

**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**

**Telephonic Meeting with Access: 1-907-202-7104
and Code 545 402 817#**

December 12, 2025

1:00 PM AKST





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

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

AGENDA FOR BOARD OF DIRECTOR'S MEETING

Meeting Place:

Telephonic Meeting

Department of Revenue,
550 W 7th Ave., Ste. 670,
Anchorage, AK 99501
With Access: (907) 202-7104
and passcode 545 402 817#

December 12, 2025, at 1:00 PM AKST

- I. Call to Order
- II. Roll Call
- III. Public Meeting Notice
- IV. Approval of Agenda
- V. Minutes of the September 26, 2025, Meeting of the Board of Directors
- VI. General Business
 - A. BDO Presentation of Audit Wrap and AMBBA Financial Statements for Fiscal Year 2025
 - B. City & Borough of Wrangell – Credit Review Summary and Application – GO - Public Safety
 - C. City & Borough of Wrangell – Credit Review Summary and Application – Revenue - Port Enterprise
 - D. City of Unalaska Electric Utility - Debt Service Coverage Requirement / Rate Covenant - Discussion
 - E. Executive Director's Report
- VII. Public Comments
- VIII. Board Comments
- IX. Adjournment

STATUS: Active

NOTICE OF PUBLIC MEETING - AMBBA Board of Director's Meeting 12/12/2025

Meeting Place for the Alaska Municipal Bond Bank Authority ("AMBBA"): Telephonic, State of Alaska – Department of Revenue, 550 W 7th Ave., Ste. 670, Anchorage, AK 99501; For telephonic access: (907) 202-7104, With pass code 545 402 817#; December 12, 2025, at 1:00 PM AKST.

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 12-12-2025.pdf](#)

Revision History

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Events/Deadlines:

333 Willoughby Avenue, 11th floor
P.O. Box 110405
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MINUTES of the BOARD OF DIRECTORS MEETING

ALASKA MUNICIPAL BOND BANK AUTHORITY

September 26, 2025

I. CALL TO ORDER

Luke Welles called the meeting to order on September 26, 2025, at 11:00 a.m. Alaska Time. Members participated telephonically, and at the State of Alaska Department of Revenue, 333 Willoughby Ave., 11th Floor Conf. Room, Juneau AK 99801. Telephonic access was at 1-907-202-7104, with passcode 422 508 456#.

II. ROLL CALL

Luke Welles
Pam Leary
Anna Latham
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
- Elli Halperin, PFM, Municipal Advisor to the Alaska Municipal Bond Bank Authority
- Les Krusen, Partner, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to AMBBA,
- Joy Merriner, BDO, Assurance Practice Leader (AMBBA Independent Auditor)
- Marcus Brown, BDO, Audit Manager (AMBBA Independent Auditor)

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 11, 2025, on the Alaska Online Public Notice website. The public notice requirement was met for the meeting.

IV. APPROVAL OF AGENDA

The agenda was reviewed by the board. Mr. Welles asked for formal approval. Mr. Koelsch moved to approve the agenda as written and approval was seconded by Ms. Latham. Mr. Williams took a roll call vote, and there were four “yes” votes and no objections. The agenda was approved as written and adopted unanimously by board members.

V. Minutes of the May 15, 2025, Meeting of the Board of Directors

The May 15, 2025, minutes of the AMBBA Board of Director’s meeting were reviewed by the board. Mr. Koelsch moved to approve the minutes as written and approval was seconded by Ms. Latham. Mr. Williams took a roll call vote, and there were four “yes” votes and no objections. The prior meeting minutes were approved and adopted unanimously by board members.

VI. GENERAL BUSINESS

Election of Officers for Fiscal Year 2026

Mr. Welles mentioned that Bruce Tangeman was Vice Chair of AMBBA prior to departure. Mr. Welles opened the floor to discussion and nominations for Chair, Vice Chair and Treasurer and Secretary. Mr. Koelsch nominated Mr. Welles to remain as chair for fiscal year 2026. Ms. Leary recommended moving a slate of individuals to the positions and made a motion to nominate Mr. Welles as Chair, Mr. Koelsch as Vice Chair, and Mr. Williams as Treasurer and Secretary and the nomination was seconded by Ms. Latham. Mr. Williams took a roll call vote with board members, and there were four “yes” votes and no objections. The nominations of Mr. Welles as Chair, Mr. Koelsch as Vice Chair, and Mr. Williams as Treasurer and Secretary were approved and adopted unanimously by board members.

AMBBA Independent Audit – BDO Audit Planning Communication and Presentation – Fiscal Year 2025

Mr. Welles asked Mr. Williams to introduce BDO and provide context on where we are in the audit process. Mr. Williams mentioned that we are well underway for the fiscal year 2025 independent audit and all materials requested by BDO (AMBBA independent auditor) have been provided to date. Mr. Williams noted that Ms. Merriner and Mr. Brown are on the call and the audit planning communication and presentation was provided to the Board in the packet. Ms. Merriner walked through the audit planning communication noting areas of focus, overall audit strategy, and procedures utilized to consider potential areas of risk. Ms. Merriner noted that there is anticipation to issue the final prior to 9/30/2025. Ms. Merriner urged to board to ask any questions or to reach out directly. Mr. Welles asked whether individual communities returned their bond confirmations in a timely fashion. Mr. Brown noted that all have been received for this fiscal year. There were no additional questions from the board and Mr. Welles thanked Ms. Merriner and Mr. Brown for the audit planning presentation.

Post Sale Summary of the Bond Bank's 2025 Series Three

Mr. Schoenfeld, PFM, discussed a summary of pricing for the Bond Bank's 2025 Series Three, with the University of Alaska as the sole participant in that transaction. The bonds, in total par of \$100,845,000, were sold by negotiated sale on July 9, 2025, to RBC Capital Markets as Senior Manager, with Jeffries LLC as Co-Manager. The issuance refunded a portion of the 2015 Series Three, previously issued through the Bond Bank, as well as other bonds originally issued by the University and considered new money to the Bond Bank program. Mr. Schoenfeld noted that prior to the sale, Moody's Ratings upgraded the Bond Bank's rating from A1 to Aa3 and revised the outlook from Positive to Stable. S&P and Kroll also confirmed the Bond Bank's ratings, assigning ratings of AA-(Stable) and AA (Stable), respectively. The refunded Bond Bank 2015 Series Three bonds achieved a net present value ("NPV") savings of \$4.04 million, or 8.82% of the refunded bonds, while the University as a whole achieved an NPV savings of \$8.33 million, or 7.76% of all refunded bonds. Mr. Schoenfeld noted a few unique items related to the transaction, including the surety policy secured through Build America Mutual Assurance ("BAM"), which covered both the local debt service reserve and bringing their local level reserve fund sufficiency back into compliance, as well as a surety policy to cover the relative increase to

the Bond Bank's 2005 Resolution Reserve as a result of the transaction, which provides approximately \$3.1 million of additional coverage. BAM required and provided bond insurance on the final 10/1/2039 maturity of the Bonds, and Mr. Schoenfeld estimated that this provided 4-5 basis points of benefit at the time of pricing. True interest cost percentages and related underwriter costs compared to prior sales of the Bond Bank were depicted and Mr. Schoenfeld noted costs for this transaction were consistent with prior issues. The TIC for this issuance was approximately 3.689%, with average life of 7.896 years. Mr. Schoenfeld presented a chart showing the interest rates leading up to the pricing since the last transaction in March 2025, utilizing the 10-year U.S. Treasury security and the 10-year AAA BVAL yield for a trend analysis. In general, interest rates had increased at the back end of the curve but remained relatively steady on the short end. The Bonds were very well received by investors, generating subscription levels of over 1,000% and adjustments to rates were conducted across the curve. Overall, the issue was a success and benefitted from a strong day in the market. The Bonds closed on July 23, 2025.

Ms. Latham moved to approve this post-sale summary report for the 2025 Series Three of the AMBBA, and Ms. Leary seconded. Mr. Williams conducted a roll call vote. There were 4 "yes" votes, and the post-sale summary report was unanimously approved.

Review of Preliminary Fiscal Year 2025 Actuals and Fiscal Year 2026 Operating Budget

Mr. Williams reviewed preliminary actuals to budget for fiscal year 2025 by category. Mr. Williams noted expenses for the fiscal year, on a preliminary basis, came in at approximately \$528.2 thousand overall. The Bond Bank is a demand driven program, self-funded through program receipts. Mr. Williams noted that he would review the final financial statements with the Board at the next meeting. Mr. Williams reviewed the FY2026 operating budget authority for the Bond Bank and noted that it was relatively flat when compared to FY2025 at slightly over \$1.4 million, allowing flexibility for issuance activity based on recent demand. It was noted that the Bond Bank received state level FY2026 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 the FY2027 Governor's budget proposal. This appropriation has been in the budget since 2009 and is more akin to a subject to appropriation credit of the State of Alaska.

Mr. Koelsch moved to approve the Fiscal Year 2026 Operating Budget authority of the AMBBA, and Ms. Latham seconded. Mr. Williams conducted a roll call vote. There were 4 “yes” votes, and the Fiscal Year 2026 Operating Budget authority was unanimously approved.

Executive Director’s Report

The following were updates on items not covered in the September 26, 2025, Agenda:

The Bond Bank’s 6/30/2025 quarterly ethics report was submitted to the Department of Law without any findings.

The Bond Bank received a waiver to recruit for a Treasury analyst role within DOR, and the position is anticipated to assist with the operations and management responsibilities of the Bond Bank. DOR has gone through an extended recruitment phase and as of the date of this report, Mr. Williams is considering candidates (already interviewed) and will next navigate the hiring waiver process, and all necessary state approvals. Once the position is filled, it is anticipated the Treasury analyst will be proposed for consideration by the Board as Finance Director of the Bond Bank.

The Bond Bank executed the final two-year extension for our arbitrage rebate consultant, AMTEC (through August 31, 2027).

The Bond Bank executed a new contract with independent auditor, BDO. The engagement covers fiscal years 2025, 2026 and 2027, with two one-year renewal options.

A financial advisory request for proposals resulted in three qualifying proposals, which were evaluated by the Bond Bank’s evaluation committee on July 17th. After the completion of the evaluation committee’s scoring process, and procurement’s final review and implementation, PFM Financial Advisors LLC received the award, and a services contract was executed for three years with two optional one-year renewals.

The Bond Bank is working with PFM on an underwriting pool informal request for qualifications that we plan on soliciting in late 2025 or early 2026. We are

currently postponing its release until there is clarity on any potential 2nd or 3rd quarter FY2026 bond issuance activity.

The Bond Bank received an application from the City and Borough of Wrangell for a general obligation backed renovation of their public safety building. I am currently reaching out to other communities to inquire about potential projects and/or loan applications.

On June 17, 2025, Moody's Investor's Service (Moody's) upgraded the State of Alaska's issuer rating to Aa2 from Aa3, with a simultaneous reversion of the outlook to stable from positive. Two main components mentioned in the independent report of State General Obligation debt included the restraint on appropriating for dividends to qualified Alaskan residents from the Alaska Permanent Fund's Earnings Reserve Account, and the re-building of the State's Constitutional Budget Reserve Fund since the end of fiscal year 2022. At the same time, Moody's upgraded the rating on the Bond Bank to Aa3 from A1.

On September 12, 2025, Fitch Ratings (Fitch) upgraded the State of Alaska's issuer rating to AA- from A+, with a simultaneous reversion of the outlook to stable from positive. At the same time, Fitch upgraded the rating on the Bond Bank to A+ from A.

As of September 12, 2025, the Bond Bank retained ratings of AA-/A+/Aa3/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 Bond Bank receives certain credit support from the State of Alaska, with ratings linked to the State's General Obligation debt rating.

A copy of the recent Moody's and Fitch press releases are enclosed behind this report and were disclosed through MSRB-EMMA upon release.

Mr. Williams reviewed the asset values and returns for the 2005 and 2016 Reserves as well as the Custodian account as of 6/30/2025. He also depicted the surety coverage stated amount (2005 Resolution Reserve) as of 6/30/2025 of \$18.0 million and noted the 2025 Series Three transaction included additional coverage of approximately \$3.1 million, bringing the overall coverage stated amount to approximately \$21.1 million.

Mr. Koelsch moved to approve the Executive Director's Report, and Ms. Leary seconded. Mr. Williams conducted a roll call vote. There were 4 "yes" votes, and the Executive Director's Report was unanimously approved.

VII. PUBLIC COMMENTS

There were none.

VIII. BOARD COMMENTS

There were none.

IX. ADJOURNMENT

Mr. Welles adjourned the meeting without objection at 11:35 a.m. Alaska Time.

Luke Welles, Chairperson

Alaska Municipal Bond Bank

Application Credit Review Summary Page

Applicant:	City and Borough of Wrangell ("CBW" or "Wrangell")
Loan Amount:	\$3,000,000
Project Type:	Public safety building renovations
Project Description:	Renovations to the Wrangell Public Safety Building and related capital improvements
Term of Loan:	20 years
Revenues Pledged to Loan:	Property taxes (full faith and credit)
Most recent FY Property Taxes Collected:	\$2,077,134 (2024)
Estimated Maximum Annual Debt Service (2026 GO Loan):	\$224,500 ¹
Estimated Maximum Annual Debt Service (Outstanding Bonds + 2026 GO Loan and 2026 Port Revenue Loan):	\$829,735
Total Revenue Subject to Intercept	\$10,356,138
Debt Service Coverage of AMBB DS (incl. new bonds) from Total Revenue Subject to Intercept:	12.48x
Loan Subject to State Debt Service Reimbursement:	No
No Litigation Letter Received:	Yes

¹ Assumes current tax-exempt rates as of 10/15/2025; project fund deposit of \$3,000,000, \$30,000 local cost of issuance, \$5/bond underwriter's discount

Loan Application Evaluation City and Borough of Wrangell General Obligation Bonds

Introduction

The City and Borough of Wrangell ("CBW" or "Wrangell") has submitted an application to the Alaska Municipal Bond Bank Authority (the "Bond Bank") for a General Obligation Bond loan totaling \$3,000,000. The measure for the Bonds was on the ballot during the October 1, 2024 election and passed with 74.9% "Yes" votes. Note, all financial information included in this credit analysis was sourced from CBW's audited financial statements, unless otherwise noted.

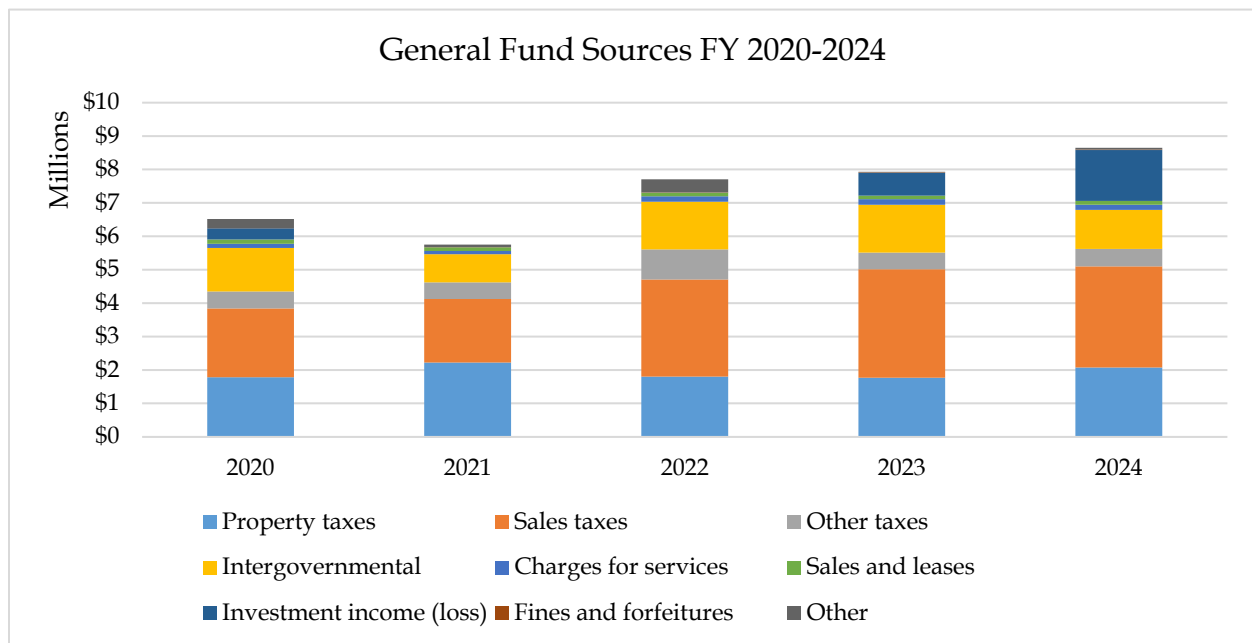
The Project

Wrangell is seeking financing to fund the costs of construction of major renovations and capital improvements to its public safety building. The Wrangell Public Safety Building is central to community public safety services and a critical support facility for the City and Borough of Wrangell. The building contains the Fire and Emergency Services equipment and personnel station, the Police Station and Jail, the public safety dispatch center and leases spaces to District Courts and Public Records, the State Department of Motor Vehicles, and the US Customs Office. The 40-year-old wood framed facility has suffered from significant water infiltration as the building's weather envelope and fenestration components have aged and failed due to Southeast Alaska's wet environment. The proposed Public Safety Building Rehabilitation project will see the partial renovation of the existing facility to repair the structure and reconstruct the building weather envelope (exterior walls, windows, doors and roof).

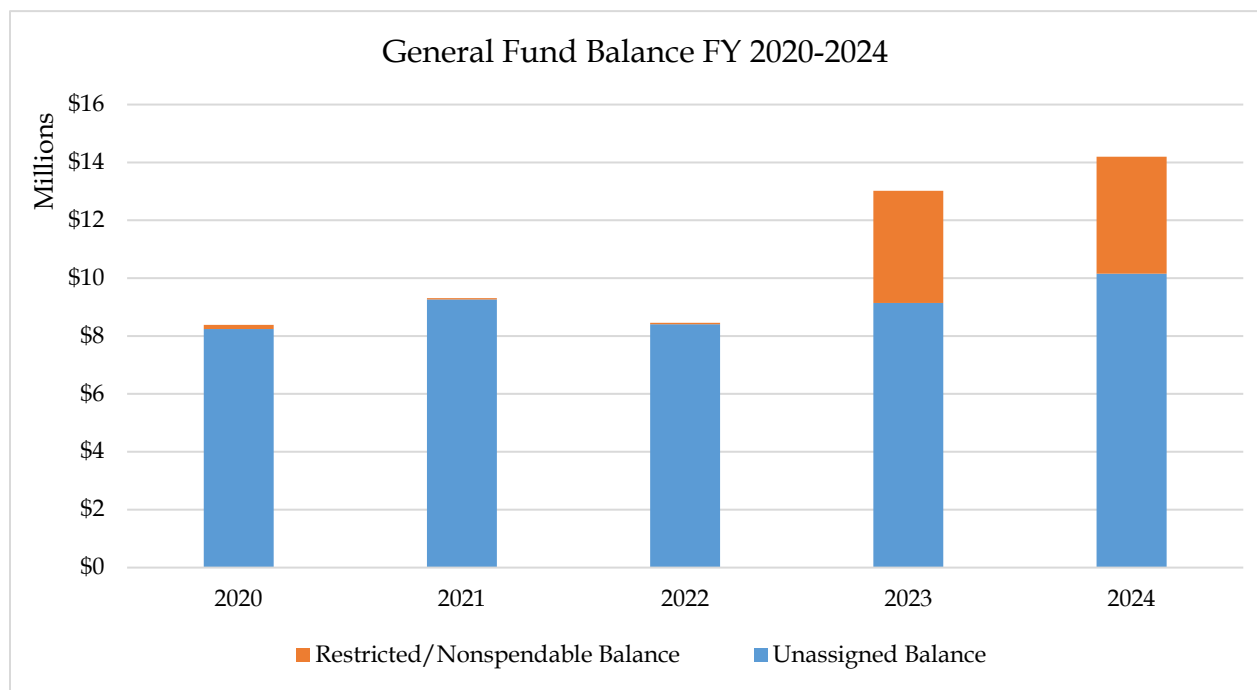
CBW received an appropriation from the federal government to cover costs related to the portion of the facility expected to be used by US Customs. Bond Counsel for CBW indicated that the City and Borough will be able allocate the federal dollars to the expected pro rata use of the facility by US Customs, avoiding "bad" use that would jeopardize the potential tax-exemption on the proposed bond issue. The majority of the remaining cost of construction is expected to be paid from bond proceeds, and any excess (estimated \$1.71 million) will be funded by CBW reserves. Construction is expected to take place in 2026 and 2027.

Financial Position

CBW's largest sources of revenue are sales taxes and property taxes. In Fiscal Year ("FY") 2024, total sales tax and property tax revenues were \$3,023,707 and \$2,077,134, respectively. This represents a 46.8% increase in sales taxes and a 16.5% increase in property taxes from Fiscal Year ("FY") 2020. The increase in tax collections from 2021 to 2022 can largely be attributed to a sales tax lien filed in 2006 on a business after a divestiture of real property. Additionally, increased consumer spending and price increases

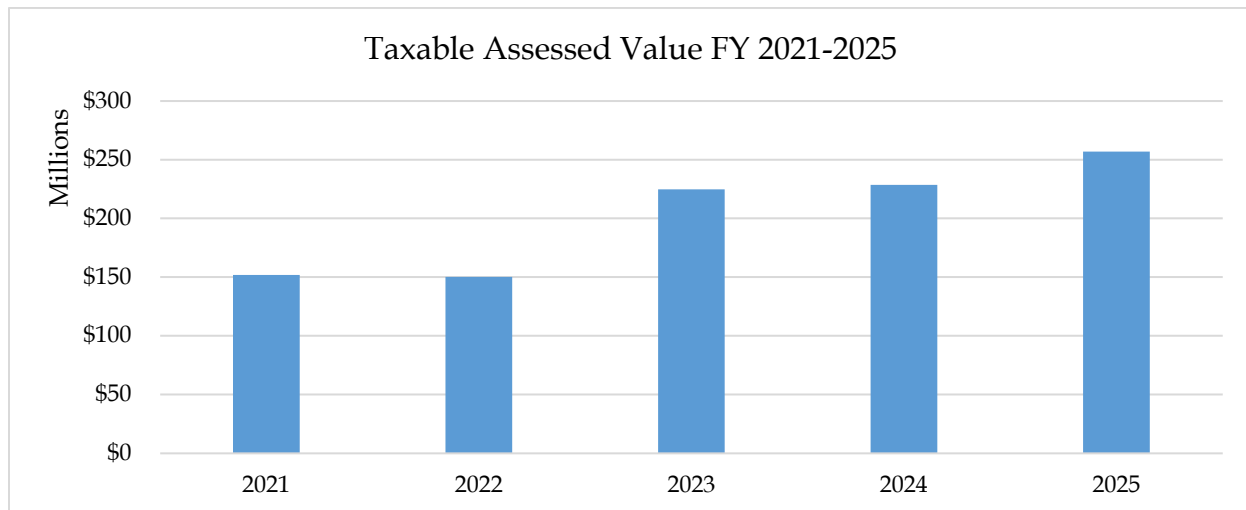


CBW's general fund balance has grown since FY 2020, largely attributable to an increase in sales tax collections and investment income. Total ending fund balance for FY 2024 was \$14.2, with \$10.2 million being unassigned, representing 135.9% of general fund expenditures. Unassigned FY 2024 year-end fund balance grew by 11.1% year-over-year, and 23.2% since FY 2020.



Security Pledge

The City and Borough of Wrangell will pledge its full faith and credit for repayment of the Bond Bank loan. The taxable assessed value ("AV") as of FY 2025 is \$256,877,139. The AV in CBW has steadily grown, increasing by 69.1% between FY 2021 and FY 2025. The realized increases were due to a push by the assessor's office to update its methodology for conducting assessments. CBW's mill rate for FY 2025 is 9.75 mills inside the service area, and 4.00 outside². There is no dedicated debt service mill rate.



State Aid

In addition to the pledge of CBW's full faith and credit, the Bond Bank has the ability to intercept state-shared revenues that would otherwise flow to CBW. 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 CBW's bonds, including the proposed loans.

Shared Taxes and Fees	\$199,991
Reimbursement and Other Education Funding	-
Education Support Funding (FY2026)	\$3,266,911
Active Matching Grants (as of 10/21/2025)	\$6,150,213
Community Jails (FY2026)	\$339,411
PILT Transfers	-
Revenue Sharing	\$399,612
Total Revenue Subject to Intercept	\$10,356,138
FY 2026 Outstanding AMBBA Debt Service	\$243,000
Maximum Annual Debt Service on GO Proposed Loan (est.)	\$224,500
Maximum Annual Debt Service on Port Revenue Proposed Loan (est.)	\$362,235
Total Estimated Maximum Annual Debt Service	\$829,735
Debt Service Intercept Coverage	12.48x

² Source: City and Borough of Wrangell

Future Capital Plans

Along with this General Obligation Bond, the City and Borough of Wrangell has submitted a Port Revenue Bond request for the size of \$4,000,000 to be included in the 2026 issuance. CBW may consider additional Port Revenue bond issuances as part of its Waterfront Master Plan.

Statement of No Litigation

Wrangell 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 CBW, 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 CBW 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 CBW and the Bond Bank, or the resolution providing for the issuance and sale of the Bonds by CBW, or contesting the power of CBW or its authority with respect to the Bonds; or... against CBW or involving any of the property or assets of or under the control of CBW 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 Wrangell.

Summary

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

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.

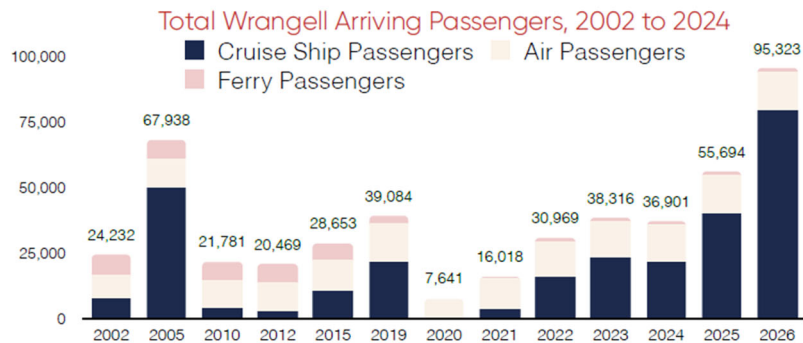
Matt Schoenfeld, Senior Managing Consultant

Appendix A - Wrangell Community Economic and Demographic Information³

The City and Borough of Wrangell—situated on Wrangell Island near the mouth of the Stikine River—accounts for roughly 3 percent of the population and 2 percent of jobs and wages in Southeast Alaska. Health care, seafood, and government are the community’s largest economic drivers, collectively comprising two-thirds of all workforce earnings.

Tourism is entering its strongest period in twenty years. Wrangell is projected to host more than 45,000 cruise visitors in 2025 and nearly 80,000 in 2026. Tourism jobs grew by 13 percent and wages by 46 percent between 2019 and 2024, positioning the sector as a key driver of Wrangell’s future growth.

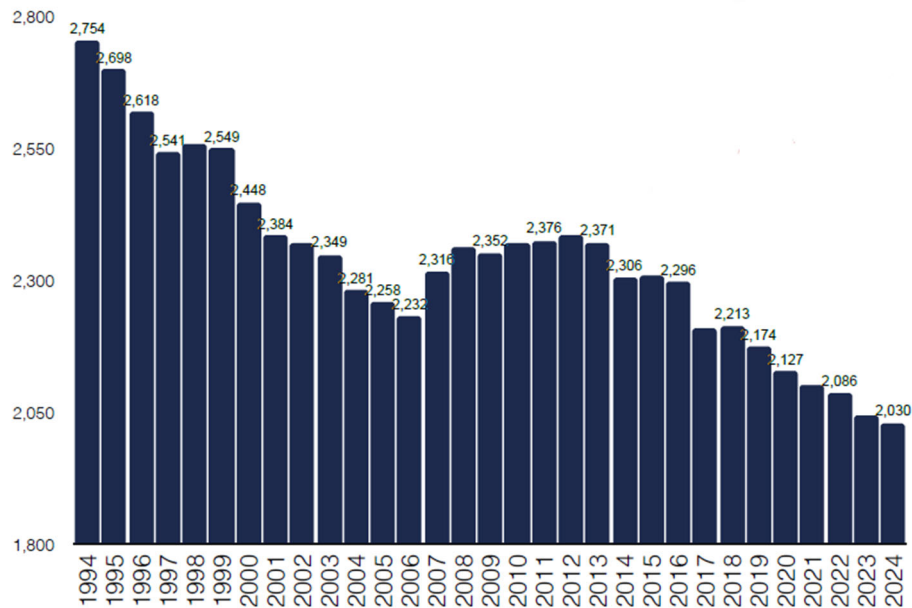
Population loss is Wrangell’s most serious long-term challenge. The community has declined by 15 percent since 2012 and is projected to lose another 34 percent of its residents by 2050. Aging is accelerating the shift: residents over 60 now comprise 37 percent of the population, compared to just 10 percent in 1990, while the number of children and working-age adults continues to shrink.



Healthcare has become Wrangell’s largest industry. In 2024, the sector generated \$15.2 million in wages—more than government or seafood—and supported 171 jobs. Since 2016, healthcare employment has expanded by 53 percent, anchored by SEARHC’s Wrangell Medical Center. Healthcare now provides both economic stability and essential community services.

³ Source: Wrangell Alaska Economic Conditions Report, 2025; City and Borough of Wrangell

Wrangell Alaska Population 1994-2024



Seafood remains central to Wrangell's economy, providing 18 percent of jobs and 20 percent of wages in 2024. But the sector has suffered deep declines, with ex-vessel values at historically low levels. The Port of Wrangell's seafood ex-vessel value in 2024 was 50 percent below 2019 levels, as weak salmon runs, global oversupply, and depressed prices reshape the industry in the short-term. Dungeness crab now accounts for nearly half of the community's fishery value.



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):				
City & Borough of Wrangell				
B. Type of government (home rule, first class, authority, etc.):				
Home Rule				
C. Contact Person for the government:				
Name:		Title:		
Jackson Pool		Finance Director		
Address:		City:	State:	Zip:
205 Brueger St		Wrangell	AK	99929
Phone:		Fax:	E-mail:	
(907) 874 - 2381			jpool@wrangell.com	
D. Applicant's Bond Counsel:				
Name:		Title:		
Marc Greenough, Foster Garvery		Principal		
Address:		City:	State:	Zip:
1111 Third Avenue Suite 3000		Seattle	WA	98101
Phone:		Fax:	E-mail:	
206.447.7888			marc.greenough@foster.com	
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:**

\$ 3,000,000

B. Total term of requested loan: 20 years**C. Preferred principal and interest payment months:** June/Dec ^{principa}l/interest 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
402	135	24%

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

E. Will you need interim financing? NO

1. If applicable, provide interim financing information:

Amount:	Maturity:	Rate:	Lender:

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? Spring 2026
- Have construction bids been awarded? ☐ Yes ☒ No
- Are there additional state or local approvals required? ☐ Yes ☒ No
- Describe timing/scheduling plan: Acquiring comprehensive A&E in Spring 2026. Go out to bid for project in early Summer 2026 and proceed with construction phase. Substantial completion projected in Early 2027.

6. What is the projected completion date? Winter 2027

G. Sources of uses of funds

Sources of Funds		Uses of Funds	
Bonds (this application)	\$ 3,000,000	Construction	\$ 3,094,083
Federal Funds*	\$	Engineering	\$ 408,419
State Funds*	\$	Contingency	\$ 309,408 Engineering / \$340,349 Estimating
Applicant's Funds	\$ 1,710,679	Cost of Issuance	\$ Unknown
Other (specify)	\$	Other	\$ 558,419
Total:	\$ 4,710,679	Total:	\$ 4,710,679

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

- Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:
The majority of the cost of construction would be paid for using AMBAA bond proceeds. Excess will be funded by Borough Reserves.

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.

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

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

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
2024	2030	US Census Bureau / Alaska Department of Labor
2023	2064	US Census Bureau / Alaska Department of Labor
2022	2064	US Census Bureau / Alaska Department of Labor
2021	2071	US Census Bureau / Alaska Department of Labor
2020	2127	US Census Bureau / Alaska Department of Labor

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

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

O. Provide your capital improvement 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 any way:

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

Jackson Pool

Name (print)

Finance Director

Title

Jackson Pool

Signature

06/02/2025

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

Alaska Municipal Bond Bank Application Credit Review Summary Page

Applicant:	City and Borough of Wrangell ("CBW" or "Wrangell")
Loan Amount:	\$4,000,000
Project Type:	Waterfront expansion
Project Description:	Funding part of CBW's Waterfront Master Plan, including the fill of approximately two acres of tideland in front of City Hall.
Term of Loan:	20 years
Revenues Pledged to Loan:	Port Enterprise Fund net revenues
Most recent FY Net Pledged Revenues:	\$940,812 (2024)
Estimated Maximum Annual Debt Service (2026 Port Loan):	\$362,235 ¹
Projected Pledged Debt Service Coverage Ratio: ²	2.60x
Rate Covenant:	1.25x
Estimated Maximum Annual Debt Service (Outstanding Bonds + 2026 GO Loan and 2026 Port Revenue Loan):	\$829,735
Total Revenue Subject to Intercept	\$10,356,138
Debt Service Coverage of AMBB DS (incl. new bonds) from Total Revenue Subject to Intercept:	12.48x
Loan Subject to State Debt Service Reimbursement:	No
No Litigation Letter Received:	Yes

¹ Assumes current taxable rates as of 10/15/2025; includes a financed debt service reserve fund; project fund deposit of \$4,000,000, \$30,000 local cost of issuance, \$5/bond underwriter's discount

² Coverage calculation assumes 2024 Pledged Revenue figure. Assumes taxable rates. CBW tax analysis is ongoing.

Loan Application Evaluation

City and Borough of Wrangell

Port Revenue Bonds

Introduction

The City and Borough of Wrangell (“CBW” or “Wrangell”) has submitted an application to the Alaska Municipal Bond Bank Authority (the “Bond Bank”) for a Port Revenue Bond loan totaling \$4,000,000. Wrangell will use the loan to increase the waterfront capacity to accommodate long-term economic development initiatives. Note, all financial information included in this credit analysis was sourced from CBW’s audited financial statements, unless otherwise noted.

The Project

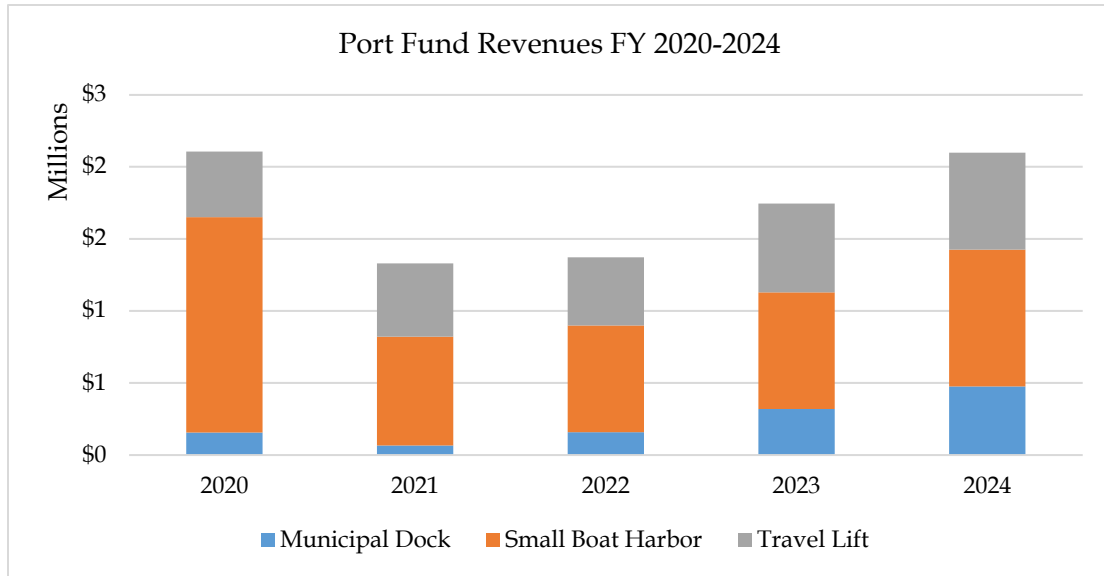
Wrangell is seeking financing to fund the costs to fill approximately two acres of tideland in front of City Hall. This project is expected to expand the Marine Service Center and create new waterfront capacity to accommodate long-term economic development initiatives, including commercial, industrial, and port related uses. This project is part of a larger Waterfront Master Plan (as shown in the image to the right).



Revenues generated from the site will be directed to the Port Enterprise Fund (the “Port”), as this expansion will fall under the Port’s operations. Most of the cost of construction is expected to be paid from bond proceeds, and the excess will be funded by Port reserves. The proposed loan is for a project fund amount of \$4,000,000 and will include a fully funded Debt Service Reserve Fund (DSRF).

Port Operations and Fund

Wrangell operates the Port as an enterprise of the City and Borough, with the Port accounting for the activities of the municipal dock and boat harbors. Revenues to the Port are separated by the small boat harbor, municipal dock, and travel lift. Overall, Port revenues have yet to fully rebound from this COVID-19 pandemic but are steadily increasing year-over-year. From FY 2020-2024, revenues have decreased by 0.4%. However, FY 2024 saw a 20.3% increase in revenues from the previous fiscal year.



As shown in the following table, net revenue coverage of debt service payments after all expenses is projected to be 2.60x in 2024.

	2020 ³	2021 ⁴	2022 ⁵	2023 ⁶	2024 ⁷
Port Fund Operating Revenues					
Municipal Dock	\$155,390	\$65,776	\$157,871	\$319,173	\$475,213
Small Boat Harbor	1,495,697	755,212	740,873	808,852	950,136
Travel Lift	455,085	508,159	473,168	616,618	672,758
Total Operating Revenues	\$2,106,172	\$1,329,147	\$1,371,912	\$1,744,643	\$2,098,107
Port Fund Expenses					
Operating Expenses	\$2,873,353	\$3,120,825	\$3,172,215	\$3,274,824	\$3,397,332
Depreciation	(1,916,170)	(2,183,288)	(2,201,412)	(2,203,092)	(2,240,037)
Total Net Expenses	\$957,183	\$937,537	\$970,803	\$1,071,732	\$1,157,295
Net Revenue Available for Debt Service	\$1,148,989	\$391,610	\$401,109	\$672,911	\$940,812
Existing Debt Service	-	-	-	-	-
2026 Loan Debt Service (est.) (assumes MADS)	\$362,235	\$362,235	\$362,235	\$362,235	\$362,235
Total Pledged Debt Service Coverage	3.17x	1.08x	1.11x	1.86x	2.60x

³ Source: City and Borough of Wrangell Financial Statements, FY 2020

⁴ Source: City and Borough of Wrangell Financial Statements, FY 2021

⁵ Source: City and Borough of Wrangell Financial Statements, FY 2022

⁶ Source: City and Borough of Wrangell Financial Statements, FY 2023

⁷ Source: City and Borough of Wrangell Financial Statements, FY 2024

In addition to strong 2024 debt service coverage, which has recovered from the lows of the pandemic, the Port fund has significant cash and investments that are available to support operations if necessary. Year-over-year, days cash on hand decreased by 11.9%, however since 2020, the metric has increased 73.2%, and now represents over 2.8 years of operating expenses (net of depreciation).

	2020 ⁸	2021 ⁹	2022 ¹⁰	2023 ¹¹	2024 ¹²
Cash and Investments	1,593,239	2,531,602	2,788,832	3,507,023	3,337,962
Port Fund Expenses					
Operating Expenses	2,873,353	3,120,825	3,172,215	3,274,824	3,397,332
Depreciation	(1,916,170)	(2,183,288)	(2,201,412)	(2,203,092)	(2,240,037)
Total Net Operating Expenses	957,183	937,537	970,803	1,071,732	1,157,295
 Days Cash on Hand	 608	 986	 1049	 1194	 1053

Security Pledge

Wrangell will pledge all future Port net revenues for repayment of the Bond Bank loan. The Port Enterprise Fund revenues are not currently pledged to any outstanding debt. The rate covenant established in CBW's Master Bond Resolution requires the City and Borough to establish, maintain, and collect rentals, tariffs, rates, fees and charges that will produce net revenues equal to at least 125% of aggregate annual debt service. Wrangell will also fund a local debt service reserve equal to the lesser of 10% of initial proceeds, 125% of average annual debt service, or maximum annual debt service on the proposed bonds. We estimate the reserve requirement to equal \$321,625, assuming taxable interest rates.

As the proposed transaction represents the first series of bonds secured by Port revenues, there is no required additional bonds test ("ABT"). Any future debt issuance secured by Port revenues will be required to meet an ABT equal to the rate covenant.

State Aid

In addition to the pledge of CBW's Port revenues, the Bond Bank has the ability to intercept state-shared revenues that would otherwise flow to CBW. 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 CBW's bonds, including the proposed loans.

⁸ Source: City and Borough of Wrangell Financial Statements, FY 2020

⁹ Source: City and Borough of Wrangell Financial Statements, FY 2021

¹⁰ Source: City and Borough of Wrangell Financial Statements, FY 2022

¹¹ Source: City and Borough of Wrangell Financial Statements, FY 2023

¹² Source: City and Borough of Wrangell Financial Statements, FY 2024

Shared Taxes and Fees	\$199,991
Reimbursement and Other Education Funding	-
Education Support Funding (FY2026)	\$3,266,911
Active Matching Grants (as of 10/21/2025)	\$6,150,213
Community Jails (FY2026)	\$339,411
PILT Transfers	-
Revenue Sharing	\$399,612
Total Revenue Subject to Intercept	\$10,356,138
FY 2026 Outstanding AMBBA Debt Service	\$243,000
Maximum Annual Debt Service on Port Revenue Proposed Loan (est.)	\$362,235
Maximum Annual Debt Service on GO Proposed Loan (est.)	\$224,500
Total Estimated Maximum Annual Debt Service	\$829,735
Debt Service Intercept Coverage	12.48x

Future Capital Plans

Along with this Port Revenue Bond, the City and Borough of Wrangell has submitted a General Obligation bond request for the size of \$3,000,000 to be included in the 2026 issuance. CBW may consider additional Port Revenue bond issuances as part of its Waterfront Master Plan. The Waterfront Master Plan includes up to \$10,000,000 in projects (including the proposed fill project).

Statement of No Litigation

Wrangell 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 CBW, 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 CBW 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 CBW and the Bond Bank, or the resolution providing for the issuance and sale of the Bonds by CBW, or contesting the power of CBW or its authority with respect to the Bonds; or... against CBW or involving any of the property or assets of or under the control of CBW 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 Wrangell.

Summary

Based on our assessment, the security offered by the City and Borough of Wrangell, as set forth in the loan application and supplemental materials, provides sufficient security to justify approval of the application. The security for this loan, which is primarily provided by a pledge of Wrangell's Port net revenues, is enhanced by the deposit of a debt service reserve fund with the Bond Bank trustee and is supported by robust cash on hand relative to operating expenses.

This security is augmented by the State’s ability to intercept state revenues that would otherwise flow to CBW.

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

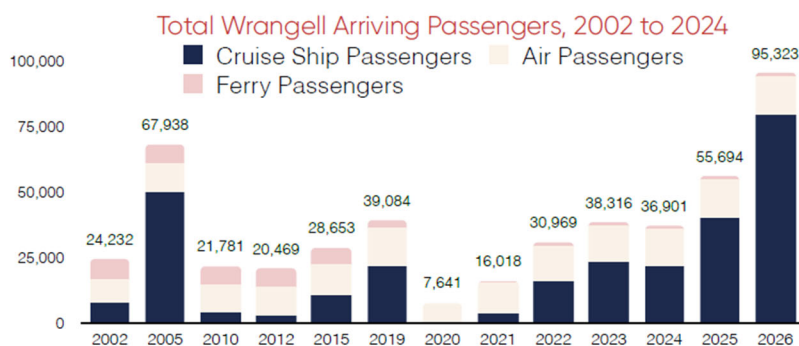


Matt Schoenfeld, Senior Managing Consultant

Appendix A - Wrangell Community Economic and Demographic Information¹³

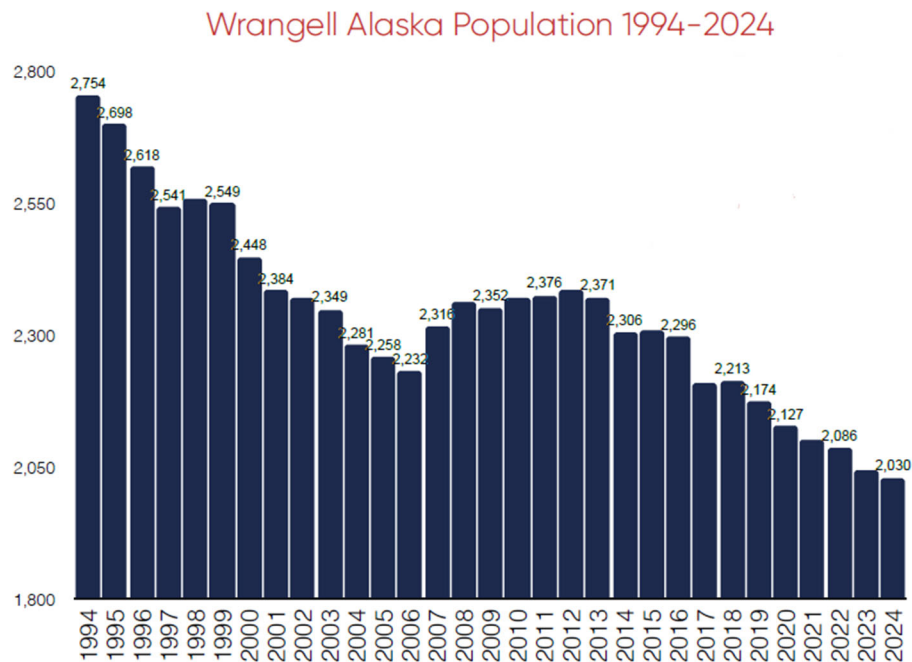
The City and Borough of Wrangell—situated on Wrangell Island near the mouth of the Stikine River—accounts for roughly 3 percent of the population and 2 percent of jobs and wages in Southeast Alaska. Health care, seafood, and government are the community’s largest economic drivers, collectively comprising two-thirds of all workforce earnings.

Tourism is entering its strongest period in twenty years. Wrangell is projected to host more than 45,000 cruise visitors in 2025 and nearly 80,000 in 2026. Tourism jobs grew by 13 percent and wages by 46 percent between 2019 and 2024, positioning the sector as a key driver of Wrangell’s future growth.



¹³ Source: Wrangell Alaska Economic Conditions Report, 2025; City and Borough of Wrangell

Population loss is Wrangell's most serious long-term challenge. The community has declined by 15 percent since 2012 and is projected to lose another 34 percent of its residents by 2050. Aging is accelerating the shift: residents over 60 now comprise 37 percent of the population, compared to just 10 percent in 1990, while the number of children and working-age adults continues to shrink.



Healthcare has become Wrangell's largest industry. In 2024, the sector generated \$15.2 million in wages—more than government or seafood—and supported 171 jobs. Since 2016, healthcare employment has expanded by 53 percent, anchored by SEARHC's Wrangell Medical Center. Healthcare now provides both economic stability and essential community services.

Seafood remains central to Wrangell's economy, providing 18 percent of jobs and 20 percent of wages in 2024. But the sector has suffered deep declines, with ex-vessel values at historically low levels. The Port of Wrangell's seafood ex-vessel value in 2024 was 50 percent below 2019 levels, as weak salmon runs, global oversupply, and depressed prices reshape the industry in the short-term. Dungeness crab now accounts for nearly half of the community's fishery value.



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):				
City & Borough of Wrangell				
B. Type of government (home rule, first class, authority, etc.):				
Home Rule				
C. Contact Person for the government:				
Name:		Title:		
Mason Villarma		Borough Manager		
Address:		City:	State:	Zip:
205 Brueger St		Wrangell	AK	99929
Phone:	Fax:	E-mail:		
(907) 874 - 2381		mfvillarma@wrangell.com		
D. Applicant's Bond Counsel:				
Name:		Title:		
Marc Greenough, Foster Garvey		Principal		
Address:		City:	State:	Zip:
1111 Third Avenue, Suite 3000		Seattle	WA	99929
Phone:	Fax:	E-mail:		
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:**

\$ 4,000,000

B. Total term of requested loan: 20 years**C. Preferred principal and interest payment months:** June/Dec /principal /interest 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:

Not applicable

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

E. Will you need interim financing? No X

1. If applicable, provide interim financing information:

Amount:	Maturity:	Rate:	Lender:

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? March 2026

3. Have construction bids been awarded? ☐ Yes ☒ No4. Are there additional state or local approvals required? ☐ Yes ☒ No

5. Describe timing/scheduling plan: February 2026: Bond Proceeds Received

March 2026: Design Complete; Bid Documents Prepared; Competitive Bid; Contract Award;

April 2026: Notice to Proceed Issued / June 2026: Substantial Completion

6. What is the projected completion date? June 30, 2026

G. Sources of uses of funds

Sources of Funds		Uses of Funds	
Bonds (this application)	\$4,000,000	Construction	\$ 3,502,997.00
Federal Funds*	\$	Engineering	\$ 199,327.00
State Funds*	\$	Contingency	\$ 302,011.00
Applicant's Funds	\$	Cost of Issuance	\$
Other (Reserves)	\$4,335	Other	\$
Total:	\$	Total:	\$ 4,004,335.00

*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:

No federal or state funds will be used for this 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.

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

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

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
2024	2030	US Census Bureau / Alaska Department of Labor
2023	2064	US Census Bureau / Alaska Department of Labor
2022	2064	US Census Bureau / Alaska Department of Labor
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M. Provide your audited financial statements from the last two years (provide your unaudited statement if audit hasn't been preformed). ☒ Attached

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

O. Provide your capital improvement 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 any way:

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

Mason F. Villarma
Name (print)

Borough Manager
Title

Mason F. Villarma
Signature

9/30/2025
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

CITY OF UNALASKA
43 Raven Way - P.O. Box 610
Unalaska, Alaska 99685
TEL (907) 581-1251 FAX (907) 581-4469



December 2, 2025

Alaska Municipal Bond Bank Authority ("AMBBA")
PO Box 110405
Juneau, Alaska 99801

RE: Memo Concerning Debt Coverage Requirement

AMBBA Board of Directors,

In 2008, the City of Unalaska originally entered into an agreement with the Alaska Municipal Bond Bank for its Electric Utility Revenue Bonds for the construction of a new powerhouse. The City adopted Ordinance 2008-19 authorizing the issuance of the debt. Included in the Ordinance was a requirement for the Electric Utility to maintain a Coverage Requirement of 125% of the Aggregate Annual Debt Service. Net Revenue is defined as "Gross Revenue less any part thereof that must be used to pay Operating Expenses." The Electric Utility Revenue Bonds were refunded in 2010 (Ordinance 2010-09), 2015 (Ordinance 2015-03), 2020 (Ordinance 2020-08), and 2025 (Ordinance 2025-02). Each Ordinance amended the prior agreements but did not remove the Coverage Requirement. Aggregate annual debt service was reduced as a result of the refunding activity on Electric Utility debt.

During Fiscal Year 2025 the Electric Utility did not meet the Coverage Requirement as follows:

Utility Service Charges	\$13,906,492
Less: Operating Expenses	<u>14,747,203</u>
Net Available Revenue	(\$840,711)

Coverage: (236%)

The City's inability to meet the Coverage Requirement is due in large part to the loss of a significant shipping customer that ceased their Unalaska operations. In total, FY 2025 Utility Service Charges dropped approximately \$4,600,000 from FY 2024. While some of the lost revenue has been replaced by other shipping companies that absorbed the customer base of the vacated company, it was insufficient to bridge the gap.

In early 2025, the City engaged NewGen Strategies and Solutions to evaluate the City's utility rates, including Electric. The results of the study recommended staggered increases for all City utility rates (Electric, Water, Wastewater and Solid Waste covering fiscal years 2026 through 2031). As a result, the City adopted a new rate structure for all utilities, effective July 1, 2025. While it is expected that increased rates will provide additional revenue, It is unclear at this point if these changes will generate sufficient revenue for the City to meet the Coverage Requirement in FY 2026 but the City's leadership is diligently working to expand revenue sources.

As a mitigating factor, as of June 30, 2025, the City had cash and investments in excess of \$200,000,000 and does not anticipate the lost Electric Utility revenue to impact their ability to meet their debt service requirements.

Finally, with this memo, the City of Unalaska is requesting a waiver of their Coverage Requirement for the fiscal year ended June 30, 2025.

Marjorie Veeder
Acting City Manager
City of Unalaska
PO Box 610
Unalaska, AK 99685
(907) 581-1251



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

Tel (907) 465-2388
FAX (907) 465-2902
E-mail: ambba@revenue.state.ak.us

TO: AMBBA Board Members **DATE:** December 5, 2025
Luke Welles, Ken Koelsch, Pam Leary, and Anna Latham

FROM: Ryan Williams, Executive Director **TELEPHONE:** 907-465-2893

The following are updates on items not covered in the December 12, 2025, Agenda:

The Bond Bank's 9/30/2025 quarterly ethics report was submitted to the Department of Law without any findings.

The Bond Bank / DOR received a hiring waiver, and the top candidate verbally accepted an offer for a Treasury analyst role. The position will assist with operations of the Bond Bank as well as other debt related responsibilities in DOR. The plan is to have the candidate attend all subsequent meetings.

The Bond Bank executed the final one-year extension for Trustee, The BNY Mellon Trust Company, N.A. (through October 31, 2026). After discussions with procurement these services will need a full RFP and could demand a long lead-time prior to contract expiration.

In late November, the Municipality of Anchorage provided notice to the Bond Bank of intent to redeem \$2.12 million in principal amount before the end of the year, associated with a portion of the 2014 Series Three Bonds, maturities 10/1/2026 through 10/1/2034. The funds were provided to the Bond Bank from Anchorage, and the Bond Bank provided the trustee instructions to post a call notice on November 26th. The Trustee posted notice for the associated Bond Bank Bonds to be redeemed on December 30, 2025 (with accrued interest to the redemption date). This represents the remaining principal amount of the related Anchorage bonds for their Performing Arts Center.

The Bond Bank released an underwriting pool informal request for qualifications on October 22, 2025. The solicitation closed on November 18, 2025. We received a robust response from ten underwriting banks and held an evaluation committee meeting on December 5th, which included Mr. Welles, Mr. Schoenfeld and Mr. Williams. The results will be discussed verbally at the meeting.

The Bond Bank received an application from Kenai Peninsula Borough for the remaining authority under the original 2022 school debt authorization of \$65.55 million (approximately \$34 million was previously issued, including premium, in the 2023 One Two issuance). I anticipate additional applications and a re-review of current authority for

other underlying borrowers. I am still working on timing with communities and anticipate a Series resolution for consideration by the board at a subsequent meeting in FY2026.

I am attending the Alaska Government Finance Officers Association conference and will sit on a Debt Management Panel the morning of 12/12.

Portfolio Market Values:

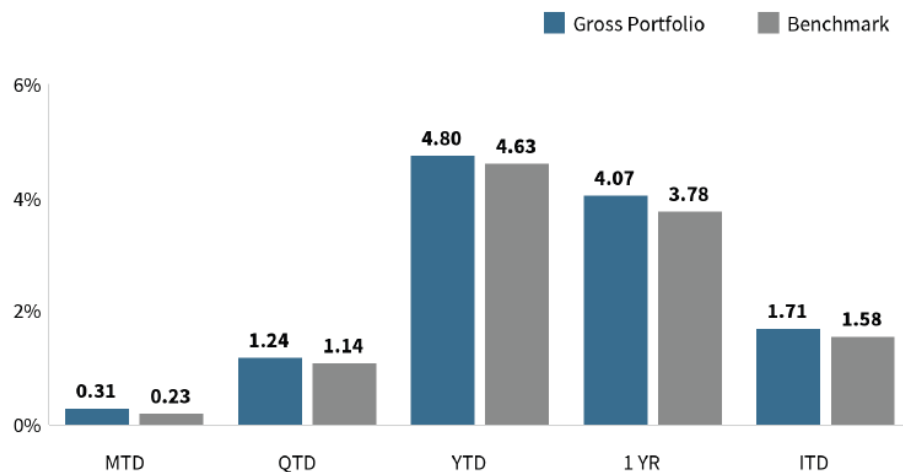
The following pages depict the Bond Bank's market values and performance, as of September 30, 2025, for the 2005 and 2016 Reserves, and Custodian Account.

AMBBA GO 2005 SERIES RESERVE | SEPTEMBER 2025

ENDING VALUE +
ACCRUED

\$41,508,383

Investment Performance



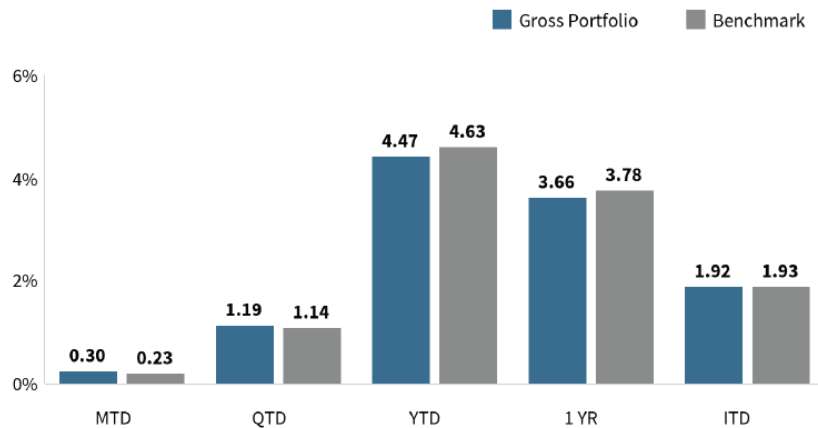
Performance is annualized for periods greater than one year. Inception to date performance begins June 01, 2011
Past performance is not indicative of future results.

AMBBA GO 2016 RESERVE | SEPTEMBER 2025

ENDING VALUE +
ACCRUED

\$7,117,955

Investment Performance



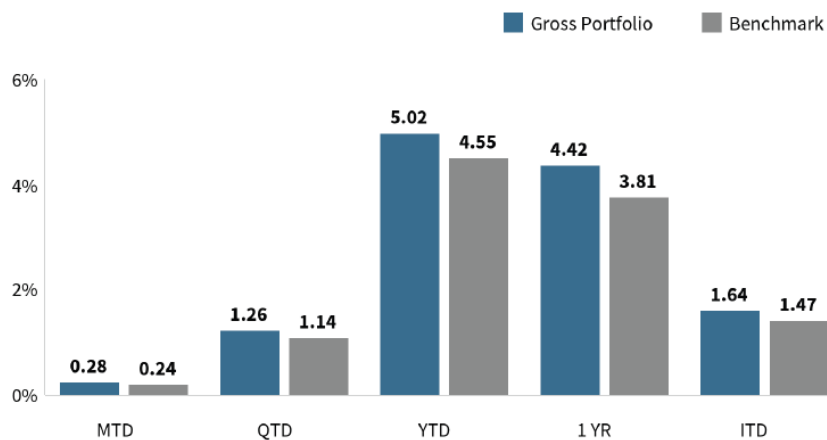
Performance is annualized for periods greater than one year. Inception to date performance begins April 01, 2017
Past performance is not indicative of future results.

AMBBA CUSTODY | SEPTEMBER 2025

ENDING VALUE +
ACCRUED

\$17,400,976

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.

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

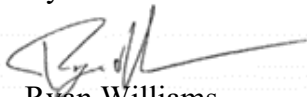
Additionally, the Bond Bank secured a surety from Build America Mutual Assurance to cover the relative increase to the 2005 Resolution reserve requirement as a result of the 2025 Series Three transaction. Total amount of coverage is approximately \$3.1 million. The issuance has a final maturity of 10/1/2039.

Coverage stated amount (2005 Resolution Reserve) as of September 30, 2025: ~\$21.1 million.

Please reach out to discuss any items contained in the report.

Best Regards,

Ryan



Ryan Williams

Executive Director

Alaska Municipal Bond Bank Authority

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