bond to the Bank.

16. The obligation of the Bank under this Loan Agreement is contingent upon delivery of its General Obligation and Refunding Bonds, 2025 Series [\_\_\_\_] and receipt of the proceeds thereof.

17. The [City] [Borough] agrees that it will provide the Bank with written notice of any default in covenants under the [City] [Borough] [Ordinance] [Resolution] within thirty (30) days after the date thereof.

18. The [City] [Borough] agrees that it shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on the Municipal Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such Municipal Bond is subject on the date of original issuance thereof.

[The [City] [Borough] shall not permit any of the proceeds of the Municipal Bond, or any facilities financed with such proceeds, to be used in any manner that would cause the Municipal Bond to constitute a “private activity bond” within the meaning of Section 141 of the Code.]

The [City] [Borough] shall make no use or investment of the proceeds of the Municipal Bond that will cause the Municipal Bond to be an “arbitrage bond” under Section 148 of the Code. So long as the Municipal Bond is outstanding, the [City] [Borough], shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect.

The [City] [Borough] shall, to the extent permitted by law, indemnify and hold harmless the Bank (a) for any reasonable costs or expenses of the Bank arising from (i) an audit of the Municipal Bond, (ii) an audit of the 2025 Bonds arising from or in any way related to the issuance or use of proceeds of, or any other matter relating to, the Municipal Bond, or (iii) any determination by the Internal Revenue Service that the interest on the Municipal Bond or the 2025 Bonds shall be subject to federal income taxation as a result of any finding by the Internal Revenue Service with respect to the Municipal Bond and (b) from any obligation of the [City] [Borough] to make rebate payments to the United States under said Section 148 arising from the [City’s] [Borough’s] use or investment of the proceeds of the Municipal Bond.

The Bank agrees to give prompt written notice to the [City] [Borough] of any communication received by the Bank from a representative of the Internal Revenue Service regarding the federal tax-exempt status of interest on the 2025 Bonds affecting the Municipal Bond, including any such communication indicating the possible commencement of an examination or audit of the 2025 Bonds affecting the Municipal Bond by the Internal Revenue Service. The [City] [Borough] agrees to give prompt written notice to the Bank of any communication received by the [City] [Borough] from a representative of the Internal Revenue Service regarding the federal tax-exempt status of interest on the Municipal Bond, including any such communication indicating the possible commencement of an examination or audit of the Municipal Bond by the Internal Revenue Service, and that the Bank shall be permitted to participate in any such audit, examination or related proceeding in a manner satisfactory to the Bank.

Each of the Bank and the [City] [Borough] further agree that it will consult with, and cooperate with, the other party, at the expense of the [City] [Borough], in connection with any such audit, examination or related proceeding as set forth in this Section 18.



19. Upon request of the Bank, the [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purposes of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.

20. The [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide to the Bank for inclusion in future official statements of the Bank and the Bank's annual reports, to the extent required by the Bank's continuing disclosure undertakings, financial and operating information of the [City] [Borough] of the type and in the form requested by the Bank.

21. If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

22. This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments, and take such other actions as are necessary, to give effect to the terms of this Loan Agreement.

23. No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other term or condition hereof, nor shall a waiver of any breach of this Loan Agreement be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

24. In this Loan Agreement, unless otherwise defined herein, all capitalized terms which are defined in Article I of the General Bond Resolution shall have the same meanings, respectively, as such terms are given in Article I of the General Bond Resolution [and if not defined herein or in Article I of the General Bond Resolution, shall have the meanings given to them in Exhibit B hereto.].

25. This Loan Agreement shall remain in full force and effect so long as the Municipal Bond remains outstanding.

26. This Loan Agreement merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire agreement between the parties hereto in respect thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

ALASKA MUNICIPAL BOND BANK

By: .....  
RYAN S. WILLIAMS  
Executive Director

[CITY] [BOROUGH] OF [ ], ALASKA

By: .....

Its: .....

## EXHIBIT A

\$[PAR]  
[City] [Borough], Alaska  
[General Obligation] [Revenue] Bond, 20\_\_  
(the "Municipal Bond")

Due (_____ 1)	Principal <u>Amount</u>	Interest <u>Rate</u>
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Principal installments shall be payable on \_\_\_\_\_ 1 in each of the years, and in the amounts set forth above. Interest on the Municipal Bond shall be payable on \_\_\_\_\_ 1, 20\_\_, and thereafter on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year.

[Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.]

Optional Prepayment: The Municipal Bond principal installments due on or after \_\_\_\_\_ 1, 20\_\_ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after \_\_\_\_\_ 1, 20\_\_, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

**[EXHIBIT B**

Additional Defined Terms]

**FORM OF  
AMENDATORY LOAN AGREEMENT**

THIS AMENDATORY LOAN AGREEMENT, dated as of the [ ] day of [ ] 20[ ] (the "Amendatory Loan Agreement"), between the Alaska Municipal Bond Bank (the "Bank"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and [ ], Alaska, a duly constituted \_\_\_\_\_ of the State (the "[City] [Borough]"):

WITNESSETH:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and loan money (the "Loans") to governmental units; and

WHEREAS, the [City] [Borough] is a "Governmental Unit" as defined in the General Bond Resolution of the Bank hereinafter mentioned and is authorized to accept a Loan from the Bank, evidenced by its municipal bond; and

WHEREAS, to provide for the issuance of bonds of the Bank to obtain from time to time money with which to make, and or to refinance, municipal Loans, the Board of Directors of the Bank (the "Board") adopted its General Obligation Bond Resolution on July 13, 2005 (as amended, the "General Bond Resolution"); and

WHEREAS, the Board approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, the Bank made a Loan to the [City] [Borough] from proceeds of the Bank's \_\_\_\_\_ Bonds, \_\_\_\_\_ Series \_\_\_\_ (the "\_\_\_\_\_ Series \_\_\_\_ Bonds") in the amount of \$ \_\_\_\_\_, evidenced by a Loan Agreement, dated \_\_\_\_\_ [ ], \_\_\_\_\_ (the "[ ] Loan Agreement"), between the Bank and the [City] [Borough]; and

WHEREAS, the Bank's \_\_\_\_\_ Series \_\_\_\_ Bonds were issued pursuant to the terms of the Bank's General Bond Resolution, as amended and supplemented by a Series Resolution; and

WHEREAS, as security for repayment of the Loan and as provided in the [ ] Loan Agreement, the [City] [Borough] issued its \_\_\_\_\_ Bond, \_\_\_\_\_ Series \_\_, dated \_\_\_\_\_, \_\_\_\_\_ (the "[ ] Municipal Bond"), of which the Bank is the registered owner; and

WHEREAS, the Bank has determined that refunding a portion of the outstanding \_\_\_\_\_ Series \_\_\_\_ Bonds will result in a debt service savings thereon and on the [ ] Municipal Bond; and

WHEREAS, on December 10, 2024, the Board adopted Series Resolution No. 2024-02 (the “2024 Series Resolution” and, together with the General Bond Resolution, the “Bond Resolution”) authorizing, among other things, the issuance of its General Obligation and Refunding Bonds, 2024 Series One and its General Obligation and Refunding Bonds, 2024 Series Two (collectively, the “Refunding Bonds”), in part to refund a portion of the \_\_\_\_ Series \_\_ Bonds; and

WHEREAS, to effect the proposed refunding and resulting debt service savings on the \_\_\_\_ Series \_\_ Bonds and the [\_\_\_\_] Municipal Bond, and to conform the terms of the [\_\_\_\_] Loan Agreement to the current practices of the Bank, it is necessary to amend the terms of the [\_\_\_\_] Loan Agreement and to provide for the issuance by the [City][Borough] to the Bank of the [City’s][Borough’s] \_\_\_\_\_ Bond (the “\_\_\_\_ Municipal Bonds” and together with the \_\_\_\_\_ Municipal Bond, the “Municipal Bond”) and for the refunding of the [City’s][Borough’s] Municipal Bond as provided herein.

NOW, THEREFORE, the parties agree as follows:

1. The Bank will refund a portion of the outstanding \_\_\_\_ Series \_\_ Bonds as provided in the 2024 Series Resolution. The amounts of the principal installments of the [\_\_\_\_] Municipal Bond corresponding to the refunded maturities of the \_\_\_\_ Series \_\_ Bonds, and the interest payable thereon, shall be adjusted pro rata in accordance with the debt service payable on the Refunding Bonds, as set forth in the \_\_\_\_ Municipal Bond delivered to the Bank in exchange for the \_\_\_\_ Municipal Bond. The \_\_\_\_ Municipal Bond[, together with the replacement [\_\_\_\_] Municipal Bond delivered in exchange for the original [\_\_\_\_] Municipal Bond], shall mature in the principal amounts and bear interest at the rates per annum as stated on Exhibit A appended hereto.

2. Section 2 of the \_\_\_\_\_ Loan Agreement is amended [to include the following paragraph][by replacing the current language with the following:

The [City] [Borough] represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including [Ordinance] [Resolution] No. \_\_\_\_\_, adopted on \_\_\_\_\_, 20\_\_ (the “[City] [Borough] Refunding [Ordinance] [Resolution]” and together with the [City’s][Borough’s] \_\_\_\_\_ [Resolution][Ordinance], the “[City’s][Borough’s] [Resolution][Ordinance]”), and has taken or will take all proceedings required by law to enable it to enter into this Amendatory Loan Agreement and to issue its \_\_\_\_ Municipal Bond to the Bank and that the \_\_\_\_ Municipal Bond will constitute [a general obligation bond, secured by the full faith and credit] [a revenue bond, a special and limited obligation] of the [City] [Borough], all duly authorized by the [City] [Borough] Refunding [Ordinance] [Resolution].

3. The \_\_\_\_ Municipal Bond shall be subject to optional prepayment prior to maturity on and after the same date, and on the same terms as the Refunding Bonds may be subject to optional redemption as set forth in Appendix A.

4. [\_\_\_\_] of the \_\_\_\_ Loan Agreement is amended to include the following paragraph:

The [City][Borough] represents that the [City's][Borough's] [Resolution][Ordinance] is in full force and effect and has not been amended, supplemented or otherwise modified, other than by the [City][Borough] Refunding [Resolution][Ordinance] and as previously certified by the [City][Borough] to the Bank.

5. [Section [ ] of the \_\_\_\_\_ Loan Agreement is amended by replacing the current language with the following:

The [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide to the Bank for inclusion in future official statements of the Bank and the Bank's annual reports, to the extent required by the Bank's continuing disclosure undertakings, financial and operating information of the City of the type and in the form requested by the Bank.

The [City] [Borough] further agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purpose of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.]

[6. A new Section \_\_ is added to the Loan Agreement, as follows:

The [City] [Borough] hereby agrees to keep and retain, until the date six years after the retirement of the \_\_\_\_\_ Municipal Bond, or any bond issued to refund the \_\_\_\_\_ Municipal Bond, or such longer period as may be required by the [City's] [Borough's] record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its \_\_\_\_\_ Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The [City] [Borough] agrees that all records required by the preceding sentence shall be made available to the Bank upon request.]

[7. A new Section \_\_ is added to the \_\_\_\_\_ Loan Agreement, as follows:

The [City] [Borough] hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to \$ \_\_\_\_\_) which secures payment of principal and interest on its Municipal Bond, and that such fund shall be held in the name of the [City] [Borough] with the Trustee. The [City] [Borough] further agrees that the yield on amounts held in such debt service reserve account shall be restricted to a yield not in excess of \_\_\_\_\_ percent.]

8. Section [ ] of the [ ] Loan Agreement is amended by replacing the current language with the following:

18. The [City] [Borough] agrees that it shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on the Municipal Bond

to become subject to federal income taxes in addition to federal income taxes to which interest on such Municipal Bond is subject on the date of original issuance thereof.

[The [City] [Borough] shall not permit any of the proceeds of the Municipal Bond, or any facilities financed with such proceeds, to be used in any manner that would cause the Municipal Bond to constitute a “private activity bond” within the meaning of Section 141 of the Code.]

The [City] [Borough] shall make no use or investment of the proceeds of the Municipal Bond that will cause the Municipal Bond to be an “arbitrage bond” under Section 148 of the Code. So long as the Municipal Bond is outstanding, the [City] [Borough], shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect.

The [City] [Borough] shall, to the extent permitted by law, indemnify and hold harmless the Bank (a) for any reasonable costs or expenses of the Bank arising from (i) an audit of the Municipal Bond, (ii) an audit of the 2024 Bonds arising from or in any way related to the issuance or use of proceeds of, or any other matter relating to, the Municipal Bond, or (iii) any determination by the Internal Revenue Service that the interest on the Municipal Bond or the 2024 Bonds shall be subject to federal income taxation as a result of any finding by the Internal Revenue Service with respect to the Municipal Bond and (b) from any obligation of the [City] [Borough] to make rebate payments to the United States under said Section 148 arising from the [City’s] [Borough’s] use or investment of the proceeds of the Municipal Bond.

The Bank agrees to give prompt written notice to the [City] [Borough] of any communication received by the Bank from a representative of the Internal Revenue Service regarding the federal tax-exempt status of interest on the 2024 Bonds affecting the Municipal Bond, including any such communication indicating the possible commencement of an examination or audit of the 2024 Bonds affecting the Municipal Bond by the Internal Revenue Service. The [City] [Borough] agrees to give prompt written notice to the Bank of any communication received by the [City] [Borough] from a representative of the Internal Revenue Service regarding the federal tax-exempt status of interest on the Municipal Bond, including any such communication indicating the possible commencement of an examination or audit of the Municipal Bond by the Internal Revenue Service, and that the Bank shall be permitted to participate in any such audit, examination or related proceeding in a manner satisfactory to the Bank.

Each of the Bank and the [City] [Borough] further agree that it will consult with, and cooperate with, the other party, at the expense of the [City] [Borough],.

9. A new Section \_\_ is added to the \_\_\_\_ Loan Agreement, as follows:

(a) The [City] [Borough] hereby certifies that all \_\_\_\_ Municipal Bond proceeds, except for those proceeds that are accounted for as transferred proceeds in the arbitrage certificate for its \_\_\_\_ Municipal Bond, have been expended prior to the date hereof.



(b) The [City] [Borough] hereby certifies that to date all required rebate calculations relating to the \_\_\_\_ Municipal Bond have been timely performed and the [City] [Borough] has remitted any necessary amount(s) to the Internal Revenue Service.

(c) The [City] [Borough] hereby certifies that (i) the \_\_\_\_ Municipal Bond was issued exclusively for new money purposes; and (ii) the \_\_\_\_ Municipal Bond has not previously been used to directly or indirectly advance refund a prior issue of any municipal bonds of the [City][Borough].]

10. A new Section \_\_ is added to the \_\_\_\_ Loan Agreement, as follows:

Except as heretofore amended and as amended hereby, the Loan Agreement will remain in full force and effect so long as the \_\_\_\_ Municipal Bond remains outstanding.

IN WITNESS WHEREOF, the parties hereto have executed this Amendatory Loan Agreement as of the date first set forth above.

ALASKA MUNICIPAL BOND BANK

By: \_\_\_\_\_  
RYAN S. SPARKS  
Executive Director

[CITY] [BOROUGH], ALASKA

By: \_\_\_\_\_  
\_\_\_\_\_  
Its: \_\_\_\_\_

## EXHIBIT A

\_\_\_\_\_, \_\_\_\_\_, Alaska  
\_\_\_\_\_, \_\_\_\_\_ Series \_\_, As Amended on \_\_\_\_\_, 20\_\_

Principal Sum of \$ \_\_\_\_\_

Principal Payment Date  
(\_\_\_\_\_ 1, 20\_\_)

Principal  
Amount

Interest  
Rate

Principal installments shall be payable on \_\_\_\_\_ 1 in each of the years, and in the amounts set forth above. Interest on the \_\_\_\_\_ Municipal Bond shall be payable on \_\_\_\_\_ 1, 20\_\_, and thereafter on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year.

[Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.]

Optional Prepayment: The Municipal Bond principal installments due on or after \_\_\_\_\_ 1, 20\_\_ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after \_\_\_\_\_ 1, 20\_\_, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

[\_\_\_\_\_, \_\_\_\_\_, Alaska  
\_\_\_\_\_, \_\_\_\_\_ Series \_\_, As Amended on \_\_\_\_\_, 20\_\_

Principal Sum of \$ \_\_\_\_\_

Principal Payment Date  
(\_\_\_\_\_ 1, 20\_\_)

Principal  
Amount

Interest  
Rate

Principal installments shall be payable on \_\_\_\_\_ 1 in each of the years, and in the amounts set forth above. Interest on the \_\_\_\_\_ Municipal Bond shall be payable on \_\_\_\_\_ 1, 20\_\_, and thereafter on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year.

[Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.]

Optional Prepayment: The Municipal Bond principal installments due on or after \_\_\_\_\_ 1, 20\_\_ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any

date on or after \_\_\_\_\_ 1, 20\_\_, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.]

**ALASKA MUNICIPAL BOND BANK**  
**GENERAL OBLIGATION BONDS, 2025 SERIES ONE AND TWO**  
*Financing Schedule*  
*(As of 12/1/2024)*

OCTOBER							NOVEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5						1	2	1	2	3	4	5	6	7
6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14
13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21
20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
27	28	29	30	31			24	25	26	27	28	29	30	29	30	31				

JANUARY							FEBRUARY							MARCH						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4							1							1
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22
26	27	28	29	30	31		23	24	25	26	27	28		23	24	25	26	27	28	29
														30	31					

Responsible Party	Code
▪ AMBBA Staff .....	Staff
▪ Bond Counsel – Orrick .....	BC
▪ Financial Advisor – PFM .....	FA
▪ Underwriters – RBC .....	UW
▪ Underwriters Counsel – Hawkins .....	UWC
▪ Trustee – Bank of New York Mellon.....	Trustee
▪ Rating Agencies – Moody's/S&P/Kroll .....	RAs
▪ Working Group – Staff, BC, FA, UWs, UWC, Trustee.....	WG

Date	Activity	Responsible Party
11/20	Initial Finance Team Kickoff Call	WG
11/27	Distribute 1 <sup>st</sup> Draft Bond Resolution	BC
11/28	<i>Thanksgiving Day</i>	
12/2	Comments to 1 <sup>st</sup> Draft Bond Resolution	WG
12/3	Distribute 1st Draft of POS	BC
12/3	Distribute 2 <sup>nd</sup> Draft of Bond Resolution For Sign-Off	BC
12/3	Comments to 2 <sup>nd</sup> Draft Bond Resolution	WG
12/4	Circulate Form of POS and Bond Resolution to Board members	Staff
12/10	AMBB Board Meeting for Borrower Approval and Resolution Adoption (3:00 pm AKT)	Staff, BC, FA
Wk of 12/16	Kick-off Call With Borrowers (to be scheduled)	Staff, BC, FA
12/20	Comments to 1 <sup>st</sup> Draft POS	WG
12/25	<i>Christmas Day</i>	
1/1	<i>New Year's Day</i>	
1/7	Distribute 2 <sup>nd</sup> Draft POS	BC
1/8	Draft Rating Presentation Circulated	FA

Date	Activity	Responsible Party
1/16	2 <sup>nd</sup> Draft Rating Presentation Circulated	FA
1/17	Comments to 2 <sup>nd</sup> Draft POS	WG
Wk of 1/20	Ratings Call (to be scheduled)	Staff, FA
1/20	<i>Martin Luther King Jr. Day</i>	
1/27	Distribute 3 <sup>rd</sup> Draft POS	BC
2/5	Comments to 3 <sup>rd</sup> Draft POS	WG
Wk of 2/10	Due Diligence Call (to be scheduled)	WG
2/10	Ratings Confirmed	Staff, FA
2/11	Distribute final POS for sign-off	BC
2/13	Post POS	UWC, UWs
2/17	<i>Presidents' Day</i>	
2/24	Pre-Pricing Call (to be scheduled)	WG
2/25	Pricing	WG
2/26	Distribute Draft FOS	BC
2/28	Comments Due on draft FOS	WG
3/3	Post FOS	UWC, UWs
3/10	Pre-Closing	WG
3/11	Final Closing	WG



**ALASKA MUNICIPAL BOND BANK**  
**General Obligation Bonds, 2025 Series One and Two**  
**Distribution List**  
**(As of 12/1/2024)**

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**ISSUER**

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Ryan Williams, *Executive Director* ..... Tel: (907) 465-2893  
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**TRUSTEE**

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This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

**NEW ISSUE  
BOOK-ENTRY ONLY**

**MOODY'S RATING:** ☐  
**S&P GLOBAL RATING:** ☐  
**KBRA RATING:** ☐  
(See "RATINGS")

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Bond Bank, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2025 Series One and Two Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion is expressed as to the status of interest on any 2025 Series Two Bonds for any period that such 2025 Series Two Bond is held by a "substantial user" of the facilities financed by the 2025 Series Two Bonds or by a "related person" within the meaning of Section 147(a) of the Code. In the further opinion of Bond Counsel, interest on the 2025 Series One Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the 2025 Series Two Bonds is a specific preference item for purposes of the federal individual alternative minimum tax, and interest on the 2025 Series One and Two Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel also is of the opinion based upon existing laws of the State of Alaska that interest on the 2025 Series One and Two Bonds is exempt from taxation by the State of Alaska except for transfer, inheritance, and estate taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the 2025 Series One and Two Bonds. See "TAX MATTERS."*



<b>ALASKA MUNICIPAL BOND BANK</b>	<b>ALASKA MUNICIPAL BOND BANK</b>
\$[_____]*	\$[_____]*
<b>GENERAL OBLIGATION AND REFUNDING BONDS, 2025 SERIES ONE (NON-AMT)</b>	<b>GENERAL OBLIGATION AND REFUNDING BONDS, 2025 SERIES TWO (AMT)</b>

**Dated: Date of Delivery**

**Due: December 1, as shown on inside cover pages**

The Alaska Municipal Bond Bank (the "Bond Bank") is issuing \$[\_\_\_\_\_] aggregate principal amount of its General Obligation and Refunding Bonds, 2025 Series One (Non-AMT) (the "2025 Series One Bonds"), and \$[\_\_\_\_\_] aggregate principal amount of its General Obligation Refunding Bonds, 2025 Series Two (AMT) (the "2025 Series Two Bonds," and together with the 2025 Series One Bonds, the "2025 Series One and Two Bonds"). The 2025 Series One and Two Bonds initially will be issued as fully registered bonds, in book-entry form only, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will serve as depository for the 2025 Series One and Two Bonds. Individual purchases of the 2025 Series One and Two Bonds will be made in principal amounts of \$5,000 or integral multiples thereof within a series and maturity. Purchasers of the 2025 Series One and Two Bonds will not receive certificates representing their beneficial ownership interests in the 2025 Series One and Two Bonds. Interest on the 2025 Series One and Two Bonds will accrue from the date of delivery of the 2025 Series One and Two Bonds, or from the most recent interest payment date to which interest has been paid or provided for, and is payable on each June 1 and December 1, commencing [June 1, 2025].

The Bank of New York Mellon Trust Company, N.A., of San Francisco, California, as the Trustee and Paying Agent for the 2025 Series One and Two Bonds, will make principal and interest payments to DTC as the registered owner of the 2025 Series One and Two Bonds. Disbursement of such payments to DTC Participants is the responsibility of DTC. Disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants. See "DESCRIPTION OF THE 2025 SERIES ONE AND TWO BONDS" and Appendix H – "DTC AND ITS BOOK-ENTRY SYSTEM."

The 2025 Series One and Two Bonds are not subject to redemption prior to their stated maturity dates. See "DESCRIPTION OF THE 2025 SERIES ONE AND TWO BONDS."

The 2025 Series One and Two Bonds will be issued under the General Obligation Bond Resolution, adopted by the Board of Directors of the Bond Bank on July 13, 2005 (as amended on August 19, 2009, the "2005 General Bond Resolution"), as supplemented by Series Resolution No. 2024-02, adopted on December 10, 2024 (the "Bond Resolution," and together with the 2005 General Bond Resolution, the "Resolutions"). The 2025 Series One and Two Bonds are direct and general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged to the payment of the principal of and interest on the 2025 Series One and Two Bonds, subject to any agreements made with the holders of any other notes or bonds of the Bond Bank pledging any particular revenues or assets not pledged under the 2005 General Bond Resolution. The 2025 Series One and Two Bonds are equally and ratably secured by the pledge and assignment of all Municipal Bonds acquired by the Bond Bank under the 2005 General Bond Resolution on a parity with other Bonds of the Bond Bank issued under the 2005 General Bond Resolution. The 2025 Series One and Two Bonds are the 55<sup>th</sup> and 56<sup>th</sup> Series, respectively, of Bonds issued under the 2005 General Bond Resolution.

**The 2025 Series One and Two Bonds are payable solely from the sources provided in the 2005 General Bond Resolution and the Bond Resolution described herein. The 2025 Series One and Two Bonds do not constitute a debt or other liability of the State of Alaska, and the 2025 Series One and Two Bonds do not directly, indirectly, or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2025 Series One and Two Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2025 Series One and Two Bonds. The Bond Bank has no taxing power.**

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

*The 2025 Series One and Two Bonds are offered when, as, and if issued, subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Bond Bank. Certain legal matters will be passed upon for the Governmental Unit by its bond counsel. Certain legal matters will be passed upon for the Underwriter by its special counsel, Hawkins Delafield & Wood LLP. Certain legal matters will be passed upon by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the Bond Bank. It is expected that the 2025 Series One and Two Bonds in definitive form will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York, on or about \_\_\_\_\_, 2025.*

**RBC Capital Markets**

\_\_\_\_\_, 2025

\* Preliminary, subject to change.

**ALASKA MUNICIPAL BOND BANK**

**\$[\_\_\_\_\_] \* GENERAL OBLIGATION AND REFUNDING BONDS,  
2025 SERIES ONE (NON-AMT)**

**MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND PRICES**

**(Base CUSIP No.† 01179R)**

<u>Due</u> <u>(December 1)*</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.†</u>
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[\$[\_\_\_\_\_] \* \_\_\_\_ % Term Bonds due December 1, 20\_\_ \* Yield \_\_\_\_ % Price \_\_\_\_  
CUSIP No.†: 01179R\_\_]

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**ALASKA MUNICIPAL BOND BANK**

**\$[\_\_\_\_\_] \* GENERAL OBLIGATION AND REFUNDING BONDS,  
2025 SERIES TWO (AMT)**

**MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND PRICES**

**(Base CUSIP No.† 01179R)**

<u>Due</u> <u>(December 1)*</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.†</u>
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[\$[\_\_\_\_\_] \* \_\_\_\_ % Term Bonds due December 1, 20\_\_ \* Yield \_\_\_\_ % Price \_\_\_\_  
CUSIP No.†: 01179R\_\_]

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No dealer, broker, salesperson, or other person has been authorized by the Bond Bank or the Underwriter to give any information or to make any representations with respect to the 2025 Series One and Two Bonds other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the Bond Bank or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of, the 2025 Series One and Two Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made by use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the Bond Bank since the date hereof.

Information on website addresses set forth in this Official Statement is not incorporated into this Official Statement and cannot be relied upon to be accurate as of the date of this Official Statement, nor should any such information be relied upon in making investment decisions regarding the 2025 Series One and Two Bonds.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The 2025 Series One and Two Bonds have not been registered under the Securities Act of 1933, as amended, and the Resolutions have not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such acts. The 2025 Series One and Two Bonds have not been recommended by any federal or state securities commission or regulatory authority. The foregoing authorities have not confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary may be a criminal offense.

Certain statements contained in this Official Statement reflect not historical facts but forecasts and “forward-looking statements.” The words “estimate,” “project,” “anticipate,” “expect,” “intend,” “believe,” “plan,” “budget,” “forecast,” “assume,” and similar expressions are intended to identify forward-looking statements. The achievement of certain results or other expectations contained in forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause actual results, performance, or achievements described to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Forward-looking statements are based upon underlying assumptions, many of which in turn are based upon further assumptions. No assurance can be given that the future results or plans discussed herein will be achieved, and actual results may differ, perhaps materially, from the plans, budgets, assumptions, forecasts, and projections described herein. Except for the historical information described in the continuing disclosure undertaking of the Bond Bank, the Bond Bank does not plan to issue any updates or revisions to any forward-looking statements contained herein. See “CONTINUING DISCLOSURE UNDERTAKINGS.”

For a discussion of certain risks associated with an investment in the 2025 Series One and Two Bonds, see “CERTAIN BONDOWNERS’ RISKS.”

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\* The Bond Bank's website is not part of this Official Statement, and investors should not rely on information presented in the Bond Bank's website in determining whether to purchase the 2025 Series One and Two Bonds. This inactive textual reference to the Bond Bank's website is not a hyperlink and does not incorporate the Bond Bank's website by reference.

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## **OFFICIAL STATEMENT**

**Relating to**

### **ALASKA MUNICIPAL BOND BANK**

**[\$\_\_\_\_\_] \* GENERAL OBLIGATION AND REFUNDING BONDS,  
2025 SERIES ONE (NON-AMT)**

**[\$\_\_\_\_\_] \* GENERAL OBLIGATION AND REFUNDING BONDS,  
2025 SERIES TWO (AMT)**

## **INTRODUCTION**

### **General**

This Official Statement is furnished by the Alaska Municipal Bond Bank (the “Bond Bank”) in connection with the sale of \$[\_\_\_\_\_] \* aggregate principal amount of its General Obligation and Refunding Bonds, 2025 Series One (Non-AMT) (the “2025 Series One Bonds”), and \$[\_\_\_\_\_] \* aggregate principal amount of its General Obligation and Refunding Bonds, 2025 Series Two (AMT) (the “2025 Series Two Bonds,” and together with the 2025 Series One Bonds, the “2025 Series One and Two Bonds”). See “PURPOSE OF THE 2025 SERIES ONE AND TWO BONDS.”

The 2025 Series One and Two Bonds will be issued under the General Obligation Bond Resolution, adopted by the Board of Directors of the Bond Bank (the “Board”) on July 13, 2005 (as amended on August 19, 2009, the “2005 General Bond Resolution”), and as supplemented by Series Resolution No. 2024-02, adopted by the Board on December 10, 2025 (the “Bond Resolution,” and together with the 2005 General Bond Resolution, the “Resolutions”). On February 19, 2013, the Board adopted a First Supplemental Resolution (the “2013 First Supplemental Resolution”) that amends certain provisions of the 2005 General Bond Resolution, effective as of the first date on which all Bonds issued prior to February 19, 2013, are no longer Outstanding. Holders and Beneficial Owners of the 2025 Series One and Two Bonds are deemed to have consented to all of the amendments authorized in the 2013 First Supplemental Resolution. Copies of the 2005 General Bond Resolution and the 2013 First Supplemental Resolution are included as Appendix E. See “SUMMARY OF THE 2005 GENERAL BOND RESOLUTION – Modifications to the 2005 General Bond Resolution” and Appendix E—“2005 GENERAL BOND RESOLUTION AND 2013 FIRST SUPPLEMENTAL RESOLUTION.”

The Bond Bank was created pursuant to Alaska Statutes 44.85.005 – 44.85.420, as amended (the “Act”), for the primary purpose of lending money to eligible borrowers in the State of Alaska (the “State”), including the purchase of bonds and promissory notes issued by such borrowers. Certain capitalized terms used in this Official Statement, and not otherwise defined herein, are defined in the 2005 General Bond Resolution. See “DEFINITIONS.”

The Bank of New York Mellon Trust Company, N.A., of San Francisco, California, as Trustee under the 2005 General Bond Resolution (the “Trustee”), serves as the Trustee and Paying Agent for the 2025 Series One and Two Bonds.

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\* Preliminary, subject to change.



The 2025 Series One and Two Bonds are direct and general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged to the payment of the principal of and interest on the 2025 Series One and Two Bonds, subject to any agreements made with the holders of any other notes or bonds of the Bond Bank pledging any particular revenues or assets not pledged under the 2005 General Bond Resolution. The 2025 Series One and Two Bonds are equally and ratably secured by the pledge and assignment of all Municipal Bonds acquired by the Bond Bank under the 2005 General Bond Resolution on a parity with other Bonds of the Bond Bank heretofore or hereafter issued under the 2005 General Bond Resolution. The 2025 Series One and Two Bonds are the 55<sup>th</sup> and 56<sup>th</sup> Series, respectively, of Bonds issued under the 2005 General Bond Resolution. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” and “BONDS OUTSTANDING.”

**The 2025 Series One and Two Bonds are payable solely from the sources provided in the 2005 General Bond Resolution and the Bond Resolution. The 2025 Series One and Two Bonds do not constitute a debt or other liability of the State of Alaska, and the 2025 Series One and Two Bonds do not directly, indirectly, or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2025 Series One and Two Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2025 Series One and Two Bonds. The Bond Bank has no taxing power. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.”**

All references herein to agreements and documents are qualified in their entirety by reference to the definitive forms thereof, and all references to the 2025 Series One and Two Bonds are further qualified by reference to the provisions with respect thereto contained in the Bond Resolution. All bonds issued under and pursuant to the terms of the 2005 General Bond Resolution are referred to as the “Bonds.”

### **Alaska Municipal Bond Bank**

The Bond Bank is a public corporation of the State and an instrumentality of the State established and organized by the Act in 1975 within the State of Alaska Department of Revenue (the “DOR”), initially to assist municipalities in the State in accessing the financial markets by lending money through the purchase of municipal general obligation bonds. The Bond Bank is currently administered by staff that is shared with the DOR. A board of five directors authorizes the Bond Bank’s actions including issuing bonds and approving loans. See “ALASKA MUNICIPAL BOND BANK.”

The Act has been modified from time to time, including changes to allow the Bond Bank to finance loans to port authorities, joint action agencies, the Alaska Municipal League Joint Insurance Association, the University of Alaska, and regional health organizations and for purposes including revenue bond issues, other debt obligations, and electrical generation projects including hydroelectric projects. The bonds issued by the Bond Bank for the purpose of making loans to governmental borrowers are issued pursuant to the 2005 General Bond Resolution. The bonds issued by the Bond Bank for the purpose of making loans to regional health organizations are issued pursuant to the 2016 Master Resolution, adopted by the Board on May 5, 2016 (the “2016 Master Bond Resolution”).

Effective July 3, 2022, House Bill 127 (“HB 127”) amended the Act to grant broader authority to the Bond Bank to issue bonds on behalf of the University of Alaska (the “University”) and regional health organizations. HB 127 permits the Bond Bank to issue bonds on behalf of the University for any University purpose, and the maximum authorized amount increased from \$87.5 million to \$500 million. HB 127 increased the maximum amount that a regional health organization is permitted to borrow for a given project from 49% of the project costs to 100% of the project costs, and from a maximum authorized amount of \$102.5 million to \$250 million of the cost of a project, and the total lending authority of the Bond Bank for regional health organization bond issuances increased from \$205 million to \$500 million.

The Bond Bank provides capital funds for the majority of eligible borrowers through loans to such entities funded by issuing its bonds and notes in the national market to finance such loans under conditions set forth in the Act and the administrative regulations thereunder (Chapter 144 of the Alaska Administrative Code). Loan payments by Governmental Units to the Bond Bank provide the primary source of funds for payment of principal of and interest on the Bonds, including the 2025 Series One and Two Bonds.

Although payments made by the Governmental Units on their Municipal Bonds are the primary security for the payment of principal of and interest on the Bonds, including the 2025 Series One and Two Bonds, the Bond Bank also maintains a reserve account within the reserve fund created under the Act as additional security for the payment of the Bonds and a separate reserve account as security for bonds issued under the 2016 Master Bond Resolution. The Bond Bank is required under the Act to report the sufficiency of the reserve fund and to seek appropriations from the Legislature to replenish the reserve fund if needed. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—2005 General Bond Resolution Reserve Fund.” For information regarding the State of Alaska and its appropriation process, see Appendix F—“INFORMATION CONCERNING THE STATE OF ALASKA.”

## **PURPOSE OF THE 2025 SERIES ONE AND TWO BONDS\***

### **Purpose of the 2025 Series One Bonds**

[The 2025 Series One Bond proceeds are being used for the following purposes: (1) to make a new loan to Petersburg Borough, Alaska (the “Petersburg Borough”), to finance costs of certain capital improvements to the Petersburg Borough high/middle school; (2) to refund certain outstanding bonds previously issued by the Bond Bank, the proceeds of which were used to make loans to the City of Cordova, Alaska (the “City of Cordova”), the City and Borough of Juneau, Alaska (the “City and Borough of Juneau”), the Kenai Peninsula Borough, Alaska (the “Kenai Peninsula Borough”), the Kodiak Island Borough, Alaska (the “Kodiak Island Borough”) and the City of Unalaska, Alaska (the “City of Unalaska”); and (3) to pay a portion of the costs of issuance of the 2025 Series One Bonds.

### **Purpose of the 2025 Series Two Bonds**

The 2025 Series Two Bond proceeds are being used for the following purposes: (1) to make a new loan to the Ketchikan Gateway Borough, Alaska (the “Ketchikan Gateway Borough”), to finance costs of certain capital improvements to the Ketchikan Gateway Borough’s Ketchikan International Airport[, and if necessary, to make a deposit to the Ketchikan Gateway Borough’s reserve account related to such loan]; (2) to make a new loan to the City of Whittier, Alaska (the “City of Whittier”), to finance the costs of certain improvements to the City of Whittier’s small boat harbor[ and if necessary, to make a deposit to the City of Whittier’s reserve account related to such loan]; (3) to refund certain outstanding bonds previously issued by the Bond Bank, the proceeds of which were used to make a loan to the City and Borough of Juneau; and (4) to pay a portion of the costs of issuance of the 2025 Series Two Bonds.

### **Refunding Plan**

Subject to market conditions, a portion of the proceeds of the 2025 Series One and Two Bonds are to be used to refund certain outstanding Bonds of the Bond Bank described below (if and as refunded, the “Refunded Bonds”). The refunding of the Refunded Bonds is being undertaken to achieve net present value debt service savings for the Bond Bank and the Governmental Units.

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\* Preliminary, subject to change.

## Refunded Bonds\*

Subject to market conditions, the outstanding bonds of the Bond Bank to be refunded with a portion of the proceeds of the 2025 Series One Bonds are set forth below.

Series	Maturity Date	Outstanding Principal Amount	Interest Rate	Redemption Date	Redemption Price
2014A Series One	3/1/2026	\$2,650,000	5.00%	<input type="checkbox"/>	100%
2014A Series One	3/1/2027	2,780,000	5.00	<input type="checkbox"/>	100
2014A Series One	3/1/2028	2,925,000	5.00	<input type="checkbox"/>	100
2014A Series One	3/1/2029	3,065,000	5.00	<input type="checkbox"/>	100
2014A Series One	3/1/2030	265,000	5.00	<input type="checkbox"/>	100
2014A Series One	3/1/2031	275,000	4.50	<input type="checkbox"/>	100
2014A Series One	3/1/2033 <sup>(1)</sup>	590,000	5.00	<input type="checkbox"/>	100
2014A Series One	3/1/2034	315,000	5.00	<input type="checkbox"/>	100
2015 Series One	10/1/2025	3,260,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series One	10/1/2026	3,225,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series One	10/1/2027	3,385,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series One	10/1/2028	3,010,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series One	10/1/2029	1,745,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series One	10/1/2030	1,825,000 <sup>(2)</sup>	4.00	<input type="checkbox"/>	100
2015 Series One	10/1/2031	1,895,000 <sup>(2)</sup>	4.00	<input type="checkbox"/>	100
2015 Series One	10/1/2032	1,970,000 <sup>(2)</sup>	4.00	<input type="checkbox"/>	100
2015 Series One	10/1/2033	2,045,000 <sup>(2)</sup>	4.00	<input type="checkbox"/>	100
2015 Series One	10/1/2034	265,000 <sup>(2)</sup>	3.25	<input type="checkbox"/>	100
2015A Series Two	3/1/2026	1,885,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015A Series Two	3/1/2027	1,985,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015A Series Two	3/1/2028	2,075,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015A Series Two	3/1/2029	1,100,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015A Series Two	3/1/2030	1,155,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015A Series Two	3/1/2031	1,210,000 <sup>(2)</sup>	4.00	<input type="checkbox"/>	100
2015A Series Two	3/1/2032	1,250,000 <sup>(2)</sup>	4.00	<input type="checkbox"/>	100
2015A Series Two	3/1/2033	1,305,000 <sup>(2)</sup>	4.00	<input type="checkbox"/>	100
2015A Series Two	3/1/2035 <sup>(1)</sup>	1,275,000 <sup>(2)</sup>	4.00	<input type="checkbox"/>	100
2015 Series Three	10/1/2025	2,805,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series Three	10/1/2026	3,715,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series Three	10/1/2027	2,855,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series Three	10/1/2028	3,000,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series Three	10/1/2029	3,160,000 <sup>(2)</sup>	5.00	<input type="checkbox"/>	100
2015 Series Three	10/1/2030	3,300,000 <sup>(2)</sup>	4.00	<input type="checkbox"/>	100
2015 Series Three	10/1/2031	3,455,000 <sup>(2)</sup>	5.25	<input type="checkbox"/>	100
2015 Series Three	10/1/2032	3,645,000 <sup>(2)</sup>	5.25	<input type="checkbox"/>	100
2015 Series Three	10/1/2036 <sup>(1)</sup>	2,805,000 <sup>(2)</sup>	5.25	<input type="checkbox"/>	100

(1) Term Bonds.

(2) Partial maturity.

\*Preliminary, subject to change.

Subject to market conditions, the outstanding bonds of the Bond Bank to be refunded with a portion of the proceeds of the 2025 Series Two Bonds are set forth below.

<b>Series</b>	<b>Maturity Date</b>	<b>Outstanding Principal Amount</b>	<b>Interest Rate</b>	<b>Redemption Date</b>	<b>Redemption Price</b>
2015B Series Two	3/1/2026	\$1,100,000 <sup>(2)</sup>	5.00%	<input type="text"/>	100%
2015B Series Two	3/1/2027	1,155,000 <sup>(2)</sup>	5.00	<input type="text"/>	100
2015B Series Two	3/1/2028	1,210,000 <sup>(2)</sup>	5.00	<input type="text"/>	100
2015B Series Two	3/1/2029	1,275,000 <sup>(2)</sup>	5.00	<input type="text"/>	100

\* Preliminary, subject to change.

(1) Term Bonds.

(2) Partial maturity.

[Certain proceeds of the 2025 Series One and Two Bonds, together with other legally available funds, are to be deposited in one or more redemption accounts (the “Redemption Account”) to be held by The Bank of New York Mellon Trust Company, N.A., San Francisco, California, as escrow agent, pursuant to one or more escrow deposit agreements. Certain proceeds deposited in the Redemption Account are to be invested in noncallable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (the “Escrow Obligations”). The maturing principal of and interest on the Escrow Obligations and the other money in the Redemption Account are to be used to pay interest on the Refunded Bonds when due and, on each maturity or redemption date, the principal of the Refunded Bonds when due.

The mathematical accuracy of the computations of the adequacy of the maturing principal amounts of and interest on the Escrow Obligations and the other money in the Redemption Account to pay principal of and interest on the Refunded Bonds as described above are to be verified [\_\_\_\_], independent certified public accountants.]

## SOURCES AND USES OF FUNDS

The table below sets forth the sources and uses of funds related to the 2025 Series One and Two Bonds, rounded to the nearest dollar.

	2025 Series One Bonds	2025 Series Two Bonds
<b>Sources:</b>		
Principal Amount		
Original Issue Premium/Discount		
Other Sources <sup>(1)</sup>		
<b>Total Sources</b>		
<b>Uses:</b>		
Deposit to [Redemption][Escrow] Account <sup>(2)</sup>		
Loan to Ketchikan Gateway Borough		
Loan to Petersburg Borough		
Loan to City of Whitter		
[Governmental Unit Reserve]		
Costs of Issuance and Rounding <sup>(3)</sup>		
<b>Total Uses</b>		

<sup>(1)</sup> Represents Bond Bank contribution to payment of costs of issuance.

<sup>(2)</sup> See “PURPOSE OF THE 2025 SERIES ONE AND TWO BONDS—Refunding Plan.”

<sup>(3)</sup> Includes Bond Bank and Governmental Unit costs of issuance such as Underwriter’s discount, legal fees, municipal advisor fees, rating agency fees, Trustee fees, printing and other costs of issuance of the 2024 Series One and Two Bonds.

## DESCRIPTION OF THE 2025 SERIES ONE AND TWO BONDS

### General Description

The 2025 Series One and Two Bonds are issuable only as fully registered bonds, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), as securities depository for the 2025 Series One and Two Bonds. Principal of and interest on the 2025 Series One and Two Bonds are payable by the Trustee to DTC which, in turn, is obligated to disburse such principal and interest payments to its participants (the “DTC Participants”) in accordance with DTC procedures. See Appendix H – “DTC AND ITS BOOK-ENTRY SYSTEM.”

### 2025 Series One and Two Bonds

The 2025 Series One and Two Bonds mature, subject to prior redemption, on the dates and bear interest at the rates set forth on the inside cover pages of this Official Statement. The 2025 Series One and Two Bonds are issuable in denominations of \$5,000 or any integral multiple thereof within a series and maturity. Interest on the 2025 Series One and Two Bonds will accrue from the date of delivery of the 2025 Series One and Two Bonds, or from the most recent interest payment date to which interest has been paid or provided for, and is payable on each June 1 and December 1, commencing [June 1, 2025].

## **No Optional Redemption\***

The 2025 Series One and Two Bonds are not subject to optional redemption prior to maturity.

## **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

### **General**

The Bonds, including the 2025 Series One and Two Bonds, are direct and general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged to the payment of the principal of and interest on the Bonds, subject to any agreements made with the holders of any other notes or bonds of the Bond Bank pledging any particular revenues or assets not pledged under the 2005 General Bond Resolution. In addition to Bonds outstanding under the 2005 General Bond Resolution, the Bond Bank has issued and currently has bonds outstanding under the 2016 Master Bond Resolution, and the revenues and assets pledged under those resolutions are not pledged to or available for payment of Bonds issued under the 2005 General Bond Resolution, including the 2025 Series One and Two Bonds. See “BONDS OUTSTANDING.”

The 2025 Series One and Two Bonds are equally and ratably secured by the pledge and assignment of all Municipal Bonds acquired by the Bond Bank under the 2005 General Bond Resolution on a parity with other Bonds of the Bond Bank issued under the 2005 General Bond Resolution. The 2025 Series One and Two Bonds are the 55<sup>th</sup> and 56<sup>th</sup> Series, respectively, of Bonds issued under the 2005 General Bond Resolution.

**The 2025 Series One and Two Bonds are payable solely from the sources provided in the 2005 General Bond Resolution and the Bond Resolution. The 2025 Series One and Two Bonds do not constitute an indebtedness or other liability of the State of Alaska, and the 2025 Series One and Two Bonds do not directly, indirectly, or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2025 Series One and Two Bonds. As provided in the Act, the Bond Bank is obligated to pay the principal of and interest on the Bonds only from revenues or funds of the Bond Bank, and the State of Alaska is not obligated to pay the principal of or the interest on the Bonds, including the 2025 Series One and Two Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2025 Series One and Two Bonds. The Bond Bank has no taxing power.**

As additional security for the payment of principal of and interest on the 2025 Series One and Two Bonds and the other Bonds issued under the 2005 General Bond Resolution, the Bond Bank has established a common Reserve Fund. See “2005 General Bond Resolution Reserve Fund.” The Reserve Fund is a separate reserve account within the reserve fund created by the Act and does not secure the payment of bonds issued under the 2016 Master Bond Resolution, or any other resolution. The Reserve Fund is separate from, and the Bonds are not secured by, the reserve account established pursuant to the 2016 Master Bond Resolution.

The Act provides that to assure the maintenance of the Reserve Fund Requirement, the Legislature may appropriate annually to the Bond Bank for deposit in the Reserve Fund the amount, if any, necessary to restore the Reserve Fund to an amount equal to the Reserve Fund Requirement. The Chair of the Board is required annually (before each January 30) to make and deliver to the Governor and to the Legislature a certificate stating the amount, if any, required to restore the Reserve Fund to the amount of the Reserve Fund Requirement. Money received by the Bond Bank from the State pursuant to such certification is

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\* Preliminary, subject to change.

required, to the extent such certification was occasioned by the fact that the amount in the Reserve Fund was less than the Reserve Fund Requirement, to be deposited in the Reserve Fund. The Legislature is legally authorized, but not legally obligated, to appropriate such sums during the then-current State fiscal year. The State's fiscal year begins July 1 and ends June 30. This provision of the Act does not create a debt obligation on behalf of the State or a legally enforceable obligation of the State.

Beginning in 2009, the Bond Bank has been obligated by the 2005 General Bond Resolution to seek annually an appropriation within the State's annual operating budget to replenish the Reserve Fund, if necessary. The 2016 Master Bond Resolution also requires the Bond Bank to seek an annual appropriation to satisfy any unanticipated deficiency in the Bond Bank's reserve account established under that resolution. An appropriation for replenishment of the Bond Bank's reserve accounts, including the Reserve Fund, has been included in each State operating budget since the fiscal year 2010 budget, including for the current fiscal year 2025. No such replenishment from State appropriation has been necessary.

If the Bond Bank is required to draw on the Reserve Fund because of a default by a Governmental Unit, the appropriation provides that an amount equal to the amount drawn from the Reserve Fund is appropriated from the State's General Fund to the Reserve Fund. The State is not obligated to make such appropriation. There is no guarantee that the Bond Bank will be able to secure future appropriations within the State's operating budget for replenishment of the Bond Bank's reserve accounts, including the Reserve Fund. See "2005 General Bond Resolution Reserve Fund" and Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA – Government Budgets and Appropriations."

Starting in fiscal year 2009, and continuing through the fiscal year 2025 budget, the Bond Bank also has obtained annual appropriations of earnings on accounts held by the Bond Bank in excess of the Bond Bank's operating expenses for the most recent fiscal year; the Act otherwise would require such earnings to be appropriated to the General Fund. See "2005 General Bond Resolution Reserve Fund – Custodian Account."

### **Pledge Effected by the 2005 General Bond Resolution**

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

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

### **Municipal Bonds**

Under the provisions of the Act and the 2005 General Bond Resolution, the Bond Bank is authorized to purchase Municipal Bonds from any Governmental Unit. The 2005 General Bond Resolution defines Municipal Bonds as "general obligation bonds, revenue bonds, notes, or other evidences of debt issued by any Governmental Unit as now or hereafter defined in the Act which have heretofore been or will

hereafter be acquired by the Bond Bank as evidence of a Loan to the Governmental Unit pursuant to the Act.”

For each issue of Municipal Bonds that the Bond Bank purchases, the 2005 General Bond Resolution requires the Bond Bank to obtain from bond counsel to the Governmental Unit an opinion stating that (i) such Municipal Bonds are valid obligations of the Governmental Unit as required by the Act and (ii) a Loan Agreement has been duly authorized and executed between the Bond Bank and the Governmental Unit that constitutes a valid and binding obligation of the Governmental Unit.

Each Loan Agreement obligates a Governmental Unit to (i) make interest payments on its Municipal Bond sufficient in amount and at such times to provide the Bond Bank funds to meet interest payments on its Loan Obligations as they become due; and (ii) make principal payments on its Municipal Bond sufficient in amount and at such times to provide the Bond Bank funds to meet principal payments on its Loan Obligations as they become due. Pursuant to the Loan Agreement, the Governmental Unit may be required to pay fees and charges to the Bond Bank to meet the Governmental Unit’s allocable portion of certain expenses. Pursuant to each Loan Agreement relating to a revenue bond issued by a Governmental Unit, the Governmental Unit may be required to maintain with the Trustee a separate debt service reserve account to secure payment by the Governmental Unit of its Loan Obligations. Each Loan Agreement also contains restrictions on the sale or redemption of the Governmental Unit’s Municipal Bonds.

### **2005 General Bond Resolution Reserve Fund**

To secure the payment of all Bonds issued under the 2005 General Bond Resolution, the 2005 General Bond Resolution established the Reserve Fund to be held by the Trustee and maintained at an amount at least equal to the Reserve Fund Requirement, equal to approximately \$[ ]\* million following the issuance of the 2025 Series One and Two Bonds. The Reserve Fund Requirement is equal to the least of the following: (i) 10 percent of the initial principal amount of each Series of Bonds then Outstanding; (ii) Maximum Annual Debt Service with respect to all Bonds Outstanding; (iii) 125 percent of Average Annual Debt Service on all Bonds Outstanding; or (iv) such lower amount as may be required by law. See “DEFINITIONS – Required Debt Service Reserve.” The Reserve Fund Requirement may be satisfied entirely, or in part, by a letter of credit, line of credit, credit facility, surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds. See “Debt Service Reserve Fund Surety Bond.”

As of [December 31, 2024], the valuation of assets in the Reserve Fund was approximately \$[ ] million, an amount sufficient to satisfy the Reserve Fund Requirement. As of that date, approximately \$[ ] million, representing [ ] percent of the assets in the Reserve Fund, was funded from cash deposits by the Bond Bank, and approximately \$[ ] million, representing [ ] percent, was funded with a surety policy (the “Debt Service Reserve Fund Surety Bond”) from National Public Finance Guarantee Corporation (“National”). The Reserve Fund currently is funded at a level sufficient to meet the Reserve Fund Requirement with the issuance of the 2025 Series One and Two Bonds. See “Debt Service Reserve Fund Surety Bond.”

The 2005 General Bond Resolution requires the Bond Bank to submit annually to the State a budget request for an appropriation to replenish the Reserve Fund to the Reserve Fund Requirement in the event that there is a deficiency as a result of a default by a Governmental Unit. Since fiscal year 2010 continuing through fiscal year 2025, the State has included in its operating budget an appropriation to replenish the Reserve Fund, if necessary. Although the Bond Bank is obligated under the 2005 General Bond Resolution

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\* Preliminary, subject to change.



to seek an appropriation within the State's annual operating budget, and has obtained such appropriation in every year since fiscal year 2010, the State is not obligated, legally or otherwise, to include the appropriation in its annual operating budget. The Bond Bank's annual obligation to submit to the State a budget request for an appropriation is in addition to the Bond Bank's obligation to seek an appropriation to restore the Reserve Fund to the amount of the Required Debt Service Reserve as described below. See "Administration of Reserve Fund."

The 2005 General Bond Resolution provides that on or before December 31 of each year, and subject to the requirements of the 2005 General Bond Resolution, the Trustee will transfer from the Reserve Fund any amounts remaining in the Reserve Fund derived from income or interest earned and profits realized by the Reserve Fund due to investments thereof to the Operating Fund, but only to the extent that there remains after such transfer an amount in the Reserve Fund equal to the Required Debt Service Reserve. See "SUMMARY OF THE 2005 GENERAL BOND RESOLUTION – Funds and Accounts – Reserve Fund" and Section 911 of the 2005 General Bond Resolution in Appendix E.

***Debt Service Reserve Fund Surety Bond.*** The amount credited to the Reserve Fund includes the Debt Service Reserve Fund Surety Bond, in the face amount of approximately \$18.0 million. The Debt Service Reserve Fund Surety Bond provides that upon notice from the Trustee to National to the effect that insufficient amounts are on deposit in the Debt Service Fund to pay the principal of (at maturity or pursuant to mandatory redemption requirements) and interest on the Bonds, National will be required to deposit with the Trustee an amount sufficient to pay the principal of and interest on the Bonds or the available amount of the Debt Service Reserve Fund Surety Bond, whichever is less. Upon the later of: (i) three days after receipt by National of a demand for payment, duly executed by the Paying Agent; or (ii) the payment date of the Bonds as specified in the demand for payment presented by the Trustee to National, National will be required to make a deposit of funds in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment to the Trustee of amounts then due to the Trustee (as specified in the demand for payment), subject to the coverage limits of the Debt Service Reserve Fund Surety Bond.

The available amount of the Debt Service Reserve Fund Surety Bond is the face amount of the Debt Service Reserve Fund Surety Bond then in effect less the amount of any previous deposits by National with the Trustee that have not been reimbursed by the Bond Bank. The Bond Bank and National have entered into a Financial Guaranty Agreement in connection with the Debt Service Reserve Fund Surety Bond. Pursuant to the Financial Guaranty Agreement, the Bond Bank is required to reimburse National, with interest, within one year after any deposit, the amount of such deposit made by National with the Trustee under the Debt Service Reserve Fund Surety Bond. The Bond Bank is also required to obtain National's consent to any amendment or modification of the 2005 General Bond Resolution that would also require consent of holders of the Bonds. The Financial Guaranty Agreement also provides that no optional redemption of Bonds may be made until the Debt Service Reserve Fund Surety Bond is reinstated.

***Administration of Reserve Fund.*** The Bond Bank is required by the Act to deliver a statement to the Governor and the Legislature annually, before January 30, stating the amount, if any, necessary to restore the Reserve Fund to the Required Debt Service Reserve resulting from a draw on the Reserve Fund at any time during the prior year. The Legislature may, but is under no legal obligation to, appropriate money sufficient to restore the Reserve Fund to the Required Debt Service Reserve. Since its creation, the Bond Bank has annually reported a reserve sufficiency in all of the reserve accounts held by the Bond Bank.

***Custodian Account.*** Money not held in the Reserve Fund, loaned to authorized borrowers, or held in reserve accounts for bonds issued under other bond resolutions is maintained by the Bond Bank in an account within the Operating Fund referred to as the Custodian Account (the "Custodian Account"). The Custodian Account contains direct and indirect State appropriations, prior year retained earnings, and

current year investment earnings, and as with the Operating Fund is not held by the Trustee or pledged to the payment of the Bonds. As of [February 1, 2025], the unaudited asset value of the Custodian Account was approximately \$[ ] million.

The Act requires that earnings on funds directly appropriated by the State to the Bond Bank, net of the Bond Bank's operating expenses, be transferred to the State in the following fiscal year. Starting in fiscal year 2009, however, and continuing through the fiscal year 2025 budget, all such fiscal year earnings, from the most recent fiscal year, due to the General Fund by statute have been appropriated to the Bond Bank for deposit in the Custodian Account. The Legislature may, but is under no legal obligation to, appropriate statutory earnings back to the Bond Bank. The entire Custodian Account balance is available for appropriation by the Legislature, with a majority vote and the Governor's concurrence or with a three-quarter majority vote to overcome a Governor's veto of the appropriation, during any legislative session. The Legislature has not appropriated funds out of the Custodian Account for non-Bond Bank related purposes in the current, or any prior, fiscal year.

The Bond Bank uses the Custodian Account to pay operating expenses, to make direct loans to eligible borrowers, and to make deposits to the Reserve Fund.

### **State Payments to Governmental Units**

The Act provides that, to the extent that any department or agency of the State is the custodian of money payable to a Governmental Unit, at any time after notice from the Bond Bank that the Governmental Unit is in default on the payment of the principal of or interest on its Municipal Bonds then held or owned by the Bond Bank, the department or agency is required to withhold the payment of such money held by it and pay over such money to the Bond Bank for the purpose of paying the principal of and interest on the bonds of the Bond Bank. State payments to Governmental Units include, but are not limited to, payments through the School Debt Reimbursement Program (the "SDRP") and Education Support Funding through the Department of Education and Early Development ("DEED"); and community jail funding through the Department of Corrections. A table in Appendix B sets forth the amount of State payments to Governmental Units that have borrowed from the Bond Bank as well as the fiscal year 2025 Loan Obligations and estimated coverage provided by those State payments. [Capital expenditures by the State that are the source of matching grant funding to municipalities were reduced significantly in fiscal years 2017, 2020, 2021, and 2022. Payments through the SDRP were reduced by approximately 25 percent in fiscal year 2017, by 50 percent in fiscal year 2020, by 100 percent in fiscal year 2021, and by approximately 58 percent in fiscal year 2022. The SDRP was fully funded in the fiscal year 2023 budget and included appropriations to offset prior fiscal year appropriation reductions in 2017, 2020, 2021, and 2022. The SDRP was fully funded in the enacted fiscal year 2025 budget.]

**[TO BE UPDATED.]** The State's enacted budget for fiscal year 2024, decreased spending from fiscal year 2023 from approximately \$15.9 billion to \$13.1 billion. The fiscal year 2023 and 2024 estimated expenditure value is inclusive of the permanent fund dividend distribution of \$2.1 billion in fiscal year 2023, and \$881.6 million in fiscal year 2024. The fiscal year 2024 enacted budget includes State aid payments to Governmental Units subject to the Bond Bank's intercept authority under the Act by providing payments for the SDRP at 100 percent of authorized amounts. Previously, the fiscal year 2023 budget included appropriations to offset prior fiscal year reductions in 2017, 2020, 2021, and 2022. The State's Transportation and Infrastructure Debt Service Reimbursement Program (the "TIDSRP") was funded at 100 percent of authorized amounts in the enacted fiscal year 2024 budget. See Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA." State funding may result in a diminishment of the balances in the matching grant column of the table in Appendix B. There is no guarantee that State payments to Governmental Units will continue, and all of the payments could diminish from current levels.

The payment and amount of such State payments is uncertain, and legislative authorization for such payments is subject to appropriation and to amendment or repeal. Other State agencies may have similar rights to intercept State payments to local governments or to limit the amount intercepted, and no assurance can be given that the Bond Bank's claim would have priority or that the amount of available State payments would be sufficient. See Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA – Government Budgets and Appropriations" and "– Government Funds" and Appendix B – "STATE PAYMENTS TO GOVERNMENTAL UNITS." The Bond Bank has never implemented the State payment intercept remedy.

### **Pledge and Agreement of the State**

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

## **ALASKA MUNICIPAL BOND BANK**

### **Organization**

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

The Act requires the Board in the first meeting of each fiscal year to elect one of the Directors as chair and one of the Directors as vice chair and also to elect a secretary and a treasurer, who need not be Directors. Action may be taken and motions and resolutions adopted by the Board at any meeting by the affirmative vote of at least three Directors. The Directors appoint an Executive Director and a Finance Director to manage the business of the Bond Bank.

### **Board of Directors**

The members of the Board are listed below.

***Luke Welles – Chair.*** Term expires July 15, 2027. Mr. Welles was originally appointed to the Board on May 21, 2008. Mr. Welles served as the Senior Director of Business Development for the Alaska Native Tribal Health Consortium from 2019 through 2022. Prior to this position, Mr. Welles served as Vice President of Finance for the Arctic Slope Native Association, Ltd. from 2011 to 2019. Previously, he served as Chief Financial Officer of LifeMed Alaska, LLC, which provides medivac services in Alaska, and was the Chief Financial Officer for the Yukon-Kuskokwim Health Corporation. He has management experience in healthcare, civil construction, and commercial real estate. Over the past 15 years he has served on several economic development commissions in the State, as a city council member in Homer, Alaska, and on multiple boards. Mr. Welles received a Bachelor of Arts Degree in Foreign Service and International Business from Baylor University.

***Bruce Tangeman – Vice Chair, Member.*** Term expires July 15, 2026. Mr. Tangeman was originally appointed to the Board on May 28, 2020. Mr. Tangeman most recently served as the

Commissioner of the Department of Revenue under Governor Michael Dunleavy. Prior to that, he served as Policy Director for the Senate Majority during the 2017/2018 sessions. Mr. Tangeman also served as Vice President and Chief Financial Officer for the Alaska Gasline Development Corporation, as Deputy Commissioner for the Department of Revenue, as Chief Financial Officer for Doyon Utilities, and as Corporate Budget Officer for the Alaska Railroad. He has served on many boards and commissions throughout his career, including the Alaska Permanent Fund Board, the Alaska Housing Finance Corporation Board, and the Alaska Retirement Management Board. Mr. Tangeman received a Bachelor of Science Degree in Public Finance and Double Minors in Economics and Management from Indiana University.

**Kendell Koelsch – Member.** Term expires July 15, 2025. Mr. Koelsch was originally appointed to the Board on May 28, 2020. He is currently a member of Juneau’s Economic Stabilization Task Force. He served as Mayor of the City and Borough of Juneau from 2016 to 2018. Prior to that, he was Deputy Mayor from 2001 to 2003 and a Borough Assembly member from 1997 to 2001. His work experience also includes United States Customs Inspector and Port Director from 1980 to 2003 and Port Director and founding member of Customs and Border Protection, United States Department of Homeland Security from 2003 to 2014. Mr. Koelsch also taught English, history, and government at Juneau-Douglas high school from 1968 to 1996. He has a Bachelor of Arts Degree from Michigan State University, a Master of Arts in Teaching from the University of Alaska Fairbanks, and a Masters in Administration from the University of Alaska Southeast in Juneau.

**Micaela Fowler – Member.** Ms. Fowler is the first delegate for Julie Sande, the Commissioner of the DCCED. Ms. Fowler is the Administrative Services Director and Deputy Commissioner for the DCCED and has been with the Department in various capacities since 2014. She is a lifelong Juneau resident and a graduate of the University of Alaska Southeast in Juneau.

**Fadil Limani – Member.** Mr. Limani is the first delegate for Adam Crum, the Commissioner of the DOR. Mr. Limani was named the Deputy Commissioner of the DOR in January 2023. He has an extensive background in tax, accounting, and finance, graduating from the University of Alaska Anchorage’s accounting program and then working for KPMG for nearly five years before moving on to be Deputy Director of Finance for the North Slope Borough, Alaska, for seven years. While at the Borough, he worked on all elements of the Borough’s finances including financial reporting, the Borough’s bond sales, debt service, property tax, managing the Borough’s central treasury investments and the Borough’s permanent fund investments, including the Borough’s annual financial statement audits and the Borough’s 12-year financial forecast. After his role with the Borough, he started his own consulting business where he contracted with the North Slope Borough School District as the CFO for nearly 3 years.

## **Management**

The Bond Bank is a public corporation of the State of Alaska established and organized within the DOR in 1975. Following creation, the Bond Bank was independently staffed by a full time Executive Director, full-time Secretary, and additional short-term staff and maintained separate offices in Anchorage, Alaska. The Legislature determined in 1997 that the operation and management responsibility for the Bond Bank would be incorporated into the duties of existing DOR – Treasury Division staff. This resulted in the partial delegation of the State’s Debt Manager to the Bond Bank. Staffing was augmented in 2013 when the DOR – Treasury Division Operations Research Analyst position was partially delegated to the Bond Bank. In January 2023, staffing was augmented when DOR created a new Investment Officer position in the DOR to assist with operation and management responsibilities for the Bond Bank, eliminating the State’s Operations Research Analyst position.

**Ryan S. Williams**, who also serves as State Debt Manager and Investment Officer in the DOR – Treasury Division, with responsibility for the management of all debt of the State, was appointed Executive Director and Treasurer of the Bond Bank in September 2022. Mr. Williams previously served as Operations Research Analyst in the DOR – Treasury Division, and as Finance Director of the Bond Bank since 2014. Mr. Williams has worked for the DOR and the Bond Bank since 2009 and 2012, respectively. Mr. Williams holds a Bachelor of Science Degree in Business Administration from the University of Southern California, with a concentration in International Business. He has served as a board member and president of the Alaska Government Finance Officers Association.

The newly created Investment Officer role within the DOR, currently vacant, is anticipated to assist with the operations and management responsibilities of the Bond Bank, and once the position is filled, it is anticipated the Investment Officer will be proposed for consideration as Finance Director and Deputy Treasurer of the Bond Bank.

The Bond Bank contracts in the private sector for a wide range of professional services. The Executive Director coordinates the activities of these professionals, which include bond counsel, municipal advisor, accountants, auditors, fund trustees, bond trustees, arbitrage rebate consultants, and investment managers.

## **BONDS OUTSTANDING**

Under the provisions of the Act, within the limitations described below, the Bond Bank may issue additional Series of Bonds under the 2005 General Bond Resolution and, subject to certain additional limitations, may issue bonds under other resolutions. The total amount of Bond Bank bonds and notes outstanding at any one time may not exceed \$2,500 million without additional statutory authorization. The current \$2,500 million authorization consists of statutory authorizations of: \$500 million for the University of Alaska, \$500 million for regional health organizations, and \$1,500 million for municipalities and all other authorized purposes. As of [February] 1, 2025, the total principal amount of Bond Bank bonds and notes outstanding under the 2005 General Bond Resolution and the 2016 Master Bond Resolution, not including the 2025 Series One and Two Bonds, was \$[\_\_\_\_\_]. See table labeled “DEBT CAPACITY AS OF [FEBRUARY] 1, 2025.”

### **2005 General Bond Resolution**

The 2025 Series One and Two Bonds are the 55<sup>th</sup> and 56<sup>th</sup> Series, respectively, of Bonds issued under the 2005 General Bond Resolution. As of [February] 1, 2025, the Bond Bank has issued \$[\_\_\_\_\_] of general obligation bonds under the 2005 General Bond Resolution (not including the 2025 Series One and Two Bonds), \$[\_\_\_\_\_] of which remains outstanding. After the issuance of the 2025 Series One and Two Bonds, the Bond Bank will have issued \$[\_\_\_\_\_] of general obligation bonds under the 2005 General Bond Resolution, \$[\_\_\_\_\_] of which will remain outstanding. Bonds may be issued by the Bond Bank pursuant to the 2005 General Bond Resolution only to finance loans to Governmental Units. The Bond Bank expects to issue additional bonds under the 2005 General Bond Resolution within the next year and to continue to use the 2005 General Bond Resolution as the primary means of financing loans to Governmental Units.

### **2016 Master Bond Resolution**

Bonds issued under the 2016 Master Bond Resolution are general obligations of the Bond Bank, payable solely from the sources provided in and pledged pursuant to the 2016 Master Bond Resolution and the related series resolutions. As of [February] 1, 2025, the Bond Bank has issued \$144,850,000 of bonds under the 2016 Master Bond Resolution, \$[\_\_\_\_\_] of which remain outstanding. The Bond Bank

expects to continue to use the 2016 Master Bond Resolution as the primary means of financing loans to regional health organizations.

### **Coastal Energy Impact Program**

In the 1980s, the Bond Bank privately placed conduit bonds with the United States Department of Commerce National Oceanic and Atmospheric Administration (“NOAA”) to provide loans to local governments that qualified for aid under the Coastal Energy Impact Program (“CEIP”). CEIP is a federal program designed to provide financial assistance to coastal states and municipalities facing impacts from offshore oil development. NOAA and the Bond Bank entered into an agreement whereby the Bond Bank was the direct lending agency for the CEIP in the State, with \$50 million available to make loans to local governments or to establish reserves for loans to local governments.

The CEIP bonds that remain outstanding were issued for the City of Nome and the City of St. Paul. The total amount of CEIP bonds outstanding as of June 30, 2024, audited, was \$[\_\_\_\_\_].

The CEIP loans are administered directly by NOAA without involvement of the Bond Bank. Bonds issued for the CEIP are not liabilities of the Bond Bank and are not secured by a pledge of any amounts held by or payable to the Bond Bank under the 2005 General Bond Resolution, including the Reserve Fund, nor are they secured directly or indirectly by any reserve account created under the Act. The CEIP loans are included, however, when calculating the amount of bonds the Bond Bank may issue under the Act. See Note 8 in Appendix D. The Bond Bank has no plans at this time to issue additional CEIP bonds.

The City of St. Paul’s counsel has reported to the Bond Bank that in April 2020, NOAA agreed to recommend to Congress that the CEIP loan be forgiven. A letter dated April 16, 2020, from the Chief of the Business Operations Division of NOAA’s Office for Coastal Management requests the City of St. Paul to remit a \$150,000 reserve fund to NOAA. Once these funds are received, NOAA is to move forward with a recommendation to Congress that the CEIP loan be forgiven. The CEIP loans are administered directly by NOAA without involvement of the Bond Bank, and NOAA or City of St. Paul’s counsel have not reported to the Bond Bank any activity related to any recommendations or congressional action for CEIP loan forgiveness as of the date of this Official Statement.

### **Direct Loans**

With money from the Custodian Account, the Bond Bank has periodically acquired certain Municipal Bonds and has defeased certain bonds while retaining the underlying Municipal Bonds. Additionally, on two occasions the State has appropriated funds to the Bond Bank for the acquisition of two Municipal Bonds.

In the State’s fiscal year 2011 capital budget, \$2,450,000 was appropriated to the Bond Bank for the specific purpose of making loans to the City of Galena for electric utility and general fund needs at an interest rate of 1 percent. As of [February] 1, 2025, unaudited, the Bond Bank held approximately \$[\_\_\_\_\_] of City of Galena utility revenue bonds and \$[\_\_\_\_\_] of City of Galena appropriation obligations.

As of [February] 1, 2025, unaudited, the Bond Bank held \$[\_\_\_\_\_] of Kodiak Island Borough taxable general obligation bonds. The loan was funded with money from the Custodian Account, bears interest at market rates, and is a general obligation, secured by the full faith and credit of the Kodiak Island Borough.

## Loans by the State of Alaska

The Bond Bank has statutory authority to borrow funds from the General Fund at the discretion of the Commissioner of the DOR. In 2010 and 2011 the Bond Bank borrowed money from the State for authorized uses of the Bond Bank. The State's fiscal year 2013 capital budget converted the 2010 and 2011 loans to grants through an appropriation to the Bond Bank. The Bond Bank does not currently have any outstanding loans from the State.

### BONDS ISSUED AND OUTSTANDING AS OF [FEBRUARY 1, 2025]

	Principal Amount Issued	Principal Amount Outstanding
2005 General Bond Resolution Bonds <sup>(1)</sup>		
2016 Master Resolution Bonds		
Coastal Energy Impact Program Loans <sup>(2)</sup>		

<sup>(1)</sup> Includes the 2025 Series One and Two Bonds, and the Principal Amount Outstanding excludes the Refunded Bonds.

<sup>(2)</sup> The CEIP loans are not liabilities of the Bond Bank but are included when calculating the amount of bonds outstanding under the Act. CEIP bonds outstanding as of June 30, 2024, audited.

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**DEBT CAPACITY AS OF [FEBRUARY] 1, 2025 [TO BE UPDATED, INCLUDING  
FOOTNOTES]**

Debt Limit <sup>(1)</sup>			
University of Alaska <sup>(2)</sup>	\$	500,000,000	
Regional Health Organizations <sup>(3)</sup>		500,000,000	
All Other Authorized Purposes <sup>(4)</sup>		<u>1,500,000,000</u>	
			\$2,500,000,000
Less Outstanding Debt for Debt Limit Calculations <sup>(5)</sup>			
General Obligation Bonds			
University of Alaska <sup>(6)</sup>		75,475,000	
Regional Health Organizations <sup>(7)</sup>		94,030,000	
All Other Authorized Purposes <sup>(8)(9)</sup>		<u>484,365,000</u>	
Total Outstanding Debt for Debt Limit Calculations			\$653,870,000
Remaining Debt Capacity			
University of Alaska		424,525,000	
Regional Health Organizations		405,970,000	
All Other Authorized Purposes		<u>1,015,635,000</u>	
			\$1,846,130,000

- (1) Excludes the authority of the Bond Bank (or a subsidiary corporation of the Bond Bank) to issue bonds to finance loans to governmental employers to prepay all or a portion of their shares of the unfunded accrued actuarial liabilities of retirement systems. The Bond Bank has never used this authority and has no current plans to do so. See Appendix F – “INFORMATION CONCERNING THE STATE OF ALASKA – Public Debt and Other Obligations of the State – Potential State-Supported Pension Obligation Bonds.”
- (2) Bonds or notes issued by the Bond Bank to refund any bonds or notes of the Bond Bank originally issued to make loans to the University of Alaska are counted against the \$500,000,000 statutory limit in Alaska Statutes 44.85.180(e)(1).
- (3) Bonds or notes issued by the Bond Bank to refund any bonds or notes of the Bond Bank originally issued to make loans to Regional Health Organizations do not count towards the \$500,000,000 statutory limit in Alaska Statutes 44.85.180(e)(2).
- (4) Bonds or notes issued by the Bond Bank to refund any bonds or notes of the Bond Bank originally issued under the authority of Alaska Statutes 44.85.180(a)(1)-(4) do not count towards the \$1,500,000,000 statutory limit in Alaska Statutes 44.85.180(c).
- (5) Includes the 2025 Series One and Two Bonds and excludes the Refunded Bonds.
- (6) All amounts issued under the 2005 General Bond Resolution.
- (7) All amounts issued under the 2016 Master Resolution. As of [February] 1, 2025, the Bond Bank has not issued any bonds to refund bonds or notes of the Bond Bank originally issued to make loans to Regional Health Organizations.
- (8) All amounts issued under the 2005 General Bond Resolution, except the CEIP loans in the amount of \$9,313,528 as of June 30, 2023. As of February 1, 2025, the total principal amount of such Bond Bank bonds outstanding (including refunding bonds issued by the Bond Bank to refund any bonds or notes of the Bond Bank originally issued under the authority of Alaska Statutes 44.85.180(a)(1)-(4), but not including bonds issued by the Bond Bank to make loans to the University of Alaska or Regional Health Organizations) was \$898,835,000.
- (9) The CEIP loans are not liabilities of the Bond Bank but are included when calculating the amount of bonds outstanding under Alaska Statutes 44.85.180(a)(1)-(4). CEIP bonds outstanding as of June 30, 2023, audited.



## DEBT SERVICE REQUIREMENTS

### BONDS ISSUED AND OUTSTANDING UNDER THE 2005 GENERAL BOND RESOLUTION AND THE 2025 SERIES ONE AND TWO BONDS

(Fiscal Years Ending June 30)

Fiscal Year	Outstanding Bonds <sup>(1)</sup>	2025 Series One and Two Bonds		Total <sup>(2)</sup>
		Principal	Interest	
2025 <sup>(3)</sup>				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
2047				
2048				
2049				
2050				
2051				
2052				
2053				
2054				
Total <sup>(1)</sup>				

(1) Excludes the Refunded Bonds.

(2) Totals may not foot due to rounding.

(3) Partial period, as of [February] 1, 2025.

## **Future Financing Plans**

The Bond Bank anticipates issuing additional bonds pursuant to the 2005 General Bond Resolution within the next year and making related loans to eligible borrowers. The principal amount of such additional bonds depends on the number and size of any authorized applications from eligible borrowers.

## **Debt Payment Record**

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

## **SUMMARY OF THE 2005 GENERAL BOND RESOLUTION**

The following is a summary of certain provisions of the 2005 General Bond Resolution. A copy of the 2005 General Bond Resolution, together with the First Supplemental Resolution adopted in February 2013, is included as Appendix E. The 2013 First Supplemental Resolution includes amendments to the 2005 General Bond Resolution that take effect after all Bonds outstanding as of February 19, 2013, are no longer outstanding. See “Modifications to the 2005 General Bond Resolution.” Capitalized terms used in this summary are defined in Section 103 of the 2005 General Bond Resolution.

### **2005 General Bond Resolution Constitutes a Contract**

The 2005 General Bond Resolution provides that the 2005 General Bond Resolution constitutes a contract between the Bond Bank, the Trustee, and the owners from time to time of the Bonds, that the pledges made in the 2005 General Bond Resolution and the covenants and agreements therein set forth to be performed by the Bond Bank will be for the benefit, protection, and security of the holders of any and all of the Bonds, and that each Bond, Credit Enhancement facility, and Interest Rate Exchange Agreement will be of equal rank without preference, priority or distinction.

### **Obligation of the Bond Bank**

The Bonds are general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged for the payment of the principal and redemption premium, if any, of, and interest on the Bonds solely from the sources provided in the 2005 General Bond Resolution and any Series Resolution. The Act and the 2005 General Bond Resolution each provides that the State is not obligated to pay the principal, premium, if any, or interest on the Bonds, and that the Bonds, are not a debt or liability of the State and neither the faith and credit of the State nor the taxing power of the State is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

### **Pledge**

The Municipal Bonds and the Municipal Bonds Payments, the investments thereof, and the proceeds of such investments, if any, and all funds and accounts established by the 2005 General Bond Resolution to be held by the Trustee are pledged and assigned for the payment of the principal of, redemption price of, interest on, and sinking fund installments for, the Bonds in accordance with the terms and provisions of the 2005 General Bond Resolution, subject only to the provisions of the 2005 General Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the 2005 General Bond Resolution. See Section 601 of the 2005 General Bond Resolution in Appendix E. The 2005 General Bond Resolution provides that Municipal Bonds and the Municipal Bonds

Payments and all other money and securities pledged pursuant to the 2005 General Bond Resolution immediately will be subject to the lien of such pledge without any further act, and such lien will be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Bond Bank, regardless of whether such parties have notice thereof.

### **Power to Issue Bonds and Make Pledges**

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

### **General**

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

The Act provides that the State will not limit or restrict, and the Bond Bank pledges and agrees in the 2005 General Bond Resolution with the Holders of the Bonds that it will not cause the State to limit or alter, the rights vested by the Act in the Bond Bank to fulfill the terms of any agreements made with Bondholders, or in any way impair the rights and remedies of such Bondholders, until the Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully met and discharged.

### **Waiver of Laws**

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

### **Loan Agreement Provisions**

The 2005 General Bond Resolution provides that no loan will be made by the Bond Bank from proceeds of the sale of Bonds and no Bonds will be issued for the purpose of providing funds with which to make a loan, unless the Loan Agreement under which such loan is to be made will comply with, among other requirements in the 2005 General Bond Resolution, the following:

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

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

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

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

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

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

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

### **Modification of Loan Agreement Terms**

The Bond Bank covenants in the 2005 General Bond Resolution that it will not consent to the modification of, or modify, the rates of interest of, or the amount or time of payment of any installment of principal of or interest on, any Municipal Bonds evidencing a Loan, or the amount or time of payment of any Fees and Charges payable with respect to such Loan, or the security for or any terms or provisions of such Loan or the Municipal Bonds evidencing the same, in a manner which adversely affects or diminishes the rights of the Bondholders.

### **Enforcement of Municipal Bonds**

The 2005 General Bond Resolution provides that the Bond Bank will diligently enforce, and take all reasonable steps, actions, and proceedings necessary for the enforcement of, all terms, covenants, and conditions of all Loan Agreements and the Municipal Bonds, including the prompt collection, and the giving of notice to the Commissioner of Revenue, Commissioner of Commerce, Community and Economic Development, and Commissioner of Administration and any other department or agency of the State which is custodian of any money payable to the Governmental Unit of any failure or default of the Governmental

Unit in the payment of its Municipal Bonds Payments and will promptly transfer any such money, upon receipt thereof, to the Trustee and that in such event, or if such money is paid directly to the Trustee, the Trustee will deposit any such money in the Principal Account and Interest Account in place of said unpaid Municipal Bonds Payment or in the event deficiencies in said Accounts created by such default has been made up by the Reserve Fund, into the Reserve Fund to the extent of such deficiencies.

## **Funds and Accounts**

The 2005 General Bond Resolution established a Debt Service Fund, consisting of an Interest Account, a Principal Account, and a Redemption Account; a Reserve Fund; a Rebate Fund, which consists of a separate sub-account for each Series of Bonds; and an Operating Fund. The Debt Service Fund, the Rebate Fund, and the Reserve Fund are held by the Trustee. The Operating Fund is held by the Bond Bank and is not pledged to the payment of the Bonds.

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

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

The Trustee establishes in the Redemption Account a separate sub-account for each Series of Bonds. Any money deposited in the Redemption Account from any source other than excess money transferred from the Reserve Fund or certain proceeds received from sales or redemptions of Municipal Bonds pursuant to Section 607 or Section 916 of the 2005 General Bond Resolution will be applied to the purchase or redemption of Bonds. Any money deposited in the Redemption Account from the Reserve Fund because of a reduction in the Required Debt Service Reserve is to be applied to the purchase or redemption of Reserve Fund Obligations. As of [February] 1, 2025, there are no Reserve Fund Obligations outstanding.

***Reserve Fund.*** The 2005 General Bond Resolution established the Reserve Fund as a 2005 General Obligation Bond Resolution Reserve Account within the Alaska Municipal Bond Bank Reserve Fund created by the Act and provides that monthly, the Trustee will set aside from amounts in the Reserve Fund derived from investment earnings and profits realized by the Reserve Fund due to investments thereof, an amount which, when added to the amounts theretofore set aside for such purpose and not paid into the Interest Account, will on such date be equal to the unpaid interest on the Reserve Fund Obligations accrued and to accrue to the last day of such month.

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

On or before December 31 of each year, after satisfying the deposit requirements described above, the Trustee is to withdraw from the Reserve Fund any amount remaining therein derived from investment earnings or profits due to investments thereof, and pay over said amount to the Bond Bank for deposit in

the Custodian Account within the Operating Fund, but only to the extent that there remains after such withdrawal an amount in the Reserve Fund at least equal to the Reserve Fund Requirement.

The 2005 General Bond Resolution provides that the Reserve Fund Requirement may be satisfied with (i) money made available by the State and paid to the Bond Bank for the purpose of the Alaska Municipal Bond Bank Reserve Fund created by the Act in the amount provided by a Series Resolution; (ii) all money paid to the Bond Bank pursuant to the Act for the purpose of restoring the Reserve Fund to the amount of the Reserve Fund Requirement; (iii) such portion of the proceeds of sale of Bonds, if any, as provided by any Series Resolution; (iv) Credit Enhancement; (v) any other money which may be made available to the Bond Bank for the purposes of the Reserve Fund from any other source or sources; or (vi) any combination of the foregoing. The Reserve Fund Requirement may be satisfied entirely, or in part, by a letter of credit, a line of credit, a credit facility, a surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds; provided, however, any credit enhancement satisfying all or any part of the Reserve Fund Requirement after the initial issuance of Bonds or issued in substitution for any prior credit enhancement previously issued will not, by itself, cause a withdrawal or downward revision of the ratings maintained by any Rating Agency with respect to the Bonds.

In the event there is a deficiency in the Interest Account on any interest payment date or in the Principal Account on any principal payment date or Sinking Fund Installment payment date, the Trustee is to make up such deficiencies from the Reserve Fund.

***Administration of Reserve Fund.*** The 2005 General Bond Resolution provides that money and securities held in the Reserve Fund will not be withdrawn therefrom at any time in such amount as would reduce the amount in such Fund to an amount less than the Reserve Fund Requirement except for the payment when due of debt service on Reserve Fund Obligations and to cure a deficiency in the Principal Account or the Interest Account.

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

***Operating Fund.*** The 2005 General Bond Resolution requires the deposit in the Operating Fund of all Fees and Charges, to the extent not otherwise encumbered or pledged, and any other money which may be made available to the Bond Bank for purposes of the Operating Fund from any other source or sources. Money at any time held for the credit of the Operating Fund is to be used for and applied solely to the following purposes: (i) to pay the Administrative Expenses of the Bond Bank; (ii) to pay the fees and expenses of the Trustee and any Paying Agent; (iii) to pay financing costs incurred with respect to a Series of Bonds; and (iv) to pay any expenses in carrying out any other purpose then authorized by the Act.

The Operating Fund is held by the Bond Bank, not by the Trustee, and the 2005 General Bond Resolution provides that all amounts in the Operating Fund will be free and clear of any lien or pledge created by the 2005 General Bond Resolution.

### **Security for Deposits and Investment of Funds**

The 2005 General Bond Resolution provides that all money held by the Trustee under the 2005 General Bond Resolution will be continuously and fully secured, for the benefit of the Bond Bank and the Bondholders in such manner as may then be required or permitted by applicable State or federal laws and

regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds but does not require the Trustee or any Paying Agent to give security for the deposit of any money with them held in trust for the payment of the principal or Redemption Price of or interest on any Bonds, or for the Trustee to give security for any money which is represented by obligations purchased under the provisions of the 2005 General Bond Resolution as an investment of such money. The 2005 General Bond Resolution also provides for the investment of funds held by the Trustee. See the definition of "Investment Securities" and Sections 702 and 703 of the 2005 General Bond Resolution in Appendix E.

### **Payment of Bonds**

The Bond Bank covenants in the 2005 General Bond Resolution that it will duly and punctually pay or cause to be paid the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof, and will duly and punctually pay, or caused to be paid, all Sinking Fund Installments, if any, becoming payable with respect to any Series of Bonds.

### **Fees and Charges**

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

### **Issuance of Additional Obligations**

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

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

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

### **Defeasance**

If the Bond Bank pays or causes to be paid to the holders of all Bonds then Outstanding the principal and interest and/or Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the 2005 General Bond Resolution and also pays or causes to be paid all other sums payable under the 2005 General Bond Resolution by the Bond Bank, including any amounts payable to the United States, then, at the option of the Bond Bank, as expressed in an instrument in writing signed by an Authorized Officer and delivered to the Trustee, the covenants, agreements, and other obligations of the Bond Bank to the Bondholders will be discharged and satisfied.

The 2005 General Bond Resolution provides that Bonds may, prior to the maturity or redemption date thereof, be deemed to have been paid if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Bond Bank has given to the Trustee in form satisfactory to it irrevocable instructions to publish notice of redemption on said date of such Bonds, and (ii) there has been deposited with the Trustee either monies in an amount which will be sufficient or Investment Securities which are not subject to redemption prior to the dates on which amounts will be needed to make payments on the Bonds and described in clause (1) of the definition of Investment Securities in the 2005 General Bond Resolution, the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Trustee or Paying Agent at the same time, is sufficient, to pay, when due, the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as may be the case. See the definition of “Outstanding,” the definition of “Investment Securities,” and Article XIII of the 2005 General Bond Resolution in Appendix E.

### **Supplements and Amendments**

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

Any other modification or amendment of the 2005 General Bond Resolution and of the rights and obligations of the Bond Bank and of the Bondholders may be made with the written consent (i) of the holders of at least two-thirds in principal amount of the Bonds Outstanding at the time such consent is given, or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the holders of at least two-thirds in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given; provided, however, that such modification or amendment will not permit (i) a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or Sinking Fund Installment therefor, (ii) a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon, (iii) a reduction of the percentage of the Holders of which is required to effect any such modification or amendment, or (iv) the creation of any lien prior to or on a parity with the lien created by the 2005 General Bond Resolution (except in the manner provided by the 2005 General Bond Resolution)



or deprive the Bondholders of the lien created by the 2005 General Bond Resolution, without the consent of the holders of all the Bonds Outstanding or of the Series of Bonds affected by such modification or amendment. To the extent that the full payment of the interest and principal of Bonds of a Series is secured by Credit Enhancement, the Credit Enhancement Agency will be considered to be the Bondholder of all the Bonds of the Series for purposes of exercising any rights with respect to supplements and amendments to the 2005 General Bond Resolution if the Credit Enhancement so provides. See Articles X and XI and the definition of “Bondholder” in the 2005 General Bond Resolution and Section 202 of the 2013 First Supplemental Resolution in Appendix E.

### **Events of Default and Remedies**

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

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

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

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

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

The 2005 General Bond Resolution provides that upon the happening and continuance of any Event of Default described in clause (a) above, the Trustee will proceed, or upon the happening and continuance of any Event of Default described in clauses (b) and (c) above, the Trustee may proceed, and upon the written request of the holders of not less than 25 percent in principal amount of the Outstanding Bonds will proceed, in its own name, to protect and enforce its rights and the rights of the Bondholders by such of the following remedies as the Trustee, being advised by counsel, deems most effectual to protect and enforce such rights:

(a) by mandamus or other suit, action, or proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Bond Bank to make and collect Fees

and Charges and Municipal Bonds Payments adequate to carry out the covenants and agreements as to, and pledge of, such Fees and Charges and Municipal Bonds Payments and other properties and to require the Bond Bank to carry out any other covenant or agreement with Bondholders and to perform its duties under the Act;

(b) by bringing suit upon the Bonds;

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

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

**Acceleration.** The 2005 General Bond Resolution provides that upon the occurrence of an event of default in the payment of principal or Redemption Price of, Sinking Fund Installment for, or interest on Bonds then Outstanding, unless the principal of all Bonds has already become due and payable, the Trustee, by notice in writing to the Bond Bank, may, and upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding will, declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same will be immediately due and payable. This provision, however, is subject to the condition that if, at any time after the principal of the Bonds has been so declared due and payable, and before any judgment or decree for the payment of the money due has been obtained or entered, the Bond Bank deposits with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest upon all the Bonds, with interest on such overdue installments of principal at the rate borne by the respective Bonds, and the reasonable expenses of the Trustee, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate have been made therefor, then the holders of at least a majority in aggregate principal amount of the Bonds then outstanding, by written notice to the Bank and to the Trustee, may, on behalf of the holders of all of the Bonds, rescind and annul such declaration and its consequences and waive such default. See Sections 1203 and 1204 in Appendix E.

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

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

Resolution, or to enforce any right with respect to the Bonds or the 2005 General Bond Resolution, except in the manner provided in the 2005 General Bond Resolution, and all proceedings at law or in equity will be instituted, held, and maintained in the manner provided in the 2005 General Bond Resolution and for the benefit of all Bondholders.

### **Excess Earnings**

The Bond Bank covenants and agrees in the 2005 General Bond Resolution to calculate Rebutable Arbitrage and to pay Rebutable Arbitrage to the United States of America in the manner necessary to comply with the then applicable federal tax law. Within 30 days after the end of every fifth Bond Year, and within 60 days of the date when all of each Series of Bonds have been retired (or at such other time or times as may then be required by the Code and the applicable Income Tax Regulations), the Bond Bank will determine the Rebutable Arbitrage with respect to each Series of Bonds, and pay rebate amounts due the United States of America with respect thereto, as provided in Section 148(f) of the Code.

### **Modifications to the 2005 General Bond Resolution**

In addition to modifications with and without consent of Bondholders, the 2005 General Bond Resolution authorizes modifications of any provision set forth in the 2005 General Bond Resolution by the terms of a Supplemental Resolution, with such modifications becoming effective after all Bonds of each Series Outstanding as of the date of such Supplemental Resolution authorizing such modification cease to be Outstanding. The 2013 First Supplemental Resolution was adopted by the Board on February 19, 2013.

The 2013 First Supplemental Resolution authorizes the following modifications to the 2005 General Bond Resolution: (i) to authorize the Trustee to release to the Bond Bank amounts held in the Reserve Fund which exceed the Required Debt Service Reserve whenever there is a reduction in the Required Debt Service Reserve, (ii) to authorize the Trustee to release to the Bond Bank earnings and profits realized from investments in the Reserve Fund on or before June 30 of each year so long as the balance therein equals the Required Debt Service Reserve, (iii) to allow for certain amendments and modifications to the 2005 General Bond Resolution to be effective upon securing the consent of Holders of at least two-thirds in principal amount of Bonds then Outstanding, and (iv) to establish that consent of Holders of Bonds, when required under the terms of the 2005 General Bond Resolution, specifically includes the consent of an underwriter or purchaser of a Series of Bonds at the time such Bonds are issued.

The modifications to the 2005 General Bond Resolution set forth in the 2013 First Supplemental Resolution shall become effective after all Bonds issued prior to the 2013 Series Three Bonds cease to be Outstanding and compliance by the Bank with certain requirements set forth in the 2005 General Bond Resolution, at which time these modifications will apply to the 2025 Series One and Two Bonds and govern the rights and obligations of the Holders thereof.

### **CERTAIN BONDOWNERS' RISKS**

*The following is a discussion of certain risks that could affect payments to be made with respect to the 2025 Series One and Two Bonds. This discussion is not, and is not intended to be, exhaustive, should be read in conjunction with all other parts of this Official Statement, and should not be considered to be a complete description of all risks that could affect such payments. The order in which the following information appears is not intended to reflect its relative importance. Prospective purchasers of the 2025 Series One and Two Bonds should analyze carefully the information contained in this Official Statement, including the appendices, and additional information in the form of the complete documents summarized herein, copies of which are available as described in this Official Statement.*

## **General**

An investment in the 2025 Series One and Two Bonds involves certain risks, including the risk of nonpayment of interest or principal due to owners of the 2025 Series One and Two Bonds and the risk that the 2025 Series One and Two Bonds will be redeemed prior to maturity. The enforceability of the Bond Bank's obligations pursuant to the 2005 General Bond Resolution may be limited by the laws of the State and the United States with respect to bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights generally and by the availability of equitable remedies.

The 2025 Series One and Two Bonds are general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged for the payment of the principal and redemption premium, if any, of, and interest on the 2025 Series One and Two Bonds solely from the sources provided in the 2005 General Bond Resolution and any Series Resolution. The Act and the 2005 General Bond Resolution each provides that the State is not obligated to pay the principal, premium, if any, or interest on the 2025 Series One and Two Bonds, that the 2025 Series One and Two Bonds are not a debt or liability of the State, and that neither the faith and credit of the State nor the taxing power of the State is pledged to the payment of the principal of, premium, if any, or interest on the 2025 Series One and Two Bonds.

In addition to the 2025 Series One and Two Bonds, the Bond Bank may issue additional series of Bonds secured on a parity under the 2005 General Bond Resolution. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

## **State and Governmental Unit Revenues**

Payments made by the Governmental Units on their Municipal Bonds are the primary security for the payment of principal of and interest on the Bonds, including the 2025 Series One and Two Bonds. The Bond Bank also maintains a reserve account within the reserve fund created under the Act as additional security for the payment of the Bonds. The Bond Bank is required under the Act to report the sufficiency of the reserve fund and to seek appropriations from the Legislature to replenish the reserve fund if needed. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – 2005 General Bond Resolution Reserve Fund."

***State Payments to Governmental Units.*** State payments to Governmental Units include, but are not limited to, payments through the SDRP and Education Support Funding through DEED and community jail funding through the Department of Corrections. A table in Appendix B sets forth the amount of State payments to Governmental Units that have borrowed from the Bond Bank as well as the fiscal year 2024 Loan Obligations and estimated coverage provided by those State payments. The payment and amount of such State payments is uncertain, and legislative authorization for such payments is subject to appropriation and to amendment or repeal. See Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA – Government Budgets and Appropriations" and "– Government Funds" and Appendix B – "STATE PAYMENTS TO GOVERNMENTAL UNITS."

Capital expenditures by the State that are the source of matching grant funding to municipalities were reduced significantly in fiscal years 2017, 2020, 2021, and 2022. Payments through the SDRP were reduced by 25 percent in fiscal year 2017, by 50 percent in fiscal year 2020, by 100 percent in fiscal year 2021, and by approximately 58 percent in fiscal year 2022. The fiscal year 2023 budget included State aid payments to Governmental Units subject to the Bond Bank's intercept authority under the Act by providing payments for the SDRP at 100 percent of authorized amounts and included appropriations to offset the prior fiscal year reductions in 2017, 2020, 2021, and 2022. The fiscal year 2024 enacted budget includes the State's SDRP and TIDSRP funding at 100 percent of authorized amounts. In 2015, the Legislature passed a moratorium on the SDRP and eliminated DEED's authority to issue agreements to reimburse debt from

school bonds that voters approved after January 1, 2015, and before July 1, 2020. In 2020, the legislature extended the moratorium until July 1, 2025. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – State Payments to Governmental Units,” and Appendix F – “INFORMATION CONCERNING THE STATE OF ALASKA.”[TO BE UPDATED AS NEEDED]

***Effect on State Intercept.*** The Act provides that, to the extent that any department or agency of the State is the custodian of money payable to a Governmental Unit, at any time after notice from the Bond Bank that the Governmental Unit is in default on the payment of the principal of or interest on its Municipal Bonds then held or owned by the Bond Bank, the department or agency is required to withhold the payment of such money held by it and pay over such money to the Bond Bank for the purpose of paying principal of and interest on the bonds of the Bond Bank. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – State Payments to Governmental Units.” Other State agencies may have similar rights to intercept State payments to local governments or to limit the amount intercepted, and no assurance can be given that the Bond Bank’s claim would have priority or that the amount of available State payments would be sufficient. State payments to Governmental Units have been reduced in recent years, and there can be no assurance that additional reductions will not be made, reducing the amount available to the Bond Bank under the intercept remedy.

***Effect on Reserve Fund.*** If the Bond Bank is required to draw on the Reserve Fund because of a default by a Governmental Unit, the appropriation provides that an amount equal to the amount drawn from the Reserve Fund is appropriated from the State’s General Fund to the Reserve Fund. The State is not obligated to make such an appropriation. There is no guarantee that the Bond Bank will be able to secure future appropriations within the State’s operating budget for replenishment of the Bond Bank’s reserve accounts, including the Reserve Fund. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – 2005 General Bond Resolution Reserve Fund” and Appendix F – “INFORMATION CONCERNING THE STATE OF ALASKA – Government Budgets and Appropriations.”

### **Adequacy of Revenues**

No representation or assurance can be given that the Bond Bank will realize revenues in amounts sufficient to make payments when due under the 2005 General Bond Resolution. The realization of future revenues is dependent upon, among other things, payments to be made by Governmental Units, which are subject to future changes in economic, legal, legislative, regulatory, and other conditions that are unpredictable and cannot be determined at this time. The risk of nonpayment or that the 2025 Series One and Two Bonds will be redeemed prior to maturity is affected by the following factors, among others, which should be considered by prospective investors, along with other information set forth in this Official Statement, in judging the suitability of an investment in the 2025 Series One and Two Bonds. The 2025 Series One and Two Bonds may not be a suitable investment for all prospective purchasers. Prospective purchasers should consult their investment advisors before making any decisions as to the purchase of the 2025 Series One and Two Bonds.

The future financial condition of the State and of the Governmental Units could be adversely affected by, among other things: detrimental State or federal legislation; detrimental State or federal regulatory actions; lower investment returns; decreased demand and lower prices for petroleum products; decreased tourism and other retail activity; demographic changes; the occurrence of natural, national, or international calamities, including a national or localized outbreak of a highly contagious or epidemic disease; security breaches in information technology systems; and tax law changes. There can be no assurance that revenues available to the Bond Bank and the Governmental Units to make payment on the 2025 Series One and Two Bonds will not decrease.

**Investment Earnings.** Investment earnings are a principal source of unrestricted General Fund revenue for the State. In 2018, the Legislature enacted Senate Bill 26, which directs the State to appropriate amounts from the Earnings Reserve of the Alaska Permanent Fund to the General Fund as unrestricted General Fund revenue. See Appendix F – “INFORMATION CONCERNING THE STATE OF ALASKA – State Revenues” and “– Government Funds – The Alaska Permanent Fund.” The past performance of such investments cannot be used as a basis to predict future results. The results in subsequent fiscal years will depend upon the state of general economic conditions and market results of investments that may be held by the State from time to time for its investment purposes.

**Oil and Gas Revenues.** The State’s unrestricted General Fund revenue has historically been generated primarily from petroleum production activities. Approximately 80 percent of fiscal year 2018 unrestricted General Fund revenue was generated from petroleum. The overall percentage of General Fund revenue from petroleum production activities has fallen in connection with the appropriations from the Earnings Reserve of the Alaska Permanent Fund as unrestricted General Fund revenue as directed by Senate Bill 26. As of the Spring 2023 Revenue Sources Book and Forecast, released by the Tax Division on March 21, 2023 (the “Spring 2023 Revenue Forecast”), the State has forecasted for fiscal year 2023 that of the \$6,979.5 million of unrestricted General Fund revenue, \$3,085.0 million, or approximately 44 percent, will be derived from oil and gas revenue and \$3,435.7 million, or approximately 49 percent, is estimated to be generated from investment revenue, including transfers from the Permanent Fund Earnings Reserve. [TO BE UPDATED AS NEEDED]

Many factors affect the ability of the petroleum industry to sustain production in the State, including: future economic conditions; access to affordable financing; energy prices; technological changes; transportation costs; availability and cost of materials used in processing; availability and affordability of insurance; availability and capability of qualified management and personnel; technical difficulties or supplier interruptions; and seasonality. Energy prices are affected by, among other factors outside the control of the State: the supply and demand for oil and gas and expectations regarding supply and demand; the development of energy production technology, such as hydraulic fracturing; political conditions in other oil-producing countries, including the possibility of insurgency or war in such areas; economic conditions in the United States and worldwide; governmental regulations and taxation, including regulations on carbon emissions and other greenhouse gases; the impact of energy conservation efforts; the price and availability of alternative fuel sources; weather conditions; the availability of transportation systems and storage; and market uncertainty.

As a global commodity, the price and production volume of oil are subject to periods of significant volatility based on regional and global events. There can be no assurance that oil and gas revenue of the State will not decrease in current or future fiscal years. In fiscal year 2021, the State generated \$1,217.6 million in petroleum related unrestricted General Fund revenue with an average Alaska North Slope (“ANS”) price per barrel of \$54.14 and average daily ANS production of approximately 486,100 barrels per day. In fiscal year 2022, the State generated \$3,480.9 million in petroleum related unrestricted General Fund revenue with an average ANS price per barrel of \$91.41 and average daily ANS production of approximately 476,500 barrels per day. In fiscal year 2023, the State was forecasted in the Spring 2023 Revenue Forecast to generate \$3,085.0 million in petroleum related unrestricted General Fund revenue with an average ANS price per barrel of \$85.25 and average daily ANS production of approximately 485,200 barrels per day. See Appendix F – “INFORMATION CONCERNING THE STATE OF ALASKA – State Revenues – Oil and Gas Revenues.”

**Federal Revenues.** The State receives federal revenues for specific purposes that are generally subject to review or audit by grantor agencies. Entitlement to federal revenues is generally conditioned upon compliance with the terms of grant agreements and applicable federal regulations, including the expenditure of assistance for allowable purposes. Any disallowance resulting from a review or audit may

become a liability of the State. In addition, pending legal challenges to the Affordable Care Act pose risks to federal revenues received by the State through the Medicare and Medicaid programs. Reductions in federal funding could result in reduced economic activity and increased State costs. There can be no assurance that federal revenues available to the State will not decrease and are subject to amendment or repeal. See Appendix F – “INFORMATION CONCERNING THE STATE OF ALASKA – State Revenues – Federal Revenue.”

### **Infectious Disease Outbreak**

Pandemics and health emergencies may adversely impact the State and its revenues, expenses and financial condition. For example, COVID-19 pandemic and related governmental orders affected the entire world, including the State and had a significant effect on commerce, financial markets, the State and region. Tourism is an important sector for the Alaska economy and actions taken by domestic and foreign governmental entities in connection with future health emergencies may have an adverse effect on the Alaska economy. Since tourism to Alaska is primarily based on air travel and cruise traffic, air and cruise ship travel bans to or from the State may have a greater effect on the Alaska economy than other regions. Additionally, without U.S. Congressional action, future large sailings to the Alaska market may be effectively cancelled for the duration of any future cruise ship ban by Canada. Despite the existence of any protocols by the State, individual boroughs, cities, villages, or any other public or private entity and the existence of current or future governmental aid programs, it is not possible to predict (i) the geographic spread of future health emergencies; (ii) the severity of future health emergencies, or mutations or other outbreaks; (iii) the duration of any future outbreaks; (iv) actions that may be taken by governmental authorities in the future to contain or mitigate future pandemics; (v) the future development of medical therapeutics or vaccinations; (vi) future travel restrictions; or (vii) the impact of any future pandemics on the local or global economy. Prospective investors should assume that the restrictions and limitations instituted related to future public health pandemics may occur.

### **Other Factors Affecting the State and Governmental Units**

***Future Economic Conditions.*** Increased unemployment, adverse economic conditions, including the health of the oil and gas industry, volatility in the tourism industry including the summer cruise ship season, changes in demographics, the cost and availability of energy, volatility in global trade including supply and demand fluctuations of precious metals, seafood, or other commodities, the inability to control expenses in periods of inflation, and difficulty in increasing revenues while maintaining a competitive economic environment could all affect the finances and operations of the State and Governmental Units.

***Cybersecurity Risks.*** The State and Governmental Units rely on electronic systems and technologies to conduct their operations. In the past several years, a number of entities have sought to gain unauthorized access to electronic systems of various organizations for the purpose of misappropriating assets or personal, operational, financial, or other sensitive information that can cause operational disruption. These attempts, which are increasing, include highly sophisticated efforts to electronically circumvent security measures as well as more traditional intelligence gathering aimed at obtaining information necessary to gain such access. No assurance can be given that security measures implemented by the State and Governmental Units will be able to prevent cyber-attacks on their electronic systems, and no assurances can be given that any cyber-attacks, if successful, will not have a material adverse effect on their finances or operations.

***Earthquakes.*** The State contains many regions of seismic activity, with frequent small earthquakes and occasionally moderate and larger earthquakes. A 1964 earthquake with its epicenter in southcentral Alaska measuring 9.2 on the Richter scale was the most powerful earthquake recorded in North American history, and the second most powerful in world history, causing over 130 deaths. Certain soil types and property located in certain areas of the State could become subject to liquefaction and could result in

landslides following a major earthquake and any aftershocks. Areas of the State also could experience the effects of a tsunami following a major earthquake. A significant earthquake may disrupt transportation, communication, water and sewer systems, power and fuel delivery for weeks to months throughout certain regions of the State, and could result in significant permanent loss of population and business.

***Volcanic Eruptions.*** The State contains many active volcanoes. A volcanic eruption could result in landslides and releases of gas and ash that can interfere with air travel, a principal mode of transportation in the State.

***Wildfires.*** Areas of the State have experienced drought conditions and increased wildfire activity. Warmer and drier summer conditions increase the risk of wildfires that may threaten the health, economy, and environment of the State and Governmental Units by creating unhealthy air quality levels, threatening infrastructure, businesses, and residences, destroying natural resources, and damaging wildlife habitat.

***Climate Change.*** Climate change poses potential risks to the State and Governmental Units and their finances and operations. Extreme weather events can result in droughts, wildfires, floods, and other natural disasters. Climate change may also affect population migration and shifts in economic activities such as agriculture, fishing, and construction of facilities and roads on permafrost and ice. No assurance can be given that climate change will not have a material adverse effect on the finances and operations of the State and Governmental Units.

## **Ratings**

The lowering, suspension, or withdrawal of one or more of the ratings initially assigned to the 2025 Series One and Two Bonds could adversely affect the market price and the market for the 2025 Series One and Two Bonds. See “RATINGS.”

## **Limitations on Enforceability of Obligations and Remedies**

The enforceability of the Bond Bank’s obligations under the 2005 General Bond Resolution may be limited by the laws of the State and the United States with respect to bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors’ rights generally and by the availability of equitable remedies. The opinions of Bond Counsel will so state. The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the 2005 General Bond Resolution. These remedies, in certain respects, may require judicial action, which is often subject to discretion and delay. Under existing law, certain of the remedies specified in the 2005 General Bond Resolution may not be readily available or may be limited. A court may decide not to order the specific performance of these covenants.

## **Federal Income Tax Considerations**

The exemption of interest on the 2025 Series One and Two Bonds from federal income taxes is dependent upon continuing compliance by the Bond Bank and the Governmental Units with the requirements of the Code. If there is a failure to continuously comply with the covenants of the Code, interest on the 2025 Series One and Two Bonds could become includible for federal income tax purposes in the gross income of the owners thereof, retroactive to the date of issuance of the 2025 Series One and Two Bonds.

If interest on the 2025 Series One and Two Bonds becomes so includible in the owners’ gross incomes, the effect will be to reduce the yield on an owner’s 2025 Series One and Two Bonds as a result of the federal and, in certain cases, state and local, income tax liability incurred in connection with the



receipt of interest on the 2025 Series One and Two Bonds. There is no provision for any adjustment to the interest rate borne by the 2025 Series One and Two Bonds in the event of any such loss of tax-exempt status, nor is any provision made for the payment of any penalties or premium in such event. As a result, the owners of the 2025 Series One and Two Bonds may be forced to bear the adverse economic consequences of any such loss of tax-exempt status and may not have adequate remedies against the Bond Bank to recover any losses or damages so sustained.

### **Secondary Market and Prices**

It has been the practice of the Underwriter to maintain a secondary market in municipal securities they sell, and the Underwriter currently intends to engage in secondary market trading of the 2025 Series One and Two Bonds, subject to applicable securities laws. The Underwriter, however, is not obligated to engage in secondary trading or to repurchase any of the 2025 Series One and Two Bonds at the request of the owners thereof. No assurance can be given that a market will exist for the resale of the 2025 Series One and Two Bonds. Because of general market conditions or because of adverse history or economic prospects connected with a particular issue or issuer, secondary marketing activity in connection with a particular issue may be suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price. **There can be no guarantee that there will be a secondary market for the 2025 Series One and Two Bonds, or if a secondary market exists, that the 2025 Series One and Two Bonds can be sold for any particular price.**

### **LITIGATION**

As a condition to the delivery of the 2025 Series One and Two Bonds, the Alaska Department of Law, as counsel to the Bond Bank, is required to furnish a certificate to the effect that as of the date of delivery, there is no litigation pending against the Bond Bank in any State court to restrain or enjoin the issuance or delivery by the Bond Bank of the 2025 Series One and Two Bonds or contesting the validity or enforceability of the 2025 Series One and Two Bonds, the 2005 General Bond Resolution, or the pledge made under the Bond Resolution.

### **TAX MATTERS**

In the opinion of Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2025 Series One and Two Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code, except that no opinion is expressed as to the status of interest on any 2025 Series Two Bond for any period that such 2025 Series Two Bond is held by a “substantial user” of the facilities financed by the 2025 Series Two Bonds or by a “related person” within the meaning of Section 147(a) of the Code. In the further opinion of Bond Counsel, interest on the 2025 Series One Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the 2025 Series Two Bonds is a specific preference item for purposes of the federal individual alternative minimum tax and interest on the 2025 Series One and Two Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion, based on existing laws of the State, that interest on the 2025 Series One and Two Bonds is exempt from taxation by the State except for transfer, estate and inheritance taxes. A complete copy of the proposed form of opinion of Bond Counsel related to the 2025 Series One and Two Bonds is set forth in Appendix A.

To the extent the issue price of any maturity of the 2025 Series One and Two Bonds is less than the amount to be paid at maturity of such 2025 Series One and Two Bonds (excluding amounts stated to be interest and payable at least annually over the term of such 2025 Series One and Two Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the 2025 Series One and Two Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the 2025 Series One and Two Bonds is the first price at which a substantial amount of such maturity of the 2025 Series One and Two Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the 2025 Series One and Two Bonds accrues daily over the term to maturity of such 2025 Series One and Two Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such 2025 Series One and Two Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such 2025 Series One and Two Bonds. Beneficial Owners of the 2025 Series One and Two Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2025 Series One and Two Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such 2025 Series One and Two Bonds is sold to the public.

2025 Series One and Two Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2025 Series One and Two Bonds. The Bond Bank and the Governmental Units have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the 2025 Series One and Two Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the 2025 Series One and Two Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the 2025 Series One and Two Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the 2025 Series One and Two Bonds may adversely affect the value of, or the tax status of interest on, the 2025 Series One and Two Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the 2025 Series One and Two Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the 2025 Series One and Two Bonds may otherwise affect a Beneficial Owner’s federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 2025 Series One and Two Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the 2025 Series One and Two Bonds. Prospective purchasers of the 2025 Series One and Two Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Bond Bank or the Governmental Units or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Bond Bank and the Governmental Units have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the 2025 Series One and Two Bonds ends with the issuance of the 2025 Series One and Two Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Bond Bank, the Governmental Units or the Beneficial Owners regarding the tax-exempt status of interest on the 2025 Series One and Two Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Bond Bank or the Governmental Units legitimately disagree, may not be practicable. Any action of the IRS, including but not limited to selection of the 2025 Series One and Two Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the 2025 Series One and Two Bonds, and may cause the Bond Bank, the Governmental Units or the Beneficial Owners to incur significant expense.

Payments on the 2025 Series One and Two Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of 2025 Series One and Two Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the 2025 Series One and Two Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the 2025 Series One and Two Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

## CERTAIN LEGAL MATTERS

***Bond Bank.*** Legal matters incident to the authorization, issuance, and sale by the Bond Bank of the 2025 Series One and Two Bonds are subject to the approving legal opinion of Orrick, Herrington &

Sutcliffe LLP, Bond Counsel to the Bond Bank. The proposed form of the opinion of Bond Counsel for the 2025 Series One and Two Bonds is included as Appendix A. Certain legal matters will be passed upon by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the Bond Bank.

**Governmental Unit.** Certain legal matters will be passed upon for (1) the Ketchikan Gateway Borough by its bond counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, Seattle, Washington, (2) Petersburg Borough, the City of Whittier and [ ] by their bond counsel, Jermain, Dunnagan & Owens P.C., Anchorage, Alaska, (3) the City and Borough of Juneau, by its bond counsel, K&L Gates LLP, Seattle, Washington, and (4) the Kodiak Island Borough and the City of Unalaska, by their bond counsel, [ ].

**Underwriter.** Certain legal matters will be passed upon for the Underwriter by its special counsel, Hawkins Delafield & Wood LLP, San Francisco, California. Any opinion of such counsel will be limited in scope and delivered only to the Underwriter, and may not be relied upon by investors.

**Relationships Among Parties.** From time to time, the firms of Orrick, Herrington & Sutcliffe LLP, Jermain, Dunnagan & Owens P.C., K&L Gates LLP and Stradling Yocca Carlson & Rauth, a Professional Corporation may represent the Underwriter in transactions unrelated to the issuance of the 2025 Series One and Two Bonds.

## UNDERWRITING

The 2025 Series One Bonds are to be purchased from the Bond Bank at an aggregate purchase price of \$\_\_\_\_\_ (the principal amount of the 2025 Series One Bonds, [plus/less] issue [premium/discount] of \$\_\_\_\_\_, less Underwriter's discount of \$\_\_\_\_\_) and the 2025 Series Two Bonds are to be purchased from the Bond Bank at an aggregate purchase price of \$\_\_\_\_\_ (the principal amount of the 2025 Series Two Bonds, [plus/less] issue [premium/discount] of \$\_\_\_\_\_, less Underwriter's discount of \$\_\_\_\_\_), subject to the terms of a bond purchase agreement (the "Purchase Agreement") between the Bond Bank and RBC Capital Markets, LLC (the "Underwriter").

The Purchase Agreement provides that the Underwriter will purchase all of the 2025 Series One and Two Bonds if any are purchased and that the obligation of the Underwriter to accept and pay for the 2025 Series One and Two Bonds is subject to certain terms and conditions set forth therein, including the approval by counsel of certain legal matters.

The initial offering prices or prices corresponding to the yields set forth on the inside covers of this Official Statement may be changed from time to time by the Underwriter without prior notice to any person. The Underwriter may offer and sell the 2025 Series One and Two Bonds to certain dealers, unit investment trusts, or money market funds at prices lower than the initial offering prices or prices corresponding to the yields set forth on the inside cover of this Official Statement.

The Underwriter and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offerings of the Bond Bank or the Governmental Units. The Underwriter and its respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and its respective

affiliates may also communicate independent investment recommendations, market color, or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Bond Bank and the Governmental Units.

### **MUNICIPAL ADVISOR**

The Bond Bank has retained PFM Financial Advisors LLC (“PFM”) to serve as municipal advisor to provide certain advice to the Bond Bank with respect to the issuance of the 2025 Series One and Two Bonds. PFM is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness, or fairness of the information contained in this Official Statement. PFM is an independent financial advisory firm registered with the Securities and Exchange Commission and is not engaged in the business of underwriting, trading, or distributing municipal securities or other public securities.

### **FINANCIAL STATEMENTS**

The financial statements of the Bond Bank for the fiscal year ended June 30, 2024, included in this Official Statement as Appendix D, have been audited by BDO USA, LLP, independent certified public accountants, to the extent and for the periods indicated in their report thereon. Such financial statements have been included in reliance upon the report of BDO USA, LLP. The Bond Bank has not requested BDO USA, LLP to provide written consent for inclusion of the financial statements in this Official Statement.

### **RATINGS**

Moody’s Ratings (“Moody’s”), S&P Global Ratings (“S&P”), and Kroll Bond Rating Agency, LLC (“KBRA”) have assigned ratings of “[\_\_\_\_],” “[\_\_\_\_],” and “[\_\_\_\_],” respectively, to the 2025 Series One and Two Bonds. The Bond Bank has not retained Fitch Ratings, Inc. (“Fitch”) to rate the 2025 Series One and Two Bonds. Fitch has rated other series of Bonds issued under the 2005 General Bond Resolution since 2014. Such ratings reflect only the views of such organizations, and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody’s, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, (212) 553-0300; S&P, 55 Water Street, New York, New York 10041, (212) 438-1000; KBRA, 805 Third Avenue, 29<sup>th</sup> Floor, New York, New York, (212) 702-0707. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own. **There can be no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price and marketability of the 2025 Series One and Two Bonds.**

### **CONTINUING DISCLOSURE UNDERTAKINGS**

#### **Bond Bank Continuing Disclosure Undertaking**

The Bond Bank has covenanted for the benefit of the holders and Beneficial Owners of the 2025 Series One and Two Bonds to provide, or to cause to be provided, certain historical financial and operating information not later than 210 days after the end of each Fiscal Year (currently June 30) in which any 2025 Series One and Two Bonds are outstanding, commencing with its report for the Fiscal Year ended June 30, 2025 (each an “Annual Report”). The Bond Bank has also covenanted to not later than 120 days after the end of each Fiscal Year notify each Governmental Unit that had, as of the end of such Fiscal Year, an amount of its Municipal Bonds equal to or greater than 20 percent of the outstanding principal amount of

the Municipal Bonds held by the Bond Bank under the 2005 General Bond Resolution, of such Governmental Unit's continuing disclosure undertaking responsibility. In addition, the Bond Bank has covenanted to provide notices of the occurrence of certain enumerated events. The Annual Reports are required to be filed by the Bond Bank with the MSRB through its EMMA system. The specific nature of information to be contained in the Annual Report and the enumerated events of which the Bond Bank is to give notice are set forth in the proposed form of the Continuing Disclosure Certificate of the Bond Bank included as Appendix G. These covenants have been made in order to assist the Underwriter in complying with paragraph (b)(5) of Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12").

### **Governmental Unit Continuing Disclosure Undertakings**

Each of the Governmental Units from which the Bond Bank is purchasing Municipal Bonds with proceeds of the 2025 Series One and Two Bonds (the "2025 Series One and Two Governmental Units") has covenanted in its Loan Agreement that if its Municipal Bonds constitute 20 percent or more of the outstanding principal amount of the Municipal Bonds held by the Bond Bank under the 2005 General Bond Resolution, such 2025 Series One and Two Governmental Unit will execute a continuing disclosure agreement prepared by the Bond Bank for purposes of complying with Rule 15c2-12. There are currently no Governmental Units that reach this 20 percent threshold.

In connection with certain previous Bonds issued under the 2005 Master Resolution, each applicable Governmental Unit was required to covenant in its Loan Agreement to execute a continuing disclosure certificate if such Governmental Unit's Municipal Bonds constituted 10 percent or more of the outstanding principal amount of the Municipal Bonds held by the Bond Bank under the 2005 General Bond Resolution. As described above, the 10 percent threshold described in the previous sentence has been replaced with a 20 percent threshold for the 2025 Series One and Two Governmental Units. The Bond Bank expects to retain the 20 percent threshold in connection with future Bonds issued under the 2005 Master Resolution.

### **Compliance with Prior Continuing Disclosure Undertakings**

**General.** The Bond Bank has developed procedures to help ensure its compliance with its continuing disclosure obligations in all material respects. Although there have been instances of technical deficiencies with its previous undertakings, the Bond Bank has established appropriate written policies and procedures, including trainings and identifying a designated point of contact to help facilitate future compliance with Rule 15c2-12.

**Governmental Units.** The Bond Bank has been notified that certain Governmental Units that previously entered into continuing disclosure certificates have failed to fully comply with their continuing disclosure obligations. The Bond Bank has not verified such information.

## **DEFINITIONS**

The following terms are used in this Official Statement with the following meanings. See also the definitions in Article I of the 2005 General Bond Resolution in Appendix E.

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

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

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

**“Code”** — Internal Revenue Code of 1986 and the regulations thereunder, as amended.

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

**“Credit Enhancement Agency”** — Any bank or other institution that provides Credit Enhancement.

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

**“Fees and Charges”** — All fees and charges authorized to be charged by the Bond Bank pursuant to Section 44.85.080(8), (15), and (16) of the Act and charged by the Bank to Governmental Units pursuant to the terms and provisions of the Loan Agreements.

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

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

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

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

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

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

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

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

Bond Resolution, and (iii) Bonds deemed to have been paid as provided in the 2005 General Bond Resolution.

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

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

**“Reserve Fund Obligations”** — Bonds issued by the Bond Bank to obtain funds to be deposited in the Reserve Fund.

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

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

**“2005 General Bond Resolution”** — The Bond Bank’s General Obligation Bond Resolution adopted July 13, 2005, as amended on August 19, 2009. The amendments adopted in the 2013 First Supplemental Resolution will be effective after all Bonds outstanding on February 19, 2013, are no longer are outstanding. See the forms of the 2005 General Bond Resolution and the 2013 First Supplemental Resolution in Appendix E.

## MISCELLANEOUS

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

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



**OFFICIAL STATEMENT**

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

**ALASKA MUNICIPAL BOND BANK**

By: \_\_\_\_\_  
Executive Director

**APPENDIX A**

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

[TO BE ADDED]

## APPENDIX B

### STATE PAYMENTS TO GOVERNMENTAL UNITS

#### [ENTIRE APPENDIX B SUBJECT TO REVIEW/UPDATE]

The State of Alaska (the “State”) disburses to Alaskan cities and boroughs funds that may be available for uses other than paying municipal bond debt service. In the event of default by a Governmental Unit with respect to a Loan Agreement, the Act requires that such funds held in custody by the State prior to disbursement be paid over to the Bond Bank. The State, however, may at any time reduce or terminate the disbursements or programs under which they are made. See Appendix F – “INFORMATION CONCERNING THE STATE OF ALASKA.” In addition, other State agencies have similar rights to intercept State payments to Governmental Units. No assurance can be given that the Bond Bank’s claim would have priority over any other eligible State agency’s claim. Four of the departments of the State that disburse money to Governmental Units are as follows:

(1) Department of Education and Early Development. The Department of Education and Early Development (“DEED”) disburses State aid for educational purposes primarily through the school debt reimbursement, foundation funding, and pupil transportation programs, in addition to funding for boarding homes, residential boarding, youth in detention, special schools, and the Alaska Challenge Youth Academy programs.

The school debt reimbursement program provides a system under which the State, subject to annual appropriation by the Legislature, reimburses municipalities that operate school districts for certain costs of school construction. State reimbursement applies to debt service on locally issued general obligation school bonds. Timing of reimbursements is determined by municipalities’ debt service payments and is made throughout the year. This program provides that subject to statutory and regulatory conditions, the State will reimburse municipalities for a pre-determined percentage of debt service incurred for such bonds, depending on when such bonds were issued and the project components. The State may appropriate less than the full amount to which the municipalities are entitled. When appropriations are less than 100 percent of the entitlement, funds have been allocated pro rata among the eligible school districts. See Appendix F – “INFORMATION CONCERNING THE STATE OF ALASKA – Government Budgets and Appropriations” and “– Public Debt and Other Obligations of the State.”

Under the foundation funding program, the State aids local school districts in paying operating expenses under the State “K-12 foundation” funding, which provides education-related aid for operating costs associated with qualified K-12 schools as well as programs such as the handicapped facilities and nutrition programs. The program provides for monthly distributions to school districts.

Under the pupil transportation program, the State aids local school districts for pupil transportation. The program provides for monthly distributions to school districts.

Under other programs, the State has provided one-time grant funds.

(2) Department of Revenue. The Department of Revenue (“DOR”) disburses shares of various State taxes collected by the DOR within the jurisdiction of certain Governmental Units, including aviation fuel, commercial passenger vessel, electric, telephone, liquor, and fisheries resources landed and business taxes. Payments are distributed both semi-annually in January and July and annually in October depending upon the type of tax.

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

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

In addition to the four sources listed above, the State disburses to Governmental Units funds that are not available for intercept by the Bond Bank. A reduction in the amount of such funds and the distribution of such funds, such as State assistance to Governmental Units to address pension liabilities, also could have a negative impact on the finances of Governmental Units.

The fiscal year 2024 enacted budget includes State aid payments to Governmental Units subject to the Bond Bank’s intercept authority under the Act by providing payments for the SDRP at 100 percent of authorized amounts. The fiscal year 2023 budget included appropriations to offset prior fiscal year reductions in 2017, 2020, 2021, and 2022. The State’s TIDSRP was funded at 100 percent of authorized amounts in the fiscal year 2024 enacted budget.

The table included on the following page sets forth the amount of State payments to Governmental Units that have borrowed from the Bond Bank subject to intercept under the Act as well as the fiscal year 2024 Loan Obligations and estimated coverage provided by those State payments.

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## Alaska Municipal Bond Bank Capability to Intercept Funds

	FY 2023 Shared Taxes & Fees one time transfers for 7 categories of tax and license type	FY 2024 Projected School Debt Reimbursement transferred as debt service comes due semi-annually (current year annual appropriation)	FY 2024 Projected Education Support transferred in 12 level monthly installments during fiscal year (current year annual appropriation)	Active Matching Grants as of October 20, 2023, will be drawn down as projects complete (current and past year capital grant appropriations) (1)	FY 2024 Community Jails - Transferred in 12 level monthly payments during fiscal year (current year annual appropriation)	FY 2024 PILT transfers	Revenue Sharing FY 2024, disbursed at one time by October of fiscal year (annual appropriation)	Total Intercept Capability	Fiscal Year 2024 Total Debt Service (2)	Coverage Ratio
<b>Boroughs</b>										
Aleutians East Borough	\$2,641,694	\$678,079	\$3,991,491	995,802	0	\$0	\$363,404	\$8,670,470	\$2,529,525	3.43
Municipality of Anchorage	1,635,588	25,497,960	311,122,154	194,638,668	0	0	4,119,744	537,014,114	298,000	1,802.06
Fairbanks North Star Borough	432,037	6,456,687	99,792,540	17,254,237	0	0	1,723,783	125,659,284	8,525,188	14.74
Haines Borough	480,124	897,435	2,498,395	3,211,284	411,812	0	439,851	7,938,901	1,366,394	5.81
City & Borough of Juneau	6,273,830	1,074,871	31,048,047	5,363,197	0	0	791,094	44,551,039	13,830,074	3.22
Kenai Peninsula Borough	1,188,046	1,796,919	71,859,860	297,677	0	0	1,470,227	76,612,729	17,211,477	4.45
Ketchikan Gateway Borough	3,526,489	433,872	24,421,219	412,177	0	0	477,824	29,271,581	2,749,704	10.65
Kodiak Island Borough	1,391,219	5,148,626	24,863,379	251,309	0	0	481,596	32,136,129	8,931,357	3.60
Lake & Peninsula Borough	299,944	891,969	8,550,423	0	0	0	460,281	10,202,617	1,316,009	7.75
Northwest Arctic Borough	0	1,549,715	38,354,293	2,585,603	0	0	410,709	42,900,320	3,228,625	13.29
Petersburg Borough	982,845	463,011	5,841,146	111,378	369,484	0	343,377	8,111,241	1,734,125	4.68
City & Borough of Sitka	3,176,791	1,526,330	11,275,816	0	587,052	0	482,893	17,048,882	10,119,426	1.68
Municipality of Skagway	3,673,185	0	1,283,827	1,100,000	0	0	330,597	6,387,609	3,466,000	1.84
City & Borough of Wrangell	101,418	0	3,091,321	5,552,705	521,132	0	401,928	9,668,504	247,625	39.04
<b>Cities</b>										
Adak	\$55,346	\$0	\$0	\$0	\$0	\$25,326	\$76,460	\$157,132	\$102,375	1.53
Bethel*	\$20,456	0	0	999,229	0	1,081,842	154,518	2,256,045	255,625	8.83
Cordova	1,334,738	883,735	4,066,570	0	331,161	495,774	108,156	7,220,134	1,918,263	3.76
Craig	356,640	0	5,295,088	149,890	518,582	342,823	87,818	6,750,841	135,238	49.92
Dillingham	684,623	744,615	5,424,525	5,000,000	722,709	522,976	103,711	13,203,159	1,339,750	9.85
Hoonah	2,266,832	0	2,323,294	0	0	213,427	86,849	4,890,402	89,500	54.64
Homer*	103,184	0	0	450,000	619,938	0	146,261	1,319,383	663,616	1.99
Ketchikan*	2,145,287	0	0	0	0	0	178,345	2,323,632	7,037,273	0.33
Kenai*	71,974	0	0	9,191,883	0	0	172,001	9,435,858	130,625	72.24
King Cove*	806,669	0	0	733,406	0	0	87,392	1,627,467	226,063	7.20
Klawock	1,031	0	1,990,409	0	0	239,838	83,967	2,315,245	86,950	26.63
Kodiak*	1,314,598	0	0	13,882,572	1,187,410	0	144,724	16,529,304	845,244	19.56
Nome	41,945	151,946	8,915,594	173,502,999	0	542,616	119,824	183,274,924	545,250	336.13
North Pole*	18,251	0	0	0	0	0	104,125	122,376	99,750	1.23
Sand Point*	121,891	0	0	0	0	0	83,425	205,316	255,778	0.80
Saxman*	0	0	0	0	0	0	79,600	79,600	16,000	4.98
Seward*	624,320	0	0	0	564,810	0	107,071	1,296,201	3,070,663	0.42
Soldotna*	40,965	0	0	0	0	0	133,392	174,357	737,000	0.24
Unalaska	10,670,379	0	3,579,579	0	627,065	921,818	128,146	15,926,987	4,506,738	3.53
Whittier	824,689	0	0	0	0	48,882	78,269	951,840	154,275	6.17
<b>Other Jurisdictions</b>										
University of Alaska (2)								317,984,956	5,587,838	56.91

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

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

(2) Interceptable revenue of the University of Alaska is comprised of direct appropriations from the State of Alaska; appropriations listed are for fiscal year 2024.

Source: State of Alaska Department of Administration—Finance Division; State of Alaska, Office of Management and Budget; and State of Alaska Department of Revenue—Tax Division. Further information regarding the State of Alaska may be found in Appendix F.

## APPENDIX C

### GOVERNMENTAL UNIT STATISTICS REGARDING PARTICIPATION IN THE BOND BANK

2005 GENERAL BOND RESOLUTION

OUTSTANDING LOAN PRINCIPAL OF GOVERNMENTAL UNIT BORROWERS

AS OF [FEBRUARY] 1, 2025] **TABLE SUBJECT TO UPDATES**

(Does Not Include the 2025 Series One and Two Bonds, and totals may not foot due to rounding)

Borrower	Outstanding Principal	Percent of Outstanding
City and Borough of Sitka	\$ 129,805,000	14.44%
Kenai Peninsula Borough	119,500,000	13.29%
City of Ketchikan	83,550,000	9.30%
City and Borough of Juneau	81,435,000	9.06%
University of Alaska	75,475,000	8.40%
Fairbanks North Star Borough	68,690,000	7.64%
Kodiak Island Borough	58,535,000	6.51%
City of Unalaska	45,615,000	5.07%
Municipality of Skagway Borough	45,320,000	5.04%
City of Seward	30,610,000	3.41%
Ketchikan Gateway Borough	25,625,000	2.85%
Southeast Alaska Power Agency	17,905,000	1.99%
City of Cordova	14,075,000	1.57%
Aleutians East Borough	13,695,000	1.52%
Lake and Peninsula Borough	12,175,000	1.35%
Northwest Arctic Borough	11,540,000	1.28%
City of Kodiak	10,170,000	1.13%
City of Soldotna	10,060,000	1.12%
Petersburg Borough	9,825,000	1.09%
City of Dillingham	7,720,000	0.86%
City of Homer	5,720,000	0.64%
Haines Borough	3,770,000	0.42%
City and Borough of Wrangell	3,100,000	0.34%
City of Sand Point	2,930,000	0.33%
Municipality of Anchorage	2,475,000	0.28%
City of King Cove	2,140,000	0.24%
City of Whittier	1,580,000	0.18%
City of Craig	1,210,000	0.13%
City of Bethel	1,115,000	0.12%
City of Klawock	1,045,000	0.12%
City of Kenai	760,000	0.08%
City of Nome	655,000	0.07%
City of Hoonah	600,000	0.07%
City of North Pole	195,000	0.02%
City of Saxman	115,000	0.01%
City of Adak	100,000	0.01%
Total Outstanding Par	\$ 898,835,000	100.00%

**APPENDIX D**

**FINANCIAL STATEMENTS OF THE  
ALASKA MUNICIPAL BOND BANK  
FOR THE YEAR ENDED JUNE 30, 2024**

**APPENDIX E**

**2005 GENERAL BOND RESOLUTION AND  
2013 FIRST SUPPLEMENTAL RESOLUTION**



## APPENDIX F

### INFORMATION CONCERNING THE STATE OF ALASKA

#### [ENTIRE APPENDIX F SUBJECT TO REVIEW/UPDATE]

The information concerning the State of Alaska (“Alaska” or the “State”) set forth in this Appendix is dated as of the date of the Official Statement. The information contained herein is subject in all respects to the complete text of the financial reports referenced. The information contained herein has been obtained from sources that the State believes to be reliable but is not guaranteed as to accuracy.

#### **General**

Although payments made by the Governmental Units on their Municipal Bonds are the primary security for the payment of principal of and interest on the Bonds, including the 2023 Series Three Bonds, the Bond Bank also maintains the Reserve Fund as additional security for the payment of the Bonds. The Bond Bank is required under the Act to annually report the sufficiency of and to seek appropriations from the Legislature to replenish the Reserve Fund if needed. Starting in fiscal year 2010, the Bond Bank has been obligated by the 2005 General Bond Resolution to seek an annual appropriation from the State’s General Fund for the Reserve Fund, in the event of a deficiency due to a payment default. From fiscal year 2010, and each subsequent year including fiscal year 2024, the Bond Bank has obtained an annual appropriation from the State’s General Fund to replenish the Reserve Fund, which includes the Bond Bank reserve account under the 2016 Master Bond Resolution in the event of a deficiency due to a payment default. No such defaults have occurred and none of the replenishment appropriation has been used. The State is not obligated to make such appropriation. During these same years the Bond Bank has obtained an appropriation for any earnings on reserve accounts held by the Bond Bank in excess of the Bond Bank’s operating expenses for the most recent fiscal year; the Act otherwise would require such earnings to be appropriated to the State’s General Fund. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – 2005 General Bond Resolution Reserve Fund” in the front of this Official Statement and “– Government Budgets and Appropriations” below.

Alaska is a sovereign state of the United States of America, located in the far northwest of North America to the west of Canada, with its southeastern border approximately 500 miles north of the State of Washington. Alaska became a state in 1959. The State’s population grew each year and increased approximately 7.7 percent between fiscal year 2008 and fiscal year 2016; however, since 2016 the population has contracted by approximately 0.4 percent with a population estimate of 736,556 (2022 estimate) (Alaska Department of Labor and Workforce Development, Research & Analysis Section). The State’s fiscal year is July 1 to June 30.

Alaska includes approximately 586,412 square miles (approximately 365 million acres) of land and is the largest state of the United States (roughly equivalent in size to one-fifth of all of the other 49 states combined). Unlike the other 49 states, where significant portions of the land may be owned by individuals or entities in the private sector, less than one percent of the land in Alaska is owned by private, non-Alaska Native owners. As described below, most of the State’s revenue is derived from resources owned by the State itself, including petroleum and minerals extracted from State-owned lands and investment income on securities in funds owned by the State.

#### **State Government**

Alaska became the 49th state in 1959 pursuant to the Alaska Statehood Act, which was enacted by the United States Congress in 1958 (the “Statehood Act”). The Alaska Constitution was adopted by the

Constitutional Convention on February 5, 1956, ratified by the people of Alaska on April 24, 1956, and became operative with the formal proclamation of statehood on January 3, 1959.

Alaska government has three branches: legislative, executive, and judicial. The legislative power of the State is vested in a legislature consisting of a Senate with a membership of 20 and a House of Representatives with a membership of 40 (the “Legislature”). The executive power of the State is vested in the Governor. The judicial power of the State is vested in a supreme court, a superior court, and the courts established by the Legislature. The jurisdiction of courts and judicial districts is prescribed by law. The courts constitute a unified judicial system for operation and administration.

The State provides or funds a range of services including education, health and human services, transportation, law enforcement, judicial, public safety, community and economic development, public improvements, and general administrative services.

There are 19 organized boroughs in Alaska and 145 cities, 49 of which are located within an organized borough and 96 of which are located within the unorganized borough. Of these, 15 boroughs and 21 cities impose property taxes, and 9 boroughs and 94 cities impose general sales taxes.

## **State Revenues**

The State does not currently impose personal income taxes and has never imposed statewide general sales taxes. The State does, however, impose a number of business-related taxes that, together with rents and royalties and fines and fees, represented nearly 100 percent of designated and unrestricted non-investment General Fund revenue in fiscal year 2022. Grants, contributions, and other revenue from the federal government and interest and investment income represent the remaining portions of State revenue.

The key drivers of the Alaska economy include natural resource development, federal (including national defense) and State government, seafood, and tourism. Approximately 24.2 percent of the State’s total nonfarm employment is derived from government (including federal, state, and local). Other major industries in Alaska include the educational (private) and health services industry, making up 15.7 percent, trade, transportation, and utilities, making up 20.0 percent and the leisure and hospitality industry, making up 10.8 percent of total nonfarm employment. The State’s unemployment rate in September 2023 was 4.0% (not seasonally adjusted), according to the U.S. Department of Labor, Bureau of Labor Statistics. The State’s major exports are oil, seafood (primarily salmon, halibut, cod, pollock, and crab), coal, gold, silver, zinc, and other minerals (Alaska Department of Labor and Workforce Development, Research & Analysis, Employment Statistics; 2022 Annual Average).

The Department of Revenue – Tax Division (the “Tax Division”) produces a semi-annual revenue sources book. The revenue sources book published each fall is the comprehensive annual forecast released in December, and the revenue forecast published in the spring is an annual, partial update of the revenue sources book published in the preceding fall. The most recent revenue forecast comes from the Spring 2023 Revenue Sources Book and Forecast, released by the Tax Division on March 21, 2023 (the “Spring 2023 Revenue Forecast”). The next forecast update, the Fall 2023 Revenue Sources Book and Forecast, is anticipated to be released on December 15, 2023.

The State may complete the Fall 2023 Revenue Sources Book and Forecast, which contains fiscal year 2023 historical activity, and may contain updates and projections to certain CARES Act and Infrastructure Investment and Jobs Act (“IIJA”) federal funding projections that have been reviewed in consultation with the Office of Management and Budget (“OMB”) after the posting of the Official Statement for the Bonds. The Bond Bank will not incorporate information contained in the Fall 2023

Revenues Sources Book and Forecast, anticipated to be released on December 15, 2023, into the Official Statement.

The Spring 2023 Revenue Forecast reflects a decrease in expected unrestricted General Fund revenue compared to the Fall 2022 Revenue Sources Book and Forecast, released by the Tax Division on December 15, 2022. Decreases in petroleum-related revenue are largely a function of lower oil price forecasts related to global market supply/demand fluctuations. The Spring 2023 Revenue Forecast for federal revenue is based on the most recent available information as of March 21, 2023, and federal receipts that include COVID-19 relief funding was included in the Fall 2022 Revenue Sources Book with the most recent available information as of November 30, 2022.

The CARES Act, passed by the 116th U.S. Congress in March 2020, established a \$150 billion Coronavirus Relief Fund to, among other things, provide financial assistance to states. The State has received its approximately \$1.25 billion allocation from the Coronavirus Relief Fund, which can be used to cover COVID-19 related expenses. The CARES Act limits the State's use of funds from the Coronavirus Relief Fund to COVID-19 expense reimbursement rather than to offset anticipated state tax revenue losses. A unique provision specific to just over \$1 billion of the federal relief funds allowed the State to appropriate a portion of the funding to replace revenue lost due to COVID-19. This provision functionally allowed these funds to be appropriated toward any public purpose, just like unrestricted General Fund revenue. In the fiscal year 2022 and fiscal year 2023 budgets, a total of approximately \$750 million was appropriated as unrestricted revenue replacement, and in some reports produced by the State's Office of Management and Budget ("OMB") and Legislative Finance Division, these funds are depicted as unrestricted revenue for illustrative purposes. However, in the Fall 2022 Revenue Forecast, all federal funds are shown as restricted revenue in all years.

The Infrastructure Investment and Jobs Act ("IIJA"), passed by Congress in November 2021, included \$550 billion in investments for transportation, water, power and energy, environmental remediation, broadband and cybersecurity, carbon reduction, and resilience. It was originally estimated that the State, local governments, tribes and other organizations in the State could receive a total of nearly \$5 billion in funding over fiscal years 2023-2027 as a result of the legislation, some of which would represent overall increases to state revenue from federal funding. As of October 24, 2023, estimated funding, including discretionary grants, could be as high as \$5.4 billion. These include \$1 billion for a new Broadband Equity, Access, and Deployment Program; \$136 million for the Clean Water State Revolving and Drinking Water Revolving Funds; and \$53 million for the Alaska Energy Authority's State Energy Program, Energy Efficiency and Revolving Loan Fund, Energy Efficiency and Conservation, and Weatherization Assistance Program. The Department of Transportation and Public Facilities also received \$165 million for airport terminal upgrades and increased airport safety, and \$239 million for ferry service for rural communities.

The State also received funding for the Carbon Reduction Program, Restoring Fish Passage Program, Abandoned Mine Reclamation Fund, Port Infrastructure Development Program, Emerging Contaminants in Small or Disadvantaged Communities Grant Program, and Community Wildfire Defense Grant Program. The State, local governments, tribes, and other entities are regularly partnering on applications for discretionary IIJA funding grants. Award announcements are made on a rolling basis. There can be no assurance that federal revenues available to the State will not decrease and is subject to amendment or repeal.

Historic information in this Official Statement about the finances and operations of the State, the Bond Bank, and the Governmental Units that predates the outbreak of COVID-19 should be considered in light of the possible or probable negative effects the COVID-19 outbreak may have on the current and future finances and operations thereof. The Spring 2023 Revenue Forecast and any other budget, outlook,

and projection information and all other forward-looking statements in this Official Statement are based on current expectations and are not intended as representations of fact or guarantees of results. Any such forward-looking statements are inherently subject to a variety of risks and uncertainties that could cause actual results or performance to differ materially from those that have been forecast, estimated, or projected.

Historically, petroleum-related revenue has been the largest source of unrestricted revenue for the General Fund. In fiscal year 2018 approximately 80 percent of total unrestricted General Fund revenue was generated from oil production. In 2018, the Legislature enacted Senate Bill 26 (“SB 26”), which directs the State to appropriate amounts from the earnings reserve of the Alaska Permanent Fund to the General Fund as unrestricted General Fund revenue, diminishing the percentage of unrestricted General Fund revenue that petroleum-related revenue represents to approximately 38 percent in fiscal year 2019, 24 percent in fiscal year 2020, 25 percent in fiscal year 2021, and 50 percent in fiscal year 2022. In the Spring 2023 Revenue Forecast, the State forecasts the percentage of unrestricted General Fund revenue that petroleum-related revenue represents to be approximately 44 percent in fiscal year 2023 and 35 percent in fiscal year 2024.

In fiscal year 2019, pursuant to SB 26, the State began appropriating amounts from the Permanent Fund Earnings Reserve to the General Fund as unrestricted General Fund revenue. SB 26 adjusted the transfers from the Permanent Fund Earnings Reserve to an amount determined by taking 5.25 percent of the average market value of the Permanent Fund for the first five of the preceding six fiscal years, including the fiscal year just ended. Effective July 1, 2021, the amount determined for transfers from the Permanent Fund Earnings Reserve was reduced to 5.00 percent of the average market value of the Permanent Fund for the first five of the preceding six fiscal years, including the fiscal year just ended. As described below in “Government Funds – The Alaska Permanent Fund,” this calculation does not include the principal attributable to the settlement of State v. Amerada Hess. The Alaska Permanent Fund Corporation (“APFC”), which manages the Permanent Fund, projects these annual transfers to the General Fund as unrestricted revenue in their monthly history and projections report, as reflected in Table 2. The Permanent Fund Earnings Reserve transferred approximately \$3.1 billion to General Fund revenue in fiscal year 2022, \$3.4 billion fiscal year 2023, and is expected to transfer approximately \$3.5 billion and \$3.7 billion to General Revenue in fiscal years 2024 and 2025, respectively. The Permanent Fund Dividend may be paid out of these transfers, and any residual revenue is available for other appropriation. The Permanent Fund Dividend amount, paid in calendar year 2022, was \$3,284 per qualified resident, including amounts designated for energy relief to Alaskans, and the Permanent Fund Dividend amount, paid in calendar year 2023, was \$1,312 per qualified resident.

The Alaska Permanent Fund was established by a voter-approved constitutional amendment that took effect in February 1977. Pursuant to legislation enacted in 1982, annual appropriations are made from the Permanent Fund Earnings Reserve, first for dividends to qualified Alaska residents and then for inflation-proofing. The principal portion of the Permanent Fund, which was approximately \$66.5 billion as of September 30, 2023, unaudited, may not be spent without amending the State Constitution. The earnings reserve, approximately \$7.3 billion as of September 30, 2023, unaudited (subsequent to June 30, 2023, this amount includes approximately \$3.7 billion committed to the State’s General Fund pursuant to SB 26 for the succeeding fiscal year, and an estimated \$1.4 billion for current fiscal year inflation proofing), may be appropriated by a majority vote of the Legislature. See “– Government Funds – The Alaska Permanent Fund” below.

In the Spring 2023 Revenue Forecast, the State forecasted general purpose unrestricted revenue to be approximately \$6,979.5 million in fiscal year 2023 and \$6,257.3 million in fiscal year 2024, compared to \$6,939.2 million in fiscal year 2022 and \$4,782.8 million in fiscal year 2021.

In the Spring 2023 Revenue Forecast, the State forecasts that Alaska North Slope (“ANS”) oil prices will average \$85.25 in fiscal year 2023 and \$73.00 in fiscal year 2024, compared to actual prices averaging \$91.41 in fiscal year 2022, \$54.14 in fiscal year 2021 and \$52.12 in fiscal year 2020. The State forecasts that ANS production will average approximately 485.2 thousand barrels of oil per day in fiscal year 2023 and 496.4 thousand barrels of oil per day in fiscal year 2024, compared to 476.5 thousand barrels of oil per day in fiscal year 2022, 486.1 thousand barrels of oil per day in fiscal year 2021 and 471.8 thousand barrels of oil per day in fiscal year 2020. In the Spring 2023 Revenue Forecast, the State forecasts ANS oil prices and production and general-purpose unrestricted revenue through fiscal year 2033. The oil price forecast utilizes futures market projections for as many years as available, followed by an assumption that prices will increase with inflation thereafter. The oil production forecast balances projected declines in production at existing fields with incremental production from new fields and new developments, such as Pikka and Willow. See Table 4.

***Oil and Gas Revenues.*** The State’s unrestricted General Fund revenues have historically been generated primarily from petroleum production activities. The State receives petroleum revenues (some of which are restricted) from five sources: oil and gas property taxes, oil and gas production taxes, bonuses and rents, oil and gas royalties, and corporate income taxes.

***Oil and Gas Property Tax.*** The State levies an oil and gas property tax on the value of taxable oil and gas exploration, production and pipeline transportation property in the State at a rate of 20 mills (two percent) of the assessed value of the property. This is the only centrally assessed statewide property tax program in Alaska. Oil and gas reserves, oil or gas leases, the rights to explore or produce oil or gas, and intangible drilling expenses are not considered taxable property under the statute. The most notable properties that are subject to this tax are the Trans-Alaska Pipeline System (“TAPS”), including the terminal at Valdez and the field production systems at Prudhoe Bay. The assessed value of all existing properties subject to this tax was approximately \$28.6 billion as of January 1, 2022, \$28.2 billion as of January 1, 2021, \$29.0 billion as of January 1, 2020, and \$28.5 billion as of January 1, 2019.

Property taxes on exploration property are based upon estimated market value of the property. For property taxes on production property, values are based upon replacement cost, less depreciation based on the economic life of the proven reserves (or the economic limit in the case of taxes on offshore platforms or onshore facilities). The amount collected from property taxes on existing production property is expected to decrease in the future. For property taxes on pipeline transportation property (primarily TAPS property), values are determined based upon the economic value, taking into account the estimated life of the proven reserves of gas or unrefined oil expected to be transported by the pipeline and replacement cost, less depreciation based on the economic life of the reserves.

When the oil and gas property is located within the jurisdiction of a municipality, the municipality may also levy a tax on the property at the same rate the municipality taxes all other non-oil and gas property. The tax paid to a municipality on oil and gas property acts as a credit toward the payment to the State. Of the \$571.4 million of gross tax levied in fiscal year 2022 on oil and gas property in the State, the State’s share was \$123.0 million; \$122.4 million of gross tax was actually collected due to a combination of credits and late payments. In the Spring 2023 Revenue Forecast, the State forecasts income from the oil and gas property tax to be approximately \$127.3 million in fiscal year 2023 and \$125.4 million in fiscal year 2024.

Revenue from oil and gas property taxes is deposited in the General Fund; however, the State Constitution requires that settlement payments received by the State after a property tax assessment dispute be deposited in the Constitutional Budget Reserve Fund (the “CBRF”). In fiscal years 2021 and 2022, \$22.5 million and \$21.1 million, respectively, in total settlements were deposited into the CBRF, and in the Spring 2023 Revenue Forecast, the State forecasts settlements to be \$145.0 million in fiscal year 2023 and

\$20.0 million in fiscal year 2024. See “– Government Funds – The Constitutional Budget Reserve Fund” below.

*Oil and Gas Production Taxes.* The State levies a tax on oil and gas production income generated from production activities in the State. The tax on production is levied on sales of all onshore oil and gas production, except for federal and State royalty shares and on offshore developments within three miles of shore.

The oil and gas production tax can be a significant source of revenue and in many past years has been the State’s single largest source of revenue. The production tax is levied differently based upon the type of production (oil versus gas) and the geographical location (North Slope versus Cook Inlet, the State’s two producing petroleum basins).

For North Slope oil and export gas, the tax uses the concept of “Production Tax Value” (“PTV”), which is the gross value at the point of production minus lease expenditures. PTV is similar in concept to net profit, but different in that all lease expenditures can be deducted in the year incurred; that is, capital expenditures are not subject to a depreciation schedule. The production tax rate is 35 percent of PTV with an alternative minimum tax of 0 percent to 4 percent of gross value, with the 4 percent minimum tax applying when average ANS oil prices for the year exceed \$25 per barrel.

Several tax credits and other mechanisms are available for North Slope oil production to provide incentives for additional investment. A per-taxable-barrel credit is available, which is reduced progressively from \$8 per barrel to \$0 per barrel as wellhead value increases from \$80 per barrel to \$150 per barrel. A company that chooses to take this credit may not use any other credits to reduce tax paid to below the gross minimum tax. An additional incentive applies for qualifying new production areas on the North Slope. The so-called “Gross Value Reduction” (“GVR”) allows a company to exclude 20 percent or 30 percent of the gross value for that production from the tax calculation. Qualifying production includes areas surrounding a currently producing area that may not be commercial to develop, as well as new oil pools. Oil that qualifies for this GVR receives a flat \$5 per-taxable-barrel credit rather than the sliding-scale credit available for most other North Slope production. As a further incentive, this \$5 per-taxable-barrel credit can be applied to reduce tax liability below the minimum tax. The GVR is available only for the first seven years of production and ends early if ANS prices exceed \$70 per barrel for any three years.

Effective January 1, 2022, for North Slope export gas, the tax rate is 13 percent of gross value at the point of production. Currently, only a very small amount of gas is technically export gas, which is sold for field operations in federal offshore leases. However, this tax rate would apply to any major gas export project developed in the future.

For the North Slope, a Net Operating Loss (“NOL”) credit in the amount of 35 percent of losses was available until December 31, 2017. It allowed a credit to be carried forward to offset a future tax liability or, in some cases, to be transferred or repurchased by the State. Effective January 1, 2018, the NOL credit was replaced with a new carried-forward annual loss provision. In lieu of credits, a company may carry forward 100 percent of lease expenditures not applied against the tax and may apply all or part of lease expenditures in a future year. A carried-forward annual loss may not reduce tax below the minimum tax and may only be used after the start of regular production from the area in which the expenditures were incurred. An unused carried-forward annual loss declines in value by one-tenth each year beginning in the eighth or eleventh year after it is earned, depending on whether the carried-forward annual loss was earned from a producing or non-producing area.

Cook Inlet oil production is officially subject to the same tax rate of 35 percent of PTV. However, the tax is limited by statute to a maximum of \$1 per barrel.

For Cook Inlet gas production, the tax rate is 35 percent of PTV, and the tax is limited to a maximum value averaging 17.7 cents per thousand cubic feet. This rate also applies to North Slope gas used for qualifying in-State uses, commonly referred to as “non-export gas.”

Taxpayers are required to make monthly estimated payments, based upon activities of the preceding month. These payments are due on the last day of the following month, and taxpayers are required to file an annual tax return to “true up” any tax liabilities or overpayments made during the year. From fiscal year 2007 through fiscal year 2017, as an incentive for new exploration, companies without tax liability against which to apply credits could apply for a refund of the value of most of the credits, subject to appropriation. In fiscal year 2016, the State credited for potential purchase \$498 million from companies claiming such credits. For fiscal year 2017, the State appropriated the minimum provided for in the statutorily based formula of \$30 million for payments of such credits. In fiscal year 2018, the State purchased \$78 million in tax credits through the Oil and Gas Tax Credit Fund and purchased an additional \$100 million in fiscal year 2019. No funds were appropriated for the purchase of tax credit certificates for fiscal year 2020 or fiscal year 2021, and \$54 million of general funds were appropriated in the fiscal year 2022 budget. In the enacted fiscal year 2023 budget, \$60 million of general funds were appropriated to the Oil and Gas Tax Credit Fund. Additionally, an amount equal to 10 percent of all revenues from taxes levied by AS 43.55.011 that is not required to be deposited in the budget reserve fund, not to exceed \$330 million, is appropriated from the General Fund to the Oil and Gas Tax Credit Fund. In the enacted fiscal year 2024 budget, approximately \$28.4 million of general funds are appropriated to the Oil and Gas Tax Credit Fund. As of the date of the Spring 2023 Revenue Forecast, an estimated \$368 million in tax credits are projected to be available for State repurchase, with the majority of those being credits earned in prior years. Payments of these credits are subject to future fiscal year appropriation.

In 2017, House Bill 111 (“HB 111”) was enacted, making multiple changes to the State’s oil and gas production tax and tax credit statutes. Following passage of HB 111, new credits will no longer be eligible for cash repurchase. Instead, companies will retain their credits until such time as they owe a tax liability to the State, at which time the credits could be used to offset the company’s oil and gas production taxes.

In 2018, House Bill 331 (“HB 331”) was enacted, creating a tax credit bonding program that would allow the State to purchase outstanding oil and gas tax credits at a discount to face value, and spread the funding out over several years through the issuance of subject-to-appropriation bonds. The fiscal year 2020 operating budget appropriated \$700 million of bond proceeds to the Oil and Gas Tax Credit Fund for expenditure in fiscal year 2020 or 2021. A legal challenge delayed the tax credit bonding program, and in September 2020, the Alaska Supreme Court (the “Supreme Court”) held that the tax credit bonding program under HB 331 was unconstitutional, prohibiting the Alaska Tax Credit Certificate Bond Corporation (“ATCCBC”) from issuing bonds to finance the purchase of approximately \$700 million in outstanding tax credit certificates.

All unrestricted revenue generated by the oil and gas production taxes (approximately \$750 million in fiscal year 2018, \$596 million in fiscal year 2019, \$285 million in fiscal year 2020, \$389 million in fiscal year 2021, \$1,802 million in fiscal year 2022, and forecasted in the Spring 2023 Revenue Forecast to be \$1,468 million in fiscal year 2023 and \$733.7 million in fiscal year 2024) is deposited in the General Fund, except that any payments received as a result of an audit assessment under the oil and gas production tax or as a result of litigation with respect to the tax are deposited into the CBRF. See Table 1.

*Oil and Gas Royalties, Rents and Bonuses.* In Alaska, the State retains ownership of all subsurface minerals on lands in the State, with the exception of some federal and Alaska Native Corporation lands. As the landowner, through the Alaska Department of Natural Resources (“DNR”), the State earns revenue from leasing as (i) upfront bonuses, (ii) annual rent charges and (iii) retained royalty interests in the oil and

gas production. State land historically has been leased largely based on a competitive bonus bid system. Under this system, the State retains a statutorily prescribed minimum royalty interest of at least 12.5 percent on oil and gas production from land leased from the State, although some leases contain royalty rates of 16.67 percent and some also include a net profit-share or sliding scale component. Under all lease contracts the State has ever written, the State reserves the right to switch between taking its royalty in-kind or in cash (in cash royalty is valued according to a formula based upon the contract prices received by the producers, net of transportation charges). When the State elects to take its royalty share in-kind, the State becomes responsible for selling and transporting that royalty share, which means establishing complex contracts to accomplish these tasks. The State regularly negotiates these contracts and has historically sold roughly 95 percent of North Slope oil royalties in this way. State royalty revenue from production on State land that is not obligated to the Permanent Fund or Public School Trust Fund is unrestricted revenue that is available for general appropriations.

In addition to royalties from production on State land, the State receives 50 percent of royalties and lease bonuses and rents received by the federal government from leases of federal lands in the National Petroleum Reserve Alaska (the “NPR-A”). The State is required to deposit its entire share of lease bonuses, rents, and royalties from oil activity in the NPR-A in the NPR-A Special Revenue Fund, from which a portion is used to make grants to municipalities that demonstrate present or future impact from oil development in the NPR-A. Of the revenue in the NPR-A Special Revenue Fund that is not appropriated to municipalities, 50 percent is to be deposited to the Permanent Fund, with up to 0.5 percent to the Public School Trust Fund and then to the Power Cost Equalization Fund. Any remaining amount is then available for General Fund appropriations. The State also receives a portion of revenues from federal royalties and bonuses on all other federal lands located within State borders and from certain federal waters.

Table 1 summarizes the sources and initial applications of oil and other petroleum-related revenue for fiscal years 2013 through 2022.

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**Table 1**  
**Sources and Initial Applications of Oil and Other Petroleum-Related Revenue**  
**Fiscal Years Ended June 30, 2013 – 2022**

	(\$ millions)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Oil Revenue to the General Fund</b>										
Property Tax.....	\$ 99.3	\$ 128.1	\$ 125.2	\$ 111.7	\$ 120.4	\$ 121.6	\$ 119.5	\$ 122.9	\$ 119.2	\$ 122.4
Corporate Income Tax <sup>(1)</sup> .	434.6	307.6	94.8	(58.8)	(59.4)	66.4	217.7	(0.2)	(19.4)	297.5
Production Tax.	4,050.3	2,614.7	389.7	186.0	134.4	749.9	595.5	285.1	389.0	1,801.6
Royalties (including bonuses, rents and interest) <sup>(2)(3)</sup>	1,767.8	1,712.4	1,078.2	870.6	681.5	1,002.3	1,111.1	675.3	728.8	1,259.3
Subtotal .....	\$6,352.0	\$4,762.8	\$1,687.9	\$1,109.5	\$ 876.9	\$ 1,940.2	\$ 2,043.8	\$ 1,083.1	\$ 1,217.6	\$ 3,480.8
<b>Oil Revenue to Other Funds</b>										
Royalties to the Permanent Fund and School Fund <sup>(2)(3)</sup> .....	\$ 855.9	\$ 786.2	\$ 518.3	\$ 396.9	\$ 340.0	\$ 363.1	\$ 382.3	\$ 323.9	\$ 337.7	\$ 458.1
Tax settlements to CBRF .....	357.4	177.4	149.9	119.1	481.9	121.3	181.2	281.2	22.5	21.1
NPR-A royalties, rents and bonuses <sup>(4)</sup> .....	3.6	6.8	3.2	1.8	1.4	23.7	12.3	16.4	15.8	16.7
Subtotal .....	1,216.9	970.4	671.4	517.8	823.2	508.0	575.8	621.5	376.0	495.9
Total Oil Revenue	\$7,568.9	\$5,733.2	\$2,359.3	\$1,627.3	\$1,700.1	\$2,448.2	\$2,619.6	\$1,704.6	\$1,593.6	\$3,976.7

(1) Corporate income tax collections for fiscal years 2016-2017 and 2020-2021 were negative due to large refunds of prior-year estimated taxes and low estimated taxes for those fiscal years.

(2) Net of Permanent Fund, Public School Trust Fund, and CBRF deposits. The State Constitution requires the State to deposit at least 25 percent in the Permanent Fund, and between 1980 and 2003, State statutes required the State to deposit at least 50 percent in the Permanent Fund. The statutory minimum was changed to 25 percent beginning July 1, 2003, and changed back to 50 percent as of October 1, 2008. In fiscal years 2018 and 2019, only the constitutionally required 25 percent of royalties were deposited into the Permanent Fund. See “Government Funds – The Alaska Permanent Fund” below.

(3) Includes both Designated General Fund Royalties and Other Restricted Royalties.

(4) By federal statute, the State receives 50 percent of federal revenues from oil and gas lease sales located in the NPR-A.

Source: 2013 through 2022 Revenue Sources Books and Forecast, Tax Division.

**Corporate Income Tax.** The State levies a corporate income tax on Alaska taxable net income of corporations doing business in Alaska (other than certain qualified small businesses and income received by certain corporations from the sale of salmon or salmon eggs). Corporate income tax rates are graduated and range from zero percent to 9.4 percent of income earned in Alaska. Taxable income generally is calculated using the provisions of the federal Internal Revenue Code, and the calculation of Alaska taxable income varies, depending upon whether the corporation does business solely in Alaska, does business both inside and outside Alaska, or is part of a group of corporations that operate as a unit in the conduct of a single business (a “unitary” or “combined” group). Oil and gas companies are combined on a world-wide basis, although for other industries only the companies doing business in the United States are combined. Taxpayers may claim all federal incentive credits, but federal credits that refund other federal taxes are not allowed as credits against State corporate income taxes. In addition to the federal incentive credits, the State

provides additional incentives, including an education credit for contributions made to accredited State universities or colleges for education purposes, a minerals exploration incentive, an oil and gas exploration incentive, and a gas exploration and development tax credit.

Most corporate net income tax collections are deposited in the General Fund, although collections from corporate income tax audit assessments of oil and gas corporations are deposited in the CBRF.

**Non-Oil Revenues.** The State also receives unrestricted and restricted General Fund revenues from activities unrelated to petroleum. The State receives revenues from corporate income taxes paid by corporations other than petroleum producers, cigarette/tobacco/marijuana excise taxes, motor fuel taxes, alcoholic beverage taxes, fishery business taxes, electric and telephone cooperative taxes, insurance premium taxes, commercial passenger vessel excise taxes and service charges, permit fees, fines and forfeitures, mining license taxes, and miscellaneous revenues. See “– Government Budgets and Appropriations – *General Appropriations*” below. A number of these non-oil tax, license, and fee revenues (but not investment income and federal revenue) are shared with municipalities. In fiscal year 2022, unrestricted revenues unrelated to petroleum production (excluding investment income and federal revenues) was \$448.1 million, and in the Spring 2023 Revenue Forecast, the State forecasts the value to be \$458.8 million in fiscal year 2023 and \$465.4 million in fiscal year 2024. Contained in the non-oil figures is the minerals industry, which contributes State revenue in the form of corporate income tax, mining license tax, and mining rents and royalties. For additional information, see “– Government Budgets and Appropriations – *General Appropriations*” below.

**Federal Revenue.** The federal government is a significant employer in Alaska, directly and indirectly, in connection with its military bases and as a result of procurement contracts, grants, and other spending. In addition to expenditures in connection with federal military bases and other activities in Alaska, the State receives funding from the federal government, approximately \$3.1 billion in fiscal year 2018, \$3.4 billion in fiscal year 2019, \$4.2 billion in fiscal year 2020, \$7.6 billion in fiscal year 2021, and \$6.9 billion in fiscal year 2022. In the Spring 2023 Revenue Forecast, the State forecasts restricted federal revenue to be approximately \$6.1 billion in fiscal year 2023 and \$5.4 billion in fiscal year 2024. The forecasts represent total budgeted spending authority for federal receipts, and actual federal receipts are subject to change. The federal funds are used primarily for road and airport improvements, aid to schools, and Medicaid payments, all of which are restricted by legislative appropriation to specific uses. Federal funds are most often transferred to the State on a reimbursement basis, and all transfers are subject to federal and State audit. Most federal funding requires State matching. The unrestricted General Fund State match for federal spending in fiscal year 2022 was estimated at approximately \$750 million for the operating budget and \$130 million for the capital budget.

**Investment Revenues.** The State earns unrestricted and restricted by custom investment earnings from a number of internal funds. Two primary sources of investment income for the State are the two constitutionally-mandated funds, the Permanent Fund and the CBRF. The Permanent Fund had a fund balance (principal and earnings reserve) of approximately \$73.8 billion as of September 30, 2023, unaudited, which includes approximately \$3.7 billion committed to the State’s General Fund pursuant to SB 26 for the succeeding fiscal year and \$1.4 billion for current fiscal year inflation proofing. The Permanent Fund had a total fund balance of \$78.0 billion as of June 30, 2023, \$76.3 billion as of June 30, 2022, \$81.9 billion as of June 30, 2021, \$65.3 billion as of June 30, 2020, and \$66.3 billion as of June 30, 2019. The CBRF had an asset balance of approximately \$2.7 billion as of September 30, 2023, unaudited. The CBRF had an asset balance of approximately \$2.6 billion as of June 30, 2023, \$0.9 billion as of June 30, 2022, \$1.1 billion as of June 30, 2021, \$2.0 billion as of June 30, 2020, and \$1.8 billion as of June 30, 2019. Restricted investment revenue from the CBRF was approximately \$62.9 million in fiscal year 2023. In the Spring 2023 Revenue Forecast, the State forecasts restricted investment revenue from the CBRF to be \$57.5 million in fiscal year 2024 and \$59.4 million in fiscal year 2025. The Permanent Fund Earnings

Reserve balance is available for appropriation with a majority vote of the Legislature, while appropriation of the Permanent Fund’s principal balance requires amendment of the State Constitution. The balance of the CBRF is available for appropriation with a three-fourths vote of each house of the Legislature, and as described below, the State has historically borrowed from the CBRF when needed to address mismatches between revenue receipts and expenditures in the General Fund and/or to balance the budget at the end of the fiscal year.

As previously described, SB 26, relating to the earnings of the Permanent Fund, was enacted in 2018. The APFC projects these annual transfers of unrestricted General Fund revenue from the Permanent Fund Earnings Reserve to the General Fund in their monthly history and projections report, as reflected in Table 2.

**Table 2**  
**State of Alaska**  
**Transfers from the Permanent Fund Earnings Reserve**  
**to the General Fund for the Fiscal Years Ended June 30, 2019-2023**  
**APFC Forecast for Fiscal Years Ending June 30, 2024– 2033**

(\$ millions)

<b>Fiscal Year</b>	<b>Transfer Amount</b>
2019	\$2,723
2020	2,933
2021	3,091
2022	3,069
2023	3,361
<b>Projected <sup>(1)</sup></b>	
2024	3,526
2025	3,657
2026	3,798
2027	3,971
2028	3,999
2029	4,104
2030	4,217
2031	4,329
2032	4,444
2033	4,563

(1) APFC transfer projections as of the unaudited September 30, 2023 report, and subject to change.

Source: APFC Fund Financial History & Projections as of September 30, 2023, unaudited.

General Fund asset balances listed as of June 30 may include borrowings from the CBRF for future fiscal year operating requirements. All CBRF values stated above are asset values. See “– Government Funds – The Constitutional Budget Reserve Fund” and “– The Alaska Permanent Fund” below.

In the past, the State has also received earnings on the Statutory Budget Reserve Fund (the “SBRF”). Earnings on the SBRF are considered General Fund unrestricted revenue unless otherwise appropriated back to the SBRF. Article IX, Section 17(d) of the Alaska Constitution provides that the amount of money in the General Fund available for appropriation at the end of each succeeding fiscal year is to be deposited in the CBRF until the amount appropriated from the CBRF is repaid. The available fund balance of the SBRF diminished to zero during fiscal year 2016. The SBRF unassigned fund balance for fiscal year 2022, reported in the State’s Annual Comprehensive Financial Report (“ACFR”), was \$371.8 million as of June 30, 2022. The Office of Management and Budget Fiscal Summary as of June 19, 2023, projects a SBRF balance of zero as of June 30, 2023. See “– Government Funds – *The Statutory Budget Reserve Fund*” below.

In addition to investment income from the above-described funds, the State receives investment income (including interest paid) from investment of other restricted funds (an investment loss of \$5.8 million in fiscal year 2022, \$29.4 million in fiscal year 2021, \$58.1 million in fiscal year 2020, \$93.3 million in fiscal year 2019, \$16.3 million in fiscal year 2018, and \$17.3 million in fiscal year 2017). In the Spring 2023 Revenue Forecast, the State forecasts investment revenue of other restricted funds to be approximately \$17.7 million in fiscal year 2023 and \$12.6 million in fiscal year 2024. See “– Government Funds” below.

***Major Components of State Revenues.*** Table 3 summarizes the sources of unrestricted and restricted revenues available to the State in fiscal years 2016 through 2022, with a forecast for fiscal years 2023 and 2024 from the Spring 2023 Revenue Forecast.

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**Table 3**  
**Total State Government Revenue by Major Component**  
**Fiscal Years Ended June 30, 2017 – 2022**  
**Forecast for Fiscal Years Ending June 30, 2023 – 2024**

(\$ millions)

	2017	2018	2019	2020	2021	2022	2023 <sup>(2)</sup>	2024 <sup>(2)</sup>
<b>Revenue Source</b>								
<u>Unrestricted</u>								
Oil Revenue	\$ 876.9	\$ 1,940.2	\$ 2,043.8	\$ 1,083.1	\$ 1,217.6	\$ 3,480.9	\$ 3,085.0	\$ 2,204.3
Non-Oil Revenue	460.3	457.0	490.1	454.8	444.3	448.1	458.8	465.4
Investment Earnings	17.3	16.3	2,815.9	2,991.2	3,120.9	3,010.2	3,435.7	3,587.5
Subtotal	\$ 1,354.6	\$ 2,413.5	\$ 5,349.8	\$ 4,529.1	\$ 4,782.8	\$ 6,939.2	\$ 6,979.5	\$ 6,257.3
<u>Restricted</u>								
Oil Revenue <sup>(1)</sup>	\$ 823.8	\$ 508.1	\$ 575.8	\$ 621.5	\$ 376.0	\$ 576.7	\$ 683.4	\$ 472.7
Non-Oil Revenue	656.3	697.4	631.2	558.6	590.9	643.0	745.6	777.4
Investment Earnings <sup>(3)</sup>	6,832.2	5,616.4	1,188.0	(1,208.5)	16,460.9	(6,422.1)	1,891.6	1,916.0
Federal Revenue	3,198.2	3,124.6	3,434.5	4,173.0	7,555.0	6,911.8	6,144.7	5,480.6
Subtotal	11,510.5	9,446.5	5,829.6	4,144.6	24,982.8	1,709.4	9,465.3	8,646.7
<b>Total</b>	<b>\$12,865.1</b>	<b>\$12,360.0</b>	<b>\$11,179.4</b>	<b>\$ 8,673.7</b>	<b>\$29,765.6</b>	<b>\$ 8,648.6</b>	<b>\$ 16,444.8</b>	<b>\$ 14,904.0</b>

Totals may not foot due to rounding.

- (1) "Restricted Oil Revenue" includes oil revenue for the State's share of rents, royalties, and bonuses from the NPR–A, shared by the federal government. Starting in fiscal year 2022, hazardous release surcharge and refined fuel surcharge are included in Restricted Oil Revenue. Prior to 2021, these surcharges were included in "Unrestricted Oil Revenue."
- (2) Forecasts for fiscal years 2023 and 2024 include projections for the transfers from the Permanent Fund Earnings Reserve to the General Fund for unrestricted General Fund expenditures, including the Permanent Fund Dividend, based on SB 26. All values for fiscal years 2023 and 2024 are based on projections as of the release of the Spring 2023 Revenue Forecast and are subject to change.
- (3) A portion of the Restricted investment earnings starting in fiscal year 2019 consist of Permanent Fund unrealized gains and realized gains, less the transfers to the General Fund classified as unrestricted revenue pursuant to SB 26.

Source: 2017 through Spring 2023 Revenue Forecast, Tax Division.

## Government Budgets and Appropriations

The Legislature is responsible for enacting the laws of the State, including laws that impose State taxes, and for appropriating money to operate the government. The State is limited by federal law, the State Constitution and statutes, and by policy in how it manages its funds and, as in other states, no funds, regardless of source, may be spent without a valid appropriation from the Legislature. The Legislature has a 90-day statutory time limit, and a constitutional time limit of 120 days with an allowance for up to an additional 10 days, to approve a budget. If the Legislature fails to approve a budget, or if other limited purpose legislation needs to be considered, the Governor or Legislature may call a special session to consider such matters. See "– General Appropriations" below.

**Budgets.** The State's fiscal year begins on July 1 and ends on the following June 30, and the Legislature meets in regular session beginning on the fourth Monday of January in each year. The Governor

is required by AS 37.07.020(a) to prepare: (1) a statutorily conforming budget for the succeeding fiscal year, including capital, operating, and mental health budgets, setting forth all proposed expenditures (including expenditures of federal and other funds not generated by the State) and anticipated income of all departments, offices, and agencies of the State; (2) a general appropriation bill to authorize proposed expenditures; and (3) in the case of proposed new or additional revenues, one or more bills containing recommendations for such new or additional revenues. In accordance with AS 37.07.020(b), the Governor is also required to prepare a six-year capital budget covering the succeeding six fiscal years and a 10-year fiscal plan. To assist the Governor in preparing budgets, proposed appropriation bills, and fiscal plans, the Tax Division prepares forecasts of annual revenues in December and March or April of each year. See “– State Revenues” above and “– *General Appropriations*,” Table 4, “– Government Funds,” and “– Revenue Forecasts” below.

The State Constitution prohibits the withdrawal from the treasury of nearly all funds, regardless of source, without an appropriation. As a consequence, the Governor’s proposed budget and the Legislature’s appropriation bills include federal and other funds as well as funds from the State and, by practice, funds that may be available for withdrawal without an appropriation. The State has customarily restricted certain revenue sources each fiscal year by practice. Such revenue is nonetheless available for appropriation.

***General Appropriations.*** The Governor is required by State law to submit the three budgets—an operating budget, a mental health budget, and a capital budget—by December 15 and to introduce the budgets and appropriation bills formally to the Legislature in January by the fourth day of the regular Legislative session. These three budgets then go to the House Finance Committee and are voted upon by the House of Representatives. The three budgets then go to the Senate Finance Committee, are voted upon by the full Senate, and may go to a conference committee to work out differences between the House and Senate versions (and then be submitted to both houses for final votes). Bills passed by both houses are delivered to the Governor for signature. The Governor may veto one or more of the appropriations made by the Legislature in an appropriations bill (a “line-item veto”) or may sign the bill or permit the bill to become law without a signature or veto. The Legislature may override a veto by the Governor (by a vote of three-fourths of the members of each house of the Legislature in the case of appropriation bills and by a vote of two-thirds of the members of each house in the case of other bills). Either the Governor or the Legislature may initiate supplemental appropriations during the fiscal year to deal with new or changed revenue receipts, to correct errors, or for any other reason. An appropriation is an authorization to spend, not a requirement to spend. Enacted budget appropriations may be expended beginning July 1.

The Governor is permitted to prioritize or restrict expenditures, to redirect funds within an operating appropriation to fund core services, and to expend unanticipated federal funds or program receipts. Historically, Alaskan Governors have placed restrictions on authorized operating and capital expenditures during years in which actual revenues were less than forecast and budgeted. Such expenditure restrictions have included deferring capital expenditures, State employment hiring and compensation freezes, lay-offs and furloughs, and restrictions on non-core operating expenses. Operating and capital expenditures have generally declined over the same time period through, among other actions, use of administrative restrictions on spending. See “– Public Debt and Other Obligations of the State” below.

Additional options for the State to manage budget funding include reducing State expenditures, transferring spending authority among line items, providing additional incentives to develop petroleum or mining resources, reinstituting a State personal income tax, or imposing other broad-based statewide taxes, such as a sales tax. Most of these options, including the imposition of personal income taxes or other taxes, would require action by the Legislature.

Governor Michael J. Dunleavy was reelected in November 2022, originally taking office in December 2018. In his fiscal year 2020 budget, the Governor declared that significant adjustments to the

State budget were needed to allow for a Permanent Fund Dividend distribution to State residents based on a historical statutory formula. This proposal was not approved by the Legislature. In his fiscal year 2021 and 2022 budgets the Governor again requested a Permanent Fund Dividend distribution to eligible State residents based on the historical statutory formula. Again, the Legislature did not approve these proposals. The fiscal year 2023 budget included an appropriation of approximately \$2.1 billion for Permanent Fund Dividend distributions to all eligible Alaskans, of which approximately \$420.1 million was designated as a special appropriation for energy relief. The enacted fiscal year 2024 budget includes approximately \$881.6 million for Permanent Fund Dividend distributions to all eligible Alaskans.

The State's enacted budget for fiscal year 2024 decreased spending from fiscal year 2023, including fiscal year 2023 supplementals, from approximately \$15.9 billion to \$13.1 billion. The fiscal year 2023 and 2024 estimated expenditure values are inclusive of the permanent fund dividend distribution of \$2.1 billion and \$881.6 million, respectively.

In May 2021, Governor Dunleavy revised his proposed constitutional amendment relating to the Alaska Permanent Fund, appropriations from the Permanent Fund, and the Permanent Fund Dividend. The revised amendment provides that 50 percent of the annual POMV transfer from the Permanent Fund Earnings Reserve Account would be dedicated to the Permanent Fund Dividend distribution. This proposal has received limited consideration by the Legislature to date and to be implemented, must receive a two-thirds vote of approval from both the House of Representatives and the Senate followed by approval in a statewide election.

***Appropriations for Debt and Appropriations for Subject-to-Appropriation Obligations.*** The Governor's appropriations bills include separate subsections for appropriations for State debt and other subject-to-appropriation obligations and specify the sources of funds to pay such obligations. For the State's outstanding voter-approved general obligation bonds and bond anticipation notes, and for revenue anticipation notes to which the State's full faith and credit are pledged, money is appropriated from the General Fund and, if necessary, to the General Fund from other funds, including the Permanent Fund, to the State Bond Committee to make all required payments of principal, interest, and redemption premium. For these full faith and credit obligations, the State legally is required to raise taxes if State revenues are not sufficient to make the required payments.

The Governor's appropriation bills also include separate subsections for appropriations for subject-to-appropriation obligations, such as outstanding capital leases and lease-purchase financings authorized by law, and for State appropriations to replenish debt service reserves in the event of a deficiency. Such appropriations are made from the General Fund or from appropriations transferring to the General Fund money available in other funds such as the CBRF, SBRF, the Power Cost Equalization Fund, unencumbered funds of the State's public corporations, and the Permanent Fund Earnings Reserve.

***Appropriation Limits.*** The State Constitution does not limit expenditures but does provide for an appropriation limit and reserves one-third of the amount within the limit for capital projects and loan appropriations. Because State appropriations have never approached the limit, the reservation for capital projects and loan appropriations has not been a constraint. The appropriation limit does not include appropriations for Permanent Fund Dividends described below, appropriations of revenue bond proceeds, appropriations to pay general obligation bonds, or appropriations of funds received in trust from a non-State source for a specific purpose, including revenues of a public enterprise or public corporation of the State that issues revenue bonds. In general, under the State Constitution, appropriations that do not qualify for an exception may not exceed \$2.5 billion by more than the cumulative change, derived from federal indices, in population and inflation since July 1, 1981. For fiscal year 2022, the Office of Management and Budget estimated the appropriation limit to be approximately \$11.1 billion. The fiscal year 2022 budget, not counting the excluded appropriations, was \$7.3 billion, or \$3.8 billion less than the constitutional limit.

As shown in Table 4, unrestricted General Fund revenue decreased to \$4.5 billion in fiscal year 2020 and increased to approximately \$4.8 billion in fiscal year 2021. In fiscal year 2019, the State began appropriating amounts from the Permanent Fund Earnings Reserve to the General Fund as unrestricted General Fund revenue, which significantly diminishes the percentage of unrestricted revenue that petroleum-related revenue represents. The enacted fiscal year 2024 budget included approximately \$3.5 billion in transfers from the Permanent Fund Earnings Reserve to the General Fund as unrestricted revenue. This shift of classification of revenue of the Permanent Fund from restricted to unrestricted was incorporated into the State's revenue projections in Table 4.

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**Table 4**  
**State of Alaska**  
**Total Unrestricted General Fund Revenue, ANS West Coast Oil Price, and ANS Oil Production**  
**Fiscal Years Ended June 30, 2013 – 2022 and**  
**Forecast for Fiscal Years Ending June 30, 2023 – 2033**

<b>Fiscal Year</b>	<b>Total Unrestricted General Fund Revenue (\$ millions)</b>	<b>ANS West Coast Oil Price (\$/barrel)</b>	<b>ANS Oil Production (thousands of barrels per day)</b>
2013	6,929	107.57	531.6
2014	5,390	107.57	530.4
2015	2,256	72.58	501.0
2016	1,533	43.18	514.7
2017	1,355	49.43	526.4
2018	2,414	63.61	518.5
2019	5,350	69.46	496.9
2020	4,529	52.12	471.8
2021	4,783	54.14	486.1
2022	6,939	91.41	476.5
<b>Projected <sup>(1)</sup></b>			
2023	6,980	85.25	485.2
2024	6,257	73.00	496.4
2025	6,229	70.00	497.9
2026	6,285	69.00	494.5
2027	6,395	67.00	510.3
2028	6,499	66.00	547.0
2029	6,572	65.00	534.9
2030	6,651	66.00	512.4
2031	6,806	68.00	513.5
2032	7,022	70.00	542.9
2033	7,268	72.00	577.8

<sup>(1)</sup> The values for fiscal years 2023 through 2033 use the projections included in the Spring 2023 Revenue Forecast, and are subject to change. Fiscal year 2023 and 2024 include approximately \$3.4 billion and \$3.5 billion, respectively, in transfers from the Permanent Fund Earnings Reserve to the General Fund as unrestricted revenue. The forecast period includes projections for the transfers from the Permanent Fund Earnings Reserve to the General Fund for unrestricted General Fund expenditures, including the Permanent Fund Dividend, based on SB 26.

*Source: 2013 through Spring 2023 Revenue Forecast, Tax Division.*

The State has historically provided fiscal stability by forward funding or endowing programs, including the methods used by the State to fund K-12 education. The State’s constitutionally based obligation for K-12 education has been one of the largest single recurring budget line items in the State’s budget. In the enacted fiscal year 2024 budget, approximately \$1.17 billion is appropriated to the public education fund, comprised of an estimated \$1.14 billion from the general fund, and \$32.2 million from the Public School Trust Fund. See “– Public Debt and Other Obligations of the State – *State-Supported Debt – State-Supported Municipal Debt Eligible for State Reimbursement*” below.

The Spring 2023 Revenue Forecast projects approximately \$7.0 billion in unrestricted General Fund revenue in fiscal year 2023 prior to any carryforwards and adjustments from fiscal year 2022, and the fiscal year 2023 budget included approximately \$5.6 billion in unrestricted General Fund operating and capital budget appropriations prior to any carryforwards and adjustments from fiscal year 2022. The fiscal year 2023 budget included approximately \$3.4 billion in transfers from the Permanent Fund Earnings Reserve to the General Fund as unrestricted revenue. In addition, the fiscal year 2023 expenditure value for the Permanent Fund dividend distribution was \$2.1 billion.

The Spring 2023 Revenue Forecast projects approximately \$6.3 billion in unrestricted General Fund revenue in fiscal year 2024 prior to any carryforwards and adjustments from fiscal year 2023, and the fiscal year 2024 enacted budget includes approximately \$5.1 billion in unrestricted General Fund operating and capital budget appropriations prior to any carryforwards and adjustments from fiscal year 2023. The fiscal year 2024 enacted budget includes approximately \$3.5 billion in transfers from the Permanent Fund Earnings Reserve to the General Fund as unrestricted revenue. In addition, the fiscal year 2024 expenditure value for the permanent fund dividend distribution was \$881.6 million.

In the fiscal year 2023, projections for unrestricted General Fund capital budget appropriations increased to approximately \$734.1 million after seven consecutive fiscal years that unrestricted General Fund capital budget appropriations had been under \$250 million, compared to \$608 million in fiscal year 2015. In the enacted fiscal year 2024 budget, projections for unrestricted General Fund capital budget appropriations decreased to approximately \$359.8 million. The State's fiscal year 2024 projected total capital budget appropriations, including designated general funds, other funds and federal funds was approximately \$2.6 billion (Source: Office of Management and Budget, FY2024 Fiscal Summary as of June 19, 2023).

## **Government Funds**

Because the State is dependent upon taxes, royalties, fees, and other revenues that can be volatile, the State has developed a framework of constitutionally and statutorily restricted revenue that is held in a variety of reserve funds to provide long-term and short-term options to address cash flow mismatches and budgetary deficits. The State Constitution provides that with three exceptions, the proceeds of State taxes or licenses "shall not be dedicated to any special purpose." The three exceptions are when required by the federal government for State participation in federal programs, any dedication existing before statehood, and when provided by the State Constitution, such as restricted for savings in the Permanent Fund or the CBRF.

Current State funding options available on a statutory basis include General Fund unrestricted revenue (which pursuant to SB 26 includes an annual transfer from the Permanent Fund Earnings Reserve), use of the earnings or the principal balance of the SBRF, borrowing restricted earnings revenue or principal balance from the CBRF, use of the statutorily restricted oil revenue currently flowing to the Permanent Fund, and use of the unrestricted earnings revenue of the Permanent Fund. To balance revenues and expenditures in a time of financial stress, each of these funds can be drawn upon, following various protocols. The CBRF may be accessed with a majority vote of the Legislature following a year-over-year total decline in total revenue available for appropriation, or in any year by a three-quarters vote of both houses of the Legislature. A majority vote of the Legislature is needed to appropriate from the SBRF and from the Permanent Fund Earnings Reserve.

***The General Fund.*** Unrestricted State revenue is annually deposited in the General Fund, which serves as the State's primary operating fund and accounts for most of the State's unrestricted financial resources. The State has, however, created more than approximately 55 subfunds and "cash pools" within the General Fund to account for funds allocated to particular purposes or reserves, including the CBRF, the

SBRF, an Alaska Capital Income Fund, and a debt retirement fund. In terms of long-term and short-term financial flexibility, the CBRF and the SBRF (subfunds within the General Fund) have been of particular importance to the State.

***The Constitutional Budget Reserve Fund.*** The State Constitution requires that oil and gas and mineral dispute-related revenue be deposited in the CBRF. The State Constitution provides that other than money required to be deposited in the Permanent Fund and the Public School Trust Fund, all money received by the State after July 1, 1990 as a result of the termination, through settlement or otherwise, of an administrative proceeding or of litigation involving mineral lease bonuses, rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or bonuses, or involving taxes imposed on mineral income, production, or property, are required to be deposited in the CBRF. Money in the CBRF may be appropriated (1) for any public purpose, upon the affirmative vote of three-fourths of each house of the Legislature; or (2) by majority vote if the amount available to the State for appropriation for a fiscal year is less than the amount appropriated for the previous fiscal year; however, the amount appropriated may not exceed the amount necessary, when added to other funds available for appropriation, to provide for total appropriations equal to the amount of appropriations made in the previous calendar year for the previous fiscal year. The State Constitution also provides that until the amount appropriated from the CBRF is repaid, excess money in the General Fund at the end of each fiscal year must be deposited in the CBRF.

The State historically has borrowed from the CBRF as part of its cash management plan to address timing mismatches between revenues and disbursements within a fiscal year and also to balance the budget, when necessary, at the end of the fiscal year. The State has drawn on the CBRF in each year since fiscal year 2014, although in some years dedicated earnings and deposits into the CBRF were greater than the draws. Historical borrowing from the CBRF in the 1990's through 2005 was completely repaid in fiscal year 2010 and no borrowing activity from the CBRF occurred during fiscal years 2011, 2012, or 2013.

The fiscal year 2015 capital budget approved by the Legislature included a \$3 billion transfer from the CBRF to the Public Employees Retirement System ("PERS") and Teachers Retirement System ("TRS"). PERS received \$1 billion and TRS received \$2 billion. This transfer resulted in a liability of the General Fund. Additional amounts were appropriated from the CBRF to the General Fund annually in fiscal years 2016 through 2021 to fund shortfalls between State revenue and General Fund appropriations. The total net amount appropriated from the CBRF since fiscal year 2015 as of June 30, 2022, was approximately \$11.2 billion. Pursuant to the State's fiscal year 2022 ACFR, the June 30, 2022, unassigned fund balance of the CBRF was approximately \$2.4 billion.

The asset balance in the CBRF as of June 30, 2023, was approximately \$2.6 billion, including earnings of approximately \$62.9 million. General Fund asset balances listed as of June 30 may include borrowings from the CBRF for future fiscal year operating requirements. As of June 30, 2022, the asset balance was approximately \$914.5 million, including earnings of approximately \$1.2 million; as of June 30, 2021, the asset balance was approximately \$1.1 billion, including earnings of approximately \$2.2 million; as of June 30, 2020, the asset balance was approximately \$2.0 billion, with investment earnings of \$62.8 million; and as of June 30, 2019, the asset balance was \$1.8 billion, with investment earnings of \$74.8 million.

***The Statutory Budget Reserve Fund.*** The SBRF has existed in the State's accounting structure since 1986. The SBRF is available for use for legal purposes by majority vote of the Legislature and with approval by the Governor. If the unrestricted amount available for appropriation in the fiscal year was insufficient to cover General Fund appropriations, the amount necessary to balance revenue and General Fund appropriations or to prevent a cash deficiency in the General Fund may be appropriated from the SBRF to the General Fund. For fiscal year 2015, this resulted in a year-end transfer from the SBRF to the General Fund of approximately \$2.5 billion. As of June 30, 2015, the SBRF held approximately

\$288 million. Article IX, Section 17(d) of the Alaska Constitution provides that the amount of money in the General Fund available for appropriation at the end of each succeeding fiscal year is to be deposited in the CBRF until the amount appropriated from the CBRF is repaid. For fiscal year 2016, this resulted in a year-end sweep from the SBRF to the General Fund for transfer to the CBRF in the amount of \$288 million, and the available fund balance of the SBRF diminished to zero. The SBRF unassigned fund balance for fiscal year 2022, reported in the State's ACFR, was \$371.8 million as of June 30, 2022. The most recent Office of Management and Budget Fiscal Summary as of June 19, 2023, projects a SBRF balance of zero as of June 30, 2023. Any earnings on the SBRF are considered unrestricted investment revenue and flow to the General Fund, unless otherwise appropriated back to the fund.

***The Alaska Permanent Fund.*** The Permanent Fund was established by a voter-approved constitutional amendment that took effect in February 1977. The amendment provides that “at least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State shall be placed in a permanent fund, the principal of which shall be used only for those income-producing investments specifically designated by law as eligible for permanent fund investments” and that “all income from the permanent fund shall be deposited in the General Fund unless otherwise provided by law.”

In 1980, legislation was enacted that provided for the management of the Permanent Fund by the APFC, a public corporation within the DOR managed by a board of trustees. The same legislation modified the contribution rate to the Permanent Fund from 25 percent (the minimum constitutionally mandated contribution) to 50 percent of all mineral lease rentals, royalties, royalty sale proceeds, net profit shares, federal mineral revenue sharing payments, and bonuses received by the State from mineral leases issued after December 1, 1979 or, in the case of bonuses, after May 1, 1980. The statutory contribution rate was changed back to 25 percent by legislation as of July 1, 2003 but then returned to 50 percent as of October 1, 2008. For fiscal year 2023, State oil and mineral revenues deposited in the Permanent Fund were \$754 million, compared to \$549 million in fiscal year 2022, \$320 million in fiscal year 2021, \$319 million in fiscal year 2020, and \$385 million in fiscal year 2019. Since inception, as of June 30, 2023, contributions to the principal account of the Permanent Fund, both constitutionally and statutorily mandated, include \$22.2 billion for inflation proofing, \$19.2 billion in royalty contributions, and \$15.0 billion in special appropriations.

The Permanent Fund tracks earnings on a basis compliant with statements pronounced by the Governmental Accounting Standards Board (“GASB”) in the compilation of the financial statements of the Permanent Fund. Fund balance consists of two parts: (1) principal, which is non-spendable, and (2) earnings reserve, which is spendable with an appropriation by the Legislature. By statute, only realized gains are deposited in the earnings reserve. Unrealized gains and losses associated with principal remain allocated to principal. Because realized gains deposited in the earnings reserve are invested alongside the principal, however, the unrealized gains and losses associated with the earnings reserve are spendable with an appropriation of the Legislature.

Pursuant to legislation enacted in 1982, annual appropriations are made from the Permanent Fund Earnings Reserve, first for dividends to qualified Alaska residents and then for inflation proofing. Between 1982 and 2023, approximately \$30.2 billion of dividends were paid to Alaska residents and \$22.2 billion of Permanent Fund income has been added to principal for inflation proofing. For fiscal years 2016, 2017, and 2018, there were no appropriations and therefore no transfers from the earnings reserve to principal for inflation proofing. The amount calculated under statute for fiscal year 2019 inflation proofing, \$989 million, provided for in the enacted fiscal year 2019 operating budget, was appropriated from the earnings reserve to the principal of the Permanent Fund to offset the effect of inflation on the principal for fiscal year 2019. The State's fiscal year 2020 budget included an appropriation of approximately \$4.8 billion from the earnings reserve to the principal of the Permanent Fund. The State's fiscal year 2021 budget did not include

an appropriation for additions to principal for inflation proofing. The Legislature made an approximate \$4.0 billion special appropriation to principal in the fiscal year 2022 budget. For fiscal year 2023, approximately \$4.2 billion was appropriated from the earnings reserve to the principal of the Permanent Fund. The Permanent Fund Dividend amount, paid in calendar year 2022, was \$3,284 per qualified resident, inclusive of amounts designated as energy relief to Alaskans. The Permanent Fund Dividend amount, paid in calendar year 2023, was \$1,312 per qualified resident.

If any income remains after these transfers (except the portion transferred to the Alaska Capital Income Fund as described below), it remains in the Permanent Fund Earnings Reserve as undistributed income. The Legislature may appropriate funds from the earnings reserve at any time for any other lawful purpose. The principal portion of the Permanent Fund, approximately \$67.5 billion as of June 30, 2023, up from approximately \$60.2 billion as of June 30, 2022, may not be spent without amending the State Constitution. The earnings reserve, approximately \$10.5 billion as of June 30, 2023, down from approximately \$16.1 billion as of June 30, 2022, may be appropriated by a majority vote of the Legislature.

During fiscal years 1990 through 1999, the Permanent Fund received dedicated State revenues from settlements of a number of North Slope royalty cases (known collectively as *State v. Amerada Hess*). The total of the settlements and retained income thereon, as of June 30, 2023, was approximately \$424.4 million. Earnings on the settlements are excluded from the dividend calculation and are not subject to inflation proofing in accordance with State law, and beginning in 2005, the settlement earnings have been appropriated to the Alaska Capital Income Fund, a subfund within the General Fund. The Alaska Capital Income Fund realized earnings on settlement principal of approximately \$14.3 million in during fiscal year 2023 and \$24.0 million during fiscal year 2022.

As previously discussed, SB 26 created a percent of market value to provide a sustainable draw on the earnings reserve for transfer to the General Fund as unrestricted revenue.

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**Table 5**  
**State of Alaska**  
**Available Funds and Recurring and Discretionary General Fund Expenditures**  
**Fiscal Years Ended June 30, 2013 – 2022**

<b>Fiscal Year</b>	<b>General Purpose Unrestricted Revenue (\$ mil)</b>	<b>Recurring &amp; Discretionary General Fund Expenditures (\$ mil)</b>	<b>Unrestricted Revenue Surplus/ (Deficit) (\$ mil)</b>	<b>Ending SBRF Reserves Available Balance (\$ mil)</b>	<b>Ending CBRF Reserves Available Balance (\$ mil) <sup>(1)</sup></b>	<b>Permanent Fund Earnings Reserve Balance (\$ mil)</b>	<b>Oil Price (\$/barrel)</b>	<b>ANS Oil Production (thousands of barrels per day)</b>
2013	6,929	7,455	(526)	4,711 <sup>(2)</sup>	11,564	4,054	107.57	531.6
2014	5,394	7,314	(1,920)	2,791 <sup>(2)</sup>	12,780	6,211	107.57	530.4
2015	2,257	4,760	(2,503) <sup>(3)</sup>	288 <sup>(2)</sup>	10,101	7,162	72.58	501.0
2016	1,533	5,213	(3,680) <sup>(3)</sup>	– <sup>(2)</sup>	7,331	8,570	43.18	514.7
2017	1,354	4,498	(3,144) <sup>(3)</sup>	– <sup>(2)</sup>	3,896	12,816	49.43	526.4
2018	2,414	4,489	(2,075) <sup>(3)</sup>	– <sup>(2)</sup>	2,360	18,864 <sup>(4)</sup>	63.61	518.5
2019	5,350 <sup>(5)</sup>	4,889	461 <sup>(3)</sup>	– <sup>(2)</sup>	1,832	18,481 <sup>(4)</sup>	69.46	495.0
2020	4,529 <sup>(5)</sup>	4,805	(276) <sup>(3)</sup>	– <sup>(2)</sup>	1,983	12,894 <sup>(4)</sup>	52.12	471.8
2021	4,783 <sup>(5)</sup>	5,031 <sup>(3)</sup>	(248) <sup>(3)</sup>	481 <sup>(2)</sup>	1,076	21,148 <sup>(4)</sup>	54.14	486.1
2022	6,939 <sup>(5)</sup>	5,362 <sup>(3)</sup>	1,577 <sup>(3)</sup>	372	915	16,150 <sup>(4)</sup>	91.41	476.5

(1) The CBRF available balance represents the historical asset values.

(2) Includes unassigned fund balance through net transfer from the SBRF to the General Fund reconciled at the release of the State's ACFR.

(3) The SBRF was used to balance the fiscal year 2015 deficit, with \$288 million remaining as of June 30, 2015. Article IX, Section 17(d) of the Alaska Constitution provides that the amount of money in the General Fund available for appropriation at the end of each succeeding fiscal year is to be deposited in the CBRF until the amount appropriated is repaid. The available fund balance of the SBRF as of June 30, 2016, was zero. Fiscal year 2021 includes an estimated \$325 million transfer to the SBRF from the Unrestricted General Fund, and fiscal year 2022 includes an approximate \$109 million decrease in the SBRF unassigned fund balance.

(4) Includes amount committed for General Fund transfers pursuant to SB 26, as well as any special appropriations and/or inflation proofing transfers.

(5) Includes Permanent Fund Earnings Reserve transfer prior to dividend payments.

Source: Alaska Department of Revenue, and Office of Management and Budget.

## Revenue Forecasts

The State regularly prepares revenue forecasts for planning and budgetary purposes. Of necessity, such forecasts include assumptions about events that are not within the State's control. The forecast oil production volumes include only production expected from projects currently under development or evaluation. The forecast does not include any revenues that could be received if a natural gas pipeline is constructed. In making its forecasts, the State makes assumptions about, among other things, the demand for oil and national and international economic factors and assumes that the Legislature will not amend current laws to change materially the sources and uses of State revenue and that no major calamities such as earthquakes or catastrophic damage to TAPS will occur. Portions of TAPS are located in areas that have experienced and may in the future again experience major earthquakes. Actual revenues and expenditures will vary, perhaps materially, from year to year, particularly if any one or more of the assumptions upon which the State's forecasts are based proves to be incorrect or if other unexpected events occur. The State's most recent forecast is set forth in the Spring 2023 Revenue Forecast. The State will next update its forecast in the Fall 2023 Revenue Forecast, which is anticipated to be released on December 15, 2023. The State has provided certain estimates for fiscal years 2023 and 2024 based on information available as of the Spring 2023 Revenue Forecast, as well as certain audited results for fiscal year 2023 for the CBRF

investment earnings and asset value and the APFC. The State anticipates the release of the ACFR for fiscal year 2023 by January 31, 2024. See “– Government Funds” above for a description of some of the actions the State can take when revenues prove to be lower than expected.

The State has customarily restricted certain revenue sources each fiscal year by practice. Such revenue is nonetheless available for appropriation. Table 6 provides a summary of the State’s most recent forecast for revenues subject to appropriation in fiscal years 2023 through 2028.

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**Table 6**  
**State of Alaska Projection of Revenues Subject to Appropriation**  
**Forecast Summary for Fiscal Years 2023 through 2028 <sup>(1)</sup>**  
(\$ millions)

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
<b><u>Petroleum Revenue</u></b>						
Unrestricted General Fund	\$ 3,085.0	\$ 2,204.3	\$ 2,006.8	\$ 1,904.9	\$ 1,826.7	\$ 1,876.5
Production Tax – Hazardous Release Surcharge	7.9	8.0	8.0	8.0	8.3	8.8
Royalties, Bonuses, Rents, and Interest to Alaska Permanent Fund	84.2	64.7	63.5	66.1	82.7	120.3
Tax and Royalty Settlements to CBRF	145.0	20.0	20.0	20.0	20.0	20.0
<b>Subtotal Petroleum Revenue<sup>(3)</sup></b>	<b><u>\$ 3,322.1</u></b>	<b><u>\$ 2,297.1</u></b>	<b><u>\$ 2,098.3</u></b>	<b><u>\$ 1,999.0</u></b>	<b><u>\$ 1,937.6</u></b>	<b><u>\$ 2,025.7</u></b>
<b><u>Non-Petroleum Revenue</u></b>						
Unrestricted General Fund	\$ 458.8	\$ 465.4	\$ 496.2	\$ 508.1	\$ 518.1	\$ 538.0
Designated General Fund	473.3	498.6	499.8	501.5	503.2	504.9
Royalties to Alaska Permanent Fund beyond 25% dedication	3.4	3.6	3.7	3.8	3.8	3.9
<b>Subtotal Non-Petroleum Revenue<sup>(3)</sup></b>	<b><u>\$ 935.5</u></b>	<b><u>\$ 967.6</u></b>	<b><u>\$ 999.6</u></b>	<b><u>\$ 1,013.4</u></b>	<b><u>\$ 1,025.2</u></b>	<b><u>\$ 1,046.7</u></b>
<b><u>Investment Revenue</u></b>						
Unrestricted General Fund	\$ 3,435.7	\$ 3,587.5	\$ 3,726.4	\$ 3,872.4	\$ 4,050.4	\$ 4,084.4
Designated General Fund	46.6	44.8	44.8	44.8	44.8	44.8
CBRF <sup>(2)</sup>	33.8	57.5	59.4	61.3	63.3	65.3
<b>Subtotal Investment Revenue<sup>(3)</sup></b>	<b><u>\$ 3,516.1</u></b>	<b><u>\$ 3,689.8</u></b>	<b><u>\$ 3,830.6</u></b>	<b><u>\$ 3,978.5</u></b>	<b><u>\$ 4,158.5</u></b>	<b><u>\$ 4,194.5</u></b>
<b>Total Revenue Subject to Appropriation<sup>(3)</sup></b>	<b><u>\$ 7,773.7</u></b>	<b><u>\$ 6,954.5</u></b>	<b><u>\$ 6,928.5</u></b>	<b><u>\$ 6,990.9</u></b>	<b><u>\$ 7,121.3</u></b>	<b><u>\$ 7,266.9</u></b>

(1) This table presents only the largest known categories of current year funds subject to appropriation. A comprehensive review of all accounts in the State accounting system would likely reveal additional revenues subject to appropriation beyond those identified here.

(2) CBRF earnings projections on balances reflect estimates that do not incorporate potential amounts swept to the CBRF under Alaska Constitution Article IX Sec. 17(d).

(3) Subtotals and totals may not foot due to rounding.

Source: Spring 2023 Revenue Forecast, Tax Division.

### **Public Debt and Other Obligations of the State**

State debt includes general obligation bonds and revenue anticipation notes, and State-supported debt includes lease-purchase financings and revenue bonds. The State also provides guarantees and other support for certain debt and operates the SDRP and the Transportation and Infrastructure Debt Service Reimbursement Program (the “TIDSRP”). Other than the Veterans’ Mortgage Program, these programs do not constitute indebtedness of the State but do provide, annually on a subject-to-appropriation basis, financial support for certain bonds of local governments and obligations of State agencies.



The following information is obtained from the 2022-2023 Alaska Public Debt Book, released in January 2023, and contains information through the fiscal year ended June 30, 2022. The State anticipates release of the 2023-2024 Alaska Public Debt Book, containing information through the fiscal year ended June 30, 2023, in January 2024.

***Outstanding State Debt.*** State debt includes general obligation bonds and revenue anticipation notes. The State Constitution provides that general obligation bonds must be authorized by law and be ratified by the voters and permits authorization of general obligation bonds only for capital improvements. The amount and timing of a bond sale must be approved by the State Bond Committee. For both general obligation bonds and revenue anticipation notes, the full faith, credit, and resources of the State are pledged to the payment of principal and interest. If future State revenues are insufficient to make the required principal and interest payments, the State is legally required to raise taxes to provide sufficient funds for this purpose. Approximately \$622 million of general obligation bonds were outstanding as of June 30, 2022. See “Summary of Outstanding Debt” and Tables 7 and 8 below.

Most recently, in November 2012, voters approved \$453,499,200 in general obligation bonds for the purpose of design and construction of State transportation projects (the “2012 Transportation Bond Act”). During fiscal year 2021, the State issued its General Obligation Bonds Series 2020A, which used the remaining authority under the 2012 Transportation Bond Act.

The following other debt and debt programs of the State were outstanding as of June 30, 2022, except as otherwise noted.

***State Guaranteed Debt.*** The only purpose for which State guaranteed debt may be issued is for payment of principal and interest on revenue bonds issued for the Veterans Mortgage Program by the Alaska Housing Finance Corporation (“AHFC”) for the purpose of purchasing mortgage loans made for residences of qualifying veterans. These bonds are also general obligation bonds of the State, and they must be authorized by law, ratified by the voters, and approved by the State Bond Committee. In November 2010, voters approved \$600 million of State guaranteed veterans’ mortgage bonds, and the total unissued authorization was \$584.6 million as of June 30, 2022. As of June 30, 2022, \$46.0 million of State guaranteed debt was outstanding.

***State-Supported Debt.*** State-supported debt is debt for which the ultimate source of payment is, or may include, appropriations from the General Fund. The State does not pledge its full faith and credit to State-supported debt, but another public issuer may have pledged its full faith and credit to it. State-supported debt is not considered “debt” under the State Constitution, because the State’s payments on this debt are subject to annual appropriation by the Legislature, recourse is limited to the financed property, and this debt does not create a long-term obligation of the State binding future legislatures. Voter approval of such debt is not required. State-supported debt includes lease-purchase financing obligations (structured as certificates of participation (“COPs”)) and capital leases the State has entered into with respect to the Linny Pacillo Parking Garage (with AHFC) and the Goose Creek Correctional Center (with the Matanuska-Susitna Borough). Approximately \$177.7 million of State-supported debt was outstanding as of June 30, 2022.

On September 4, 2020, the Supreme Court issued a decision in *Eric Forrer v. State of Alaska* (“Forrer”) related to the ATCCBC that clarified the circumstances under which financial obligations of the State constitute debt within the meaning of Article IX Section 8 (State Debt) and Article IX Section 11 (Exceptions) of the State constitution. While the decision reaffirmed prior Supreme Court decisions allowing the use of State-supported debt for lease-purchase of real property arrangements and clarified the scope of the revenue bond exception in Article IX Section 11 of the State constitution, it specifically disallowed the structure contemplated for the ATCCBC which is described further below. Due to similarity

of structure, the decision also rendered the Pension Obligation Bond Corporation (“POBC”) (created in AS 37.16) and the Toll Bridge Revenue Bonds for the Knik Arm Bridge (created in AS37.15, Article 2) illegal. On September 28, 2020, the State of Alaska Department of Law filed a Petition for Rehearing with the Supreme Court in an attempt to obtain clarity on the scope of the Supreme Court’s intent in their decision. The Supreme Court declined to respond to the Petition for Rehearing without any further ruling on the merits of the case. Certain broad references in Forrer may be read to effect the constitutionality of certain debt service reserve or other debt service funding structures by the State in connection with current or future State agency or local government programs with legal structures that, while fundamentally different from the ATCCBC in both public purpose and bond structure, share certain statutory frameworks with the ATCCBC. Bonds issued pursuant to the 2005 Master Resolution are not affected by Forrer because they meet the requirements to constitute valid revenue debt contained in Article IX Section 11 of the State constitution and as interpreted by Forrer.

*State-Supported Unfunded Actuarially Assumed Liability (UAAL).* In 2008, Senate Bill 125 became law, requiring that the State fund any actuarially determined employer contribution rate above 22 percent for PERS or 12.56 percent for the TRS out of the General Fund, to the extent the actuarially determined employer contribution rate exceeds payment of (1) the employer normal cost and (2) required employer contributions for retiree major medical insurance, health reimbursement arrangement plans, and occupational death and disability benefits. This change was designed to address stress municipal employers were experiencing due to high actuarially determined percentage of payroll amounts to pay for actuarially assumed unfunded liabilities of the retirement systems. In 2015, GASB Statement No. 68 (“GASB 68”) was enacted, updating reporting and disclosure requirements related to pension-related liabilities. One of the key changes was requiring a government that is committed to making payments on a pension system’s unfunded actuarially assumed liability (“UAAL”) on behalf of another entity to record the liability as a debt of the government making the payment. As a result of GASB 68, \$5.8 billion of long-term debt was reflected in the State’s ACFR for fiscal year 2015 for a total of \$6.0 billion of UAAL.

Annual payments are determined based on a variety of actuarial assumptions and the evolving experience as it occurs. The assumption with perhaps the greatest impact on future payments is the assumed rate of return on invested assets. As of January 11, 2019, the Alaska Retirement Management Board changed the actuarially assumed rate of investment return from 8% to 7.38%.

The ARM Board completed an experience analysis of the actuarial assumptions underlying the PERS and TRS actuarial valuation reports covering the timeframe July 1, 2017, to June 30, 2021. There have been no changes in the actuarial methods or changes in benefit provisions since the June 30, 2021, valuation. Healthcare claims costs are updated annually. However, as a result of the experience analysis, updated demographic and economic assumptions were adopted by the ARM Board in June 2022, and are being used in the June 30, 2022, actuarial valuation reports. One significant item that was changed is the actuarial assumption for investment rate of return. This rate was revised from 7.38 percent down to 7.25 percent, and will be included in the June 30, 2022, actuarial valuation reports.

As of the June 30, 2021, PERS and TRS Actuarial Valuation Reports, the Public Employees' Retirement System’s actuarial accrued liabilities were funded at 85.5 percent and the Teachers' System’s actuarial accrued liabilities were funded at 92.6 percent.

According to the PERS and TRS ACFR as of June 30, 2022, if the actual earnings rate experience is 6.25%, the 1% reduction in the rate of return on investments increases the net PERS pension liability by approximately \$1,764,606,000 and the net TRS pension liability by approximately \$826,297,000.

*State-Supported Municipal Debt Eligible for State Reimbursement.* The State administers two programs that reimburse municipalities for municipal debt: the SDRP and the TIDSRP. These programs

provide for State reimbursement of annual debt service on general obligation bonds of municipalities for the SDRP and a combination of general obligation and revenue bonds of authorized participants in the TIDSRP. The State may choose not to fund these programs in part or whole.

DEED administers the SDRP, which was created by law in 1970. The SDRP allows municipalities to apply, and if structured correctly, be eligible for reimbursement on up to 100 percent of the debt service on general obligation bonds issued for school construction. All municipal bonds are required to be authorized as general obligation bonds of the municipality, providing the ultimate source of payment commitment. The SDRP has been partially funded in a number of years. Access to the SDRP was restricted during the 1990s due to State budgetary pressure. Beginning in the early 2000s, and through 2014, the program was generally available for any qualified municipal project at reimbursement rates of 60 to 70 percent of debt service. In 2015, the Legislature passed a moratorium on the SDRP and eliminated DEED's authority to issue agreements to reimburse debt from school bonds that voters approved after January 1, 2015, and before July 1, 2020. In 2020, the legislature extended the moratorium until July 1, 2025. Since 1983, the SDRP has been partially funded ten times, most recently in fiscal year 2017 at approximately 79 percent of the authorized amount, in fiscal year 2020 at 50 percent of the authorized amount, in fiscal year 2021 at zero percent of the authorized amount, and in fiscal year 2022 at approximately 42 percent of the authorized amount. The SDRP was fully funded in the fiscal year 2023 budget and includes appropriations to offset prior fiscal year reductions in 2017, 2020, 2021, and 2022. As of June 30, 2022, the State-supported portion of SDRP debt was approximately \$440.2 million. The SDRP was fully funded in the enacted fiscal year 2024 budget.

The Department of Transportation and Public Facilities and the Alaska Energy Authority administer TIDSRP. The program currently includes University of Alaska revenue bonds, six municipalities' general obligation bonds, and one electric association's revenue bonds. There are no additional authorized participants in TIDSRP and no efforts have been made to add participants to the program since its creation in 2002. Other than certain reimbursements for the University of Alaska, no funding was provided in the budgets for fiscal years 2020 through 2022. As of June 30, 2022, State-supported TIDSRP debt was approximately \$16.8 million. The TIDSRP was fully funded in both the 2023 and enacted 2024 budgets.

While the SDRP and the TIDSRP have been only partially funded or not funded at all in fiscal years 2020-2022, the statutorily allowed reimbursements are still reflected as State subject-to-appropriation obligations in current year balances and future year payment commitments within certain sections of the complete State's Public Debt publications.

*State-Supported Toll Revenue Bonds.* In April 2014, AS 37 Chapter 16 was enacted creating the Knik Arm Crossing project in the Alaska Department of Transportation and Public Facilities. The Legislation provides for the Department of Transportation to enter into a Transportation Infrastructure Finance and Innovation Act ("TIFIA") loan and for the DOR to issue up to \$300 million of state-supported subordinate lien toll bridge revenue bonds. Given the green field nature of this project there is a 100 percent expectation of insufficient toll revenue to cover debt service and the State's General Fund having to make debt payments for at least 7 to 10 years, and longer if traffic forecasts are not realized. Based on the September 4, 2020, decision of the Supreme Court this statutory construct is invalid.

***State Moral Obligation Debt.*** State moral obligation debt consists of bonds issued by certain State agencies or authorities that are secured, in part, by a debt service reserve fund that is benefited by a discretionary replenishment provision that requires the applicable State agency or authority to report any deficiencies to the debt service reserve fund, and permits, but does not legally obligate, the Legislature to appropriate, on an annual basis, to the particular State agency or authority the amount necessary to replenish the debt service reserve fund up to its funding requirement (generally the maximum amount of debt service

required in any year). Such State agency or authority debt is payable in the first instance by revenues generated from loan repayments or by the respective projects financed from bond proceeds. Among those State agencies that have the ability to issue such debt are: Alaska Aerospace Development Corporation, which has not issued any debt; Alaska Energy Authority (“AEA”); AHFC; Alaska Industrial Development and Export Authority (“AIDEA”); Alaska Municipal Bond Bank Authority (“AMBBA”); and Alaska Student Loan Corporation (“ASLC”). Approximately \$1,039.0 million of such State agency or authority revenue bond debt was outstanding as of June 30, 2022.

***State and University Revenue Debt.*** This type of debt is issued by the State or by the University of Alaska but is secured only by revenues derived from projects financed from bond proceeds. Revenue debt is not a general obligation of the State nor of the University and does not require voter approval. Such debt is authorized by law and issued by the State Bond Committee or the University of Alaska for projects approved by the Commissioner of Transportation and Public Facilities or by the University of Alaska. This type of debt includes International Airport System Revenue Bonds, various University Revenue Bonds, Notes, and Contracts, Clean Water and Drinking Water Fund Bonds, and Toll Facilities Revenue Bonds. As of June 30, 2022, there was \$497.6 million of State and University revenue debt outstanding, consisting of \$253.8 million of University of Alaska Revenue Bonds and Notes and \$243.8 million of Alaska International Airport System Revenue Bonds.

***State Agency Debt.*** State agency debt is secured by revenues generated from the use of bond proceeds or the assets financed by bond proceeds or otherwise of assets of the agency issuing the bonds. This debt is not a general obligation of the State nor does the State provide security for the debt in any other manner, i.e., by appropriations, guarantees or moral obligation pledges. As of June 30, 2022, there was \$1,537.9 million aggregate principal amount of State agency debt outstanding, consisting of \$1,222.0 million of AHFC obligations, \$9.5 million of Bond Bank Coastal Energy Impact Program Bonds payable to the National Oceanic and Atmospheric Administration, \$33.8 million of Alaska Railroad Notes, and \$272.6 million of obligations of the Northern Tobacco Securitization Corporation.

***State Agency Collateralized or Insured Debt.*** As security for State agency collateralized or insured debt, the particular State agency pledges mortgage loans or other securities as primary security which, in turn, may be 100 percent insured or guaranteed by another party with a superior credit standing. This upgrades the credit rating on the debt and lowers the interest cost and makes it less likely that the State will assume responsibility for the debt. As of June 30, 2022, the total principal amount outstanding of State agency collateralized or insured debt was approximately \$1,124.4 million, consisting of approximately \$1,075.6 million issued by AHFC and \$48.8 million issued by AIDEA.

***State-Supported Pension Obligation Bonds.*** In 2008, AS.37 Chapter 16 was enacted creating the POBC for the purpose of issuing bonds for up to \$5 billion for the prepayment of UAAL of the retirement systems. The POBC bonds would have been considered State-Supported debt as they would be secured by agreements with other state agencies that are subject to annual appropriation. In 2018, the POBC bond limit was reduced to \$1.5 billion. Based on the September 4, 2020, decision of the Supreme Court this statutory construct is invalid.

***State-Supported Tax Credit Certificate Bonds.*** In 2018, AS 37 Chapter 18 was enacted creating the ATCCBC for the purpose of selling bonds for up to \$1 billion to provide for the purchase of certain State tax credits. The ATCCBC bonds would be considered State-Supported debt as they would be secured by agreements entered into by other state agencies that are subject to annual appropriation. A legal challenge on the State Constitutionality of the ATCCBC was filed and delayed the potential for bond issuance. Based on the September 4, 2020, decision of the Supreme Court this statutory construct is invalid.

**Summary of Outstanding Debt.** Table 7 lists, by type, the outstanding State-related debt as of June 30, 2022, except as otherwise noted.

**Table 7**  
**State of Alaska Debt and State-Related Debt by Type as of June 30, 2022**  
(\$ millions)

	<b>Principal outstanding</b>	<b>Interest to maturity</b>	<b>Total debt service to maturity</b>
<b>State Debt</b>			
State of Alaska General Obligation Bonds	\$ 621.9	\$ 229.6	\$ 851.5
<b>State Guaranteed Debt</b>			
Alaska Housing Finance Corporation Collateralized Bonds (Veterans' Mortgage Program)	46.0	14.3	60.3
<b>State-Supported Debt</b>			
Certificates of Participation	16.7	3.5	20.2
Lease Revenue Bonds with State Credit Pledge and Payment	161.0	46.8	207.8
<b>Total State-Supported Debt</b>	<u>177.7</u>	<u>50.3</u>	<u>228.0</u>
<b>State-Supported Municipal Debt</b>			
State Reimbursement of Municipal School Debt Service	440.2	66.5	506.7
State Reimbursement of Capital Projects	16.8	3.8	20.6
<b>Total State Supported Municipal Debt</b>	<u>457.0</u>	<u>70.3</u>	<u>527.3</u>
<b>Pension System Unfunded Actuarial Accrued Liability (UAAL)</b> (1)			
Public Employees' Retirement System UAAL	3,228.0	N/A	3,228.0
Teachers' Retirement System UAAL	733.0	N/A	733.0
<b>Total UAAL</b>	<u>3,961.0</u>	<u>N/A</u>	<u>3,961.0</u>
<b>State Moral Obligation Debt</b>			
Alaska Municipal Bond Bank:			
2005 & 2016 General Resolution General Obligation Bonds	993.1	387.3	1,380.4
Alaska Energy Authority:			
Power Revenue Bonds #1 through #10	45.9	26.7	72.6
<b>Total State Moral Obligation Debt</b>	<u>1,039.0</u>	<u>414.0</u>	<u>1,453.0</u>
<b>State Revenue Debt</b>			
International Airport System Revenue Bonds	243.8	97.3	341.1
<b>University of Alaska Debt</b>			
University of Alaska Revenue Bonds	240.5	110.3	350.8
University Lease Liability and Notes Payable	13.3	3.2	16.5
<b>Total University of Alaska Debt</b>	<u>253.8</u>	<u>113.5</u>	<u>367.3</u>
<b>Total State Revenue and University Debt</b>	<u>497.6</u>	<u>210.8</u>	<u>708.4</u>

[Table 7 continues on next page]

	<u>Principal outstanding</u>	<u>Interest to maturity</u>	<u>Total debt service to maturity</u>
<b>State Agency Debt</b>			
Alaska Housing Finance Corporation:			
Commercial Paper	\$ 149.8	N/A	\$ 149.8
State Capital Project Bonds I	3.5	0.0	3.5
State Capital Project Bonds II	1,068.7	362.0	1,430.7
Alaska Municipal Bond Bank Coastal Energy Loan Bonds	9.5	1.6	11.1
Alaska Railroad	33.8	1.7	35.5
Northern Tobacco Securitization Corporation			
2006 Tobacco Settlement Asset-Backed Bonds <sup>(2)</sup>	272.6	458.7	731.3
<b>Total State Agency Debt</b>	<u>1,537.9</u>	<u>824.0</u>	<u>2,361.9</u>
<b>State Agency Collateralized or Insured Debt</b>			
Alaska Housing Finance Corporation:			
Home Mortgage Revenue Bonds	462.5	190.3	652.8
General Mortgage Revenue Bonds II	542.3	203.5	745.8
Government Purpose Bonds	70.8	11.3	82.1
Alaska Industrial Development and Export Authority:			
Power Revenue Bonds, 2015 Series (Snettisham Hydro Project)	48.8	16.7	65.5
<b>Total State Agency Collateralized or Insured Debt</b>	<u>1,124.4</u>	<u>421.8</u>	<u>1,546.2</u>
<b>Total State and State Agency Debt</b>	<u>9,462.5</u>		
<b>Municipal Debt</b>			
School G.O. Debt	657.4	N/A	N/A
Other G.O. Debt <sup>(3)</sup>	1,657.4	N/A	N/A
Revenue Debt	716.6	N/A	N/A
<b>Total Municipal Debt</b>	<u>3,031.4</u>		
<b>Debt Reported in More than One Category</b>			
<b>Less: State Reimbursable Municipal Debt and Capital Leases</b>	(177.8)		
<b>Less: State Reimbursable Municipal School G.O. Debt</b>	(440.2)		
<b>Less: Alaska Municipal Bond Bank debt included in University debt</b>	(79.4)		
<b>Less: Alaska Municipal Bond Bank debt included in Municipal debt</b>	<u>(802.0)</u>		
<b>Total Deductions Due to Reporting in More than One Category</b>	<u>(1,499.4)</u>		
<b>Total Alaska Public Debt</b>	<u><b>\$10,994.5</b></u>		

(1) From most recent June 30, 2021 actuarial valuation.

(2) "Interest to Maturity" and "Total Debt Service to Maturity" includes accreted interest due at maturity of \$335.7 million.

(3) Other G.O. Debt includes certain information sourced directly from municipal ACFRs.

Source: 2022-2023 Alaska Public Debt Book, published in January 2023.

***General Fund Supported Obligations.*** General Fund support is pledged and required for only a portion of the total outstanding public debt. General obligation bonds are unconditionally supported, and COPs and capital leases are subject-to-appropriation commitments with associated obligations. The SDRP and TIDSRP provide discretionary annual payments to municipal issuers for qualified bonds of the municipalities that are eligible by statute to participate in the programs. Table 8 sets forth existing debt service on outstanding State-supported debt the State has provided from the General Fund for these outstanding obligations and the forecasted support required to retire the outstanding obligations into the future. In the State's enacted fiscal year 2023 budget, the SDRP was funded at 100 percent, with appropriations for prior year reductions in fiscal year 2017, 2020, 2021, and 2022. The TIDSRP was funded at 100 percent in the fiscal year 2023 budget.

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**Table 8**  
**State of Alaska**  
**Payments on General Fund Paid Debt as of June 30, 2022**  
(\$ millions)

<b>Fiscal Year</b>	<b>State G.O.*</b>	<b>Lease / Purchase</b>	<b>Capital Leases <sup>(1)</sup></b>	<b>School Debt Reimbursement <sup>(2),(3)</sup></b>	<b>Capital Project Reimbursement <sup>(3)</sup></b>	<b>Statutory Debt Payment to PERS/TRS <sup>(4)</sup></b>	<b>Total Debt Service</b>
2022	\$73.7	\$2.9	\$19.5	\$80.4	\$3.6	\$240.4	\$420.4
2023	73.5	2.9	19.5	77.6	3.6	125.0	302.0
2024	73.3	2.9	19.5	65.9	3.6	134.8	300.1
2025	68.3	2.9	19.5	56.2	3.6	108.7	259.2
2026	68.1	2.9	19.5	46.3	2.8	78.9	218.5
2027	67.5	2.9	20.9	41.0	2.6	80.3	215.3
2028	66.5	2.9	20.9	39.0	2.2	81.8	213.3
2029	65.5	2.9	17.6	34.2	0.9	83.5	204.6
2030	64.8	—	17.6	31.8	0.9	85.8	200.9
2031	52.4	—	17.6	29.6	0.4	88.4	188.4
2032	51.9	—	17.6	26.3	—	91.1	186.9
2033	51.4	—	17.6	20.1	—	94.0	183.1
2034	50.9	—	—	17.8	—	97.1	165.9
2035	27.1	—	—	12.8	—	100.6	140.5
2036	27.0	—	—	5.8	—	104.2	137.1
2037	6.6	—	—	0.7	—	107.8	115.1
2038	18.3	—	—	0.6	—	111.8	130.7
2039	6.1	—	—	0.6	—	115.9	122.6
2040	6.1	—	—	0.2	—	—	6.3
2041	6.1	—	—	—	—	—	6.1

(1) A prison and a parking garage have been financed with capital leases.

(2) Fiscal years 2022–2040 payments are based on actual bond repayment schedules on file with the DEED as of June 30, 2022.

(3) In fiscal year 2022, School Debt and Capital Project Reimbursements were funded at 42%, and zero, respectively, other than certain reimbursements for the University of Alaska.

(4) Based on PERS and TRS Actuarial Valuation Reports as of June 30, 2021.

(\*) State G.O. debt service is net of federal subsidies on interest expense through fiscal year 2038.

Source: 2022 – 2023 Alaska Public Debt Book, published in January 2023.

**Payment History.** The State has never defaulted on its general obligation bond obligations nor has it ever failed to appropriate funds for any State-supported outstanding securitized lease obligations.

**State Debt Capacity.** The State has historically used the ratio of debt service to revenue as a guideline for determining debt capacity of the State. This policy was established due to the State’s relatively small population and high per capita revenue due to oil resource-generated revenue. Historically the State’s policy has been that debt service should not exceed five percent of unrestricted revenue when considering only general obligation bonds and COPs that are State-supported. More recently, the State has included more discretionary General Fund supported obligations and programs, including the SDRP, TIDSRP, and certain capital leases. With the more inclusive funding, the State’s policy allows the annual payments on these items to range up to seven percent of unrestricted revenue.



**Table 9**  
**State of Alaska**  
**Debt Service on Outstanding Obligations to Unrestricted Revenues**  
**Fiscal Years Ended June 30, 1996 – 2022**  
**Forecast for Fiscal Years Ending June 30, 2023 – 2032**

<b>Fiscal Year</b>	<b>Unrestricted Revenues (\$ millions)</b>	<b>State G.O. Debt Service (%)</b>	<b>State Supported Debt Service (%)</b>	<b>Total State Debt Service (%)</b>	<b>School Debt Reimbursements (%)</b>	<b>Statutory Payment to PERS/TRS (%)</b>	<b>Total Payments to Revenues (%)</b>
1996	\$2,133.3	1.0%	0.5%	1.4%	3.7%	—	5.2%
1997	2,494.9	0.7	0.4	1.0	2.5	—	3.5
1998	1,825.5	0.8	0.6	1.3	3.4	—	4.7
1999	1,348.4	0.7	1.1	1.8	4.6	—	6.3
2000	2,081.7	0.1	0.9	1.0	3.1	—	4.1
2001	2,281.9	0.0	0.7	0.7	2.3	—	3.0
2002	1,660.3	0.0	1.3	1.3	3.3	—	4.5
2003	1,947.6	0.0	1.1	1.1	2.7	—	3.7
2004	2,345.6	0.8	0.9	1.7	2.6	—	4.3
2005	3,188.8	1.5	0.7	2.2	2.2	—	4.4
2006	4,200.4	1.1	0.6	1.7	1.9	—	3.6
2007	5,158.6	0.9	0.5	1.4	1.7	—	3.1
2008	10,728.2	0.4	0.3	0.6	0.8	—	1.4
2009	5,838.0	0.8	0.6	1.3	1.6	—	2.9
2010	5,512.7	0.9	0.8	1.7	1.7	—	3.4
2011	7,673.0	0.7	0.6	1.3	1.3	—	2.6
2012	9,485.2	0.8	0.4	1.3	1.1	—	2.4
2013	6,928.5	1.1	0.6	1.7	1.6	—	3.3
2014	5,390.0	1.4	0.7	2.1	2.0	—	4.1
2015	2,256.0	3.3	1.6	4.9	5.2	—	10.1
2016	1,533.0	4.0	2.3	6.3	7.6	—	13.9
2017	1,355.0	6.1	2.3	8.3	6.7	—	15.0
2018	2,413.5	3.7	1.1	4.8	4.6	—	9.4
2019	5,349.8	1.7	0.4	2.1	2.0	—	4.1
2020	4,537.0	1.7	0.5	2.2	2.2	—	4.4
2021	4,782.8	1.7	0.5	2.1	2.0	—	4.1
2022	6,998.0	1.1	0.3	1.4	1.2	—	2.6
Projected*							
2023	7,225.8	1.0	0.3	1.3	1.1	1.7	4.2
2024	6,936.2	1.1	0.3	1.4	1.0	1.9	4.3
2025	6,787.4	1.0	0.3	1.3	0.9	1.6	3.8
2026	6,773.3	1.0	0.3	1.3	0.7	1.2	3.2
2027	6,769.4	1.0	0.4	1.3	0.6	1.2	3.2
2028	6,826.2	1.0	0.3	1.3	0.6	1.2	3.1
2029	6,809.7	1.0	0.3	1.3	0.5	1.2	3.0
2030	6,916.5	0.9	0.3	1.2	0.5	1.2	2.9
2031	7,120.8	0.7	0.2	1.0	0.4	1.2	2.6
2032	7,313.6	0.7	0.2	1.0	0.4	1.2	2.6

\* The forecast for fiscal years 2023 through 2032 uses the projections included in the 2022 – 2023 Alaska Public Debt Book using information available as the Fall 2022 Revenue Sources Book.

Source: 2022 – 2023 Alaska Public Debt Book, published in January 2023.

## APPENDIX G

### PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE

The Alaska Municipal Bond Bank (the “Issuer”) executes and delivers this Continuing Disclosure Certificate (the “Disclosure Certificate”) in connection with the issuance of \$[\_\_\_\_\_] Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series One (None-AMT), and \$[\_\_\_\_\_] Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2025 Series Two (AMT) (collectively, the “Bonds”). The Bonds are being issued under the General Bond Resolution of the Issuer entitled “A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof,” adopted July 13, 2005, as amended on August 19, 2009 (the “General Bond Resolution”), and Series Resolution No. 2024-02, adopted on December 10, 2024 (the “Series Resolution” and together with the General Bond Resolution, the “Resolutions”). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. The Issuer is executing and delivering this Disclosure Certificate for the benefit of the Beneficial Owners of the Bonds, and to assist the Participating Underwriter in complying with Securities and Exchange Commission (“SEC”) Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the Issuer pursuant to, and as described in, Section 3 of this Disclosure Certificate.

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means the fiscal year of the Issuer (currently the 12-month period ending June 30), as such fiscal year may be changed from time to time as required by State law.

“MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Market Access (“EMMA”) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” means the final official statement dated [\_\_\_\_\_, 2025], relating to the Bonds.

“Participating Underwriter” means the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as amended from time to time.

Section 3. Provision of Annual Reports and Financial Statements. Commencing with its Annual Report for Fiscal Year ending June 30, 2025, the Issuer will provide to the MSRB, in a format as prescribed by the Rule:

(a) Not later than 210 days after the end of each Fiscal Year, an Annual Report for the Fiscal Year. The Annual Report shall contain or incorporate by reference: (i) annual audited financial statements of the Issuer prepared in accordance with generally accepted accounting principles (“GAAP”) as prescribed by the Governmental Accounting Standards Board (or its successor); (ii) a statement of authorized, issued and outstanding bonded debt of the Issuer; (iii) the Reserve Fund balance; and (iv) financial and operating data of Governmental Units that had an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution of the type included in the Official Statement, if any, as of the end of the prior Fiscal Year. Any or all of these items may be included by specific reference to documents available to the public or the internet website of the MSRB or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference. The Annual Report may be submitted as a single document or as separate documents comprising a package, provided that audited financial statements may be submitted separately from the remainder of the Annual Report.

(b) Not later than 120 days after the end of each Fiscal Year, the Issuer will notify each Governmental Unit, that had, as of the end of such Fiscal Year, an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution, of its continuing disclosure undertaking responsibility. A list of such Governmental Units for the prior Fiscal Year will be included in the Annual Report. The Issuer undertakes no responsibility and shall incur no liability whatsoever to any person, including any holder or beneficial owner of the Bonds, in respect of any obligations or reports, notices or disclosures provided or required to be provided by such Governmental Unit under its continuing disclosure agreement.

Section 4. Notice of Failure to Provide Information. The Issuer shall provide in a timely manner to the MSRB notice of any failure to satisfy the requirements of Section 3 of this Disclosure Certificate.

Section 5. Reporting of Significant Events. (a) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event:

- (1) Principal and interest payment delinquencies.
- (2) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (3) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (4) Substitution of credit or liquidity providers, or their failure to perform.
- (5) Adverse tax opinions or the issuance by the Internal Revenue Service (“IRS”) of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB).
- (6) Defeasances.
- (7) Rating changes.
- (8) Tender offers.

(9) Bankruptcy, insolvency, receivership or similar event of the Issuer.\*

(10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event, if material:

(1) Unless described in Section 5(a)(5), other notices or determinations by the IRS with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds.

(2) Nonpayment-related defaults.

(3) Modifications to rights of holders of the Bonds.

(4) Bond calls.

(5) Release, substitution or sale of property securing repayment of the Bonds.

(6) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business the entry into a definitive agreement to undertake such an action, or a termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(7) Appointment of a successor or additional trustee or the change in name of the trustee for the Bonds.

(8) Incurrence of a Financial Obligation of the Issuer, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Bonds.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, provided that the amendment meets each of the following conditions:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer;

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\* Note: for the purposes of the event identified in subparagraph 5(a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) This Disclosure Certificate, as amended, would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances;

(c) The Issuer obtains an opinion of counsel unaffiliated with the Issuer that the amendment does not materially impair the interests of the Beneficial Owners of the Bonds; and

(d) The Issuer notifies and provides the MSRB with copies of the opinions and amendments.

Any such amendment may be adopted without the consent of any Beneficial Owner of any of the Bonds, notwithstanding any other provision of this Disclosure Certificate or the Resolutions.

The first Annual Report containing amended operating data or financial information pursuant to an amendment of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

Section 8. Filing. Any filing required under the terms of this Disclosure Certificate may be made solely by transmitting such filing to the Electronic Municipal Market Access as provided at <http://www.emma.msrb.org>, or in such other manner as may be permitted from time to time by the Securities Exchange Commission.

Section 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Beneficial Owner may take such actions as may be necessary and appropriate, including an action to compel specific performance, to cause the Issuer to comply with its obligations under this Disclosure Certificate. No failure to comply with any provision of this Disclosure Certificate shall be deemed an Event of Default under the Resolutions, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel specific performance.

Section 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Trustee, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2025.

ALASKA MUNICIPAL BOND BANK

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RYAN S. WILLIAMS  
Executive Director

## **APPENDIX H**

### **DTC AND ITS BOOK-ENTRY SYSTEM**

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the 2025 Series One and Two Bonds. The 2025 Series One and Two Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the 2025 Series One and Two Bonds in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

3. Purchases of 2025 Series One and Two Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2025 Series One and Two Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2025 Series One and Two Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2025 Series One and Two Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2025 Series One and Two Bonds, except in the event that use of the book-entry system for the 2025 Series One and Two Bonds is discontinued.

4. To facilitate subsequent transfers, all 2025 Series One and Two Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2025 Series One and Two Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2025 Series One and Two Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such 2025 Series One and Two Bonds are credited, which may or may not be the Beneficial

Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2025 Series One and Two Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2025 Series One and Two Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2025 Series One and Two Bond documents. For example, Beneficial Owners of 2025 Series One and Two Bonds may wish to ascertain that the nominee holding the 2025 Series One and Two Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the 2025 Series One and Two Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2025 Series One and Two Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Bank as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2025 Series One and Two Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Payments on the 2025 Series One and Two Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Bond Bank or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Bank or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Bank or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the 2025 Series One and Two Bonds at any time by giving reasonable notice to the Bond Bank or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, 2025 Series One and Two Bond certificates are required to be printed and delivered.

10. The Bond Bank may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2025 Series One and Two Bond certificates will be printed and delivered to DTC.

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

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## SOURCES AND USES OF FUNDS

### Alaska Municipal Bond Bank Authority General Obligation Bonds, 2025 Series One and Two Preliminary: PG Rates as of 11/29/2024

<i>Sources:</i>	<i>Ketchikan Gateway Borough (AMT)</i>	<i>Petersburg Borough</i>	<i>City of Whittier (AMT)</i>	<i>Total</i>
Bond Proceeds:				
Par Amount	5,500,000.00	3,500,000.00	4,500,000.00	13,500,000.00
Premium	347,590.65	396,067.15	306,962.55	1,050,620.35
	<u>5,847,590.65</u>	<u>3,896,067.15</u>	<u>4,806,962.55</u>	<u>14,550,620.35</u>
Other Sources of Funds:				
Bond Bank Grant for COI	85,555.56	54,444.44	70,000.00	210,000.00
Cash Contribution for DSRF			<u>320,625.00</u>	<u>320,625.00</u>
	<u>85,555.56</u>	<u>54,444.44</u>	<u>390,625.00</u>	<u>530,625.00</u>
	<u>5,933,146.21</u>	<u>3,950,511.59</u>	<u>5,197,587.55</u>	<u>15,081,245.35</u>

<i>Uses:</i>	<i>Ketchikan Gateway Borough (AMT)</i>	<i>Petersburg Borough</i>	<i>City of Whittier (AMT)</i>	<i>Total</i>
Project Fund Deposits:				
Project Fund	5,430,591.99	3,849,283.91	4,755,384.10	14,035,260.00
Other Fund Deposits:				
Debt Service Reserve Fund	360,625.00		320,625.00	681,250.00
Cost of Issuance:				
Local COI	30,000.00	30,000.00	30,000.00	90,000.00
Cost of Issuance	<u>85,555.56</u>	<u>54,444.44</u>	<u>70,000.00</u>	<u>210,000.00</u>
	<u>115,555.56</u>	<u>84,444.44</u>	<u>100,000.00</u>	<u>300,000.00</u>
Delivery Date Expenses:				
Underwriter's Discount	26,373.66	16,783.24	21,578.45	64,735.35
	<u>5,933,146.21</u>	<u>3,950,511.59</u>	<u>5,197,587.55</u>	<u>15,081,245.35</u>

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## BOND MATURITY TABLE

### Alaska Municipal Bond Bank Authority General Obligation Bonds, 2025 Series One and Two Preliminary: PG Rates as of 11/29/2024

<i>Maturity Date</i>	<i>Ketchikan Gateway Borough (AMT)</i>	<i>Petersburg Borough</i>	<i>City of Whittier (AMT)</i>	<i>Total</i>
12/01/2025	25,000	70,000	45,000	140,000
12/01/2026	85,000	110,000	100,000	295,000
12/01/2027	90,000	115,000	105,000	310,000
12/01/2028	95,000	125,000	110,000	330,000
12/01/2029	100,000	130,000	115,000	345,000
12/01/2030	105,000	135,000	120,000	360,000
12/01/2031	110,000	145,000	125,000	380,000
12/01/2032	115,000	150,000	135,000	400,000
12/01/2033	125,000	155,000	140,000	420,000
12/01/2034	130,000	165,000	145,000	440,000
12/01/2035	135,000	175,000	155,000	465,000
12/01/2036	140,000	185,000	160,000	485,000
12/01/2037	150,000	190,000	170,000	510,000
12/01/2038	155,000	200,000	180,000	535,000
12/01/2039	165,000	210,000	190,000	565,000
12/01/2040	175,000	225,000	200,000	600,000
12/01/2041	185,000	235,000	210,000	630,000
12/01/2042	190,000	245,000	220,000	655,000
12/01/2043	200,000	260,000	230,000	690,000
12/01/2044	210,000	275,000	240,000	725,000
12/01/2045	225,000		255,000	480,000
12/01/2046	235,000		265,000	500,000
12/01/2047	245,000		280,000	525,000
12/01/2048	260,000		295,000	555,000
12/01/2049	270,000		310,000	580,000
12/01/2050	285,000			285,000
12/01/2051	300,000			300,000
12/01/2052	315,000			315,000
12/01/2053	330,000			330,000
12/01/2054	350,000			350,000
	5,500,000	3,500,000	4,500,000	13,500,000

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## BOND DEBT SERVICE

### Alaska Municipal Bond Bank Authority General Obligation Bonds, 2025 Series One and Two Preliminary: PG Rates as of 11/29/2024

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
12/30/2025	140,000	5.000%	487,500	627,500	
06/30/2026			334,000	334,000	961,500
12/30/2026	295,000	5.000%	334,000	629,000	
06/30/2027			326,625	326,625	955,625
12/30/2027	310,000	5.000%	326,625	636,625	
06/30/2028			318,875	318,875	955,500
12/30/2028	330,000	5.000%	318,875	648,875	
06/30/2029			310,625	310,625	959,500
12/30/2029	345,000	5.000%	310,625	655,625	
06/30/2030			302,000	302,000	957,625
12/30/2030	360,000	5.000%	302,000	662,000	
06/30/2031			293,000	293,000	955,000
12/30/2031	380,000	5.000%	293,000	673,000	
06/30/2032			283,500	283,500	956,500
12/30/2032	400,000	5.000%	283,500	683,500	
06/30/2033			273,500	273,500	957,000
12/30/2033	420,000	5.000%	273,500	693,500	
06/30/2034			263,000	263,000	956,500
12/30/2034	440,000	5.000%	263,000	703,000	
06/30/2035			252,000	252,000	955,000
12/30/2035	465,000	5.000%	252,000	717,000	
06/30/2036			240,375	240,375	957,375
12/30/2036	485,000	5.000%	240,375	725,375	
06/30/2037			228,250	228,250	953,625
12/30/2037	510,000	5.000%	228,250	738,250	
06/30/2038			215,500	215,500	953,750
12/30/2038	535,000	5.000%	215,500	750,500	
06/30/2039			202,125	202,125	952,625
12/30/2039	565,000	5.000%	202,125	767,125	
06/30/2040			188,000	188,000	955,125
12/30/2040	600,000	5.000%	188,000	788,000	
06/30/2041			173,000	173,000	961,000
12/30/2041	630,000	5.000%	173,000	803,000	
06/30/2042			157,250	157,250	960,250
12/30/2042	655,000	5.000%	157,250	812,250	
06/30/2043			140,875	140,875	953,125
12/30/2043	690,000	5.000%	140,875	830,875	
06/30/2044			123,625	123,625	954,500
12/30/2044	725,000	5.000%	123,625	848,625	
06/30/2045			105,500	105,500	954,125
12/30/2045	480,000	5.000%	105,500	585,500	
06/30/2046			93,500	93,500	679,000
12/30/2046	500,000	5.000%	93,500	593,500	
06/30/2047			81,000	81,000	674,500
12/30/2047	525,000	5.000%	81,000	606,000	
06/30/2048			67,875	67,875	673,875
12/30/2048	555,000	5.000%	67,875	622,875	
06/30/2049			54,000	54,000	676,875
12/30/2049	580,000	5.000%	54,000	634,000	
06/30/2050			39,500	39,500	673,500
12/30/2050	285,000	5.000%	39,500	324,500	
06/30/2051			32,375	32,375	356,875

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## BOND DEBT SERVICE

### Alaska Municipal Bond Bank Authority General Obligation Bonds, 2025 Series One and Two Preliminary: PG Rates as of 11/29/2024

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
12/30/2051	300,000	5.000%	32,375	332,375	
06/30/2052			24,875	24,875	357,250
12/30/2052	315,000	5.000%	24,875	339,875	
06/30/2053			17,000	17,000	356,875
12/30/2053	330,000	5.000%	17,000	347,000	
06/30/2054			8,750	8,750	355,750
12/30/2054	350,000	5.000%	8,750	358,750	
06/30/2055					358,750
	13,500,000		10,788,500	24,288,500	24,288,500

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## SOURCES AND USES OF FUNDS

### Alaska Municipal Bond Bank Authority Ketchikan Gateway Borough (AMT) Preliminary: PG Rates as of 11/29/2024

#### *Sources:*

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Bond Proceeds:	
Par Amount	5,500,000.00
Premium	<u>347,590.65</u>
	5,847,590.65
Other Sources of Funds:	
Bond Bank Grant for COI	85,555.56
	<u>5,933,146.21</u>

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#### *Uses:*

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Project Fund Deposits:	
Project Fund	5,430,591.99
Other Fund Deposits:	
Debt Service Reserve Fund	360,625.00
Cost of Issuance:	
Local COI	30,000.00
Cost of Issuance	<u>85,555.56</u>
	115,555.56
Delivery Date Expenses:	
Underwriter's Discount	26,373.66
	<u>5,933,146.21</u>

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## BOND SUMMARY STATISTICS

### Alaska Municipal Bond Bank Authority Ketchikan Gateway Borough (AMT) Preliminary: PG Rates as of 11/29/2024

Dated Date	03/11/2025
Delivery Date	03/11/2025
Last Maturity	12/01/2054
Arbitrage Yield	3.961056%
True Interest Cost (TIC)	4.512542%
Net Interest Cost (NIC)	4.692930%
All-In TIC	4.556183%
Average Coupon	5.000000%
Average Life (years)	19.019
Duration of Issue (years)	12.123
Par Amount	5,500,000.00
Bond Proceeds	5,847,590.65
Total Interest	5,230,361.11
Net Interest	4,909,144.12
Total Debt Service	10,730,361.11
Maximum Annual Debt Service	360,625.00
Average Annual Debt Service	361,021.50
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	4.795211
Total Underwriter's Discount	4.795211
Bid Price	105.840309

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>	<i>PV of 1 bp change</i>
Bond Component	5,500,000.00	106.320	5.000%	19.019	4,389.70
	5,500,000.00			19.019	4,389.70

	TIC	All-In TIC	Arbitrage Yield
Par Value	5,500,000.00	5,500,000.00	5,500,000.00
+ Accrued Interest			
+ Premium (Discount)	347,590.65	347,590.65	347,590.65
- Underwriter's Discount	-26,373.66	-26,373.66	
- Cost of Issuance Expense		-115,555.56	
- Other Amounts		85,555.56	
Target Value	5,821,216.99	5,791,216.99	5,847,590.65
Target Date	03/11/2025	03/11/2025	03/11/2025
Yield	4.512542%	4.556183%	3.961056%

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## BOND DEBT SERVICE

### Alaska Municipal Bond Bank Authority Ketchikan Gateway Borough (AMT) Preliminary: PG Rates as of 11/29/2024

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
12/30/2025	25,000	5.000%	198,611.11	223,611.11	
06/30/2026			136,875.00	136,875.00	360,486.11
12/30/2026	85,000	5.000%	136,875.00	221,875.00	
06/30/2027			134,750.00	134,750.00	356,625.00
12/30/2027	90,000	5.000%	134,750.00	224,750.00	
06/30/2028			132,500.00	132,500.00	357,250.00
12/30/2028	95,000	5.000%	132,500.00	227,500.00	
06/30/2029			130,125.00	130,125.00	357,625.00
12/30/2029	100,000	5.000%	130,125.00	230,125.00	
06/30/2030			127,625.00	127,625.00	357,750.00
12/30/2030	105,000	5.000%	127,625.00	232,625.00	
06/30/2031			125,000.00	125,000.00	357,625.00
12/30/2031	110,000	5.000%	125,000.00	235,000.00	
06/30/2032			122,250.00	122,250.00	357,250.00
12/30/2032	115,000	5.000%	122,250.00	237,250.00	
06/30/2033			119,375.00	119,375.00	356,625.00
12/30/2033	125,000	5.000%	119,375.00	244,375.00	
06/30/2034			116,250.00	116,250.00	360,625.00
12/30/2034	130,000	5.000%	116,250.00	246,250.00	
06/30/2035			113,000.00	113,000.00	359,250.00
12/30/2035	135,000	5.000%	113,000.00	248,000.00	
06/30/2036			109,625.00	109,625.00	357,625.00
12/30/2036	140,000	5.000%	109,625.00	249,625.00	
06/30/2037			106,125.00	106,125.00	355,750.00
12/30/2037	150,000	5.000%	106,125.00	256,125.00	
06/30/2038			102,375.00	102,375.00	358,500.00
12/30/2038	155,000	5.000%	102,375.00	257,375.00	
06/30/2039			98,500.00	98,500.00	355,875.00
12/30/2039	165,000	5.000%	98,500.00	263,500.00	
06/30/2040			94,375.00	94,375.00	357,875.00
12/30/2040	175,000	5.000%	94,375.00	269,375.00	
06/30/2041			90,000.00	90,000.00	359,375.00
12/30/2041	185,000	5.000%	90,000.00	275,000.00	
06/30/2042			85,375.00	85,375.00	360,375.00
12/30/2042	190,000	5.000%	85,375.00	275,375.00	
06/30/2043			80,625.00	80,625.00	356,000.00
12/30/2043	200,000	5.000%	80,625.00	280,625.00	
06/30/2044			75,625.00	75,625.00	356,250.00
12/30/2044	210,000	5.000%	75,625.00	285,625.00	
06/30/2045			70,375.00	70,375.00	356,000.00
12/30/2045	225,000	5.000%	70,375.00	295,375.00	
06/30/2046			64,750.00	64,750.00	360,125.00
12/30/2046	235,000	5.000%	64,750.00	299,750.00	
06/30/2047			58,875.00	58,875.00	358,625.00
12/30/2047	245,000	5.000%	58,875.00	303,875.00	
06/30/2048			52,750.00	52,750.00	356,625.00
12/30/2048	260,000	5.000%	52,750.00	312,750.00	
06/30/2049			46,250.00	46,250.00	359,000.00
12/30/2049	270,000	5.000%	46,250.00	316,250.00	
06/30/2050			39,500.00	39,500.00	355,750.00
12/30/2050	285,000	5.000%	39,500.00	324,500.00	
06/30/2051			32,375.00	32,375.00	356,875.00
12/30/2051	300,000	5.000%	32,375.00	332,375.00	

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## BOND DEBT SERVICE

### Alaska Municipal Bond Bank Authority Ketchikan Gateway Borough (AMT) Preliminary: PG Rates as of 11/29/2024

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
06/30/2052			24,875.00	24,875.00	357,250.00
12/30/2052	315,000	5.000%	24,875.00	339,875.00	
06/30/2053			17,000.00	17,000.00	356,875.00
12/30/2053	330,000	5.000%	17,000.00	347,000.00	
06/30/2054			8,750.00	8,750.00	355,750.00
12/30/2054	350,000	5.000%	8,750.00	358,750.00	
06/30/2055					358,750.00
	5,500,000		5,230,361.11	10,730,361.11	10,730,361.11

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## SOURCES AND USES OF FUNDS

### Alaska Municipal Bond Bank Authority Petersburg Borough Preliminary: PG Rates as of 11/29/2024

#### *Sources:*

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Bond Proceeds:	
Par Amount	3,500,000.00
Premium	<u>396,067.15</u>
	3,896,067.15
Other Sources of Funds:	
Bond Bank Grant for COI	54,444.44
	<u>3,950,511.59</u>

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#### *Uses:*

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Project Fund Deposits:	
Project Fund	3,849,283.91
Cost of Issuance:	
Local COI	30,000.00
Cost of Issuance	<u>54,444.44</u>
	84,444.44
Delivery Date Expenses:	
Underwriter's Discount	16,783.24
	<u>3,950,511.59</u>

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## BOND SUMMARY STATISTICS

### Alaska Municipal Bond Bank Authority Petersburg Borough Preliminary: PG Rates as of 11/29/2024

Dated Date	03/11/2025
Delivery Date	03/11/2025
Last Maturity	12/01/2044
Arbitrage Yield	3.961056%
True Interest Cost (TIC)	3.815324%
Net Interest Cost (NIC)	4.094632%
All-In TIC	3.902637%
Average Coupon	5.000000%
Average Life (years)	11.969
Duration of Issue (years)	9.077
Par Amount	3,500,000.00
Bond Proceeds	3,896,067.15
Total Interest	2,094,638.89
Net Interest	1,715,354.98
Total Debt Service	5,594,638.89
Maximum Annual Debt Service	282,138.89
Average Annual Debt Service	283,671.83
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	4.795211
Total Underwriter's Discount	4.795211
Bid Price	110.836683

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>	<i>PV of 1 bp change</i>
Bond Component	3,500,000.00	111.316	5.000%	11.969	2,711.60
	3,500,000.00			11.969	2,711.60

	TIC	All-In TIC	Arbitrage Yield
Par Value	3,500,000.00	3,500,000.00	3,500,000.00
+ Accrued Interest			
+ Premium (Discount)	396,067.15	396,067.15	396,067.15
- Underwriter's Discount	-16,783.24	-16,783.24	
- Cost of Issuance Expense		-84,444.44	
- Other Amounts		54,444.44	
Target Value	3,879,283.91	3,849,283.91	3,896,067.15
Target Date	03/11/2025	03/11/2025	03/11/2025
Yield	3.815324%	3.902637%	3.961056%

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## BOND DEBT SERVICE

### Alaska Municipal Bond Bank Authority Petersburg Borough Preliminary: PG Rates as of 11/29/2024

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
12/30/2025	70,000	5.000%	126,388.89	196,388.89	
06/30/2026			85,750.00	85,750.00	282,138.89
12/30/2026	110,000	5.000%	85,750.00	195,750.00	
06/30/2027			83,000.00	83,000.00	278,750.00
12/30/2027	115,000	5.000%	83,000.00	198,000.00	
06/30/2028			80,125.00	80,125.00	278,125.00
12/30/2028	125,000	5.000%	80,125.00	205,125.00	
06/30/2029			77,000.00	77,000.00	282,125.00
12/30/2029	130,000	5.000%	77,000.00	207,000.00	
06/30/2030			73,750.00	73,750.00	280,750.00
12/30/2030	135,000	5.000%	73,750.00	208,750.00	
06/30/2031			70,375.00	70,375.00	279,125.00
12/30/2031	145,000	5.000%	70,375.00	215,375.00	
06/30/2032			66,750.00	66,750.00	282,125.00
12/30/2032	150,000	5.000%	66,750.00	216,750.00	
06/30/2033			63,000.00	63,000.00	279,750.00
12/30/2033	155,000	5.000%	63,000.00	218,000.00	
06/30/2034			59,125.00	59,125.00	277,125.00
12/30/2034	165,000	5.000%	59,125.00	224,125.00	
06/30/2035			55,000.00	55,000.00	279,125.00
12/30/2035	175,000	5.000%	55,000.00	230,000.00	
06/30/2036			50,625.00	50,625.00	280,625.00
12/30/2036	185,000	5.000%	50,625.00	235,625.00	
06/30/2037			46,000.00	46,000.00	281,625.00
12/30/2037	190,000	5.000%	46,000.00	236,000.00	
06/30/2038			41,250.00	41,250.00	277,250.00
12/30/2038	200,000	5.000%	41,250.00	241,250.00	
06/30/2039			36,250.00	36,250.00	277,500.00
12/30/2039	210,000	5.000%	36,250.00	246,250.00	
06/30/2040			31,000.00	31,000.00	277,250.00
12/30/2040	225,000	5.000%	31,000.00	256,000.00	
06/30/2041			25,375.00	25,375.00	281,375.00
12/30/2041	235,000	5.000%	25,375.00	260,375.00	
06/30/2042			19,500.00	19,500.00	279,875.00
12/30/2042	245,000	5.000%	19,500.00	264,500.00	
06/30/2043			13,375.00	13,375.00	277,875.00
12/30/2043	260,000	5.000%	13,375.00	273,375.00	
06/30/2044			6,875.00	6,875.00	280,250.00
12/30/2044	275,000	5.000%	6,875.00	281,875.00	
06/30/2045					281,875.00
	3,500,000		2,094,638.89	5,594,638.89	5,594,638.89

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## SOURCES AND USES OF FUNDS

### Alaska Municipal Bond Bank Authority City of Whittier (AMT) Preliminary: PG Rates as of 11/29/2024

#### *Sources:*

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Bond Proceeds:	
Par Amount	4,500,000.00
Premium	306,962.55
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	4,806,962.55
Other Sources of Funds:	
Cash Contribution for DSRF	320,625.00
Bond Bank Grant for COI	70,000.00
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	390,625.00
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	5,197,587.55

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#### *Uses:*

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Project Fund Deposits:	
Project Fund	4,755,384.10
Other Fund Deposits:	
Debt Service Reserve Fund	320,625.00
Cost of Issuance:	
Local COI	30,000.00
Cost of Issuance	70,000.00
	<hr/>
	100,000.00
Delivery Date Expenses:	
Underwriter's Discount	21,578.45
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	5,197,587.55

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## BOND SUMMARY STATISTICS

### Alaska Municipal Bond Bank Authority City of Whittier (AMT) Preliminary: PG Rates as of 11/29/2024

Dated Date	03/11/2025
Delivery Date	03/11/2025
Last Maturity	12/01/2049
Arbitrage Yield	3.961056%
True Interest Cost (TIC)	4.397693%
Net Interest Cost (NIC)	4.588012%
All-In TIC	3.838299%
Average Coupon	5.000000%
Average Life (years)	15.393
Duration of Issue (years)	10.623
Par Amount	4,500,000.00
Bond Proceeds	4,806,962.55
Total Interest	3,463,500.00
Net Interest	3,178,115.90
Total Debt Service	7,963,500.00
Maximum Annual Debt Service	320,625.00
Average Annual Debt Service	322,119.10
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	4.795211
Total Underwriter's Discount	4.795211
Bid Price	106.341869

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>	<i>PV of 1 bp change</i>
Bond Component	4,500,000.00	106.821	5.000%	15.393	3,496.40
	4,500,000.00			15.393	3,496.40

	TIC	All-In TIC	Arbitrage Yield
Par Value	4,500,000.00	4,500,000.00	4,500,000.00
+ Accrued Interest			
+ Premium (Discount)	306,962.55	306,962.55	306,962.55
- Underwriter's Discount	-21,578.45	-21,578.45	
- Cost of Issuance Expense		-100,000.00	
- Other Amounts		390,625.00	
Target Value	4,785,384.10	5,076,009.10	4,806,962.55
Target Date	03/11/2025	03/11/2025	03/11/2025
Yield	4.397693%	3.838299%	3.961056%

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## BOND DEBT SERVICE

### Alaska Municipal Bond Bank Authority City of Whittier (AMT) Preliminary: PG Rates as of 11/29/2024

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
12/30/2025	45,000	5.000%	162,500	207,500	
06/30/2026			111,375	111,375	318,875
12/30/2026	100,000	5.000%	111,375	211,375	
06/30/2027			108,875	108,875	320,250
12/30/2027	105,000	5.000%	108,875	213,875	
06/30/2028			106,250	106,250	320,125
12/30/2028	110,000	5.000%	106,250	216,250	
06/30/2029			103,500	103,500	319,750
12/30/2029	115,000	5.000%	103,500	218,500	
06/30/2030			100,625	100,625	319,125
12/30/2030	120,000	5.000%	100,625	220,625	
06/30/2031			97,625	97,625	318,250
12/30/2031	125,000	5.000%	97,625	222,625	
06/30/2032			94,500	94,500	317,125
12/30/2032	135,000	5.000%	94,500	229,500	
06/30/2033			91,125	91,125	320,625
12/30/2033	140,000	5.000%	91,125	231,125	
06/30/2034			87,625	87,625	318,750
12/30/2034	145,000	5.000%	87,625	232,625	
06/30/2035			84,000	84,000	316,625
12/30/2035	155,000	5.000%	84,000	239,000	
06/30/2036			80,125	80,125	319,125
12/30/2036	160,000	5.000%	80,125	240,125	
06/30/2037			76,125	76,125	316,250
12/30/2037	170,000	5.000%	76,125	246,125	
06/30/2038			71,875	71,875	318,000
12/30/2038	180,000	5.000%	71,875	251,875	
06/30/2039			67,375	67,375	319,250
12/30/2039	190,000	5.000%	67,375	257,375	
06/30/2040			62,625	62,625	320,000
12/30/2040	200,000	5.000%	62,625	262,625	
06/30/2041			57,625	57,625	320,250
12/30/2041	210,000	5.000%	57,625	267,625	
06/30/2042			52,375	52,375	320,000
12/30/2042	220,000	5.000%	52,375	272,375	
06/30/2043			46,875	46,875	319,250
12/30/2043	230,000	5.000%	46,875	276,875	
06/30/2044			41,125	41,125	318,000
12/30/2044	240,000	5.000%	41,125	281,125	
06/30/2045			35,125	35,125	316,250
12/30/2045	255,000	5.000%	35,125	290,125	
06/30/2046			28,750	28,750	318,875
12/30/2046	265,000	5.000%	28,750	293,750	
06/30/2047			22,125	22,125	315,875
12/30/2047	280,000	5.000%	22,125	302,125	
06/30/2048			15,125	15,125	317,250

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## BOND DEBT SERVICE

### Alaska Municipal Bond Bank Authority City of Whittier (AMT) Preliminary: PG Rates as of 11/29/2024

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
12/30/2048	295,000	5.000%	15,125	310,125	
06/30/2049			7,750	7,750	317,875
12/30/2049	310,000	5.000%	7,750	317,750	
06/30/2050					317,750
	4,500,000		3,463,500	7,963,500	7,963,500

# City of Cordova

## Cordova, City of

Borrower	Original Project	Series	Refunded Maturity	Coupon	Refunded Par	Call Date	Current Rates				
							\$ Savings	% Savings	Positive Savings	3+% Savings	5+% Savings
Cordova, City of	School	2015_1	10/01/2025	5.000%	1,130,000	10/01/2024	5,045	0.45%	✓	X	X
Cordova, City of	School	2015_1	10/01/2026	5.000%	1,175,000	10/01/2024	30,363	2.58%	✓	X	X
Cordova, City of	School	2015_1	10/01/2027	5.000%	1,230,000	10/01/2024	57,507	4.68%	✓	✓	X
Cordova, City of	School	2015_1	10/01/2028	5.000%	1,295,000	10/01/2024	84,759	6.55%	✓	✓	✓
Cordova, City of	Road Improvements	2015_1	10/01/2025	5.000%	90,000	10/01/2024	389	0.43%	✓	X	X
Cordova, City of	Road Improvements	2015_1	10/01/2026	5.000%	95,000	10/01/2024	2,455	2.58%	✓	X	X
Cordova, City of	Road Improvements	2015_1	10/01/2027	5.000%	100,000	10/01/2024	4,695	4.70%	✓	✓	X
Cordova, City of	Road Improvements	2015_1	10/01/2028	5.000%	105,000	10/01/2024	6,933	6.60%	✓	✓	✓
Cordova, City of	Road Improvements	2015_1	10/01/2029	5.000%	110,000	10/01/2024	8,879	8.07%	✓	✓	✓
Cordova, City of	Road Improvements	2015_1	10/01/2030	4.000%	115,000	10/01/2024	5,120	4.45%	✓	✓	X
Cordova, City of	Road Improvements	2015_1	10/01/2031	4.000%	120,000	10/01/2024	5,770	4.81%	✓	✓	X
Cordova, City of	Road Improvements	2015_1	10/01/2032	4.000%	125,000	10/01/2024	6,263	5.01%	✓	✓	✓
Cordova, City of	Road Improvements	2015_1	10/01/2033	4.000%	130,000	10/01/2024	6,409	4.93%	✓	✓	X
Cordova, City of	Road Improvements	2015_1	10/01/2034	3.250%	130,000	10/01/2024	(1,798)	(1.38%)	X	X	X
Total Positive					\$5,820,000		\$224,587	3.86%			
Cordova, City of	Community Center	2015A_2	03/01/2026	5.000%	135,000	03/01/2025	1,450	1.07%	✓	X	X
Cordova, City of	Community Center	2015A_2	03/01/2027	5.000%	145,000	03/01/2025	4,618	3.18%	✓	✓	X
Cordova, City of	Community Center	2015A_2	03/01/2028	5.000%	150,000	03/01/2025	7,864	5.24%	✓	✓	✓
Cordova, City of	Community Center	2015A_2	03/01/2029	5.000%	160,000	03/01/2025	11,387	7.12%	✓	✓	✓
Cordova, City of	Community Center	2015A_2	03/01/2030	5.000%	170,000	03/01/2025	14,604	8.59%	✓	✓	✓
Cordova, City of	Community Center	2015A_2	03/01/2031	4.000%	175,000	03/01/2025	7,978	4.56%	✓	✓	X
Cordova, City of	Community Center	2015A_2	03/01/2032	4.000%	180,000	03/01/2025	8,845	4.91%	✓	✓	X
Cordova, City of	Community Center	2015A_2	03/01/2033	4.000%	190,000	03/01/2025	9,850	5.18%	✓	✓	✓
Cordova, City of	Community Center	2015A_2	03/01/2034	4.000%	200,000	03/01/2025	10,144	5.07%	✓	✓	✓
Cordova, City of	Community Center	2015A_2	03/01/2035	4.000%	205,000	03/01/2025	9,899	4.83%	✓	✓	X
Total Positive					\$1,710,000		\$86,640	5.07%			
Grand Total Positive					\$7,530,000		\$311,227	4.13%			



# City and Borough of Juneau

## Juneau, City and Borough of

Borrower	Original Project	Series	Refunded Maturity	Coupon	Refunded Par	Call Date	Current Rates				
							\$ Savings	% Savings	Positive Savings	3+% Savings	5+% Savings
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2026	5.000%	215,000	03/01/2024	2,310	1.07%	✓	X	X
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2027	5.000%	225,000	03/01/2024	7,151	3.18%	✓	✓	X
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2028	5.000%	240,000	03/01/2024	12,564	5.23%	✓	✓	✓
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2029	5.000%	250,000	03/01/2024	17,684	7.07%	✓	✓	✓
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2030	5.000%	265,000	03/01/2024	22,776	8.59%	✓	✓	✓
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2031	4.500%	275,000	03/01/2024	19,964	7.26%	✓	✓	✓
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2032	5.000%	290,000	03/01/2024	32,065	11.06%	✓	✓	✓
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2033	5.000%	300,000	03/01/2024	36,199	12.07%	✓	✓	✓
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2034	5.000%	315,000	03/01/2024	40,113	12.73%	✓	✓	✓
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2035	4.000%	335,000	03/01/2024	16,169	4.83%	✓	✓	X
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2036	4.000%	345,000	03/01/2024	15,857	4.60%	✓	✓	X
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2037	4.000%	360,000	03/01/2024	12,291	3.41%	✓	✓	X
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2038	4.000%	375,000	03/01/2024	9,227	2.46%	✓	X	X
Juneau, City and Borough of	Seawalk	2014_1A	03/01/2039	4.000%	390,000	03/01/2024	5,802	1.49%	✓	X	X
Total Positive					\$4,180,000		\$250,171	5.98%			
Juneau, City and Borough of	Harbors & Marina	2015A_2	03/01/2026	5.000%	515,000	03/01/2025	5,533	1.07%	✓	X	X
Juneau, City and Borough of	Harbors & Marina	2015A_2	03/01/2027	5.000%	540,000	03/01/2025	17,168	3.18%	✓	✓	X
Juneau, City and Borough of	Harbors & Marina	2015A_2	03/01/2028	5.000%	565,000	03/01/2025	29,612	5.24%	✓	✓	✓
Juneau, City and Borough of	Harbors & Marina	2015A_2	03/01/2029	5.000%	595,000	03/01/2025	42,099	7.08%	✓	✓	✓
Juneau, City and Borough of	Harbors & Marina	2015A_2	03/01/2030	5.000%	625,000	03/01/2025	53,551	8.57%	✓	✓	✓
Juneau, City and Borough of	Harbors & Marina	2015A_2	03/01/2031	4.000%	655,000	03/01/2025	29,882	4.56%	✓	✓	X
Juneau, City and Borough of	Harbors & Marina	2015A_2	03/01/2032	4.000%	675,000	03/01/2025	33,102	4.90%	✓	✓	X
Juneau, City and Borough of	Harbors & Marina	2015A_2	03/01/2033	4.000%	705,000	03/01/2025	36,321	5.15%	✓	✓	✓
Total Positive					\$4,875,000		\$247,268	5.07%			
Juneau, City and Borough of	Cruise Ship Dock	2015B_2	03/01/2026	5.000%	1,100,000	03/01/2025	8,784	0.80%	✓	X	X
Juneau, City and Borough of	Cruise Ship Dock	2015B_2	03/01/2027	5.000%	1,155,000	03/01/2025	26,366	2.28%	✓	X	X
Juneau, City and Borough of	Cruise Ship Dock	2015B_2	03/01/2028	5.000%	1,210,000	03/01/2025	43,694	3.61%	✓	✓	X
Juneau, City and Borough of	Cruise Ship Dock	2015B_2	03/01/2029	5.000%	1,275,000	03/01/2025	60,043	4.71%	✓	✓	X
Total Positive					\$4,740,000		\$138,886	2.93%			
Grand Total Positive					\$13,795,000		\$636,325	4.61%			

# Kenai Peninsula Borough

## Kenai Peninsula Borough

Borrower	Original Project	Series	Refunded Maturity	Coupon	Refunded Par	Call Date	Current Rates				
							\$ Savings	% Savings	Positive Savings	3+% Savings	5+% Savings
Kenai Peninsula Borough	Specialty Clinic Building	2014_1A	03/01/2026	5.000%	2,435,000	03/01/2024	26,181	1.08%	✓	X	X
Kenai Peninsula Borough	Specialty Clinic Building	2014_1A	03/01/2027	5.000%	2,555,000	03/01/2024	81,194	3.18%	✓	✓	X
Kenai Peninsula Borough	Specialty Clinic Building	2014_1A	03/01/2028	5.000%	2,685,000	03/01/2024	140,527	5.23%	✓	✓	✓
Kenai Peninsula Borough	Specialty Clinic Building	2014_1A	03/01/2029	5.000%	2,815,000	03/01/2024	199,108	7.07%	✓	✓	✓
Total Positive					\$10,490,000		\$447,010	4.26%			
Kenai Peninsula Borough	South Peninsula Hospital	2015A_2	03/01/2026	5.000%	940,000	03/01/2025	10,099	1.07%	✓	X	X
Kenai Peninsula Borough	South Peninsula Hospital	2015A_2	03/01/2027	5.000%	990,000	03/01/2025	31,470	3.18%	✓	✓	X
Kenai Peninsula Borough	South Peninsula Hospital	2015A_2	03/01/2028	5.000%	1,035,000	03/01/2025	54,163	5.23%	✓	✓	✓
Total Positive					\$2,965,000		\$95,732	3.23%			
Grand Total Positive					\$13,455,000		\$542,742	4.03%			

# Kodiak Island Borough

## Kodiak Island Borough

Borrower	Original Project	Series	Refunded Maturity	Coupon	Refunded Par	Call Date	Current Rates				
							\$ Savings	% Savings	Positive Savings	3+% Savings	5+% Savings
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2025	5.000%	290,000	04/01/2025	471	0.16%	✓	X	X
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2026	5.000%	305,000	04/01/2025	7,034	2.31%	✓	X	X
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2027	5.000%	320,000	04/01/2025	14,087	4.40%	✓	✓	X
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2028	5.000%	335,000	04/01/2025	21,040	6.28%	✓	✓	✓
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2029	5.000%	355,000	04/01/2025	27,689	7.80%	✓	✓	✓
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2030	4.000%	370,000	04/01/2025	15,486	4.19%	✓	✓	X
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2031	5.250%	390,000	04/01/2025	45,836	11.75%	✓	✓	✓
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2032	5.250%	410,000	04/01/2025	53,209	12.98%	✓	✓	✓
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2033	5.250%	430,000	04/01/2025	59,436	13.82%	✓	✓	✓
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2034	5.250%	455,000	04/01/2025	65,870	14.48%	✓	✓	✓
Kodiak Island Borough	High School Expansion	15_3KIH	10/01/2035	5.250%	480,000	04/01/2025	72,568	15.12%	✓	✓	✓
Total Positive					\$4,140,000		\$382,726	9.24%			

# City of Unalaska

## Unalaska, City of

Borrower	Original Project	Series	Refunded Maturity	Coupon	Refunded Par	Call Date	Current Rates				
							\$ Savings	% Savings	Positive Savings	3+% Savings	5+% Savings
Unalaska, City of	Electric	2015_1	10/01/2025	5.000%	1,255,000	10/01/2024	5,593	0.45%	✓	X	X
Unalaska, City of	Electric	2015_1	10/01/2026	5.000%	1,320,000	10/01/2024	34,110	2.58%	✓	X	X
Unalaska, City of	Electric	2015_1	10/01/2027	5.000%	1,380,000	10/01/2024	64,501	4.67%	✓	✓	X
Unalaska, City of	Electric	2015_1	10/01/2028	5.000%	1,455,000	10/01/2024	95,174	6.54%	✓	✓	✓
Unalaska, City of	Electric	2015_1	10/01/2029	5.000%	1,525,000	10/01/2024	122,914	8.06%	✓	✓	✓
Unalaska, City of	Electric	2015_1	10/01/2030	4.000%	1,595,000	10/01/2024	70,262	4.41%	✓	✓	X
Unalaska, City of	Electric	2015_1	10/01/2031	4.000%	1,655,000	10/01/2024	78,511	4.74%	✓	✓	X
Unalaska, City of	Electric	2015_1	10/01/2032	4.000%	1,720,000	10/01/2024	85,979	5.00%	✓	✓	✓
Unalaska, City of	Electric	2015_1	10/01/2033	4.000%	1,785,000	10/01/2024	87,709	4.91%	✓	✓	X
Total Positive					\$13,690,000		\$644,754	4.71%			

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

Financial Statements

For the Year Ended June 30, 2024

Together with Independent Auditor's Report Thereon

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



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

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## **Independent Auditor's Report**

Board of Directors  
Alaska Municipal Bond Bank Authority

### ***Opinions***

We have audited the financial statements of the governmental activities and each major fund of the Alaska Municipal Bond Bank Authority, a component unit of the State of Alaska, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Authority, as of June 30, 2024, 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.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Authority's basic financial statements. The supplemental schedule of statutory reserve accounts and continuing disclosure tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 supplemental schedule of statutory reserve accounts and continuing disclosure tables are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BDO USA, P.C.

Anchorage, Alaska  
September 30, 2024

## **ALASKA MUNICIPAL BOND BANK AUTHORITY**

(a Component Unit of the State of Alaska)

### *Management's Discussion and Analysis*

Year Ended June 30, 2024

This Management's Discussion and Analysis (MD&A) is required by GASB Statement No. 34, a standard established by the Governmental Accounting Standards Board (GASB). 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, 2024. Summarized prior fiscal year information is shown within this MD&A, as needed, for comparative purposes.

### **Required Financial Statements**

GASB Statement No. 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 2024, the Bond Bank entered into one loan agreement to fund an approximate \$36.8 million loan. The Bond Bank loan funded a construction project for a community. The Bond Bank issued approximately \$35.1 million in bonds to generate approximately \$36.8 million in funding. Bond Bank activity produced estimated gross savings of approximately \$4.5 million to the authorized borrower.

In comparison, during fiscal year 2023, the Bond Bank entered into 7 loan agreements to fund approximately \$107.2 million in loans. Bond Bank loans funded 7 construction projects for communities. The Bond Bank issued approximately \$97.5 million in bonds to generate approximately \$107.2 million in funding. Bond Bank activity produced estimated gross savings of approximately \$13.5 million to the authorized borrowers.

### **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 date, recorded at fair market value, and 2) Bond principal and interest payments receivable from borrowers. 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. Since 2010 and continuing through fiscal year 2025, the State's enacted operating budget has appropriated any

**ALASKA MUNICIPAL BOND BANK AUTHORITY**

(a Component Unit of the State of Alaska)

*Management's Discussion and Analysis*

Year Ended June 30, 2024

excess earnings of the operating account to the Bond Bank's reserve fund (HB 268, Sec. 49(f)). Interest received on bonds purchased from borrowers is used to pay the Bond Bank's corresponding interest payments on the bonds that it has issued.

**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, 2024, and 2023, as well as liabilities and net position:

	As of June 30,		Changes from 2023 to 2024	
	2024	2023	Increase/(Decrease) Dollars	Percent
<b>Assets:</b>				
Cash, investments, related accrued interest and accounts receivable	\$ 69,643,389	\$ 67,611,318	\$ 2,032,071	3.01%
Bonds and bond interest receivable	985,617,749	1,024,720,205	(39,102,456)	-3.82%
<b>Total assets</b>	<b>1,055,261,138</b>	<b>1,092,331,523</b>	<b>(37,070,385)</b>	<b>-3.39%</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	12,920,905	13,280,239	(359,334)	-2.71%
Bonds and bond interest payable	985,170,724	1,024,042,340	(38,871,616)	-3.80%
<b>Total liabilities</b>	<b>998,091,629</b>	<b>1,037,322,579</b>	<b>(39,230,950)</b>	<b>-3.78%</b>
<b>Net Position:</b>				
Restricted	41,245,670	40,370,937	874,733	2.17%
Unrestricted	15,923,839	14,638,007	1,285,832	8.78%
<b>Total net position</b>	<b>\$ 57,169,509</b>	<b>\$ 55,008,944</b>	<b>\$ 2,160,565</b>	<b>3.93%</b>

The Bond Bank's investments are all held in U.S. Government securities, including U.S. Treasuries and U.S. Government Agencies.

The decrease in bonds and bond interest receivable, as well as in bonds and bond interest payable, reflects the issuance of approximately \$35.1 million in new bonds during the year, net of principal payments on bonds previously issued of approximately \$73.5 million. Approximately \$36.8 million of funding was generated for capital projects by an authorized borrower.

**ALASKA MUNICIPAL BOND BANK AUTHORITY**

(a Component Unit of the State of Alaska)

*Management's Discussion and Analysis*

Year Ended June 30, 2024

**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 other operating expenses. Operating expenses include expenses required to issue bonds during the current year, in-house expenses, and all external consultant fees. Expenses are subtracted from revenues.

The following is a condensed statement of the Bond Bank's changes in net position for the years ended June 30, 2024, and 2023:

	For the years ended June 30,		Changes from 2023 to 2024	
	2024	2023	Increase/(Decrease) Dollars	Percent
Revenues:				
Interest income on bonds receivable	\$ 41,780,519	\$ 41,224,004	\$ 556,515	1.35%
Investment earnings	2,663,198	83,418	2,579,780	3092.59%
Other income	-	6,338	(6,338)	-100.00%
Total revenues	44,443,717	41,313,760	3,129,957	7.58%
Expenses:				
Interest expense on bonds payable	41,766,543	41,203,667	562,876	1.37%
Operating expenses	516,609	584,841	(68,232)	-11.67%
Total expenses	42,283,152	41,788,508	494,644	1.18%
Change in net position	2,160,565	(474,748)	2,635,313	-555.10%
Net position, beginning of period	55,008,944	55,483,692	(474,748)	-0.86%
Net position, end of period	\$ 57,169,509	\$ 55,008,944	\$ 2,160,565	3.93%

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 \$0.6 million are consistent with the increase in bond receivable and payable balances respectively.

Investment earnings are a function of market conditions, and active management. The increase in net position is primarily attributable to total investment returns outpacing total operating expenses for the fiscal year. The Bond Bank's total investment earnings increased approximately \$2.6 million from the prior fiscal year. Total operating expenses remained within budgeted authority and were significantly less than total investment earnings over the fiscal year.

**ALASKA MUNICIPAL BOND BANK AUTHORITY**

(a Component Unit of the State of Alaska)

*Management's Discussion and Analysis*

Year Ended June 30, 2024

**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 an other financing source in the governmental funds statement of revenues, expenditures and changes in fund balances, 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. Payments made to refunded bond escrow agent are reported as an other financing use in the governmental funds statement of revenues, expenditures and changes in fund balances, and this may contribute to the change in fund balance. In the statement of net position, however, refunding debt may decrease long-term liabilities and does not affect net position. Similarly, repayment of debt principal is recorded as an expenditure in the governmental funds statement of revenues, expenditures and changes in fund balances and reduces the liability in the statement of net position.

The following tables show governmental funds' condensed balance sheets and statements of revenues, expenditures and changes in fund balances as of June 30, 2024, and 2023.

**General Fund**

	As of June 30,		Changes from 2023 to 2024	
	2024	2023	Increase/(Decrease) Dollars	Percent
Assets:				
Cash, investments, related accrued interest and accounts receivable	\$ 15,193,188	\$ 13,350,617	\$ 1,842,571	13.80%
Bonds and bond interest receivable	447,025	677,864	(230,839)	-34.05%
Interfund receivable	8,157,377	9,501,571	(1,344,194)	-14.15%
Total assets	<u>23,797,590</u>	<u>23,530,052</u>	<u>267,538</u>	<u>1.14%</u>
Liabilities:				
Accounts payable and accrued liabilities	150,093	116,833	33,260	28.47%
Fund Balance:				
Restricted for debt service	5,349,516	5,349,516	-	0.00%
Unassigned	18,297,981	18,063,703	234,278	1.30%
Total fund balance	<u>23,647,497</u>	<u>23,413,219</u>	<u>234,278</u>	<u>1.00%</u>
Total liabilities and fund balance	<u>\$ 23,797,590</u>	<u>\$ 23,530,052</u>	<u>\$ 267,538</u>	<u>1.14%</u>

**ALASKA MUNICIPAL BOND BANK AUTHORITY**

(a Component Unit of the State of Alaska)

*Management's Discussion and Analysis*

Year Ended June 30, 2024

**Debt Service Fund**

	As of June 30,		Changes from 2023 to 2024	
	2024	2023	Increase/(Decrease) Dollars	Percent
Assets:				
Cash, investments, related accrued interest and accounts receivable	\$ 54,450,201	\$ 54,260,701	\$ 189,500	0.35%
Bonds and bond interest receivable	985,170,724	1,024,042,341	(38,871,617)	-3.80%
Total assets	1,039,620,925	1,078,303,042	(38,682,117)	-3.59%
Liabilities:				
Accrued liabilities	12,770,812	13,163,406	(392,594)	-2.98%
Interfund payables	8,157,377	9,501,571	(1,344,194)	-14.15%
Total liabilities	20,928,189	22,664,977	(1,736,788)	-7.66%
Fund Balance:				
Restricted for debt service	1,018,692,736	1,055,638,065	(36,945,329)	-3.50%
Total liabilities and fund balance	\$ 1,039,620,925	\$ 1,078,303,042	\$ (38,682,117)	-3.59%

**General Fund**

	For the years ended June 30,		Changes from 2023 to 2024	
	2024	2023	Increase/(Decrease) Dollars	Percent
Revenues:				
Interest income on bonds receivable	\$ 13,976	\$ 29,961	\$ (15,985)	-53.35%
Investment earnings	581,105	7,012	574,093	8187.29%
Other income	-	6,338	(6,338)	-100.00%
Total income	595,081	43,311	551,770	1273.97%
Expenditures:				
Operating expenditures	516,609	584,841	(68,232)	-11.67%
Deficiency of revenues over expenditures	78,472	(541,530)	620,002	-114.49%
Other financing sources - transfers	155,806	124,608	31,198	25.04%
Net change in fund balance	234,278	(416,922)	651,200	-156.19%
Fund balance, beginning of year	23,413,219	23,830,141	(416,922)	-1.75%
Fund balance, end of year	\$ 23,647,497	\$ 23,413,219	\$ 234,278	1.00%

**ALASKA MUNICIPAL BOND BANK AUTHORITY**

(a Component Unit of the State of Alaska)

*Management's Discussion and Analysis*

Year Ended June 30, 2024

**Debt Service Fund**

	For the years ended June 30,		Changes from 2023 to 2024	
	2024	2023	Increase/(Decrease) Dollars	Percent
Revenues:				
Interest income on bonds receivable	\$ 41,766,543	\$ 41,194,043	\$ 572,500	1.39%
Investment earnings	2,082,093	76,406	2,005,687	2625.04%
Total revenues	43,848,636	41,270,449	2,578,187	6.25%
Expenditures:				
Interest payments	42,253,159	41,499,561	753,598	1.82%
Principal payments	73,505,000	73,860,000	(355,000)	-0.48%
Total expenditures	115,758,159	115,359,561	398,598	0.35%
Deficiency of revenues over expenditures	(71,909,523)	(74,089,112)	2,179,589	-2.94%
Other financing sources (uses):				
Bonds issued	35,120,000	97,510,000	(62,390,000)	-63.98%
Transfers	(155,806)	(124,608)	(31,198)	25.04%
Total other financing sources:	34,964,194	97,385,392	(62,421,198)	-64.10%
Net change in fund balance	(36,945,329)	23,296,280	(60,241,609)	-258.59%
Fund balance, beginning of year	1,055,638,065	1,032,341,785	23,296,280	2.26%
Fund balance, end of year	\$ 1,018,692,736	\$ 1,055,638,065	\$ (36,945,329)	-3.50%

**Long-term Debt**

At June 30, 2024, the Bond Bank had \$978,330,000 of bonds outstanding, down 3.78% from \$1,016,715,000, at June 30, 2023. 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 (8) to the financial statements.

As discussed in the previous section, the net decrease in 2024 long-term debt balances is due to the principal payments made during the fiscal year on bonds previously issued exceeding the increase in principal from new issuance activity of the Bond Bank.

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.

During fiscal year 2023, the legislature passed, and the Governor signed into law House Bill 127 (HB 127), which amended the Act to grant broader authority to the Bond Bank to issue bonds on behalf of the University of Alaska (University) and Regional Health Organizations, effective July 3, 2022. HB 127 permits the Bond Bank to issue bonds on behalf of the University for any University purpose, and the maximum authorized amount increased from \$87.5 million to \$500 million.



## ALASKA MUNICIPAL BOND BANK AUTHORITY

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### *Management's Discussion and Analysis*

Year Ended June 30, 2024

Additionally, HB 127 increased the maximum amount that Regional Health Organizations are permitted to borrow for a given project from 49% of the project costs to 100% of the project costs, and from a maximum authorized amount of \$102.5 million to \$250 million of the cost of a project. Total lending authority of the Bond Bank for Regional Health Organization bond issuances increased from \$205 million to \$500 million.

The total debt limit as of June 30, 2024, was \$2.5 billion, comprised of \$1.5 billion in authority for political subdivisions including joint action agencies and the Alaska Municipal League's Joint Insurance Association, \$500 million for the University of Alaska, and \$500 million for Regional Health Organizations. Total Bond Bank bonds and notes outstanding as of June 30, 2024, was \$978,330,000. The limit on additional bond issuance as of June 30, 2024, was approximately \$1,521.7 million, of which \$691.2 million of authority is available for the main political subdivision program, \$424.5 million is available to the University of Alaska, and \$406 million is available to Regional Health Organizations.

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

As of June 30,		Changes from 2023 to 2024	
2024	2023	Increase/(Decrease)	
		Dollars	Percent
\$ 978,330,000	\$ 1,016,715,000	\$ (38,385,000)	-3.78%

### **Credit Ratings**

As of June 30, 2024, the Bond Bank retained ratings of AA-/A/A1/AA- from S&P Global Ratings (S&P), Fitch Ratings (Fitch), Moody's Investors Service, Inc. (Moody's), and Kroll Bond Rating Agency (KBRA) respectively. The outlook on the Moody's rating is positive, and the S&P, Fitch, and Kroll rating outlooks are stable. The Bond Bank receives certain credit support from the State of Alaska, with ratings linked to the State's General Obligation debt rating.

### **Subsequent Events**

On August 30, 2024, an underlying borrower, in conjunction with the Bond Bank, provided funds to the associated Bond Bank debt service account to optionally redeem certain maturities of the 2014 Series Three bonds, totaling \$1,735,000. The associated maturities will be optionally redeemed on the upcoming redemption date of October 1, 2024.

### **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 Executive Director of the Bond Bank at (907) 465-2893.

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

Statement of Net Position and  
Governmental Funds Balance Sheets

June 30, 2024

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Net Position
<b>ASSETS</b>					
Cash and cash equivalents	\$ 402,754	\$ 7,366,226	\$ 7,768,980	\$ -	\$ 7,768,980
Investments, at fair value (note 4)	14,589,234	46,713,572	61,302,806	-	61,302,806
Accrued interest receivable:					
Bonds receivable	747	6,840,724	6,841,471	-	6,841,471
Investment securities	165,208	370,403	535,611	-	535,611
Bonds receivable (note 5)	446,278	978,330,000	978,776,278	-	978,776,278
Accounts receivable	35,992	-	35,992	-	35,992
Interfund receivables	8,157,377	-	8,157,377	(8,157,377)	-
Total assets	<u>\$ 23,797,590</u>	<u>\$ 1,039,620,925</u>	<u>\$ 1,063,418,515</u>	<u>(8,157,377)</u>	<u>1,055,261,138</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 56,698	\$ -	\$ 56,698	\$ -	\$ 56,698
Due to Primary Government	90,505	-	90,505	-	90,505
Principal and interest payments received in advance	-	5,777,662	5,777,662	-	5,777,662
Arbitrage interest rebate payable	2,890	-	2,890	-	2,890
Accrued interest payable	-	-	-	6,840,724	6,840,724
Interfund payables	-	8,157,377	8,157,377	(8,157,377)	-
Bond proceeds held in reserve (note 6)	-	6,993,150	6,993,150	-	6,993,150
Long-term liabilities (note 7):					
Portion due or payable within one year:					
General obligation bonds payable	-	-	-	65,345,000	65,345,000
Portion due or payable after one year:					
General obligation bonds payable	-	-	-	912,985,000	912,985,000
Total liabilities	<u>150,093</u>	<u>20,928,189</u>	<u>21,078,282</u>	<u>977,013,347</u>	<u>998,091,629</u>
<b>FUND BALANCES/NET POSITION</b>					
Fund balances:					
Restricted for debt service (note 2)	5,349,516	1,018,692,736	1,024,042,252	(1,024,042,252)	-
Unassigned	18,297,981	-	18,297,981	(18,297,981)	-
Total fund balances	<u>23,647,497</u>	<u>1,018,692,736</u>	<u>1,042,340,233</u>	<u>(1,042,340,233)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 23,797,590</u>	<u>\$ 1,039,620,925</u>	<u>\$ 1,063,418,515</u>		
Net position:					
Restricted (note 2)				41,245,670	41,245,670
Unrestricted				15,923,839	15,923,839
Total net position				<u>\$ 57,169,509</u>	<u>\$ 57,169,509</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 Statement of Revenues, Expenditures, and  
Changes in Fund Balances/Net Position

For the Year Ended June 30, 2024

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Activities
Revenues:					
Investment earnings	\$ 581,105	\$ 2,082,093	\$ 2,663,198	\$ -	\$ 2,663,198
Interest income on bonds receivable	13,976	41,766,543	41,780,519	-	41,780,519
Total revenues	595,081	43,848,636	44,443,717	-	44,443,717
Expenditures / expenses:					
Debt service:					
Principal payments	-	73,505,000	73,505,000	(73,505,000)	-
Interest payments / expense	-	42,253,159	42,253,159	(486,616)	41,766,543
Current:					
Professional services	265,349	-	265,349	-	265,349
Personal services	233,071	-	233,071	-	233,071
Administrative travel	18,189	-	18,189	-	18,189
Total expenditures / expenses	516,609	115,758,159	116,274,768	(73,991,616)	42,283,152
Excess (deficiency) of revenues over expenditures / expenses	78,472	(71,909,523)	(71,831,051)	73,991,616	2,160,565
Other financing sources (uses):					
General obligation bonds issued	-	35,120,000	35,120,000	(35,120,000)	-
Transfers - internal activities	155,806	(155,806)	-	-	-
Total other financing sources (uses)	155,806	34,964,194	35,120,000	(35,120,000)	-
Net change in fund balance / net position	234,278	(36,945,329)	(36,711,051)	38,871,616	2,160,565
Fund balances / net position:					
Beginning of the year	23,413,219	1,055,638,065	1,079,051,284	(1,024,042,340)	55,008,944
End of the year	\$ 23,647,497	\$ 1,018,692,736	\$ 1,042,340,233	\$ (985,170,724)	\$ 57,169,509

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

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Notes to Financial Statements

For the Year Ended June 30, 2024

**(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 general obligation and revenue bonds from authorized borrowers.

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.

Alaska Statue (AS) 44.85.180(c) was originally enacted in 1975, limiting Bond Bank outstanding bonds at any time to \$150 million. This Statue has been periodically amended to raise the limit and modify the definition of authorized borrowers.

During fiscal year 2023, the legislature passed, and the Governor signed into law House Bill 127 ("HB 127"), which amended the Act to grant broader authority to the Bond Bank to issue bonds on behalf of the University of Alaska ("University") and Regional Health Organizations, effective July 3, 2022. HB 127 permits the Bond Bank to issue bonds on behalf of the University for any University purpose, and the maximum authorized amount increased from \$87.5 million to \$500 million. Additionally, HB 127 increased the maximum amount that Regional Health Organizations are permitted to borrow for a given project from 49% of the project costs to 100% of the project costs, and from a maximum authorized amount of \$102.5 million to \$250 million of the cost of a project. Total lending authority of the Bond Bank for Regional Health Organization bond issuances increased from \$205 million to \$500 million.

The total debt limit as of June 30, 2024 was \$2,500,000,000. The total debt limit is comprised of \$1.5 billion in authority for political subdivisions, \$500 million for the University of Alaska, and \$500 million for Regional Health Organizations. Total Bond Bank bonds and notes outstanding as of June 30, 2024 was \$978,330,000. The limit on additional bond issuance as of June 30, 2024 was approximately \$1,521.7 million, of which \$691.2 million of authority is available for the main political subdivision program, \$424.5 million is available to the University of Alaska, and \$406 million is available to Regional Health Organizations.

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Notes to Financial Statements

**(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.

***(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. Due to the single purpose nature of the activities of the Authority, the government-wide and fund financial statements have been presented together with an adjustments column reconciling the two statements.

***(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

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Notes to Financial Statements

established to account for the ordinary operations of the Authority. Monies 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 expenditures of the Authority, (b) fees and expenditures of the Trustee and paying agents, (c) financing costs incurred with respect to issuance of bonds and (d) any expenditures 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.

**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 authorized borrowers 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 authorized borrowers 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:

*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.

*2016 Master 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.

At June 30, 2024, the *2005 General Bond Resolution*, and *2016 Master 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

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Notes to Financial Statements

of the debt service reserve requirement in any reserve are transferred to the Operating Account on a periodic basis.

***(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. Bond proceeds are reported as other financing sources and payments to refunding escrow agents as other financing uses in governmental funds and thus contribute to the change in fund balance. Accrued interest is not reported in the governmental funds but is reported as a liability in the statement of net position. Issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. Repayment of principal is an expenditure in the governmental funds and reduces the liability in the statement of net position.

***(d) Restricted Assets and Net Position Restricted for Debt Service***

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 \$41,245,670 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	<u>13,000,000</u>
Total State of Alaska appropriated equity	<u>\$ 33,396,046</u>
Net Position Restricted for Debt Service:	
Appropriated amounts residing in reserve accounts	\$ 28,046,530
Appropriated amounts residing in Custodial account,	<u>5,349,516</u>
Total State of Alaska appropriated equity	33,396,046
Bond Bank equity residing in reserve accounts	<u>7,849,624</u>
Total restricted for debt service	<u>41,245,670</u>
Total restricted net position	<u>\$ 41,245,670</u>

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Notes to Financial Statements

***(e) Bond Receivables***

Bond receivables are secured by the pledged revenues or are general obligations of the authorized borrowers. 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 authorized borrowers associated with the issuance and amortized by them. Therefore, bonds payable are presented at par. Certain bond issue costs are paid by the authorized borrowers but when costs are paid by the Authority they are paid from the General Account and considered operating expenditures/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.

***(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.



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Notes to Financial Statements

***(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. The Bond Bank's arbitrage rebate consultant will update all general obligation bond rebate analysis annually as of June 30. The Bond Bank had an arbitrage rebate liability of \$2,890 as of June 30, 2024.

***(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, 2024 consist of money market accounts.

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**

In accordance with the authoritative guidance on fair value measurements and disclosures, the Authority discloses the fair value of its investments in a hierarchy that ranks the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest ranking to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest ranking to valuations based upon unobservable inputs that are significant to the valuation (Level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

*Level 1 - Quoted prices in active markets for identical assets.*

*Level 2 - Inputs other than quoted prices that are observable for the assets, including quoted prices for similar investments based on interest rates, credit risk and like factors.*

*Level 3 - Unobservable inputs for the assets.*

Investments are assigned a level based upon the observability of the inputs which are significant to the overall valuation. The inputs and methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

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Notes to Financial Statements

The aggregate fair value by input level, as of June 30, 2024 is as follows:

		Level		
	6/30/2024	1	2	3
Debt Securities				
General Fund				
U.S. Treasury securities	\$ 9,744,748	\$ 9,744,748	\$ -	\$ -
U.S. Government agencies securities	4,844,486	-	4,844,486	-
Total General Fund	14,589,234	9,744,748	4,844,486	-
Debt Service Fund				
U.S. Treasury securities	39,174,177	39,174,177	-	-
U.S. Government agencies securities	7,539,395	-	7,539,395	-
Total Debt Service Fund	46,713,572	39,174,177	7,539,395	-
Total Investments	\$ 61,302,806	\$ 48,918,925	\$ 12,383,881	\$ -

U.S. Treasury securities are liquid and have quoted market prices. Fair value of U.S. Treasury securities is based on live trading feeds. U.S. Treasury securities are categorized in Level 1 of the fair value hierarchy. Government agency securities use market-based and observable inputs. As such, these securities are classified as Level 2 of the fair value hierarchy.

The fair value of debt security investments by contractual maturity as of June 30, 2024 is shown below.

	Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years	Total
General Fund					
U.S. Treasury securities	\$ 1,421,682	\$ 7,810,910	\$ 512,156	\$ -	\$ 9,744,748
U.S. Government agencies securities	-	4,844,486	-	-	4,844,486
Total General Fund	1,421,682	12,655,396	512,156	-	14,589,234
Debt Service Fund					
U.S. Treasury securities	7,452,215	29,887,392	1,834,570	-	39,174,177
U.S. Government agencies securities	-	3,567,775	3,971,620	-	7,539,395
Total Debt Service Fund	7,452,215	33,455,167	5,806,190	-	46,713,572
Total investments	\$ 8,873,897	\$ 46,110,563	\$ 6,318,346	\$ -	\$ 61,302,806

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:

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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 operations, 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. Up to \$1,000,000 shall be used for longer term, 5 to 10 year U.S. Treasury and Agency securities. The Custodian Account has to maintain sufficient liquidity to meet operating requirements, provide the prior fiscal year's state dividend (if not otherwise appropriated back to the Bond Bank), 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% money market fund (no less than \$350,000).
- 95% Government Agencies and U.S. Treasuries.
- The performance benchmark is 5% three month U.S. Treasury Bill, and 95% 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.

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 borrower. As there is limited benefit in maximizing return it is the least important objective of the Bond Reserve Funds. It is

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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 2016 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 100% Barclays U.S. 1-5 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 of Credit Risk**

Concentration of credit 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.

At June 30, 2024, the Authority's investments had no concentrations exceeding five percent from any issuer other than U.S. government securities that are explicitly guaranteed by the U.S. government.

The Authority's policies set out maximum concentration limits for investments managed by the external investment manager.

**(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 that are explicitly guaranteed by the U.S. government are not considered to have credit risk.

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**(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 Kodiak Island Borough with maturities as follows:

	City of Galena	Kodiak Island Borough	Total General Fund Bonds Receivable
2025	\$ 156,278	\$ 55,000	\$ 211,278
2026	-	55,000	55,000
2027	-	60,000	60,000
2028	-	60,000	60,000
2029	-	60,000	60,000
	<u>\$ 156,278</u>	<u>\$ 290,000</u>	<u>\$ 446,278</u>

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Bonds receivable by debt service program at June 30, 2024 mature in varying annual installments as follows:

Year Ending June 30	2005 General	2016 General	Total Principal
2025	\$ 62,920,000	\$ 2,425,000	\$ 65,345,000
2026	60,835,000	2,525,000	63,360,000
2027	59,355,000	2,650,000	62,005,000
2028	57,520,000	2,780,000	60,300,000
2029	55,040,000	2,920,000	57,960,000
2030 - 2034	244,015,000	16,460,000	260,475,000
2035 - 2039	158,075,000	19,985,000	178,060,000
2040 - 2044	114,710,000	25,425,000	140,135,000
2045 - 2049	49,090,000	18,860,000	67,950,000
2050 - 2054	22,740,000	-	22,740,000
	<u>\$ 884,300,000</u>	<u>\$ 94,030,000</u>	<u>\$ 978,330,000</u>

**(6) Authority Reserve Funds Derived from Series 2017A Bond Proceeds**

The Authority deposited bond proceeds from the issuance of the Series 2017A bonds to satisfy the Authority's 2016 Master Resolution Reserve requirement. The Yukon-Kuskokwim Health Corporation (2017A Borrower) is obligated by the loan agreement to pay all interest expense associated with the Series 2017A bonds including the bonds that funded the deposit to the 2016 Master Resolution. These reserve funds are held by the Trustee until the maturity of the bonds when per the loan agreement proceeds attributable to funding the Authority's 2016 Master Resolution reserve requirement will be used to repay the 2017A bonds that funded them. The amount initially required to satisfy the Authority's reserve at time of issuance was \$6,993,150.

**(7) Long-Term Liabilities**

The Authority does not have unused lines of credit, direct borrowings, or direct placements.

During the year ended June 30, 2024 the Authority's long-term liabilities changed as follows:

	Beginning of Year	New Debt	Repayments	End of Year	Due within One Year
General obligation bonds payable	\$ 1,016,715,000	\$ 35,120,000	\$ (73,505,000)	\$ 978,330,000	\$ 65,345,000

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Bond Bank's long-term liabilities consist of the following as of June 30, 2024:

Issue	Debt Service Account	
	Interest Rate	Principal Outstanding
2005 Bond Resolution:		
2009-B-Four Series	4.63%-5.40%	\$ 15,155,000
Ketchikan Gateway Borough		
2011-Series Three	2.00%-5.00%	835,000
City of Hoonah		
Municipality of Skagway		
2012-Series Two	1.75%-5.00%	435,000
City of North Pole		
Petersburg Borough		
2012-Series Three	1.50%-5.00%	1,065,000
Petersburg Borough		
Haines Borough		
2013-Series One	2.00%-5.00%	4,660,000
Juneau, City and Borough of (Hospital Rev REF)		
2013-Series Two A	2.00%-4.00%	495,000
Municipality of Skagway		
2014-Series One A	0.38%-5.00%	18,350,000
City and Borough of Juneau		
Kodiak Island Borough		
Kenai Peninsula Borough - Exempt		
2014-Series Two A	3.00%-5.00%	36,910,000
City of Ketchikan (Harbor)		
City of Ketchikan (Hospital)		
City of King Cove (Electric)		
2014-Series Three	1.25%-5.00%	15,430,000
City and Borough of Juneau		
City of Saxman		
City of Adak (REF)		
Municipality of Anchorage (Rev REF)		
Haines Borough (REF)		
Kenai Peninsula Borough		
City of Nome (REF)		
Northwest Arctic Borough (REF)		
Petersburg Borough (REF)		
City of Seward (REF)		
City of Seward (REF) - 2		

(continued)

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Issue	Debt Service Account	
	Interest Rate	Principal Outstanding
2015-Series One	2.00%-5.00%	25,745,000
City of Craig - New Money		
City of Cordova - New Money		
Aleutians East Borough (REF2006A)		
City of Nome (REF2006A)		
City and Borough of Sitka (REF2008-2)		
City of Unalaska (REF2009-1)		
City of Cordova (REF2009-2)		
City of Nome (REF2009-2)		
2015-Series Two	2.00%-5.00%	29,465,000
City of Cordova - CC		
Municipality of Skagway - PSB		
City and Borough of Juneau - PP		
Municipality of Skagway - PP		
City and Borough of Juneau (REF2007-3)		
Kenai Peninsula Borough (REF2007-4)		
2015-Series Three	2.00%-5.25%	82,005,000
University of Alaska		
Haines Borough		
Kodiak Island Brough - School		
Kodiak Island Borough - R&R		
City of King Cove		
2016-Series One	2.00%-5.00%	21,115,000
Kenai Peninsula Borough CES 15-Year Loan		
City of Klawock		
Kodiak Island Borough - R&R		
Kodiak Island Borough - School		
City of Seward (REF2008-1)		
City of Seward (REF2008-2)		
2016-Series Two	3.00%-5.00%	40,440,000
Fairbanks North Star Borough		
2016-Series Three	2.00%-5.00%	28,785,000
City of Petersburg 2007 One Current Refunding		
Aleutians East Borough 2007 Two Refunding		
City of Bethel 2007 Three Refunding		
City of Kodiak 2007 Five Float Refunding		
City of Kodiak 2007 Five Lift Refunding		
City of Dillingham 2008 One Loan Refunding		
City of Kodiak 2008 One Loan Refunding		
Kodiak Island Borough 2008 One Loan Refunding		
Municipality of Skagway 2008 Two Loan Refunding		
City of Kodiak 2009 One Loan Refunding		
City and Borough of Juneau New Money		

(continued)



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Issue	Debt Service Account	
	Interest Rate	Principal Outstanding
2016-Series Four	2.00%-5.00%	21,105,000
City of Ketchikan Port 2006 Two Loan Refunding		
City of Ketchikan Port New Money		
2017-Series One	2.50%-5.00%	4,870,000
Kenai Peninsula Borough Hospital Loan		
City of Seward		
2017-Series Two	3.63%-5.00%	27,370,000
City of Unalaska		
City of Whittier		
2017-Series Three	3.00%-5.00%	22,835,000
Kenai Peninsula Borough Hospital District		
2018-Series One	5.00%	10,010,000
City and Borough of Sitka Airport Loan		
City and Borough of Sitka Harbor Loan		
2019-Series One	5.00%	20,755,000
Fairbanks North Star Borough - Tax-Exempt		
City of Homer - Police Station		
Northwest Arctic Borough - Loan to Kivalina		
City of Dillingham		
2019-Series Two	2.65%-3.60%	1,960,000
Fairbanks North Star Borough - Taxable		
2019-Series Three	5.00%	9,580,000
City and Borough of Juneau Airport AMT		
City and Borough of Juneau Revenue		
Kenai Peninsula Borough - ERV		
2019-Series Four	5.00%	2,450,000
City and Borough of Juneau Airport		
City and Borough of Juneau Revenue		
2020-Series One	4.00%-5.00%	64,025,000
Northwest Arctic Borough 2010 One B Refunding		
Northwest Arctic Borough 2010 One B Refunding		
City of Kenai 2010 One B Refunding		
Petersburg Borough 2010 One B Refunding		
City of Unalaska 2010 One B Refunding		
City and Borough of Juneau 2010 Two B Refunding		
City of King Cove 2010 Two B Refunding		
City of King Cove 2010 Three B Refunding		
City of Unalaska 2010 Three B Refunding		
City and Borough of Sitka 2010 Four A Refunding		
Kenai Peninsula Borough 2010 Four B Refunding		
City of Ketchikan 2010 Four B Refunding		
Ketchikan Gateway Borough 2010 Four B Refunding		
City and Borough of Sitka 2010 Four B Refunding		
City of Soldotna 2010 Four B Refunding		

(continued)

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Issue	Debt Service Account	
	Interest Rate	Principal Outstanding
2020-Series One continued		
Ketchikan Gateway Borough - Taxable		
Fairbanks North Star Borough Refunding 2006 I		
Fairbanks North Star Borough Refunding 2007 J		
Fairbanks North Star Borough Refunding 2008 L		
Fairbanks North Star Borough Refunding 2010 M		
Fairbanks North Star Borough Refunding 2012 R		
City of Ketchikan New Money		
Kodiak Island Borough - High School		
Kodiak Island Borough - School Renovation		
City of King Cove		
2021-Series One/Two	5.00%	202,510,000
Aleutians East Borough 2010 Three B Refunding		
City of Homer 2013 Two A Refunding		
City and Borough of Juneau 2013 One Refunding - Hospital		
City and Borough of Juneau 2013 One Refunding - New Money		
Kenai Peninsula Borough 2011 Three Refunding		
Kenai Peninsula Borough 2013 One Refunding		
Kenai Peninsula Borough 2013 Three Refunding		
City of Ketchikan 2012 Two Refunding		
City of Ketchikan 2013 Two A Refunding		
Kodiak Island Borough 2011 One Refunding		
Kodiak Island Borough 2011 Three Refunding - Solid Waste Facility		
Kodiak Island Borough 2012 Two Refunding - 04C		
Kodiak Island Borough 2013 One Refunding		
Kodiak Island Borough 2013 Two B Refunding		
Kodiak Island Borough 2014 One A Refunding		
Lake and Peninsula Borough 2013 Three Refunding		
City of Sand Point 2013 One Refunding		
City of Seward 2011 Three Refunding - New Money		
City and Borough of Sitka 2011 Two Refunding		
City and Borough of Sitka 2012 Two Refunding - 05B		
City and Borough of Sitka 2013 One Refunding - Electric		
City and Borough of Sitka 2013 One Refunding - Harbor		
City and Borough of Sitka 2013 Three Refunding - Electric		
City and Borough of Sitka 2014 Three Refunding - Electric		
City and Borough of Sitka AEA - Electric		
City of Sand Point - New Money		
Southeast Alaska Power Agency - New Money		
2021-Series Three	5.00%	5,725,000
City and Borough of Juneau 2015 Two B Refunding		

(continued)

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Issue	Debt Service Account	
	Interest Rate	Principal Outstanding
2022-Series One	5.00%	39,765,000
City and Borough of Juneau - Hospital		
Ketchikan Gateway Borough		
Petersburg Borough - Electric		
City of Seward - Utility		
2022-Series Two	5.00%	10,805,000
Southeast Alaska Power Agency - Electric		
City of Cordova - Harbor		
2023-Series One/Two	5.00%-5.25%	84,525,000
Kenai Peninsula Borough - CES Service Area		
Kenai Peninsula Borough - School		
Municipality of Skagway - Port		
City of Soldotna		
City and Borough of Wrangell		
2023-Series Three	5.00%-5.25%	35,120,000
Municipality of Skagway - Port		
Total 2005 Bond Resolution		<u>884,300,000</u>
2016 Master Bond Resolution:		
2017 Series A - Yukon-Kuskokwim Health Corporation	3.00%-5.50%	<u>94,030,000</u>
Total 2016 Master Bond Resolution		<u>94,030,000</u>
Total Long-Term Liabilities		<u>\$ 978,330,000</u>

All bonds are secured by bonds receivable and by amounts in the reserve account. The Act further provides that if an authorized borrower 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 authorized borrower 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.

On June 16, 2021, the Authority issued \$230.75 million in general obligation and refunding bonds, the 2021 Series One (Tax-Exempt), with interest rate yields ranging between 0.15% and 1.88% and bond coupon rates between 4% and 5%, and the 2021 Series Two (Taxable), with interest rate yields and coupons ranging between 0.243% and 3.128%. The Authority issued the bonds to current and advance refund \$194,945,000 in outstanding Series 2010-3B, 2011-1, 2011-2, 2011-3, 2012-2, 2013-1, 2013-2A, 2013-2B, 2013-3, 2014-1A, and 2014-3 general obligation bonds with interest rate yields ranging between 2.03% and 5.432% and bond coupons between 2.75% and 5.432%. 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 legally defeased, and the Authority has removed the liability from its financial statements. The outstanding principal of the defeased bonds was \$16,325,000 on June 30, 2024. At the time of issuance, the advance

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refunding reduced the total debt service payments over a 26-year period by over \$36.1 million. This resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$29.4 million.

The above bonds mature in varying annual installments. The maturities at June 30, 2024 are as follows:

Year Ending June 30	2005 Resolution	2016 Resolution	Total Principal	Total Interest
	General	General		
2025	\$ 62,920,000	\$ 2,425,000	\$ 65,345,000	\$ 40,265,939
2026	60,835,000	2,525,000	63,360,000	37,515,476
2027	59,355,000	2,650,000	62,005,000	34,819,678
2028	57,520,000	2,780,000	60,300,000	32,238,714
2029	55,040,000	2,920,000	57,960,000	29,746,070
2030 - 2034	244,015,000	16,460,000	260,475,000	116,258,487
2035 - 2039	158,075,000	19,985,000	178,060,000	71,466,612
2040 - 2044	114,710,000	25,425,000	140,135,000	36,796,388
2045 - 2049	49,090,000	18,860,000	67,950,000	11,623,640
2050 - 2054	22,740,000	-	22,740,000	2,645,156
	<u>\$ 884,300,000</u>	<u>\$ 94,030,000</u>	<u>\$ 978,330,000</u>	<u>\$ 413,376,160</u>

**(8) 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, 2024 the aggregate amount outstanding for conduit debt obligations was \$3,150,612.

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, 2024 the aggregate amount outstanding for the City of St. Paul conduit debt obligations was \$6,005,878.

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. Additionally, no commitments regarding the bonds have been extended by the Authority.

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

**(9) Commitments**

During 2011, State Legislature appropriated \$2,450,000 to the 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 year 2024 as discussed in Note 2(d), included \$175,684 of City of Galena loan repayments for the year ended June 30, 2024. There were no excess receipts over operating expenditures during fiscal year 2024.

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 2024; the cumulative state appropriated amount, therefore, remained \$33,396,046 at June 30, 2024.

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

**(10) Subsequent Events**

On August 30, 2024, an underlying borrower, in conjunction with the Bond Bank, provided funds to the associated Bond Bank debt service account to optionally redeem certain maturities of the 2014 Series Three bonds, totaling \$1,735,000. The associated maturities will be optionally redeemed on the upcoming redemption date of October 1, 2024.

**(11) Upcoming Accounting Pronouncements**

There are several recently issued Governmental Accounting Standards Board standards that the Bond Bank must consider with upcoming implementation dates. The statements are as follows:

GASB 101 – *Compensated Absences*. Effective for fiscal years beginning after June 15, 2024. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This statement is not expected to have an impact on the Bond Bank's financial statements.

GASB 102 – *Certain Risk Disclosures*. Effective for fiscal years beginning after June 15, 2024. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The Bond Bank is currently evaluating the impact GASB 102 will have on future financial statements.

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GASB 103 – *Financial Reporting Model Improvements*. Effective for fiscal years beginning after June 15, 2025. GASB 103 focuses on improvements in the management's discussion and analysis (MD&A), unusual or infrequent items, presentation of proprietary fund statement of revenues, expenses and changes in fund net position, major component unit information, budgetary comparison information, and financial trends information in the statistical section.

## Supplemental Schedule

ALASKA MUNICIPAL BOND BANK AUTHORITY  
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Supplemental Schedule of Statutory Reserve Accounts - Assets, Liabilities, and Account Reserves

June 30, 2024

	<u>2005 Resolution</u>	<u>2016 Resolution</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$ 63,538	\$ 4,916	\$ 68,454
Accrued interest receivable	347,472	22,931	370,403
Marketable securities	39,986,494	6,727,078	46,713,572
Interaccount receivables	<u>-</u>	<u>10,049</u>	<u>10,049</u>
Total Assets	<u><u>\$ 40,397,504</u></u>	<u><u>\$ 6,764,974</u></u>	<u><u>\$ 47,162,478</u></u>
<b>LIABILITIES</b>			
Interaccount payables	\$ 6,647,316	\$ -	\$ 6,647,316
Bond proceeds held in reserve	<u>-</u>	<u>6,993,150</u>	<u>6,993,150</u>
Total Liabilities	<u>6,647,316</u>	<u>6,993,150</u>	<u>13,640,466</u>
<b>RESERVES</b>			
State appropriated	28,046,530	-	28,046,530
Unappropriated	7,827,992	21,632	7,849,624
Unrealized loss	<u>(2,124,334)</u>	<u>(249,808)</u>	<u>(2,374,142)</u>
Total Reserves	<u>33,750,188</u>	<u>(228,176)</u>	<u>33,522,012</u>
Total Liabilities & Reserves	<u><u>\$ 40,397,504</u></u>	<u><u>\$ 6,764,974</u></u>	<u><u>\$ 47,162,478</u></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 2005 general and 2016 master resolutions is provided in compliance with the Appendix C filing requirement.

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Supplemental Schedule of 2005 Bond Resolution Program -  
Borrower Concentration

June 30, 2024

Borrower	Outstanding Par	Percent of Outstanding
City and Borough of Sitka	\$ 124,275,000	14.06%
Kenai Peninsula Borough	108,605,000	12.28%
City of Ketchikan	79,870,000	9.03%
Municipality of Skagway	79,195,000	8.96%
City and Borough of Juneau	76,380,000	8.64%
University of Alaska	75,475,000	8.53%
Fairbanks North Star Borough	62,920,000	7.12%
Kodiak Island Borough	51,195,000	5.79%
City of Unalaska	44,325,000	5.01%
City of Seward	30,375,000	3.43%
Ketchikan Gateway Borough	24,300,000	2.75%
Southeast Alaska Power Agency	16,605,000	1.88%
City of Cordova	13,950,000	1.58%
Lake and Peninsula Borough	11,935,000	1.35%
Aleutians East Borough	11,885,000	1.34%
Northwest Arctic Borough	10,970,000	1.24%
City of Soldotna	9,820,000	1.11%
City of Kodiak	9,700,000	1.10%
Petersburg Borough	9,480,000	1.07%
City of Dillingham	6,745,000	0.76%
City of Homer	5,250,000	0.59%
Haines Borough	3,770,000	0.43%
City and Borough of Wrangell	3,005,000	0.34%
City of Sand Point	2,755,000	0.31%
City of Anchorage	2,475,000	0.28%
City of King Cove	2,045,000	0.23%
City of Whittier	1,500,000	0.17%
City of Craig	1,210,000	0.14%
City of Klawock	1,045,000	0.12%
City of Bethel	910,000	0.10%
City of Kenai	665,000	0.08%
City of Nome	655,000	0.07%
City of Hoonah	600,000	0.07%
City of North Pole	195,000	0.02%
City of Saxman	115,000	0.01%
City of Adak	100,000	0.01%
Total Outstanding Par	<u>\$ 884,300,000</u>	<u>100.00%</u>

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

June 30, 2024

Borrower	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Ketchikan Gateway Borough-2009 Four Loan	\$ 1,684,964	\$ 1,664,500	\$ 1,652,551	\$ 1,633,521	\$ 1,617,708	\$ 1,594,815	\$ 1,578,530	\$ 1,554,797	\$ 1,533,923	\$ 1,515,602
City of Hoonah 2011 Three	91,700	89,100	91,400	88,250	89,625	90,750	91,625	92,250	-	-
Municipality of Skagway 2011 Three	35,500	34,500	33,500	37,250	35,750	34,250	37,625	35,875	-	-
City of North Pole 2012 Two	100,125	101,375	-	-	-	-	-	-	-	-
Petersburg Borough 2012 Two	246,000	-	-	-	-	-	-	-	-	-
Haines Borough 2012 Three	86,544	83,944	86,594	84,494	87,272	84,928	82,584	85,063	82,363	30,506
Petersburg Borough 2012 Three	101,450	102,750	99,425	101,500	-	-	-	-	-	-
City and Borough of Juneau (Bartlett Hospital) 2013 One	1,200,725	125,125	125,125	125,125	125,125	125,125	125,125	425,125	1,615,375	914,475
Municipality of Skagway 2013 Two	69,750	67,500	70,250	67,750	70,250	72,500	69,500	71,500	68,250	-
Kenai Peninsula Borough 2014 One	2,958,250	2,959,500	2,957,750	2,960,000	2,955,750	-	-	-	-	-
Kodiak Island Borough 2014 One	1,144,688	-	-	-	-	-	-	-	-	-
City and Borough of Juneau 2014 One	406,138	404,575	403,825	407,575	405,575	408,075	404,825	407,450	402,950	402,950
City of Ketchikan Hospital (G.O.) 2014 Two	2,557,700	2,561,200	2,561,700	2,559,200	2,556,800	2,562,400	2,560,600	2,561,600	2,565,200	2,566,200
City of Ketchikan Harbor (G.O.) 2014 Two	206,300	209,550	207,300	209,800	208,400	206,800	205,000	208,000	205,600	208,000
City of King Cove Electric 2014 Two	38,050	37,050	41,050	39,800	38,800	37,800	41,800	40,600	39,400	38,200
City and Borough of Juneau 2014 Three	908,875	909,875	909,375	907,375	908,750	908,375	911,125	911,875	910,625	912,250
City of Saxman 2014 Three	15,500	15,000	14,500	14,000	13,500	13,000	12,500	12,000	11,500	11,000
City of Adak Refunding 2014 Three	102,500	-	-	-	-	-	-	-	-	-
Municipality of Anchorage Refunding 2014 Three	294,375	290,500	291,250	296,375	291,000	295,125	288,750	291,875	294,250	291,000
Haines Borough Refunding 2014 Three	1,190,625	1,189,000	-	-	-	-	-	-	-	-
Kenai Peninsula Borough Refunding 2014 Three	177,875	179,375	-	-	-	-	-	-	-	-
City of Nome Refunding 2014 Three	271,625	-	-	-	-	-	-	-	-	-
Northwest Arctic Borough Refunding 2014 Three	442,000	445,875	-	-	-	-	-	-	-	-
Petersburg Borough Refunding 2014 Three	398,750	399,750	-	-	-	-	-	-	-	-
City of Seward 2005 Refunding 2014 Three	102,375	102,500	-	-	-	-	-	-	-	-
City of Seward 2006 Refunding 2014 Three	321,850	637,100	-	-	-	-	-	-	-	-
City of Cordova 2015 One New Money	135,950	136,575	136,950	137,075	136,950	136,575	136,525	136,825	136,925	136,825
City of Cordova 2015 One 2009 Refunding	1,343,375	1,343,250	1,330,625	1,325,500	1,327,375	-	-	-	-	-
City of Craig 2015 One New Money	136,113	136,738	137,113	137,238	137,113	136,738	136,688	136,988	137,088	136,988
Aleutians East Borough 2015 One 2006 Refunding	117,500	97,375	-	-	-	-	-	-	-	-
Nome 2015 One 2006 Refunding	86,250	87,125	-	-	-	-	-	-	-	-
Nome 2015 One 2009 Refunding	50,250	48,250	51,125	53,750	51,250	-	-	-	-	-
Sitka 2015 One 2008 Refunding	536,000	537,875	533,625	538,125	-	-	-	-	-	-
Unalaska 2015 One 2009 Refunding	1,841,825	1,840,575	1,841,200	1,833,700	1,837,825	1,833,325	1,833,300	1,828,300	1,825,800	1,820,700
Cordova 2015 Two	212,500	211,000	214,250	212,000	214,500	216,500	213,000	211,000	213,800	216,200
Skagway 2015 Two	684,600	680,350	680,600	680,100	683,850	681,600	683,600	683,400	682,600	681,200

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Supplemental Schedule of 2005 Bond Resolution Program - Debt Service Requirements, continued

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Borrower	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
City and Borough of Juneau 2015 Two (Harbor Refunding)	743,150	738,400	737,650	735,650	737,400	737,650	736,400	730,200	733,200	-
Kenai Peninsula Borough 2015 Two	1,093,250	1,088,250	1,091,250	1,086,750	-	-	-	-	-	-
Juneau 2015 Two (Cruise Dock)	1,334,250	1,337,000	1,337,000	1,334,250	1,338,750	-	-	-	-	-
Skagway 2015 Two (Port)	360,688	359,688	363,188	360,938	363,188	359,688	362,788	360,250	362,288	358,688
University of Alaska 2015 Three	5,590,463	5,587,838	5,589,713	5,585,838	5,585,963	5,589,588	5,585,913	5,587,175	5,588,100	5,585,494
Haines Borough 2015 Three	90,050	92,425	89,675	91,800	93,675	90,425	92,400	89,163	90,356	91,288
Kodiak Island Borough 2015 Three High School	490,588	491,463	491,588	490,963	489,588	492,338	491,063	493,425	492,425	490,375
Kodiak Island Borough 2015 Three Renewal & Replace	226,250	225,500	-	-	-	-	-	-	-	-
King Cove 2015 Three	76,963	75,213	73,463	76,588	74,588	77,463	75,438	73,356	75,863	73,238
Kenai Peninsula Borough CES 15-Year Loan - 2016 One	176,813	179,563	179,263	179,513	178,013	177,481	177,625	-	-	-
City of Klawock New Money Loan - 2016 One	89,325	91,450	89,350	87,550	85,150	88,097	86,269	84,319	77,444	70,719
Kodiak Island Borough R&R Loan - 2016 One	678,750	676,500	-	-	-	-	-	-	-	-
Kodiak Island Borough High School Loan - 2016 One	132,169	132,544	134,169	131,169	132,069	133,525	130,431	132,056	133,531	129,931
City of Seward 2008 One Refunding - 2016 One	1,439,881	1,441,256	1,452,256	1,437,356	1,434,656	1,443,753	1,437,725	1,438,275	1,432,700	1,426,075
City of Seward 2008 Two Refunding - 2016 One	334,825	339,200	341,400	339,400	334,900	336,819	339,638	336,763	338,663	335,338
Fairbanks North Star Borough - 2016 Two	4,109,400	4,112,900	4,109,400	4,110,000	4,111,775	4,112,325	4,108,950	4,113,775	4,109,350	4,111,625
City of Petersburg 2007 One New Money Refunding - 2016 Three	79,500	80,875	82,000	-	-	-	-	-	-	-
Aleutians East Borough 2007 Two Refunding - 2016 Three	2,119,750	2,167,375	2,193,625	2,209,000	2,208,875	-	-	-	-	-
City of Bethel 2007 Three Refunding - 2016 Three	250,250	249,500	253,125	251,125	-	-	-	-	-	-
City of Kodiak 2007 Five Float Refunding - 2016 Three	111,538	113,163	114,538	110,788	116,788	118,313	115,556	117,666	119,556	116,306
City of Kodiak 2007 Five Lift Refunding - 2016 Three	219,200	218,075	216,700	215,075	218,075	271,375	274,941	273,144	271,050	278,494
City of Dillingham 2008 One Loan Refunding - 2016 Three	1,060,500	1,064,750	1,066,500	1,060,875	-	-	-	-	-	-
City of Kodiak 2008 One Loan Refunding - 2016 Three	451,450	447,700	448,325	453,075	447,075	448,850	448,281	447,188	450,469	453,038
Kodiak Island Borough 2008 One Loan Refunding - 2016 Three	619,500	622,750	619,625	620,125	-	-	-	-	-	-
City of Skagway 2008 Two Loan Refunding - 2016 Three	357,250	356,875	355,750	358,750	-	-	-	-	-	-
City of Kodiak 2009 One Loan Refunding - 2016 Three	59,056	62,181	60,181	63,056	60,806	54,081	57,778	56,372	59,856	63,150
City and Borough of Juneau New Money - 2016 Three	328,500	328,625	328,000	-	-	-	-	-	-	-
City of Ketchikan Port 2006 Two Loan Refunding - 2016 Four	2,204,125	2,200,375	2,198,500	2,198,250	2,199,375	2,191,875	2,195,500	2,190,000	2,190,250	2,186,000
City of Ketchikan Port New Money - 2016 Four	143,000	143,875	144,500	144,875	145,000	144,875	144,500	143,875	143,000	141,875
Kenai Peninsula Borough Hospital Loan - 2017 One	399,419	399,669	399,169	397,919	402,719	402,069	400,663	398,475	-	-
City of Seward - 2017 One	209,431	207,931	206,181	209,181	209,681	205,031	205,188	204,988	209,213	208,088
City of Unalaska - 2017 Two	2,014,100	2,010,350	2,014,600	2,011,350	2,010,850	2,012,850	2,012,100	2,013,600	2,014,013	2,010,263
City of Whittier - 2017 Two	155,275	156,025	156,525	156,775	156,775	156,525	156,025	155,275	155,925	154,675
Kenai Peninsula Borough Central Hospital - 2017 Three	2,058,788	2,061,663	2,061,288	2,062,538	2,060,288	2,059,413	2,058,038	2,060,263	2,058,963	2,061,088
Sitka Harbor - 2018 One	590,000	592,250	593,750	589,500	589,750	589,250	588,000	586,000	588,250	899,500
Sitka Airport - 2018 One	335,500	337,000	333,000	333,750	334,000	333,750	333,000	331,750	335,000	332,500
Dillingham Fire - 2019 One	43,000	47,000	45,750	44,500	43,250	42,000	45,750	44,500	43,800	44,625

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Borrower	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Dillingham Street - 2019 One	231,500	236,000	235,000	233,750	232,250	235,500	233,250	235,500	231,700	236,125
Fairbanks North Star Borough - 2019 One	288,250	288,250	288,250	288,250	363,250	739,500	736,750	738,000	738,000	736,750
City of Homer - 2019 One	397,500	395,250	392,500	394,250	395,250	395,500	395,000	393,750	396,750	393,750
Northwest Arctic Borough - 2019 One	872,500	871,500	874,500	871,250	872,000	871,500	869,750	871,750	872,250	871,250
Fairbanks North Star Borough - 2019 Two	446,818	449,544	446,430	447,660	372,960	-	-	-	-	-
Kenai Peninsula Borough - 2019 Three	126,875	128,000	128,875	129,500	125,000	125,375	125,500	125,375	125,000	129,250
City and Borough of Juneau Airport GO - 2019 Three	368,500	369,125	369,000	368,125	366,500	369,000	-	-	-	-
City and Borough of Juneau Airport Revenue - 2019 Three	2,372,375	2,365,125	2,362,625	-	-	-	-	-	-	-
City and Borough of Juneau Airport GO - 2019 Four	289,250	288,000	291,125	288,625	285,625	287,000	-	-	-	-
City and Borough of Juneau Airport Revenue - 2019 Four	340,250	344,750	343,375	-	-	-	-	-	-	-
Northwest Arctic Borough - 2020 One (Ref 2010B BABs)	188,125	179,375	-	-	-	-	-	-	-	-
Northwest Arctic Borough - 2020 One (Ref 2010B RZEDBs)	36,250	36,250	197,125	198,625	204,500	199,875	-	-	-	-
City of Kenai - 2020 One	130,750	130,625	125,375	125,000	129,250	128,125	-	-	-	-
City of Petersburg - 2020 One	174,625	183,000	180,875	178,500	180,750	177,625	174,250	-	-	-
City of Unalaska - 2020 One	322,625	320,125	326,875	322,875	323,250	322,875	-	-	-	-
City and Borough of Juneau - 2020 One	1,681,000	-	-	-	-	-	-	-	-	-
City of King Cove - 2020 One	32,375	31,125	29,875	33,500	32,000	25,625	-	-	-	-
City of King Cove - 2020 One	42,500	41,000	49,250	47,250	45,250	43,250	46,125	-	-	-
City of Unalaska - 2020 One	323,875	317,000	324,500	326,125	317,250	317,875	317,750	-	-	-
City and Borough of Sitka - 2020 One	589,375	-	-	-	-	-	-	-	-	-
Kenai Peninsula Borough - 2020 One	1,055,875	1,056,625	1,050,500	1,047,500	1,047,375	1,040,125	1,045,500	-	-	-
City of Ketchikan - 2020 One	454,750	452,875	450,250	451,750	447,375	447,125	445,875	-	-	-
Ketchikan Gateway Borough - 2020 One	269,500	271,625	-	-	-	-	-	-	-	-
City and Borough of Sitka - 2020 One	2,426,250	3,013,625	3,001,250	2,993,375	2,989,500	2,984,250	2,972,500	-	-	-
City of Soldotna - 2020 One	158,875	158,000	156,875	160,375	158,500	156,375	158,875	-	-	-
Ketchikan Gateway Borough - 2020 One	250,425	252,925	254,925	251,550	252,800	253,550	253,800	248,675	248,175	248,300
Fairbanks North Star Borough (Ref 2006I) - 2020 One	684,625	691,875	-	-	-	-	-	-	-	-
Fairbanks North Star Borough (Ref 2007J) - 2020 One	809,875	808,250	809,750	-	-	-	-	-	-	-
Fairbanks North Star Borough (Ref 2008L) - 2020 One	757,375	759,750	770,125	763,625	-	-	-	-	-	-
Fairbanks North Star Borough (Ref 2010M RZEDBs) - 2020 One	750,250	741,250	755,625	753,125	749,125	753,375	-	-	-	-
Fairbanks North Star Borough (Ref 2012R) - 2020 One	685,000	690,750	685,250	688,500	685,375	685,875	689,750	691,875	-	-
City of Ketchikan (New Money) - 2020 One	737,425	738,675	734,050	738,425	736,675	733,925	735,050	734,925	738,425	738,400
Kodiak Island Borough (High School Project) - 2020 One	42,250	45,625	43,875	42,125	45,250	43,250	46,125	-	-	-
Kodiak Island Borough (School Renovation Project) - 2020 One	235,500	236,750	237,500	237,750	232,625	237,000	235,750	-	-	-
City of King Cove (New Money) - 2020 One	39,675	38,425	37,175	35,925	34,675	38,300	36,800	35,300	38,675	37,100
Kodiak Island Borough (2011 Series One) - 2021 One	517,875	518,625	513,500	512,500	510,500	517,250	517,625	-	-	-
Kodiak Island Borough (2011 Series Three) - 2021 One	272,250	274,875	276,750	-	-	-	-	-	-	-

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Borrower	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
City of Seward (2011 Series Three) - 2021 One	201,800	201,175	200,300	199,175	202,675	205,675	198,425	200,925	202,925	204,425
City and Borough of Sitka (2011 Series Two) - 2021 One	352,625	349,625	355,875	351,375	351,250	350,375	353,625	-	-	-
City of Sand Point - 2021 One	89,350	91,725	93,850	90,850	92,725	89,475	91,100	92,475	88,725	89,850
Southeast Alaska Power Agency - 2021 One	778,975	779,350	778,975	777,850	780,850	777,975	779,225	779,475	778,725	781,850
Aleutians East Borough - 2021 Two	313,899	316,408	308,227	309,323	304,593	309,125	308,084	-	-	-
City of Homer - 2021 Two	84,370	248,130	265,687	267,529	263,696	264,296	264,452	264,323	258,893	263,058
City and Borough of Juneau (Barlett Hospital) - 2021 Two	372,068	370,511	1,412,313	1,420,436	1,414,837	1,406,175	1,410,211	1,407,699	1,121,482	29,484
City and Borough of Juneau (Various Capital) - 2021 Two	196,683	200,186	203,220	200,778	197,842	199,460	205,664	201,624	207,278	-
Kenai Peninsula Borough (Bear Creek Fire) - 2021 Two	86,503	85,854	89,995	83,948	87,681	86,200	89,552	87,791	85,944	-
Kenai Peninsula Borough (Ref 2013 Three) - 2021 Two	1,509,326	1,508,202	1,508,833	1,506,016	1,509,270	1,509,121	1,501,560	1,502,441	1,506,210	1,507,522
City of Ketchikan (Ref 2012 Series 2) - 2021 Two	338,088	340,467	337,091	337,915	337,816	341,885	335,394	338,554	-	-
City of Ketchikan (Electric) - 2021 Two	1,041,814	1,043,934	1,038,776	1,036,219	1,035,921	1,033,277	1,033,903	1,033,386	1,036,388	-
Kodiak Island Borough (2012 Series Two) - 2021 Two	1,379,799	-	-	-	-	-	-	-	-	-
Kodiak Island Borough (2013 Series One) - 2021 Two	1,532,162	1,530,606	1,530,684	1,532,150	1,534,507	1,528,389	1,529,728	1,529,366	1,531,832	-
Kodiak Island Borough (2013B Series Two) - 2021 Two	863,374	856,887	858,525	858,139	860,450	855,818	859,739	857,693	859,444	-
Kodiak Island Borough (2014A Series One) - 2021 Two	496,384	1,648,236	1,642,568	1,643,153	1,644,450	1,642,079	1,642,020	1,650,101	1,645,885	1,644,110
Lake and Peninsula Borough (2013 Three) - 2021 Two	1,320,318	1,315,605	1,313,092	1,317,542	1,313,574	1,316,665	1,317,549	1,317,005	1,314,686	1,315,288
City of Sand Point (Harbor System) - 2021 Two	163,215	162,134	165,721	163,957	161,837	159,430	161,783	158,986	156,054	157,908
City and Borough of Sitka (2012 Series Two) - 2021 Two	607,111	-	-	-	-	-	-	-	-	-
City and Borough of Sitka (2013 Series One) - 2021 Two	1,347,700	1,345,278	1,347,149	1,343,283	1,343,591	1,343,172	1,347,180	2,864,521	2,864,003	2,865,364
City and Borough of Sitka (2013 Series One - Harbor) - 2021 Two	282,199	280,080	282,338	283,909	279,750	279,979	279,736	284,139	283,111	-
City and Borough of Sitka (2013 Series Three - Electric) - 2021 Two	1,025,105	1,028,046	1,025,389	1,027,095	1,028,056	1,028,378	1,028,235	1,908,352	1,907,988	1,910,648
City and Borough of Sitka (2014 Series Three - Electric) - 2021 Two	691,146	689,503	692,370	689,725	691,501	692,749	693,604	1,495,606	1,498,065	1,498,758
City and Borough of Sitka (AEA) - 2021 Two	552,629	548,477	548,134	551,478	548,362	549,006	548,720	552,786	551,055	-
City and Borough of Juneau (Cruise Ship Dock) - 2021 Three	286,250	286,250	286,250	286,250	286,250	286,250	1,358,750	1,357,375	1,348,375	1,351,500
City and Borough of Juneau (Bartlett Hospital) - 2022 One	1,509,125	1,506,625	1,507,500	1,501,750	1,504,250	1,504,750	1,503,250	1,499,750	1,499,125	1,496,250
Ketchikan Gateway Borough - 2022 One	534,875	533,375	531,375	533,750	535,375	531,375	531,750	531,375	530,250	533,250
Petersburg Borough - 2022 One	501,875	503,375	499,500	500,250	500,500	500,250	499,500	498,250	501,375	498,875
City of Seward - 2022 One	441,750	588,000	590,250	587,125	588,625	589,625	590,125	590,125	589,625	588,625
Southeast Alaska Power Agency - 2022 Two	359,463	359,338	358,963	358,338	357,463	356,338	354,963	358,213	356,088	359,363
City of Cordova - 2022 Two	335,688	339,688	338,313	336,688	339,688	337,313	339,563	336,438	337,938	334,963
Kenai Peninsula Borough (CES) - 2023 One	1,147,875	1,149,500	1,149,875	1,149,000	1,146,875	1,148,375	1,148,375	1,146,875	1,148,750	1,148,875
Kenai Peninsula Borough (Schools) - 2023 One	2,371,750	2,373,500	2,372,750	2,374,375	2,373,250	2,374,250	2,372,250	2,372,125	2,373,625	2,371,625
City of Soldotna - 2023 One	580,750	578,625	581,125	578,250	580,000	581,250	582,000	582,250	582,000	581,250
City and Borough of Wrangell - 2023 One	242,875	243,000	242,875	247,375	246,500	245,375	244,000	247,250	245,125	247,625
Municipality of Skagway (Port Revenue) - 2023 Two (AMT)	1,958,838	1,960,213	1,960,338	1,959,213	1,956,838	1,958,088	1,957,838	1,956,088	1,957,713	1,957,588
Municipality of Skagway (Port Revenue) - 2023 Three (AMT)	2,294,756	2,293,881	2,296,628	2,297,881	2,297,633	2,295,882	2,297,508	2,297,382	2,295,505	2,296,757
Total Loan Obligation Debt Service	<u>\$ 98,670,150</u>	<u>\$ 93,946,312</u>	<u>\$ 89,899,889</u>	<u>\$ 85,619,675</u>	<u>\$ 80,789,531</u>	<u>\$ 72,914,940</u>	<u>\$ 71,868,048</u>	<u>\$ 68,532,270</u>	<u>\$ 67,852,076</u>	<u>\$ 60,930,205</u>

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

Supplemental Schedule of 2016 Master Resolution Program -  
Borrower Concentration

June 30, 2024

Borrower	Outstanding Par	Percent of Outstanding
Yukon-Kuskokwim Health Corporation	\$ 94,030,000	100.00%
Total Outstanding Par	<u>\$ 94,030,000</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 of 2016 Master Resolution Program - Debt Service Requirements

June 30, 2024

Borrower	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Yukon-Kuskokwim Health Corporation	\$ 6,940,788	\$ 6,929,163	\$ 6,924,788	\$ 6,919,038	\$ 6,916,538	\$ 6,938,731	\$ 6,933,538	\$ 6,935,750	\$ 6,903,600	\$ 6,924,325
Total Loan Obligation Debt Service	<u>\$ 6,940,788</u>	<u>\$ 6,929,163</u>	<u>\$ 6,924,788</u>	<u>\$ 6,919,038</u>	<u>\$ 6,916,538</u>	<u>\$ 6,938,731</u>	<u>\$ 6,933,538</u>	<u>\$ 6,935,750</u>	<u>\$ 6,903,600</u>	<u>\$ 6,924,325</u>

See Independent Auditor's report





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**TO:** AMBBA Board Members

**DATE:** December 3, 2024

Luke Welles, Bruce Tangeman, Fadil Limani, Micaela Fowler, Ken Koelsch

**FROM:** Ryan Williams, Exec. Director

**TELEPHONE:** 907-465-2893

The following are updates on items not covered in the December 10, 2024, Agenda:

The 9/30/2024 quarterly ethics report was filed with the Department of Law without any findings.

On November 1, 2024, the Bond Bank entered into a new Accounting and Financial Statement Preparation contract with Elgee Rehfeld, CPAs to continue work after the Bond Bank's successful completion of the independent FY2024 audit. Elgee Rehfeld, CPAs has been involved with the program for over a decade in different capacities. The new services contract covers fiscal year 2025 with one optional renewal at the Bond Bank's option for 2026.

The contract for municipal advisory services, PFM, was extended through 12/31/2024. With significant attention to borrower applications, credit reviews / summaries, analyzing potential underlying refunding metrics of the Bond Bank portfolio, and issuance activity for consideration by the board during this meeting, I am working on an extension through 3/31/2025, which would align with the proposed schedule associated with the Series 2025 One and 2025 Series Two bonds.

Budget – I submitted a request to the State Office of Management and Budget for the same language with respect to appropriation language in fiscal year 2026 for backfill of the Reserve and reiterated the importance of the appropriation for our credit metrics. This appropriation has been included in the budget since 2009.

### **Portfolio Market Values:**

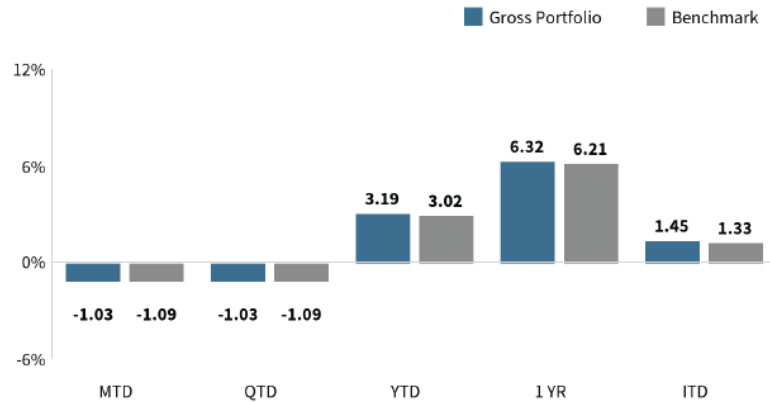
Below depicts the Bond Bank's market value and performance, as of October 31, 2024, for the 2005 and 2016 Reserves, as well as the Custodian Account.

## AMBBA GO 2005 SERIES RESERVE | OCTOBER 2024

ENDING VALUE +  
ACCRUED

**\$40,796,456**

### Investment Performance



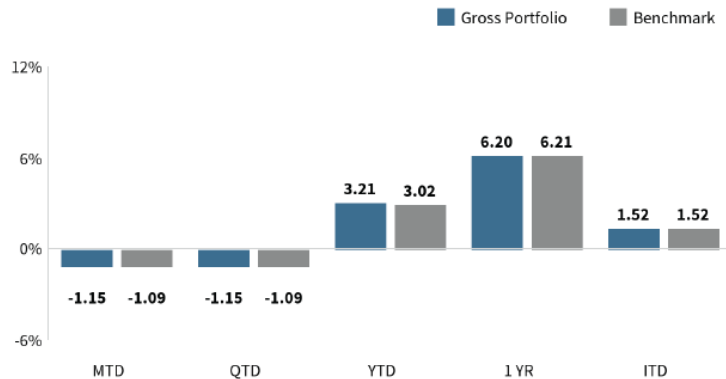
Performance is annualized for periods greater than one year. Inception to date performance begins June 01, 2011  
Past performance is not indicative of future results.

## AMBBA GO 2016 RESERVE | OCTOBER 2024

ENDING VALUE +  
ACCRUED

**\$6,875,358**

### Investment Performance



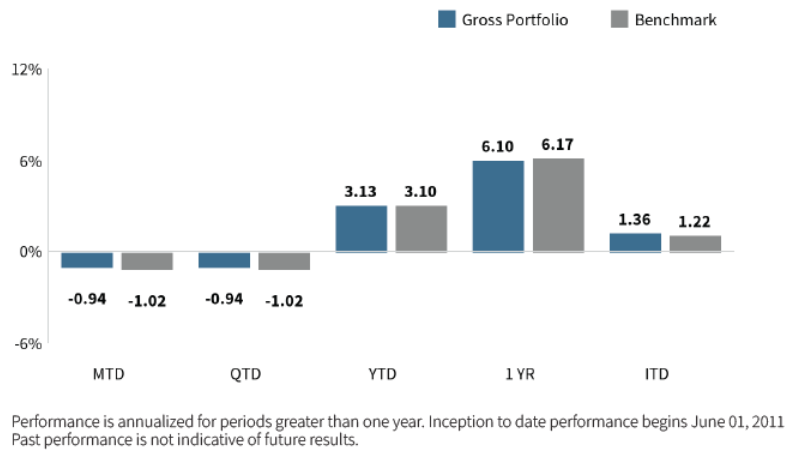
Performance is annualized for periods greater than one year. Inception to date performance begins April 01, 2017  
Past performance is not indicative of future results.

AMBBA CUSTODY | OCTOBER 2024

ENDING VALUE +  
ACCRUED

**\$15,325,607**

### Investment Performance



### Surety Analysis:

Surety Policy Issues	Incremental Surety Coverage Provided at Issuance	Notes and Expiration
2016 Three & Four	7,500,000	2016 Three expires December 1, 2037; 2016 Four - December 1, 2035
2016 Two	3,383,328	Term Expires December 1, 2035
Stand Alone \$1.23mm	1,230,000	Term Expires March 1, 2046
2016 One	718,412	Term Expires August 1, 2040
2015 Three	5,198,466	Term Expires October 1, 2044

Coverage stated amount (2005 Resolution Reserve): ~\$18.0 million.

Please don't hesitate to reach out to discuss any items contained in the report.

Best Regards,  
Ryan

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Alaska Municipal Bond Bank Authority  
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