

STATE OF ALASKA

STATE BOND COMMITTEE

TO BE HELD AT:
TELEPHONIC MEETING
For Participation: 1-907-202-7104
Code: 180 628 802#
Anchorage, AK 99501
July 9, 2024
2:30 PM Alaska Time



STATE BOND COMMITTEE AGENDA FOR MEETING

Meeting Place:
TELEPHONIC MEETING:
Call-in: (907) 202-7104,
Conference ID: 180 628 802#

July 9, 2024, at 2:30 pm Alaska Time

- I. Call to Order
- II. Roll Call
- III. Public Meeting Notice
- IV. Approval of Agenda
- V. Minutes of the March 26, 2024, State Bond Committee Meeting
- VI. Public Participation and Comment
- VII. New Business
 - A. Resolution 2024-03 – Authorizing the General Obligation Refunding Bonds of the State of Alaska, Series 2024B and Series 2025A (Forward Delivery)
- VIII. Debt Manager's Report
- IX. Committee Member Comments
- X. Schedule Next Meeting
- XI. Adjournment

STATUS: **Active**

NOTICE OF PUBLIC MEETING: STATE OF ALASKA - STATE BOND COMMITTEE ("SBC") - July 9, 2024 TELEPHONIC

Notice is hereby given that the State of Alaska - SBC will hold a meeting on July 9, 2024, at 2:30 p.m. AK. This will be a telephonic meeting, with participation at (907) 202-7104, with code 180 628 802#.

The public is invited to attend and will be given the opportunity for public comment and participation. The SBC complies with Title II of the Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973. Individuals who may need special modifications to participate should call (907) 465-2893 prior to the meeting.

AGENDA FOR SBC MEETING:

- I. Call to Order
- II. Roll Call
- III. Public Meeting Notice
- IV. Approval of Agenda
- V. Minutes of the March 26, 2024, SBC Meeting
- VI. Public Participation and Comment
- VII. New Business:
 - A. Resolution 2024-03 – Authorizing the General Obligation Refunding Bonds of the State of Alaska, Series 2024B and Series 2025A (Forward Delivery);
- VIII. Debt Manager's Report
- IX. Committee Member Comments
- X. Schedule Next Meeting
- XI. Adjournment

Dated July 1, 2024
(907) 465-2893

[Attachments, History, Details](#)

Attachments

[SBC Agenda 7-9-2024.pdf](#)

Revision History

Created 7/1/2024 5:31:55 PM by
rswilliams
Modified 7/1/2024 5:35:43 PM by
rswilliams

[\[Details\]](#)

Details

Department:	Revenue
Category:	Public Notices
Sub-Category:	
Location(s):	Statewide
Project/Regulation #:	
Publish Date:	7/1/2024
Archive Date:	7/10/2024
Events/Deadlines:	

**MINUTES of the
STATE BOND COMMITTEE
March 26, 2024**

A meeting of the State Bond Committee (SBC) was held at 2:03 p.m. Alaska Time on March 26, 2024. The meeting was held telephonically at 1-907-202-7104, with code 994 557 68#.

SBC Members present were:

Fadil Limani, Deputy Commissioner, Delegate for the Department of Revenue ("DOR")
Micaela Fowler, Deputy Commissioner, Delegate for the Department of Commerce, Community and Economic Development ("DCCED")
Dave Donley, Deputy Commissioner, Delegate for the Department of Administration ("DOA")

Also present were:

Ryan Williams, Debt Manager, Department of Revenue
Bill Milks, Chief Assistant Attorney General, Alaska Dept. of Law
Gerard Deta, Senior Officer, Finance, Alaska Housing Finance Corporation
Derrick Chan, Senior Officer, Finance, Alaska Housing Finance Corporation
Doug Goe, Orrick, Herrington & Sutcliffe, LLP, Bond Counsel to the SBC
Les Krusen, Orrick, Herrington & Sutcliffe, LLP, Bond Counsel to the SBC
John Stanley, Orrick, Herrington & Sutcliffe, LLP, Bond Counsel to the SBC
Pete Nissen, Acacia Financial Group, Inc., Municipal Advisor to the SBC
Paul Bloom, Managing Director, Goldman Sachs & Co., Underwriter
David Kuenzi, Vice President, Goldman Sachs & Co., Underwriter
Alan Jaffe, Managing Director, Jefferies, LLC, Underwriter
Amanda Lee, Managing Director, Jefferies, LLC, Underwriter
Daniel Deaton, Nixon Peabody, Counsel to Underwriters
Janelle Walker, Nixon Peabody, Counsel to Underwriters

I. Call to Order

Committee members Dave Donley, Fadil Limani, and Micaela Fowler were present. Ms. Fowler called the meeting to order at 2:03 p.m. Alaska Time on March 26, 2024.

II. Roll Call

Mr. Williams took roll call. Mr. Donley, Mr. Limani, and Ms. Fowler were present. There was a quorum.

III. Public Meeting Notice

A copy of the Affidavit of Publication concerning the date, location, and purpose of the meeting was reviewed and made a part of the minutes of the meeting. Mr. Williams stated the meeting was properly noticed, advertised on the State's Online Public Notice site. The notice was officially published on March 19, 2024, for the March 26, 2024, meeting date.

IV. Approval of Agenda

The Agenda was reviewed by the committee. Mr. Williams stated the Agenda before the committee included an Executive Session under General Business Item A, which had been provided to the committee and indicated on the Alaska Public Meeting Notice site. Mr. Limani moved adoption of the agenda, and Mr. Donley seconded the motion. Ms. Fowler asked Mr. Williams to take a roll call vote. Mr. Williams conducted a roll call vote and there were three 'yes' votes and the Agenda was unanimously approved and adopted by SBC members with no objections.

V. Minutes of the October 18, 2023, SBC Meeting

The Minutes of the October 18, 2023, SBC Meeting were reviewed by the committee. The Minutes needed no modifications. Mr. Limani moved adoption of those minutes as written and asked for unanimous consent, and approval was seconded by Mr. Donley. Mr. Williams conducted a roll call vote and there were three 'yes' votes and the October 18, 2023, SBC meeting minutes were unanimously approved and adopted by the committee as written with no modifications and no objections.

VI. Public Comment

Ms. Fowler asked for public participation and comment. There was none. The Public Comment period was closed.

VII. New Business

Executive Session to discuss with legal counsel the State's General Obligation Bonds, Series 2010A Build America Bonds in accordance with AS 44.62.310(c)(1),(3)

Ms. Fowler stated: In accordance with the Open Meetings Act, I move that the State Bond Committee ("SBC") convene in executive session for the purpose of discussing the with legal counsel the State's General Obligation Bonds, Series 2010A Build America Bonds, 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 State. Mr. Limani seconded approval of convening in executive session for the purposes Ms. Fowler had stated. Mr. Williams conducted a roll call vote, and there were three 'yes' votes, giving unanimous approval by committee members to convene in executive session.

The SBC convened in executive session with only committee members, committee staff (Debt Manager Williams), and legal counsel (Department of Law and Orrick).

Upon coming out of executive session, Ms. Fowler stated that during the executive session, the SBC only discussed the items identified in the motion to move into executive session. The SBC did not take any action while in executive session other than to provide direction to legal counsel.

Resolution 2024-01 – Authorizing the General Obligation Refunding Bonds of the State of Alaska, Series 2024A

Mr. Williams introduced Resolution 2024-01 relating to the issuance and sale of State of Alaska general obligation refunding bonds. Mr. Williams noted that Resolution 2024-01 authorizes an aggregate principal amount of not to exceed \$125,000,000 and expires 120-days after adoption. The refunding bonds would be issued to refund the State's general obligation bonds, 2010A Build America Bonds, of which there is current par outstanding of \$119,570,000. Mr. Williams asked Mr. Krusen, Orrick, to cover other important parameters in the resolution not already highlighted. Mr. Krusen clarified that Resolution 2024-01 sets forth the Designated Representative to effectuate the issuance as defined within Resolution 2024-01. Mr. Limani approved Resolution 2024-01, and there was a second by Mr. Donley for purposes of discussion. Mr. Williams then noted that the committee packet contains a form of preliminary official statement, distribution list and financing schedule. Mr. Williams asked Mr. Nissen, Acacia, to cover potential savings on the transaction and explain the issuance of tax-exempt bonds to refund bonds that currently have a subsidy payment from the U.S. Treasury. Mr. Nissen noted that the transaction and refunding contemplates savings to the State on future debt service and the resolution contains a savings threshold of 2.00% of the Refunded Bonds, including costs of issuance. Mr. Nissen noted the 2010A bonds are "Build America Bonds" and the state had expected to receive 35% reimbursements for debt service through federal subsidy every six months. Additionally, in light of sequestration by the federal government, and the subsidy being reduced to below 35%, amounts due to the state have definitely been reduced and the state can effectuate an extraordinary optional redemption according to the language provided for in connection with the prior Series 2010A Build America Bonds. The new refunded bonds would not be subject to reimbursement or to any potential further decreases or elimination of the federal subsidy payments. Mr. Nissen noted that savings are projected to be taken on a level basis and the term of the refunding bonds would not be extended. Mr. Donley questioned the 2% savings threshold, including costs of issuance, contained within Resolution 2024-01, and asked for clarification from Mr. Nissen on why that number is 2%. Mr. Nissen noted that the preliminary number run was above that threshold on a present value basis. Mr. Williams compared the 2% savings threshold to the 2023A transaction, where the bonds were currently callable, and the transaction would cover the costs to issue and still result in savings should the State choose to proceed and use the call. Mr. Donley asked why the 2% is guaranteed. Mr. Williams stated that there is no guarantee on savings and the transaction would not be conducted if approved and then savings were below the floor threshold that is identified in the resolution. Mr. Limani noted that the preliminary

assessment for savings is above that threshold set in resolution. Mr. Nissen reviewed methodologies for calculating anticipated savings when comparing current to projected new refunding bond debt service. Mr. Donley asked for further explanations on savings thresholds. Mr. Williams noted that the contemplated transaction is proposed as a negotiated sale to retain ultimate flexibility on pricing date, working with the underwriters Goldman Sachs and Jefferies, as defined in Resolution 2024-01. Unlike a competitive sale, which has a date fixed for bids, a negotiated sale would allow more flexibility on pricing date and leave time to review where the anticipated savings lie and to make sure all parameters are met within Resolution 2024-01. Ms. Fowler asked for any additional comments from the committee. There were no additional comments. Mr. Williams took a roll call vote, and the State Bond Committee then approved Resolution 2024-01 with three yes votes.

Resolution 2024-02 – Authorizing the Alaska Housing Finance Corporation Collateralized Bonds, 2024 (Veterans Mortgage Program)

Ms. Fowler entertained a motion for approval of Resolution 2024-02, which authorizes the Alaska Housing Finance Corporation (“AHFC”) Collateralized Bonds, 2024 (Veterans Mortgage Program). Mr. Limani approved Resolution 2024-02, and this was seconded by Mr. Donley for purposes of discussion. Mr. Williams stated that Resolution 2024-02 would authorize the issuance and sale by AHFC of not to exceed \$75,000,000 in aggregate principal amount of AHFC collateralized Bonds, Series 2024 Veteran’s Mortgage Program, to be guaranteed by the State of Alaska, approving the sale of such Bonds, and authorizing the State Debt Manager and others identified as designated representatives within the resolution to approve information relating to the State of Alaska to be included in a Preliminary Official Statement and in an Official Statement. Mr. Williams also stated that Resolution 2024-02 would authorize the State Debt Manager and other appropriate officials of the State of Alaska to execute the necessary documents in connection therewith. Mr. Williams mentioned that these Veterans mortgage bonds, issued by AHFC, will be guaranteed as to principal and interest by the State, and the full faith, credit and resources of the State will be pledged to the payment thereof. The 2010 Act (Ch.46, SLA 2010) authorized the unconditional guaranty by the State of Alaska of the principal and the interest on not more than \$600,000,000 of revenue bonds of AHFC to provide money for the purchase by the Corporation of mortgages made for qualifying veterans, approved by a majority of qualified voters, who voted at a general election held on November 2, 2010. Mr. Williams noted that as of the Alaska Public Debt Book release in January 2024, approximately \$586.4 million of these state guaranteed bonds remained unissued at the date of June 30, 2023. Mr. Williams stated that AHFC issued State Guaranteed veterans mortgage bonds at the beginning of fiscal year 2024 in the approximate amount of \$49.9 million and authority would be further reduced by this currently contemplated financing. Mr. Williams mentioned that the authority provided in Resolution 2024-02 expires after 150 calendar days. Mr. Williams stated that you would typically see a 120-day window, but this added 30 days of flexibility, for 150 total days, due to review of AHFC’s proposed financing schedule that contemplates a July 2024 pricing date. Mr. Donley asked for the position of AHFC on the Resolution 2024-02. Mr. Deta, AHFC, noted that they are very much in favor of the Resolution 2024-02 before the committee, and veterans’ mortgages have played a major part of the AHFC and their presence in the state. The AHFC expects

to fully fund or almost fully fund qualified veterans' loans from their warehouse at the completion of the proposed transaction. Ms. Fowler asked for any additional comments from the committee. There were no additional comments. Mr. Williams took a roll call vote, and the State Bond Committee then approved Resolution 2024-02 with three yes votes.

VIII. Debt Manager's Report

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

Mr. Williams noted that the State of Alaska will be updating rating agencies within a month, covering the updated Spring revenue forecast and other current events.

Mr. Williams stated that since the last time the committee met, he has posted the Alaska Public Debt Book and the State's fiscal year 2023 ACFR to the associated State Bond CUSIPs to meet all current disclosure requirements.

Mr. Williams noted that the Alaska International Airports System has been updated to Aa3 by Moody's Investor's Service and this was a very positive item. He mentioned that one of the main considerations in the report was the low leverage and noted that the 2021 issuance had helped a lot with deleveraging.

IX. Committee Member Comments

Mr. Limani and Mr. Donley recognized committee staff for all the background work on the packet and meeting setup.

X. Schedule Next Meeting

Ms. Fowler stated that the next meeting shall occur at the call of the Chair with input from the State Debt Manager. Mr. Williams stated that he would notify the chair of need.

XI. Adjournment

Adjournment of the meeting was moved by Ms. Fowler and seconded by Mr. Limani. The meeting was adjourned at 3:20 p.m. Alaska Time.

Micaela Fowler, Deputy Commissioner, Department of Commerce,
Community, and Economic Development

ATTEST:

Fadil Limani, Deputy Commissioner, Department of Revenue

STATE BOND COMMITTEE
OF THE STATE OF ALASKA

GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2024B AND 2025A (FORWARD DELIVERY)

RESOLUTION NO. 2024-03

A Resolution of the State Bond Committee of the State of Alaska, providing for the issuance and sale of general obligation refunding bonds of the State in one or more series, including a forward delivery series, in the aggregate principal amount of not to exceed \$225,000,000; approving the sale of such bonds to effect a refunding and/or a tender; and authorizing the Designated Representative to approve the number of series, interest rates, maturity dates, redemption provisions and principal amounts for the bonds under the terms and conditions set forth herein.

ADOPTED ON JULY 9, 2024

Prepared by:
Orrick, Herrington & Sutcliffe LLP

TABLE OF CONTENTS*

Section 1.	Definitions.....	3
Section 2.	Authorization of Bonds.....	8
Section 3.	Registration	9
Section 4.	Redemption and Purchase of Bonds	13
Section 5.	Form of Bonds	15
Section 6.	Execution of Bonds.....	17
Section 7.	Pledge.....	18
Section 8.	Defeasance	18
Section 9.	Tax Covenants	19
Section 10.	Sale of Bonds	19
Section 11.	Application of Bond Proceeds; Designation of the Refunded Bonds.....	22
Section 12.	Undertaking to Provide Ongoing Disclosure.....	25
Section 13.	Severability	25
Section 14.	Effective Date	25

* This Table of Contents and the cover page are not a part of the following resolution and are included only for the convenience of the reader.

RESOLUTION NO. 2024-03

A Resolution of the State Bond Committee of the State of Alaska, providing for the issuance and sale of general obligation refunding bonds of the State in one or more series, including a forward delivery series, in the aggregate principal amount of not to exceed \$225,000,000; approving the sale of such bonds to effect a refunding and/or a tender; and authorizing the Designated Representative to approve the number of series, interest rates, maturity dates, redemption provisions and principal amounts for the bonds under the terms and conditions set forth herein.

WHEREAS, the State of Alaska (the “State”) now has outstanding its General Obligation Refunding Bonds, Series 2015B, issued pursuant to Resolution No. 2015-02 (the “2015B Resolution”), adopted on February 25, 2015, in the original principal amount of \$94,425,000 (the “2015B Bonds”), maturing in remaining principal amounts and bearing interest as follows:

Maturity Years (August 1)	Principal Amounts	Interest Rates
2024	\$ 9,100,000	5.00 %
2025	9,555,000	5.00 %
2026	10,030,000	5.00 %
2027	10,530,000	5.00 %
2028	11,060,000	5.00 %
2029	11,605,000	5.00 %

; and

WHEREAS, the 2015B Bonds maturing on or after August 1, 2026 are callable for redemption on any date on or after August 1, 2025, at a price of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption; and

WHEREAS, the State now has outstanding its General Obligation Bonds, Series 2016A, issued pursuant to Resolution No. 2016-02 (the “2016A Resolution”), adopted on January 5, 2016, in the original principal amount of \$134,790,000 (the “2016A Bonds”), maturing in remaining principal amounts and bearing interest as follows:

Maturity Years (August 1)	Principal Amounts	Interest Rates
2024	\$ 5,915,000	5.00 %
2025	6,095,000	5.00 %
2026	6,345,000	5.00 %
2027	6,670,000	5.00 %
2028	7,010,000	5.00 %
2029	7,370,000	5.00 %
2030	7,750,000	5.00 %

2031	8,145,000	5.00 %
2032	8,565,000	5.00 %
2033	9,000,000	5.00 %
2034	9,465,000	5.00 %
<u>2035</u>	<u>9,950,000</u>	<u>5.00 %</u>

WHEREAS, the 2016A Bonds maturing on or after August 1, 2026 are callable for redemption on any date on or after August 1, 2025, at a price of 100% of the principal amount thereof, plus interest to the date fixed for redemption; and

WHEREAS, the State now has outstanding its General Obligation Bonds, Series 2016B, issued pursuant to Resolution No. 2016-07 (the “2016B Resolution”), adopted on June 6, 2016, in the original principal amount of \$128,300,000 (the “2016B Bonds” and, together with the 2015B Bonds and the 2016A Bonds, the “Prior Bonds”), maturing in remaining principal amounts and bearing interest as follows:

<u>Maturity Years (August 1)</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
2024	\$ 5,835,000	5.00 %
2025	6,075,000	5.00 %
2026	6,355,000	5.00 %
2027	6,680,000	5.00 %
2028	7,020,000	5.00 %
2029	7,380,000	5.00 %
2030	7,760,000	5.00 %
2031	8,160,000	5.00 %
2032	8,575,000	5.00 %
2033	9,015,000	5.00 %
2034	9,480,000	5.00 %
<u>2035</u>	<u>9,965,000</u>	<u>5.00 %</u>

WHEREAS, the 2016B Bonds maturing on or after August 1, 2026 are callable for redemption on any date on or after August 1, 2025, at a price of par plus accrued interest to the date of redemption; and

WHEREAS, it appears that debt service savings may be obtained by redeeming all or a portion of the Prior Bonds (the “Refunding Candidates”) or purchasing through a tender offer (the “Tender Transaction”) all or a portion of the Prior Bonds (the “Target Bonds”) through the issuance of the Bonds; and

WHEREAS, pursuant to AS 37.15.210, general obligation bonds of the State may be refunded by the issuance of general obligation refunding bonds of the State if, in the opinion of

the State Bond Committee (the “Committee”), the refunding is advantageous to and in the best interest of the State and its inhabitants, and such refunding bonds may be sold in the manner and at the prices that the Committee determines to be for the best interest of the State and its inhabitants; and

WHEREAS, in each of the hereinafter defined Authorizing Resolutions, the State reserved the right to purchase any of the Prior Bonds offered to the State at any time at a price deemed reasonable by the Designated Representative; and

WHEREAS, the Committee has determined to delegate authority to the State Debt Manager, the Secretary of the Committee or their respective designees (the “Designated Representative”), for a limited time, to approve and accept an offer pursuant to a Tender Transaction, and to approve the number of series, interest rates, maturity dates, interest payment dates, redemption provisions and principal amounts under the terms and conditions approved by this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOND COMMITTEE OF THE STATE OF ALASKA:

Section 1. Definitions. As used in this resolution, the following words shall have the following meanings:

“**2015B Bonds**” means the General Obligation Refunding Bonds, Series 2015B, of the State issued on April 9, 2015, as more particularly described in the recitals of this resolution.

“**2015B Refunding Candidates**” means the 2015B Bonds that are designated as such for optional redemption by the Designated Representative pursuant to Sections 10 and 11 of this resolution.

“**2015B Resolution**” means the resolution of the State authorizing the issuance of the 2015B Bonds, as more particularly described in the recitals of this resolution.

“**2015B Target Bonds**” means the 2015B Bonds that are designated as such for purchase through a Tender Transaction by the Designated Representative pursuant to Sections 10 and 11 of this resolution.

“**2016A Bonds**” means the General Obligation Bonds, Series 2016A, of the State issued on March 17, 2016, as more particularly described in the recitals of this resolution.

“2016A Refunding Candidates” means the 2016A Bonds that are designated as such for optional redemption by the Designated Representative pursuant to Sections 10 and 11 of this resolution.

“2016A Resolution” means the resolution of the State authorizing the issuance of the 2016A Bonds, as more particularly described in the recitals of this resolution.

“2016A Target Bonds” means the 2016A Bonds that are designated as such for purchase through a Tender Transaction by the Designated Representative pursuant to Sections 10 and 11 of this resolution.

“2016B Bonds” means the General Obligation Bonds, Series 2016B, of the State issued on June 30, 2016, as more particularly described in the recitals of this resolution.

“2016B Refunding Candidates” means the 2016B Bonds that are designated as such for optional redemption by the Designated Representative pursuant to Sections 10 and 11 of this resolution.

“2016B Resolution” means the resolution of the State authorizing the issuance of the 2016B Bonds, as more particularly described in the recitals of this resolution.

“2016B Target Bonds” means the 2016B Bonds that are designated as such for purchase through a Tender Transaction by the Designated Representative pursuant to Sections 10 and 11 of this resolution.

“Authorizing Resolutions” means, collectively, the 2015B Resolution, the 2016A Resolution and the 2016B Resolution.

“Beneficial Owner” means the beneficial owner of all or a portion of a Bond while such Bond is in fully immobilized form.

“Bond Register” means the registration books maintained by the Bond Registrar setting forth the names and addresses of owners of the Bonds.

“Bond Registrar” means U.S. Bank Trust Company, National Association, as authenticating agent, paying agent and registrar with the duties and powers herein provided, including its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Section 3.

“Bonds” means the State of Alaska General Obligation Refunding Bonds, Series 2024B and the State of Alaska General Obligation Refunding Bonds, Series 2025A (Forward Delivery),

to be issued in one or more series (including as a Forward Delivery Series) pursuant to this resolution in the aggregate principal amount of not to exceed \$225,000,000.

“Bond Year” means each one-year period that ends on the date selected by the State. The first and last Bond Years may be short periods. If no date is selected by the Designated Representative before the earlier of the final maturity date of the Bonds or the date that is five years after the date of issuance of the Bonds, Bond Years end on each anniversary of the date of issue and on the final maturity date of the Bonds.

“Code” means the federal Internal Revenue Code of 1986 and the applicable regulations thereunder.

“Commission” means the United States Securities and Exchange Commission.

“Debt Manager” means the State Debt Manager.

“Debt Service Fund” means the Alaska debt retirement fund of the State.

“Dealer Managers” mean one or more dealers selected from time to time by the Designated Representative to serve as dealer for the Target Bonds pursuant to a Dealer Manager Agreement.

“Dealer Manager Agreement” means an agreement with the Dealer Managers related to Target Bonds in connection with an Offer to tender the Target Bonds between the State and any Dealer, or any similar agreement, as it may be amended or supplemented from time to time in accordance with its terms.

“Designated Representative” means the Debt Manager, the Secretary of the Committee or their respective designees.

“DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Bonds pursuant to Section 3 hereof.

“Escrow Agreement” means one or more Escrow Deposit Agreements, if any, in respect of one or more series of Refunded Bonds, to be dated as of the date of closing and delivery of the Bonds.

“Escrow Agent” means U.S. Bank Trust Company, National Association, if any.

“Forward Delivery Series” means one or more series of Bonds issued on a forward delivery basis to refund or purchase any of the Refunded Bonds, as determined by the Designated Representative pursuant to Sections 10 and 11 of this resolution.

“Forward Delivery Supplement” has the meaning assigned thereto in Section 10 hereof.

“Governmental Person” means a state or local governmental unit or any instrumentality thereof. It does not include the United States or any agency or instrumentality thereof.

“Letter of Representations” means a blanket issuer letter of representations from the State to DTC.

“MSRB” means the Municipal Securities Rulemaking Board or any successor to its functions.

“Net Proceeds,” when used with reference to the Bonds, means the principal amount of the Bonds, plus accrued interest and original issue premium, if any, and less original issue discount, if any.

“Nongovernmental Person” means any Person other than a Governmental Person.

“Offer” means any offer to tender any Target Bonds.

“Prior Bonds” means, collectively, the 2015B Bonds, the 2016A Bonds and the 2016B Bonds.

“Person” means an individual, a trust, estate, partnership, association, company, corporation or governmental unit.

“Private Business Use” means the use of property in a trade or business by a Nongovernmental Person if such use is other than as a member of the general public. Private Business Use will arise from ownership of the property by a Nongovernmental Person. Private Business Use may also arise from other arrangements that transfer to the Nongovernmental Person the actual or beneficial use of the property (such as certain leases and management contracts). Use of property as a member of the general public includes attendance by the Nongovernmental Person at municipal meetings. Use of property by nonprofit community groups or community recreational groups is not treated as Private Business Use if the property is made available for such use by all such community groups on an equal basis and the term of such use does not exceed 50 days.

“Purchase Contract” means one or more bond purchase agreements or forward bond purchase agreements between the State and the Underwriters provided for in Section 10 of this resolution.

“Refunded Bonds” means all or a portion of the Prior Bonds designated by the Designated Representative pursuant to Sections 10 and 11 of this resolution to be refunded or acquired with proceeds of the Bonds.

“Refunding Candidates” means, collectively, the 2015B Refunding Candidates, the 2016A Refunding Candidates and the 2016B Refunding Candidates.

“Registered Owner” means the person named as the registered owner of a Bond in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

“Registrar of the Prior Bonds” means U.S. Bank Trust Company, National Association, as paying agent and registrar of the 2015B Bonds, the 2016A Bonds and the 2016B Bonds.

“Rule” means the Commission’s Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” means the State of Alaska.

“State Bond Committee” means the duly constituted State Bond Committee established pursuant to AS 37.15.110.

“Target Bonds” means, collectively, the 2015B Target Bonds, the 2016A Target Bonds and the 2016B Target Bonds.

“Tender Transaction” means the purchase of any or all of the Target Bonds pursuant to this resolution.

“Term Bonds” means the portion of the Bonds, if any, designated as “Term Bonds” in the Purchase Contract for the Bonds.

“Underwriters” means Jefferies LLC and Goldman Sachs & Co. LLC.

Interpretation of Terms. In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and Sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect; and

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization of Bonds. The State hereby authorizes the issuance and sale of not to exceed \$225,000,000 aggregate principal amount of general obligation refunding bonds (the “Bonds”) authorized as provided herein to refund and/or purchase all or a portion of one or more series of Refunded Bonds. The Committee hereby finds that the sale of the Bonds in the manner and on the terms set forth in this resolution is for the best interests of the State and its inhabitants. The Designated Representative shall determine the number of series and the series names and designations, including whether any series shall be a Forward Delivery Series, and the aggregate principal of the Bonds of each series, provided that the aggregate principal amount of all Bonds issued pursuant to this Resolution does not exceed \$225,000,000. The Bonds of each series shall be dated as of their date of delivery; shall be fully registered as to both principal and interest; shall be in the denomination of \$5,000 each or any integral multiple thereof, provided that no Bond of a series shall represent more than one maturity and interest rate; shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification and control; and shall bear interest payable semiannually on the first day of each February and August, commencing February 1, 2025 for the 2024B Bonds and commencing August 1, 2025 for the 2025A Bonds (or in each case, on such other date or other semiannual payment dates as may be approved by the Designated Representative) at rates set forth in the related Purchase Contract; and shall mature on the dates and in the principal amounts set forth in the related Purchase Contract and as approved by the Designated Representative in accordance with Section 10. The Bonds of any of the maturities may be combined and issued as Term Bonds, subject to mandatory redemption as provided in the related Purchase Contract for the Bonds. The Designated Representative is hereby authorized to change the designations of the Bonds or any series thereof, and/or to establish additional series of Bonds, including whether any series shall be a Forward Delivery Series, and/or to consolidate the Bonds into fewer series, and to determine the designations thereof.

Section 3. Registration.

(a) *Bond Registrar; Bond Register.* The State Bond Committee hereby selects U.S. Bank Trust Company, National Association, as the Bond Registrar, for the safeguarding and disbursement of the money for the payment of debt service on the Bonds and for the duties herein set forth with respect to the authentication, delivery and registration of the Bonds. The Bonds shall be issued only in registered form as to both principal and interest. The Bond Registrar may resign at any time upon 30 days' prior written notice to the State Bond Committee and may be removed at any time at the option of the State Bond Committee upon prior notice to the Bond Registrar and appointment of a successor Bond Registrar. No resignation or removal of the Bond Registrar shall be effective until a successor shall have been appointed and until the successor Bond Registrar shall have accepted the duties of the Bond Registrar hereunder. If a successor Bond Registrar has not been appointed within 30 days after the giving of such notice of resignation or removal, the retiring Bond Registrar may petition a court of competent jurisdiction for the appointment of a successor.

The Bond Registrar shall keep, or cause to be kept, at its corporate trust office, sufficient books for the registration and transfer of the Bonds which shall at all times be open to inspection by the State (the "Bond Register"). The Bond Registrar is authorized, on behalf of the State, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this resolution and to carry out all of the Bond Registrar's powers and duties under this resolution. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bonds.

(b) *Registered Ownership.* The State and the Bond Registrar shall deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes (except as provided in Section 12 of this resolution), and neither the State nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 3(h) hereof, but such Bond may be transferred as hereinafter provided. All such payments made as described in Section 3(h) shall be valid and shall satisfy and discharge the liability of the State upon such Bond to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letter of Representations.* To induce DTC to accept the Bonds as eligible for deposit at DTC, the State has executed and delivered to DTC a Letter of Representations.

Neither the State nor the Bond Registrar shall have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant; the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Bonds; any notice that is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the State to the Bond Registrar or to DTC or to any successor depository); or any consent given or other action taken by DTC (or by any successor depository) as the Registered Owner. Except as provided in Section 12 in connection with the Rule, for so long as any Bonds are held in fully immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC (or any successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Bonds.

(d) *Use of Depository.*

(1) The Bonds of a series shall be registered initially in the name of “CEDE & Co.”, as nominee of DTC, with one Bond of a series of each interest rate, maturing on each of the maturity dates for the Bonds, and in a denomination corresponding to the total principal amount bearing interest at the same rate and designated to mature on such date. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) 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; (B) to any substitute depository appointed by the State Bond Committee or the Designated Representative pursuant to subsection (2) below or to such substitute depository’s successor; or (C) to any person as provided in subsection (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 State Bond Committee or the Designated Representative to discontinue the system of book-entry transfers through DTC or its successor (or any substitute depository or its successor), the State Bond Committee or the Designated Representative may hereafter appoint a substitute depository. Any such 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 (A) or (B) of subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding Bonds, together with a written request on behalf of the State Bond Committee or the Designated Representative, issue a single new Bond for each maturity and interest rate then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the State Bond Committee or the Designated Representative.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the State Bond Committee or the Designated Representative determines that it is in the best interest of the beneficial owners of the Bonds that such owners be able to obtain such bonds in the form of Bond certificates, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully-immobilized form. The State Bond Committee or the Designated Representative shall deliver a written request to the Bond Registrar, together with a supply of definitive Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds, together with a written request on behalf of the State Bond Committee or the Designated Representative to the Bond Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations.* The transfer of any Bond may be registered and Bonds may be exchanged, but no transfer or exchange of any such Bond shall be valid unless such Bond is surrendered to the Bond Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent or attorney in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond of such series (or Bonds at the option of the new Registered Owner) of the same series, date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same series, date, maturity and

interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to register the transfer or to exchange any Bond during the 15 days preceding the date any such Bond is to be redeemed.

(f) *Bond Registrar's Ownership of Bonds.* The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of Bonds.

(g) *Registration Covenant.* The State covenants that, until all Bonds have been surrendered and cancelled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149(a) of the Code.

(h) *Place and Medium of Payment.* Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a 360-day year and twelve 30-day months. For so long as the Bonds are in fully immobilized form, payments of principal and interest shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations to the Registered Owners appearing on the Bond Registrar on the 15th day of the month preceding such interest payment date.

In the event that the Bonds are no longer in fully immobilized form, interest on the Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the designated office of the Bond Registrar; provided, however, that if so requested in writing by the Registered Owner of at least \$1,000,000 principal amount of Bonds, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

If any Bond shall be duly presented for payment and funds have not been duly provided by the State on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until such Bond is paid.

Section 4. Redemption and Purchase of Bonds.

(a) *Optional Redemption.* The Bonds may be subject to optional redemption as set forth in the related Purchase Contract and the manner of selection of Bonds for redemption shall be as set forth in the related Purchase Contract.

(b) *Mandatory Redemption.* The Bonds shall be subject to mandatory redemption, if any, set forth in the related Purchase Contract and as approved by the Designated Representative pursuant to Section 10 of this resolution.

(c) *Purchase of Bonds.* The State reserves the right to purchase any of the Bonds offered to the State at any time at a price deemed reasonable by the Designated Representative and in the case of Term Bonds purchased for cancellation, to credit the principal amount of Term Bonds so purchased against an equal amount of mandatory sinking fund installments in the year or years selected by the Designated Representative.

(d) *Notice of Redemption.*

(1) Official Notice. Unless waived by any owner of Bonds of a series to be redeemed, official notice of any redemption, which notice in the case of optional redemption may be a conditional notice, shall be given by the Bond Registrar on behalf of the State by mailing a copy of an official redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds of a series to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state:

(A) the date fixed for redemption;

(B) the redemption price;

(C) if fewer than all outstanding Bonds of a series are to be redeemed, the identification by maturity and interest rate (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;

(D) that on the date fixed for redemption (unless the notice of optional redemption is a conditional notice, in which case the notice shall state that interest shall cease to accrue from the date fixed for redemption if and to the extent that funds have been provided to the Bond Registrar for the redemption of Bonds of such series), the redemption price will become due

and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(E) the place where such Bonds of such series are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

(2) Effect of Notice; Bonds Due. Unless the State has revoked a notice of optional redemption (or unless the State provided a conditional notice of optional redemption and the conditions for redemption set forth therein are not satisfied), then on or prior to any redemption date, the State shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds of a series to be redeemed on that date; and official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds of a series to be redeemed shall, on the date fixed for redemption (unless in the case of a conditional notice of optional redemption, the condition is not satisfied or funds sufficient to pay the redemption price are not on deposit with the Bond Registrar), become due and payable at the redemption price therein specified, and from and after such date (unless the State shall not have paid the redemption price), such Bonds or portions of Bonds of such series shall cease to bear interest. Upon surrender of such Bonds of a series for redemption in accordance with said notice (except as described above in the case of a notice of optional redemption), such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the date fixed for redemption shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same series, maturity and interest rate in the amount of the unpaid principal. All Bonds that have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

(3) Additional Notice. In addition to the foregoing notice of redemption, further notice shall be given by the State as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds of a series being redeemed; (B) the date of issue of the Bonds of such series as originally issued; (C) the rate of interest borne by each

Bond of a series being redeemed; (D) the maturity date of each Bond of a series being redeemed; and (E) any other descriptive information needed to identify accurately the series of Bonds being redeemed.

(4) CUSIP Numbers. Upon the payment of the redemption price of Bonds of a series being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue, interest rate and maturity, the Bonds of such series being redeemed with the proceeds of such check or other transfer.

(5) Amendment of Notice Provisions. The foregoing notice provisions of this Section 4, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 5. Form of Bonds. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____

\$ _____

STATE OF ALASKA

GENERAL OBLIGATION REFUNDING BOND,
SERIES [2024B/2025A (FORWARD DELIVERY)]

INTEREST RATE:

MATURITY DATE:

CUSIP NO.:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The STATE OF ALASKA (the “State”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from _____, 20__, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on the first day of each February and August, commencing on _____. Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in the operational arrangements of The Depository Trust Company (“DTC”) referred to in the Blanket Issuer Letter of Representations (the “Letter of Representations”) from the State to DTC. U.S. Bank Trust Company, National Association has been appointed to act as registrar, paying agent and authenticating agent for the Bonds(the “Bond Registrar”).

This bond is one of an authorized issue of bonds of like date and tenor, except as to number, amount, rate of interest and date of maturity, in the aggregate principal amount of \$_____ (the “Bonds”), and is issued pursuant to Resolution No. 2024-03 (the “Bond Resolution”) adopted by the State Bond Committee on July 9, 2024 to provide funds for refunding (including through purchase and cancellation) certain outstanding bonds of the State. Capitalized terms used in this bond and not otherwise defined shall have the meanings given them in the Bond Resolution.

The bonds of this issue are subject to optional [and mandatory] redemption prior to their scheduled maturities as provided in the Purchase Contract.

The bonds of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Alaska and resolutions duly adopted by the State Bond Committee, including the Bond Resolution.

The bonds of this issue are not “private activity bonds” as such term is defined in the Internal Revenue Code of 1986, as amended (the “Code”). The bonds of this issue are not “qualified tax-exempt obligations” under Section 265(b) of the Code for banks, thrift institutions and other financial institutions.

The bonds of this issue are general obligations of the State. The full faith, credit and resources of the State are hereby irrevocably pledged for the prompt payment of the principal and interest on the bonds of this issue.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska to exist and to have happened and been done and performed precedent to and in the issuance of this bond do exist and have happened and been done and performed and that the issuance of this bond and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the State may incur.

IN WITNESS WHEREOF, the State of Alaska has caused this bond to be executed by the manual or facsimile signatures of the Governor and Lieutenant Governor of the State of Alaska, and the seal of the State to be impressed, imprinted or otherwise reproduced hereon, as of this ____ day of _____, 20__.

STATE OF ALASKA

By _____ /s/ facsimile
Governor of the State of Alaska

ATTEST:

/s/ facsimile
Lieutenant Governor of the
State of Alaska

The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is one of the bonds described in the within-mentioned Bond Resolution and is one of the State of Alaska, General Obligation Refunding Bonds, Series [2024B/2025A (Forward Delivery)], of the State, dated _____, 20__.

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
as Bond Registrar

By: _____
Authorized Signer

Section 6. Execution of Bonds. The Bonds shall be executed on behalf of the State with the manual or facsimile signatures of the Governor and Lieutenant Governor of the State of Alaska, and the corporate seal of the State shall be impressed, imprinted or otherwise reproduced thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this resolution.

In case either of the officers who have executed the Bonds shall cease to be officer or officers of the State before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the State, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the State as though those who signed the same had continued to be such officers of the State. Any Bond may also be signed and attested on behalf of the State by such persons who are at the actual date

of delivery of such Bond the proper officers of the State although at the original date of such Bond any such person shall not have been such officer of the State.

Section 7. Pledge. The Bonds are general obligations of the State. The full faith, credit and resources of the State are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds.

Before December 1 of each year after the Bonds are issued, this Committee shall certify to the Commissioner of Administration of the State the amount needed for the following calendar year to meet principal, interest and reserve requirements on all general obligation bonds of the State then outstanding, including the Bonds. The Commissioner of Administration shall set aside these amounts or make the necessary provisions for the setting aside of these amounts so that there will be sufficient money to pay the principal and interest on the due dates.

Pursuant to AS 37.15.012, the amounts required annually to pay the principal, interest, and redemption premium on the Bonds are appropriated each fiscal year from the Debt Service Fund to the State Bond Committee to make all required payments of principal of and interest and redemption premium, if any, on the Bonds. If the balance in the Debt Service Fund is insufficient to fully pay these amounts, the necessary additional amounts are appropriated from the general fund of the State to the State Bond Committee to make all required payments of principal of and interest and redemption premium, if any, on the Bonds.

Section 8. Defeasance. In the event that money and/or government obligations, which are noncallable direct obligations of the United States or obligations unconditionally guaranteed by the United States, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds of a series in accordance with their terms, as evidenced by a report of an independent accountant or verification agent (which report shall be required only if the defeasance is not a full cash defeasance (i.e., such report shall only be required if government obligations constitute all or part of the deposit from which payments to effect the defeasance will be made)), are set aside in a special account of the State to effect such redemption and retirement, and such moneys and the principal of and interest on such government obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Debt Service Fund of the State for the payment of the principal of and interest on the Bonds of such series so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this resolution except the right to

receive the moneys so set aside and pledged, and such Bonds of a series shall be deemed not to be outstanding hereunder.

The Bond Registrar shall provide notice of defeasance of Bonds of a series to registered owners and to each party entitled to receive notice pursuant to Section 12.

Section 9. Tax Covenants. The following covenants are made in order to issue the Bonds as obligations the interest on which is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code. The State shall at all times do and perform all acts and things permitted by law and this resolution which are necessary or desirable to assure that interest paid on the Bonds will be excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and shall take no action that would result in such interest not being so excluded. Without limiting the generality of the foregoing, the State agrees to comply with the provisions of any tax certificate (the “Tax Certificate”) entered into at the time the Bonds are issued, covenants that it will not make any use of the proceeds of sale of the Bonds or any other funds of the State that may be deemed to be proceeds of such Bonds pursuant to Section 148 of the Code that will cause the Bonds to be “arbitrage bonds” within the meaning of said section, and covenants that for so long as the Bonds are outstanding, it will not permit any uses of the assets financed by the Bonds that would result in the Bonds being private activity bonds within the meaning of Section 141(a) of the Code. These covenants shall survive defeasance or refunding of the Bonds to the extent necessary to maintain the tax-exempt status of the Bonds. Notwithstanding any provisions of this Section, if the State shall receive an opinion of nationally recognized bond counsel that any specific action required under this Section or under the Tax Certificate is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, the State may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

Section 10. Sale of Bonds. The Bonds of each series shall be sold by negotiated sale to the Underwriters pursuant to the terms of the related Purchase Contract. The Designated Representative is authorized to (i) designate the Refunded Bonds by selection from the Prior Bonds; (ii) designate Refunded Bonds as Refunding Candidates for redemption; (iii) designate Refunded Bonds as Target Bonds for purchase; (iv) approve the solicitation of offers for a Tender Transaction; and (v) negotiate terms for the purchase of the Bonds and execute the related Purchase

Contract, with such terms as are approved by the Designated Representative pursuant to this section and consistent with this resolution.

The State Bond Committee has determined that it would be in the best interest of the State to delegate to the Designated Representative for a limited time the authority to designate the Refunded Bonds (including designating any Refunded Bonds to be refunded by the proceeds of a Forward Delivery Series), the Refunding Candidates and the Target Bonds, and to determine the number of series, final interest rates, maturity dates, aggregate principal amount, terms of redemption and redemption rights and principal amounts of each series of Bonds and of each maturity (including whether any series of Bonds shall be a Forward Delivery Series). The Designated Representative is hereby authorized to designate the Refunded Bonds, the Refunding Candidates and the Target Bonds, approve the number of series of Bonds (including whether any series of Bonds shall be a Forward Delivery Series), final interest rates, maturity dates, aggregate principal amount, principal maturities, terms of redemption and redemption rights for each series of Bonds in the manner provided hereafter so long as (i) the aggregate principal amount of the Bonds does not exceed \$225,000,000; (ii) the final maturity of the Bonds shall not be later than the final maturity of the Refunded Bonds; and (iii) the net present value aggregate savings with respect to Refunded Bonds to be realized as a result of the refunding of the Refunded Bonds, after payment of all costs of issuance of the Bonds, is advantageous to and in the best interest of the State and its inhabitants.

In designating the Refunded Bonds, the Refunding Candidates and the Target Bonds, and determining the final number of series (including whether any series of Bonds shall be a Forward Delivery Series), interest rates, maturity dates, aggregate principal amount, principal maturities, terms of redemption and redemption rights, the Designated Representative, in consultation with State staff and the State's municipal advisor, shall take into account those factors that, in his judgment, will generate the most advantageous results for the State, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the Bonds. Subject to the terms and conditions set forth in this Section 10, the Designated Representative is hereby authorized to negotiate and execute at the Designated Representative's discretion, one or more Offers for a Tender Transaction, Purchase Contracts, Dealer Manager Agreements, Escrow Agreements and other documents in connection with the redemption of the Refunding Candidates or acquisition of the Target Bonds. The Designated

Representative is hereby authorized to acquire tendered Target Bonds and to negotiate and approve terms for the purchase of Target Bonds tendered pursuant to any Offer.

Following the execution of the Purchase Contract(s), the Designated Representative shall provide a report to the State Bond Committee, describing the final terms of the Bonds approved pursuant to the authority delegated in this section. The authority granted to the Designated Representative by this Section 10 shall expire 120 days after the date of approval of this resolution. If a Purchase Contract for the Bonds has not been executed within 120 days after the date of final approval of this resolution, the authorization for the issuance of the Bonds shall be rescinded, and the Bonds shall not be issued nor their sale approved unless the Bonds shall have been re-authorized by resolution of the State Bond Committee. The resolution re-authorizing the issuance and sale of such Bonds may be in the form of a new resolution repealing this resolution in whole or in part (only with respect to the Bonds not issued) or may be in the form of an amendatory resolution approving a purchase contract or establishing terms and conditions for the authority delegated under this Section 10.

Upon the adoption of this resolution, the proper officials of the State including the Designated Representative, are authorized and directed to undertake all other actions necessary for the prompt sale, execution and delivery of the Bonds and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds in accordance with the terms of the related Purchase Contract.

The Designated Representative is authorized to (i) approve and “deem final” for purposes of the Rule a preliminary official statement and any amendments thereto prior to the date of the official statement and is authorized to ratify and to approve for purposes of the Rule, and to execute on behalf of the State, the official statement relating to the issuance and sale of the Bonds and to ratify and approve the distribution of such preliminary official statement and official statement pursuant thereto with such changes, if any, as may be deemed by him to be appropriate; (ii) approve and execute one or more supplements to the final official statement for the Bonds required in connection with the issuance and delivery of any Forward Delivery Series (the “Forward Delivery Supplement”) in the form that the Designated Representative deems advisable, and to approve and authorize the distribution of the Forward Delivery Supplement in electronic and printed form; (iii) approve the preparation and distribution of one or more Offers and to execute and deliver, on behalf of the State, any certificates, receipts, instruments or other documents with respect to the

Tender Transaction; and (iv) negotiate a fee with the Dealer Manager that is not in excess of []% of the par amount of the Target Bonds tendered for purchase as part of the Tender Transaction.

Section 11. Application of Bond Proceeds; Designation of the Refunded Bonds. The money derived from the sale of the Bonds shall be allocated and expended as described in the following provisions.

(a) A portion of the Bond proceeds shall be used for the payment of the costs of issuance of the Bonds.

(b) *Designation of Refunded Bonds.* As outlined in the recitals to this resolution, certain principal maturities of the Prior Bonds may be called for redemption prior to their scheduled maturities. All or some of the Prior Bonds may be defeased, refunded, refinanced and/or purchased with the proceeds of the Bonds (including with the proceeds of any Forward Delivery Series) authorized by this resolution. As provided in Section 10, the Designated Representative may select some or all of the Prior Bonds and designate those Prior Bonds as the “Refunded Bonds” in the related Purchase Contract if and to the extent that the net present value aggregate savings with respect to Refunded Bonds to be realized as a result of the redemption or purchase of the Refunded Bonds, after payment of all costs of issuance of the allocable Bonds, is advantageous to and in the best interest of the State and its inhabitants, as provided in Section 10 hereof. The Designated Representative may further designate Refunded Bonds as “Refunding Candidates” for redemption or as “Target Bonds” for purchase through a Tender Transaction.

(c) *Refunding.* A portion of the proceeds of the sale of the Bonds in the dollar amount specified by the Designated Representative (and, if applicable, certified by the State to the Escrow Agent) shall be applied for the purpose of:

(1) optionally redeeming the Refunding Candidates or to be delivered to the Escrow Agent for the purpose of defeasing such Refunding Candidates to the date of redemption, as determined by the Designated Representative; and

(2) paying the purchase price of the Target Bonds.

If the Designated Representative determines to defease all or a portion of a series of Refunded Bonds, money received by the Escrow Agent from Bond proceeds and other money provided by the State (if any), shall be used immediately by the Escrow Agent upon receipt thereof in accordance with the terms of the applicable Escrow Agreement to defease such Refunded Bonds as authorized by the application Authorizing Resolution. The State shall defease such series of

Refunded Bonds and discharge such obligations by the use of money deposited with the Escrow Agent to purchase certain government obligations, which may be United States Treasury Obligations, United States Treasury Obligations - State and Local Government Series, or other nonprepayable obligations which are unconditionally guaranteed as to full and timely payment of principal and interest by the United States of America or REFCORP debt obligations unconditionally guaranteed by the United States, bearing such interest and maturing as to principal and interest in such amounts and at such times which, together with any necessary beginning cash balance, will provide for the payment of each of the Prior Bonds that have been designated as “Refunded Bonds”:

(1) interest on the Refunded Bonds coming due on each date on which interest is due and payable, to and including the redemption date thereof as designated by the Designated Representative;

(2) principal, if any, of the Refunded Bonds coming due on each date on which principal is due and payable, to and including the redemption date thereof as designated by the Designated Representative;

(3) the redemption price of the Refunded Bonds (100% of the principal amount thereof) on such date as designated by the Designated Representative.

Such obligations shall be purchased at a yield not greater than the yield permitted by the Code and regulations relating to acquired obligations in connection with refunding bond issues.

(d) *Appointment of Escrow Agent.* The State Bond Committee hereby selects U.S. Bank Trust Company, National Association, to act as the escrow agent for any series of Refunded Bonds (the “Escrow Agent”) if the Designated Representative determines to defease a series of Refunded Bonds. The Bond proceeds designated in the foregoing subsection together with a cash contribution from the State (if any) shall be transferred irrevocably to the Escrow Agent in order to implement the refunding plan. The proceeds of the Bonds remaining after the acquisition of such obligations and provision for the necessary beginning cash balance in respect of the defeasance of the applicable series of Prior Bonds shall be utilized to pay expenses of the acquisition and safekeeping of such obligations and expenses of the issuance of the Bonds and/or returned to the State for the payment of such expenses.

(e) *Call For Redemption or Purchase of the Prior Bonds.* The State hereby authorizes the Designated Representative to irrevocably set aside sufficient funds, from the proceeds of the

Bonds or out of the purchase of government obligations from proceeds of the Bonds, as applicable to make the payments described in subsection (c) above.

The State hereby authorizes the Designated Representative to call all outstanding Prior Bonds for redemption or purchase, in accordance with the terms of the applicable Authorizing Resolution.

If the Designated Representative determines to defease all or a portion of any series of Prior Bonds, the defeasance and call for redemption of such series of Refunded Bonds shall be effective and irrevocable after the final establishment of the escrow account and delivery of the government obligations to the Escrow Agent.

The Registrar of the Prior Bonds is hereby authorized and directed to provide for the giving of notice of the redemption of the applicable series of Refunded Bonds, in accordance with the provisions of the applicable Authorizing Resolution. The Registrar of the Prior Bonds is hereby authorized and directed to provide for the giving of notice of the defeasance and redemption (or purchase and cancellation) of the applicable series of such Prior Bonds in accordance with the provisions of the applicable Authorizing Resolution. The Designated Representative of the State is authorized and requested to provide whatever assistance is necessary to accomplish such defeasance and redemption (or purchase and cancellation) and the giving of notice therefor. The costs of publication of such notices shall be an expense of the State.

If the Designated Representative determines to defease all or a portion of a series of Prior Bonds, the Escrow Agent is hereby authorized and directed to pay to the bond registrar for such series Refunded Bonds, sums sufficient to pay, when due, the payments specified in this section of this resolution. All such sums shall be paid from the moneys and government obligations deposited with said Escrow Agent pursuant to this section of this resolution, and the income therefrom and proceeds thereof. All moneys and government obligations deposited with the Escrow Agent and any income therefrom shall be credited to a refunding account and held, invested (but only at the direction of the Designated Representative) and applied in accordance with the provisions of this resolution and with the laws of the State of Alaska for the benefit of the State and owners of the applicable series of Refunded Bonds.

The State will take such actions as are found necessary to see that all necessary and proper fees, compensation and expenses of the Escrow Agent for the series of Refunded Bonds shall be paid when due.

(f) *Escrow Agreement.* The Designated Representative is authorized and directed to approve the final form of, and execute and deliver to the Escrow Agent, one or more Escrow Deposit Agreements.

If the Designated Representative determines to defease all or a portion of a series of Prior Bonds, the State hereby irrevocably sets aside for and pledges to the payment of the series of Refunded Bonds the moneys and obligations to be deposited with the Escrow Agent pursuant to the Escrow Agreement to accomplish the plan of refunding and defeasance of the series of Refunded Bonds set forth herein and in the Escrow Agreement. When all of a series of Refunded Bonds shall have been redeemed and retired, the State may cause any remaining money to be transferred to the Debt Service Fund for the purposes set forth above:

Section 12. Undertaking to Provide Ongoing Disclosure. The State Bond Committee hereby authorizes the Designated Representative to enter into an agreement for ongoing disclosure, substantially in the form attached to the Preliminary Official Statement for the Bonds for the benefit of the Beneficial Owners of the Bonds and to assist the Underwriters in complying with Section (b)(5) of the Rule.

Section 13. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the State shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

Section 14. Effective Date. This resolution shall become effective immediately upon its adoption.

[Remainder of page intentionally left blank]

ADOPTED AND APPROVED by the State Bond Committee of the State of Alaska, the
9th day of July 2024.

STATE OF ALASKA
STATE BOND COMMITTEE

Micaela Fowler
Deputy Commissioner, Department of Commerce
Community and Economic Development
Chair and Member
Alaska State Bond Committee

Eric DeMoulin
Division Director, Department of Administration
Member
Alaska State Bond Committee

Fadil Limani
Deputy Commissioner, Department of Revenue
Secretary and Member
Alaska State Bond Committee

Approved as to form:

Alaska Department of Law
State of Alaska



State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Draft Financing Schedule (as of July 2, 2024)

July 2024							August 2024						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6					1	2	3
7	8	9	10	11	12	13	4	5	6	7	8	9	10
14	15	16	17	18	19	20	11	12	13	14	15	16	17
21	22	23	24	25	26	27	18	19	20	21	22	23	24
28	29	30	31				25	26	27	28	29	30	31

Denotes bond market/DTC holiday
 Denotes tender period
 Denotes pricing/closing
 Denotes FOMC meeting

Date	Event	Responsibility
Week of 7/1		
M, 7/1	- Engage Globic as Information and Tender Agent - Initiate NOBO List request	AK GLOB
By Tu, 7/2	12:30pm AKT/4:30pm ET: Working Group Call	ALL
Th, 7/4	Independence Day (Bond Market Closed, DTC Holiday)	
By F, 7/5	- Circulate initial draft of Invitation to Tender - Circulate initial draft of Dealer Manager Agreement, Bond Purchase Agreement and Forward Bond Purchase Agreement	OHS NP
Week of 7/8		
M, 7/8	Circulate initial draft of Preliminary Official Statement	TBD
Tu, 7/9	12:30pm AKT/4:30pm ET: Working Group Call 2:30pm AKT/6:30pm ET: Alaska State Bond Committee Meeting - Post Voluntary Notice of Potential Financing and Tender Offer	ALL ALL AK
By F, 7/12	Receive NOBO List	AK, JEFF
Week of 7/15		
Tu, 7/16	12:30pm AKT/4:30pm ET: Working Group Call	ALL
Th, 7/18	- Time TBD: Due Diligence Call - Time TBD: Call to finalize indicative prices for the Invitation to Tender - Finalize POS, Invitation to Tender, Dealer Manager Agreement and any other bond documents - Finalize tender candidates	ALL AK, FA, JEFF ALL AK, JEFF, FA
F, 7/19	- By 11:00am AKT/3:00pm ET: Post POS and Invitation to Tender (to count as business day) - Post Investor Presentation - Execute Dealer Manager Agreement	ALL ALL AK, JEFF
Week of 7/22		
Week of	Pre-market bonds to investors/solicit tender feedback	JEFF
Tu, 7/23	12:30pm AKT/4:30pm ET: Working Group Call	ALL
By Th, 7/25	Receive ratings (Moody's/S&P/Kroll)	AK
F, 7/26	By 6:00am AKT/10:00am ET: Post Pricing Notice	AK, JEFF, GLOB
Week of 7/29		
Week of	Pre-market bonds to investors/solicit tender feedback	JEFF
Tu, 7/30	12:30pm AKT/4:30pm ET: Working Group Call	ALL
Tu-W, 7/30-31	FOMC Meeting	
F, 8/2	1:00pm AKT/5:00pm ET: Tender expiration - Time TBD: Call to discuss tender results	ALL AK, JEFF, FA
Week of 8/5		
M, 8/5	- Finalize overall plan of finance based on tender results, including amounts to be purchased and bonds to be forward refunded - Post Preliminary Acceptance Notice	AK, JEFF, FA AK, JEFF, GLOB
Tu, 8/6	Institutional Pricing - Review and finalize allotments - Sign BPA - Post Final Acceptance Notice	AK, JEFF, FA AK, JEFF AK, JEFF AK, JEFF, GLOB
By F, 8/9	- Post final OS - Circulate draft closing documents	ALL OHS, NP



State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Draft Financing Schedule (as of July 2, 2024)

July 2024							August 2024						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6					1	2	3
7	8	9	10	11	12	13	4	5	6	7	8	9	10
14	15	16	17	18	19	20	11	12	13	14	15	16	17
21	22	23	24	25	26	27	18	19	20	21	22	23	24
28	29	30	31				25	26	27	28	29	30	31

Denotes bond market/DTC holiday
 Denotes tender period
 Denotes pricing/closing
 Denotes FOMC meeting

Date	Event	Responsibility
Week of 8/12		
Tu, 8/13	▪ 12:30pm AKT/4:30pm ET: Working Group Call	ALL
W, 8/14	▪ Current Delivery Pre-closing	ALL
Th, 8/15	▪ Current Delivery Closing (includes purchase and cancellation of tendered amounts)	ALL
April 2025		
Week of 4/7	▪ Circulate revised draft of OS	TBD
Week of 4/14	▪ Circulate forward closing documents	OHS, NP
Week of 4/21	▪ <u>Time TBD</u> : Due Diligence Call	ALL
	▪ Post revised OS	ALL
Week of 4/28	▪ Finalize forward closing documents	ALL
May 2025		
Week of 5/5	▪ <u>M, 5/5</u> : Pre-closing	ALL
	▪ <u>Tu, 5/6</u> : Forward Delivery Closing	ALL
	▪ <u>Tu, 5/6</u> : Purchase SLGS for forward refunding escrow	EA
July 2025		
Week of 7/7	▪ <u>By F, 7/11</u> : Deliver conditional redemption notice for the Series 2015B, 2016A and 2016B Bonds that were forward refunded (at least 20 and no more than 60 days before redemption date)	AK
August 2025		
F, 8/1	▪ Redeem the Series 2015B, 2016A and 2016B Bonds that were forward refunded	AK, USB

Legend		
Issuer	State of Alaska	TRE
Bond Counsel	Orrick, Herrington & Sutcliffe LLP	OHS
Underwriter's Counsel	Nixon Peabody LLP	NP
Senior Manager/Dealer Manager	Jefferies LLC	JEFF
Financial Advisor	TBD	FA
Information/Tender Agent	Globic Advisors Inc.	GLOB
Trustee/Escrow Agent	U.S. Bank Trust Company, National Association	EA
Trustee – Series 2015B, 2016A, 2016B	U.S. Bank Trust Company, National Association	USB

Tender Timing

- The tender process complements a more ‘traditional’ pricing timeline
- Upon completion of the tax analysis and key documents, we generally estimate a 4-6 week turnaround to closing

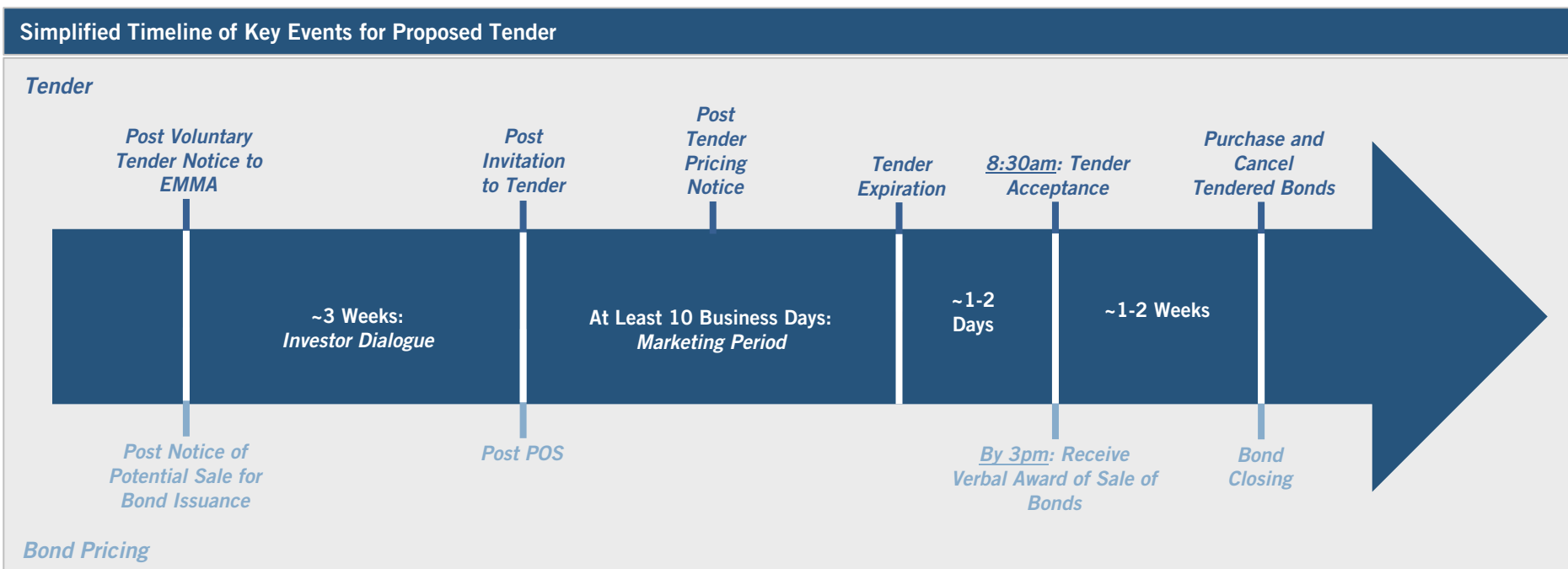


TABLE OF CONTENTS

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Report	Page
General Obligation Refunding Bonds, Series 2024B and 2025A (Forward Delivery)	
Sources and Uses of Funds	1
Summary of Refunding Results	2
Bond Summary Statistics	3
Bond Pricing	4
Bond Debt Service	5
Aggregate Debt Service	6
Savings	7
Prior Bond Debt Service	8
Summary of Bonds Refunded	9
Savings By Maturity	10
Escrow Requirements	11
Escrow Cost	12
Escrow Sufficiency	13
Escrow Statistics	14
General Obligation Refunding Bonds, Series 2024B	
Sources and Uses of Funds	15
Summary of Refunding Results	16
Bond Summary Statistics	17
Bond Pricing	18
Bond Debt Service	19
Savings	20
Prior Bond Debt Service	21
Summary of Bonds Refunded	22
Escrow Requirements	23
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)	
Sources and Uses of Funds	24
Summary of Refunding Results	25
Bond Summary Statistics	26
Bond Pricing	27
Bond Debt Service	28
Savings	29
Prior Bond Debt Service	30
Summary of Bonds Refunded	31
Escrow Requirements	32

SOURCES AND USES OF FUNDS

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

	Dated Date	08/15/2024	05/06/2025	
	Delivery Date	08/15/2024	05/06/2025	
		General Obligation Refunding Bonds, Series 2024B	General Obligation Refunding Bonds, Series 2025A (Forward Delivery)	Total
Sources:				
Bond Proceeds:				
Par Amount	96,005,000.00	98,270,000.00	194,275,000.00	
Premium	9,238,674.65	6,737,940.75	15,976,615.40	
	105,243,674.65	105,007,940.75	210,251,615.40	
Uses:				
Refunding Escrow Deposits:				
Cash Deposit	104,506,163.38		104,506,163.38	
SLGS Purchases		104,514,125.00	104,514,125.00	
	104,506,163.38	104,514,125.00	209,020,288.38	
Delivery Date Expenses:				
Cost of Issuance	494,812.50	245,675.00	740,487.50	
Underwriter's Discount	240,012.50	245,675.00	485,687.50	
	734,825.00	491,350.00	1,226,175.00	
Other Uses of Funds:				
Additional Proceeds	2,686.27	2,465.75	5,152.02	
	105,243,674.65	105,007,940.75	210,251,615.40	

SUMMARY OF REFUNDING RESULTS

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Dated Date	08/15/2024
Delivery Date	08/15/2024
Arbitrage yield	3.368155%
Escrow yield	5.562265%
Value of Negative Arbitrage	-530,964.50
Bond Par Amount	194,275,000.00
True Interest Cost	3.424901%
Net Interest Cost	3.399125%
Average Coupon	4.700692%
Average Life	6.126
Par amount of refunded bonds	203,885,000.00
Average coupon of refunded bonds	4.705778%
Average life of refunded bonds	6.162
PV of prior debt to 08/15/2024 @ 3.368155%	219,760,291.71
Net PV Savings	11,920,868.80
Percentage savings of refunded bonds	5.846859%
Percentage savings of refunding bonds	6.136080%

BOND SUMMARY STATISTICS

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Earliest Dated Date	08/15/2024
Earliest Delivery Date	08/15/2024
First Coupon	02/01/2025
Last Maturity	08/01/2035
Arbitrage Yield	3.368155%
True Interest Cost (TIC)	3.424901%
Net Interest Cost (NIC)	3.399125%
All-In TIC	3.496494%
Average Coupon	4.700692%
Average Life (years)	6.126
Weighted Average Maturity (years)	5.862
Par Amount	194,275,000.00
Bond Proceeds	210,251,615.40
Total Interest	55,946,455.55
Net Interest	40,455,527.65
Total Debt Service	250,221,455.55
Maximum Annual Debt Service	31,139,375.00
Average Annual Debt Service	22,828,110.49
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	2.500000
Total Underwriter's Discount	2.500000
Bid Price	107.973711

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Non-Callable Serial Bonds	185,055,000.00	107.897	5.000%	5.500	94,935.75
Callable Serial Bonds	9,220,000.00	114.788	5.000%	10.961	8,482.40
	194,275,000.00			5.760	103,418.15

	TIC	All-In TIC	Arbitrage Yield
Par Value	194,275,000.00	194,275,000.00	194,275,000.00
+ Accrued Interest			
+ Premium (Discount)	15,976,615.40	15,976,615.40	15,976,615.40
- Underwriter's Discount	-485,687.50	-485,687.50	
- Cost of Issuance Expense		-740,487.50	
- Other Amounts			
Target Value	209,765,927.90	209,025,440.40	210,251,615.40
Target Date	Multiple	Multiple	Multiple
Yield	3.424901%	3.496494%	3.368155%

BOND PRICING

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Call Date for Arb Yield	Call Price for Arb Yield
Non-Callable Serial Bonds, 08/15/2024:										
	08/01/2026	10,895,000	5.000%	3.300%	103.201					
	08/01/2027	11,450,000	5.000%	3.150%	105.190					
	08/01/2028	12,030,000	5.000%	3.180%	106.722					
	08/01/2029	12,630,000	5.000%	3.120%	108.577					
	08/01/2030	7,185,000	5.000%	3.140%	110.038					
	08/01/2031	7,550,000	5.000%	3.190%	111.217					
	08/01/2032	7,935,000	5.000%	3.200%	112.560					
	08/01/2033	8,340,000	5.000%	3.210%	113.842					
	08/01/2034	8,770,000	5.000%	3.220%	115.064					
		86,785,000								
Callable Serial Bonds, 08/15/2024:										
	08/01/2035	9,220,000	5.000%	3.250%	114.788 C	3.375%	08/01/2034	100.000	08/01/2034	100.000
Non-Callable Serial Bonds, 05/06/2025:										
	08/01/2026	11,080,000	5.000%	3.660%	101.599					
	08/01/2027	11,635,000	5.000%	3.510%	103.172					
	08/01/2028	12,220,000	5.000%	3.540%	104.421					
	08/01/2029	12,840,000	5.000%	3.480%	105.933					
	08/01/2030	7,400,000	5.000%	3.500%	107.114					
	08/01/2031	7,780,000	5.000%	3.550%	108.042					
	08/01/2032	8,180,000	5.000%	3.560%	109.109					
	08/01/2033	8,595,000	5.000%	3.570%	110.121					
	08/01/2034	9,040,000	5.000%	3.580%	111.078					
	08/01/2035	9,500,000	5.000%	3.610%	111.801					
		98,270,000								
		194,275,000								

Dated Date	08/15/2024	
Delivery Date	08/15/2024	
Par Amount	194,275,000.00	
Premium	15,976,615.40	
Production	210,251,615.40	108.223711%
Underwriter's Discount	-485,687.50	-0.250000%
Purchase Price	209,765,927.90	107.973711%
Accrued Interest		
Net Proceeds	209,765,927.90	

BOND DEBT SERVICE

State of Alaska
 General Obligation Refunding Bonds, Series 2024B
 General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2025			2,213,448.61	2,213,448.61
06/30/2026			8,417,131.94	8,417,131.94
06/30/2027	21,975,000	5.000%	9,164,375.00	31,139,375.00
06/30/2028	23,085,000	5.000%	8,037,875.00	31,122,875.00
06/30/2029	24,250,000	5.000%	6,854,500.00	31,104,500.00
06/30/2030	25,470,000	5.000%	5,611,500.00	31,081,500.00
06/30/2031	14,585,000	5.000%	4,610,125.00	19,195,125.00
06/30/2032	15,330,000	5.000%	3,862,250.00	19,192,250.00
06/30/2033	16,115,000	5.000%	3,076,125.00	19,191,125.00
06/30/2034	16,935,000	5.000%	2,249,875.00	19,184,875.00
06/30/2035	17,810,000	5.000%	1,381,250.00	19,191,250.00
06/30/2036	18,720,000	5.000%	468,000.00	19,188,000.00
	194,275,000		55,946,455.55	250,221,455.55

AGGREGATE DEBT SERVICE

State of Alaska
 General Obligation Refunding Bonds, Series 2024B
 General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Period Ending	General Obligation Refunding Bonds, Series 2024B	General Obligation Refunding Bonds, Series 2025A (Forward Delivery)	Unrefunded Bonds	Aggregate Debt Service
06/30/2025	2,213,448.61		3,092,250	5,305,698.61
06/30/2026	4,800,250.00	3,616,881.94	22,268,125	30,685,256.94
06/30/2027	15,422,875.00	15,716,500.00		31,139,375.00
06/30/2028	15,419,250.00	15,703,625.00		31,122,875.00
06/30/2029	15,412,250.00	15,692,250.00		31,104,500.00
06/30/2030	15,395,750.00	15,685,750.00		31,081,500.00
06/30/2031	9,455,375.00	9,739,750.00		19,195,125.00
06/30/2032	9,452,000.00	9,740,250.00		19,192,250.00
06/30/2033	9,449,875.00	9,741,250.00		19,191,125.00
06/30/2034	9,448,000.00	9,736,875.00		19,184,875.00
06/30/2035	9,450,250.00	9,741,000.00		19,191,250.00
06/30/2036	9,450,500.00	9,737,500.00		19,188,000.00
	125,369,823.61	124,851,631.94	25,360,375	275,581,830.55

SAVINGS

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 08/15/2024 @ 3.3681546%
06/30/2025	2,548,000.00	2,213,448.61	334,551.39	329,438.24
06/30/2026	10,194,250.00	8,417,131.94	1,777,118.06	1,717,121.45
06/30/2027	32,356,000.00	31,139,375.00	1,216,625.00	1,136,052.22
06/30/2028	32,340,750.00	31,122,875.00	1,217,875.00	1,100,164.02
06/30/2029	32,326,500.00	31,104,500.00	1,222,000.00	1,067,942.76
06/30/2030	32,305,375.00	31,081,500.00	1,223,875.00	1,034,760.61
06/30/2031	20,413,750.00	19,195,125.00	1,218,625.00	996,781.00
06/30/2032	20,413,375.00	19,192,250.00	1,221,125.00	966,338.62
06/30/2033	20,412,250.00	19,191,125.00	1,221,125.00	934,920.26
06/30/2034	20,408,375.00	19,184,875.00	1,223,500.00	906,300.83
06/30/2035	20,414,375.00	19,191,250.00	1,223,125.00	876,597.44
06/30/2036	20,412,875.00	19,188,000.00	1,224,875.00	849,358.31
	264,545,875.00	250,221,455.55	14,324,419.45	11,915,775.77

Savings Summary

Deliv Date	Refunding Funds on Hand	Total	Present Value to 08/15/2024 @ 3.3681546%
08/15/2024	2,686.27	2,686.27	2,686.27
05/06/2025	2,465.75	2,465.75	2,406.76
			5,093.03

PV of savings from cash flow	11,915,775.77
Adjustments	5,093.03
Net PV Savings	11,920,868.80

PRIOR BOND DEBT SERVICE

State of Alaska
 General Obligation Refunding Bonds, Series 2024B
 General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2025			2,548,000	2,548,000
06/30/2026			10,194,250	10,194,250
06/30/2027	22,730,000	5.000%	9,626,000	32,356,000
06/30/2028	23,880,000	5.000%	8,460,750	32,340,750
06/30/2029	25,090,000	5.000%	7,236,500	32,326,500
06/30/2030	26,355,000	5.000%	5,950,375	32,305,375
06/30/2031	15,510,000	5.000%	4,903,750	20,413,750
06/30/2032	16,305,000	5.000%	4,108,375	20,413,375
06/30/2033	17,140,000	5.000%	3,272,250	20,412,250
06/30/2034	18,015,000	5.000%	2,393,375	20,408,375
06/30/2035	18,945,000	5.000%	1,469,375	20,414,375
06/30/2036	19,915,000	5.000%	497,875	20,412,875
	203,885,000		60,660,875	264,545,875

SUMMARY OF BONDS REFUNDED

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
GO Bonds, Series 2015B, S2015B_F:					
SER_C	08/01/2026	5.000%	5,015,000	08/01/2025	100.000
	08/01/2027	5.000%	5,265,000	08/01/2025	100.000
	08/01/2028	5.000%	5,530,000	08/01/2025	100.000
	08/01/2029	5.000%	5,805,000	08/01/2025	100.000
			21,615,000		
GO Bonds, Series 2015B, S2015B_T:					
SER_C	08/01/2026	5.000%	5,015,000	08/15/2024	102.343
	08/01/2027	5.000%	5,265,000	08/15/2024	102.343
	08/01/2028	5.000%	5,530,000	08/15/2024	102.343
	08/01/2029	5.000%	5,800,000	08/15/2024	102.343
			21,610,000		
GO Bonds, Series 2016A, S2016A_F:					
SER_C	08/01/2026	5.000%	3,175,000	08/01/2025	100.000
	08/01/2027	5.000%	3,335,000	08/01/2025	100.000
	08/01/2028	5.000%	3,505,000	08/01/2025	100.000
	08/01/2029	5.000%	3,685,000	08/01/2025	100.000
	08/01/2030	5.000%	3,875,000	08/01/2025	100.000
	08/01/2031	5.000%	4,075,000	08/01/2025	100.000
	08/01/2032	5.000%	4,285,000	08/01/2025	100.000
	08/01/2033	5.000%	4,500,000	08/01/2025	100.000
	08/01/2034	5.000%	4,735,000	08/01/2025	100.000
	08/01/2035	5.000%	4,975,000	08/01/2025	100.000
			40,145,000		
GO Bonds, Series 2016A, S2016A_T:					
SER_C	08/01/2026	5.000%	3,170,000	08/15/2024	102.343
	08/01/2027	5.000%	3,335,000	08/15/2024	102.343
	08/01/2028	5.000%	3,505,000	08/15/2024	102.343
	08/01/2029	5.000%	3,685,000	08/15/2024	102.343
	08/01/2030	5.000%	3,875,000	08/15/2024	102.343
	08/01/2031	5.000%	4,070,000	08/15/2024	102.343
	08/01/2032	5.000%	4,280,000	08/15/2024	102.343
	08/01/2033	5.000%	4,500,000	08/15/2024	102.343
	08/01/2034	5.000%	4,730,000	08/15/2024	102.343
	08/01/2035	5.000%	4,975,000	08/15/2024	102.343
			40,125,000		
GO Bonds, Series 2016B, S2016B_F:					
SER_C	08/01/2026	5.000%	3,180,000	08/01/2025	100.000
	08/01/2027	5.000%	3,340,000	08/01/2025	100.000
	08/01/2028	5.000%	3,510,000	08/01/2025	100.000
	08/01/2029	5.000%	3,690,000	08/01/2025	100.000
	08/01/2030	5.000%	3,880,000	08/01/2025	100.000
	08/01/2031	5.000%	4,080,000	08/01/2025	100.000
	08/01/2032	5.000%	4,290,000	08/01/2025	100.000
	08/01/2033	5.000%	4,510,000	08/01/2025	100.000
	08/01/2034	5.000%	4,740,000	08/01/2025	100.000
	08/01/2035	5.000%	4,985,000	08/01/2025	100.000
			40,205,000		
GO Bonds, Series 2016B, S2016B_T:					
SER_C	08/01/2026	5.000%	3,175,000	08/15/2024	102.343
	08/01/2027	5.000%	3,340,000	08/15/2024	102.343
	08/01/2028	5.000%	3,510,000	08/15/2024	102.343
	08/01/2029	5.000%	3,690,000	08/15/2024	102.343
	08/01/2030	5.000%	3,880,000	08/15/2024	102.343
	08/01/2031	5.000%	4,080,000	08/15/2024	102.343
	08/01/2032	5.000%	4,285,000	08/15/2024	102.343
	08/01/2033	5.000%	4,505,000	08/15/2024	102.343
	08/01/2034	5.000%	4,740,000	08/15/2024	102.343
	08/01/2035	5.000%	4,980,000	08/15/2024	102.343
			40,185,000		
			203,885,000		

SAVINGS BY MATURITY

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Bond	Maturity Date	Interest Rate	Par Amount	Adjusted Savings	Adjusted Savings Percent
GOFWD, GO Bonds, Series 2015B, S2015B F:					
SER_C	08/01/2026	5.000%	5,015,000.00	-11,701.18	-0.233%
	08/01/2027	5.000%	5,265,000.00	69,739.58	1.325%
	08/01/2028	5.000%	5,530,000.00	141,702.81	2.562%
	08/01/2029	5.000%	5,805,000.00	235,719.29	4.061%
			21,615,000.00	435,460.50	
GOTEND, GO Bonds, Series 2015B, S2015B T:					
SER_C	08/01/2026	5.000%	5,015,000.00	11,515.35	0.230%
	08/01/2027	5.000%	5,265,000.00	116,404.94	2.211%
	08/01/2028	5.000%	5,530,000.00	206,673.52	3.737%
	08/01/2029	5.000%	5,800,000.00	323,992.85	5.586%
			21,610,000.00	658,586.66	
GOFWD, GO Bonds, Series 2016A, S2016A F:					
SER_C	08/01/2026	5.000%	3,175,000.00	-7,451.63	-0.235%
	08/01/2027	5.000%	3,335,000.00	44,109.25	1.323%
	08/01/2028	5.000%	3,505,000.00	89,831.53	2.563%
	08/01/2029	5.000%	3,685,000.00	149,633.78	4.061%
	08/01/2030	5.000%	3,875,000.00	202,679.42	5.230%
	08/01/2031	5.000%	4,075,000.00	250,518.32	6.148%
	08/01/2032	5.000%	4,285,000.00	308,817.12	7.207%
	08/01/2033	5.000%	4,500,000.00	369,446.83	8.210%
	08/01/2034	5.000%	4,735,000.00	433,571.60	9.157%
	08/01/2035	5.000%	4,975,000.00	491,251.09	9.874%
			40,145,000.00	2,332,407.32	
GOTEND, GO Bonds, Series 2016A, S2016A T:					
SER_C	08/01/2026	5.000%	3,170,000.00	7,263.25	0.229%
	08/01/2027	5.000%	3,335,000.00	73,715.20	2.210%
	08/01/2028	5.000%	3,505,000.00	130,987.97	3.737%
	08/01/2029	5.000%	3,685,000.00	205,815.73	5.585%
	08/01/2030	5.000%	3,875,000.00	272,804.95	7.040%
	08/01/2031	5.000%	4,070,000.00	334,403.21	8.216%
	08/01/2032	5.000%	4,280,000.00	408,912.38	9.554%
	08/01/2033	5.000%	4,500,000.00	487,411.31	10.831%
	08/01/2034	5.000%	4,730,000.00	569,919.68	12.049%
	08/01/2035	5.000%	4,975,000.00	585,735.64	11.774%
			40,125,000.00	3,076,969.33	
GOFWD, GO Bonds, Series 2016B, S2016B F:					
SER_C	08/01/2026	5.000%	3,180,000.00	-7,462.33	-0.235%
	08/01/2027	5.000%	3,340,000.00	44,175.32	1.323%
	08/01/2028	5.000%	3,510,000.00	89,958.54	2.563%
	08/01/2029	5.000%	3,690,000.00	149,834.58	4.061%
	08/01/2030	5.000%	3,880,000.00	202,937.86	5.230%
	08/01/2031	5.000%	4,080,000.00	250,822.06	6.148%
	08/01/2032	5.000%	4,290,000.00	309,172.92	7.207%
	08/01/2033	5.000%	4,510,000.00	370,257.23	8.210%
	08/01/2034	5.000%	4,740,000.00	434,023.49	9.157%
	08/01/2035	5.000%	4,985,000.00	492,225.46	9.874%
			40,205,000.00	2,335,945.12	
GOTEND, GO Bonds, Series 2016B, S2016B T:					
SER_C	08/01/2026	5.000%	3,175,000.00	7,274.78	0.229%
	08/01/2027	5.000%	3,340,000.00	73,826.18	2.210%
	08/01/2028	5.000%	3,510,000.00	131,175.54	3.737%
	08/01/2029	5.000%	3,690,000.00	206,096.06	5.585%
	08/01/2030	5.000%	3,880,000.00	273,158.32	7.040%
	08/01/2031	5.000%	4,080,000.00	335,166.73	8.215%
	08/01/2032	5.000%	4,285,000.00	409,391.85	9.554%
	08/01/2033	5.000%	4,505,000.00	487,954.88	10.831%
	08/01/2034	5.000%	4,740,000.00	571,129.02	12.049%
	08/01/2035	5.000%	4,980,000.00	586,326.50	11.774%
			40,185,000.00	3,081,499.87	
			203,885,000.00	11,920,868.80	

Note: Calculated Using Remaining Maturities

ESCROW REQUIREMENTS

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Period Ending	Interest	Principal Redeemed	Redemption Premium	Total
08/15/2024	198,177.78	101,920,000	2,387,985.60	104,506,163.38
08/01/2025	2,549,125.00	101,965,000		104,514,125.00
	2,747,302.78	203,885,000	2,387,985.60	209,020,288.38

ESCROW COST

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Type of Security	Maturity Date	Par Amount	Rate	Cost	Total Cost
SLGS	08/01/2025	104,514,125	5.470%	104,514,125	104,514,125.00
		104,514,125		104,514,125	104,514,125.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
08/15/2024		104,506,163.38	104,506,163.38
05/06/2025	104,514,125		104,514,125.00
	104,514,125	104,506,163.38	209,020,288.38

Note: Assumes the current refunding associated with Series 2024B is net funded based on SLGS rates as of 7/2/2024.

ESCROW SUFFICIENCY

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
08/15/2024	104,506,163.38	104,506,163.38		
08/01/2025	104,514,125.00	105,876,788.75	1,362,663.75	1,362,663.75
	209,020,288.38	210,382,952.13	1,362,663.75	

Note: Assumes the current refunding associated with Series 2024B is net funded based on SLGS rates as of 7/2/2024.

ESCROW STATISTICS

State of Alaska
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Escrow	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
General Obligation Refunding Bonds, Series 2024B, Global Proceeds Escrow:					104,506,163.38		
	104,506,163.38						
General Obligation Refunding Bonds, Series 2025A (, Global Proceeds Escrow:					104,514,125.00	-530,964.50	
	104,514,125.00	0.230	5.562265%	5.562265%	104,514,125.00		
	209,020,288.38				209,020,288.38	-530,964.50	0.00
Arbitrage yield				3.368155%			

Note: Assumes the current refunding associated with Series 2024B is net funded based on SLGS rates as of 7/2/2024.

SOURCES AND USES OF FUNDS

State of Alaska
General Obligation Refunding Bonds, Series 2024B

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Dated Date 08/15/2024
Delivery Date 08/15/2024

Sources:

Bond Proceeds:	
Par Amount	96,005,000.00
Premium	9,238,674.65
	105,243,674.65

Uses:

Refunding Escrow Deposits:	
Cash Deposit	104,506,163.38
Delivery Date Expenses:	
Cost of Issuance	494,812.50
Underwriter's Discount	240,012.50
	734,825.00
Other Uses of Funds:	
Additional Proceeds	2,686.27
	105,243,674.65

SUMMARY OF REFUNDING RESULTS

State of Alaska
General Obligation Refunding Bonds, Series 2024B

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Dated Date	08/15/2024
Delivery Date	08/15/2024
Arbitrage yield	3.368155%
Escrow yield	5.562265%
Value of Negative Arbitrage	
Bond Par Amount	96,005,000.00
True Interest Cost	3.262301%
Effective Interest Cost	3.218828%
Net Interest Cost	3.467782%
Average Coupon	5.000000%
Average Life	6.117
Par amount of refunded bonds	101,920,000.00
Average coupon of refunded bonds	5.000000%
Average life of refunded bonds	6.162
PV of prior debt to 08/15/2024 @ 3.368155%	111,110,502.11
Net PV Savings	6,690,737.56
Percentage savings of refunded bonds	6.564695%
Percentage savings of refunding bonds	6.969155%

BOND SUMMARY STATISTICS

State of Alaska
General Obligation Refunding Bonds, Series 2024B

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Dated Date	08/15/2024
Delivery Date	08/15/2024
First Coupon	02/01/2025
Last Maturity	08/01/2035
Arbitrage Yield	3.368155%
True Interest Cost (TIC)	3.262301%
Net Interest Cost (NIC)	3.467782%
All-In TIC	3.352367%
Average Coupon	5.000000%
Average Life (years)	6.117
Weighted Average Maturity (years)	6.223
Duration of Issue (years)	5.335
Par Amount	96,005,000.00
Bond Proceeds	105,243,674.65
Total Interest	29,364,823.61
Net Interest	20,366,161.46
Total Debt Service	125,369,823.61
Maximum Annual Debt Service	15,422,875.00
Average Annual Debt Service	11,437,692.98
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	2.500000
Total Underwriter's Discount	2.500000
Bid Price	109.373118

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Non-Callable Serial Bonds	86,785,000.00	109.074	5.000%	5.603	46,085.60
Callable Serial Bonds	9,220,000.00	114.788	5.000%	10.961	8,482.40
	96,005,000.00			6.117	54,568.00

	TIC	All-In TIC	Arbitrage Yield
Par Value	96,005,000.00	96,005,000.00	96,005,000.00
+ Accrued Interest			
+ Premium (Discount)	9,238,674.65	9,238,674.65	9,238,674.65
- Underwriter's Discount	-240,012.50	-240,012.50	
- Cost of Issuance Expense		-494,812.50	
- Other Amounts			
Target Value	105,003,662.15	104,508,849.65	105,243,674.65
Target Date	08/15/2024	08/15/2024	08/15/2024
Yield	3.262301%	3.352367%	3.368155%

BOND PRICING

State of Alaska
General Obligation Refunding Bonds, Series 2024B

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Call Date for Arb Yield	Call Price for Arb Yield
Non-Callable Serial Bonds:										
	08/01/2026	10,895,000	5.000%	3.300%	103.201					
	08/01/2027	11,450,000	5.000%	3.150%	105.190					
	08/01/2028	12,030,000	5.000%	3.180%	106.722					
	08/01/2029	12,630,000	5.000%	3.120%	108.577					
	08/01/2030	7,185,000	5.000%	3.140%	110.038					
	08/01/2031	7,550,000	5.000%	3.190%	111.217					
	08/01/2032	7,935,000	5.000%	3.200%	112.560					
	08/01/2033	8,340,000	5.000%	3.210%	113.842					
	08/01/2034	8,770,000	5.000%	3.220%	115.064					
		86,785,000								
Callable Serial Bonds:										
	08/01/2035	9,220,000	5.000%	3.250%	114.788 C	3.375%	08/01/2034	100.000	08/01/2034	100.000
		96,005,000								

Dated Date	08/15/2024	
Delivery Date	08/15/2024	
First Coupon	02/01/2025	
Par Amount	96,005,000.00	
Premium	9,238,674.65	
Production	105,243,674.65	109.623118%
Underwriter's Discount	-240,012.50	-0.250000%
Purchase Price	105,003,662.15	109.373118%
Accrued Interest		
Net Proceeds	105,003,662.15	

BOND DEBT SERVICE

State of Alaska
General Obligation Refunding Bonds, Series 2024B

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2025			2,213,448.61	2,213,448.61
06/30/2026			4,800,250.00	4,800,250.00
06/30/2027	10,895,000	5.000%	4,527,875.00	15,422,875.00
06/30/2028	11,450,000	5.000%	3,969,250.00	15,419,250.00
06/30/2029	12,030,000	5.000%	3,382,250.00	15,412,250.00
06/30/2030	12,630,000	5.000%	2,765,750.00	15,395,750.00
06/30/2031	7,185,000	5.000%	2,270,375.00	9,455,375.00
06/30/2032	7,550,000	5.000%	1,902,000.00	9,452,000.00
06/30/2033	7,935,000	5.000%	1,514,875.00	9,449,875.00
06/30/2034	8,340,000	5.000%	1,108,000.00	9,448,000.00
06/30/2035	8,770,000	5.000%	680,250.00	9,450,250.00
06/30/2036	9,220,000	5.000%	230,500.00	9,450,500.00
	96,005,000		29,364,823.61	125,369,823.61

SAVINGS

State of Alaska
General Obligation Refunding Bonds, Series 2024B

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 08/15/2024 @ 3.3681546%
06/30/2025	2,548,000.00	2,213,448.61	334,551.39	329,438.24
06/30/2026	5,096,000.00	4,800,250.00	295,750.00	284,034.85
06/30/2027	16,172,000.00	15,422,875.00	749,125.00	699,514.02
06/30/2028	16,169,500.00	15,419,250.00	750,250.00	677,738.22
06/30/2029	16,162,375.00	15,412,250.00	750,125.00	655,552.21
06/30/2030	16,149,375.00	15,395,750.00	753,625.00	637,174.43
06/30/2031	10,206,125.00	9,455,375.00	750,750.00	614,081.06
06/30/2032	10,203,500.00	9,452,000.00	751,500.00	594,700.15
06/30/2033	10,200,625.00	9,449,875.00	750,750.00	574,789.66
06/30/2034	10,201,375.00	9,448,000.00	753,375.00	558,058.26
06/30/2035	10,204,500.00	9,450,250.00	754,250.00	540,561.52
06/30/2036	10,203,875.00	9,450,500.00	753,375.00	522,408.67
	133,517,250.00	125,369,823.61	8,147,426.39	6,688,051.29

Savings Summary

PV of savings from cash flow	6,688,051.29
Plus: Refunding funds on hand	2,686.27
Net PV Savings	6,690,737.56

PRIOR BOND DEBT SERVICE

State of Alaska
General Obligation Refunding Bonds, Series 2024B

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2025			2,548,000	2,548,000
06/30/2026			5,096,000	5,096,000
06/30/2027	11,360,000	5.000%	4,812,000	16,172,000
06/30/2028	11,940,000	5.000%	4,229,500	16,169,500
06/30/2029	12,545,000	5.000%	3,617,375	16,162,375
06/30/2030	13,175,000	5.000%	2,974,375	16,149,375
06/30/2031	7,755,000	5.000%	2,451,125	10,206,125
06/30/2032	8,150,000	5.000%	2,053,500	10,203,500
06/30/2033	8,565,000	5.000%	1,635,625	10,200,625
06/30/2034	9,005,000	5.000%	1,196,375	10,201,375
06/30/2035	9,470,000	5.000%	734,500	10,204,500
06/30/2036	9,955,000	5.000%	248,875	10,203,875
	101,920,000		31,597,250	133,517,250

SUMMARY OF BONDS REFUNDED

State of Alaska
General Obligation Refunding Bonds, Series 2024B

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
GO Bonds, Series 2015B, S2015B_T:					
SER_C	08/01/2026	5.000%	5,015,000	08/15/2024	102.343
	08/01/2027	5.000%	5,265,000	08/15/2024	102.343
	08/01/2028	5.000%	5,530,000	08/15/2024	102.343
	08/01/2029	5.000%	5,800,000	08/15/2024	102.343
			21,610,000		
GO Bonds, Series 2016A, S2016A_T:					
SER_C	08/01/2026	5.000%	3,170,000	08/15/2024	102.343
	08/01/2027	5.000%	3,335,000	08/15/2024	102.343
	08/01/2028	5.000%	3,505,000	08/15/2024	102.343
	08/01/2029	5.000%	3,685,000	08/15/2024	102.343
	08/01/2030	5.000%	3,875,000	08/15/2024	102.343
	08/01/2031	5.000%	4,070,000	08/15/2024	102.343
	08/01/2032	5.000%	4,280,000	08/15/2024	102.343
	08/01/2033	5.000%	4,500,000	08/15/2024	102.343
	08/01/2034	5.000%	4,730,000	08/15/2024	102.343
	08/01/2035	5.000%	4,975,000	08/15/2024	102.343
			40,125,000		
GO Bonds, Series 2016B, S2016B_T:					
SER_C	08/01/2026	5.000%	3,175,000	08/15/2024	102.343
	08/01/2027	5.000%	3,340,000	08/15/2024	102.343
	08/01/2028	5.000%	3,510,000	08/15/2024	102.343
	08/01/2029	5.000%	3,690,000	08/15/2024	102.343
	08/01/2030	5.000%	3,880,000	08/15/2024	102.343
	08/01/2031	5.000%	4,080,000	08/15/2024	102.343
	08/01/2032	5.000%	4,285,000	08/15/2024	102.343
	08/01/2033	5.000%	4,505,000	08/15/2024	102.343
	08/01/2034	5.000%	4,740,000	08/15/2024	102.343
	08/01/2035	5.000%	4,980,000	08/15/2024	102.343
			40,185,000		
			101,920,000		

ESCROW REQUIREMENTS

State of Alaska
General Obligation Refunding Bonds, Series 2024B

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Period Ending	Interest	Principal Redeemed	Redemption Premium	Total
08/15/2024	198,177.78	101,920,000	2,387,985.60	104,506,163.38
	198,177.78	101,920,000	2,387,985.60	104,506,163.38

SOURCES AND USES OF FUNDS

State of Alaska
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Dated Date 05/06/2025
Delivery Date 05/06/2025

Sources:

Bond Proceeds:	
Par Amount	98,270,000.00
Premium	6,737,940.75
	105,007,940.75

Uses:

Refunding Escrow Deposits:	
SLGS Purchases	104,514,125.00
Delivery Date Expenses:	
Cost of Issuance	245,675.00
Underwriter's Discount	245,675.00
	491,350.00
Other Uses of Funds:	
Additional Proceeds	2,465.75
	105,007,940.75

SUMMARY OF REFUNDING RESULTS

State of Alaska
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Dated Date	05/06/2025
Delivery Date	05/06/2025
Arbitrage yield	3.368155%
Escrow yield	5.562265%
Value of Negative Arbitrage	-530,964.50
Bond Par Amount	98,270,000.00
True Interest Cost	3.610405%
Effective Interest Cost	3.560263%
Net Interest Cost	3.778806%
Average Coupon	5.000000%
Average Life	5.410
Par amount of refunded bonds	101,965,000.00
Average coupon of refunded bonds	5.000000%
Average life of refunded bonds	5.437
PV of prior debt to 08/15/2024 @ 3.368155%	108,649,789.59
Net PV Savings	5,230,131.24
Percentage savings of refunded bonds	5.129340%
Percentage savings of refunding bonds	5.322205%

BOND SUMMARY STATISTICS

State of Alaska
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Earliest Dated Date	05/06/2025
Earliest Delivery Date	05/06/2025
First Coupon	08/01/2025
Last Maturity	08/01/2035
Arbitrage Yield	3.368155%
True Interest Cost (TIC)	3.610405%
Net Interest Cost (NIC)	3.778806%
All-In TIC	3.660719%
Average Coupon	5.000000%
Average Life (years)	5.410
Weighted Average Maturity (years)	5.500
Par Amount	98,270,000.00
Bond Proceeds	105,007,940.75
Total Interest	26,581,631.94
Net Interest	20,089,366.19
Total Debt Service	124,851,631.94
Maximum Annual Debt Service	15,716,500.00
Average Annual Debt Service	12,197,174.36
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	2.500000
Total Underwriter's Discount	2.500000
Bid Price	106.606559

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Non-Callable Serial Bonds	98,270,000.00	106.857	5.000%	5.410	48,850.15
	98,270,000.00			5.410	48,850.15

	TIC	All-In TIC	Arbitrage Yield
Par Value	98,270,000.00	98,270,000.00	98,270,000.00
+ Accrued Interest			
+ Premium (Discount)	6,737,940.75	6,737,940.75	6,737,940.75
- Underwriter's Discount	-245,675.00	-245,675.00	
- Cost of Issuance Expense		-245,675.00	
- Other Amounts			
Target Value	104,762,265.75	104,516,590.75	105,007,940.75
Target Date	Multiple	Multiple	Multiple
Yield	3.610405%	3.660719%	3.368155%

BOND PRICING

State of Alaska
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Non-Callable Serial Bonds:					
	08/01/2026	11,080,000	5.000%	3.660%	101.599
	08/01/2027	11,635,000	5.000%	3.510%	103.172
	08/01/2028	12,220,000	5.000%	3.540%	104.421
	08/01/2029	12,840,000	5.000%	3.480%	105.933
	08/01/2030	7,400,000	5.000%	3.500%	107.114
	08/01/2031	7,780,000	5.000%	3.550%	108.042
	08/01/2032	8,180,000	5.000%	3.560%	109.109
	08/01/2033	8,595,000	5.000%	3.570%	110.121
	08/01/2034	9,040,000	5.000%	3.580%	111.078
	08/01/2035	9,500,000	5.000%	3.610%	111.801
		98,270,000			

Dated Date	05/06/2025	
Delivery Date	05/06/2025	
First Coupon	08/01/2025	
Par Amount	98,270,000.00	
Premium	6,737,940.75	
Production	105,007,940.75	106.856559%
Underwriter's Discount	-245,675.00	-0.250000%
Purchase Price	104,762,265.75	106.606559%
Accrued Interest		
Net Proceeds	104,762,265.75	

BOND DEBT SERVICE

State of Alaska
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2026			3,616,881.94	3,616,881.94
06/30/2027	11,080,000	5.000%	4,636,500.00	15,716,500.00
06/30/2028	11,635,000	5.000%	4,068,625.00	15,703,625.00
06/30/2029	12,220,000	5.000%	3,472,250.00	15,692,250.00
06/30/2030	12,840,000	5.000%	2,845,750.00	15,685,750.00
06/30/2031	7,400,000	5.000%	2,339,750.00	9,739,750.00
06/30/2032	7,780,000	5.000%	1,960,250.00	9,740,250.00
06/30/2033	8,180,000	5.000%	1,561,250.00	9,741,250.00
06/30/2034	8,595,000	5.000%	1,141,875.00	9,736,875.00
06/30/2035	9,040,000	5.000%	701,000.00	9,741,000.00
06/30/2036	9,500,000	5.000%	237,500.00	9,737,500.00
	98,270,000		26,581,631.94	124,851,631.94

SAVINGS

State of Alaska
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 08/15/2024 @ 3.3681546%
06/30/2026	5,098,250.00	3,616,881.94	1,481,368.06	1,433,086.60
06/30/2027	16,184,000.00	15,716,500.00	467,500.00	436,538.20
06/30/2028	16,171,250.00	15,703,625.00	467,625.00	422,425.79
06/30/2029	16,164,125.00	15,692,250.00	471,875.00	412,390.55
06/30/2030	16,156,000.00	15,685,750.00	470,250.00	397,586.19
06/30/2031	10,207,625.00	9,739,750.00	467,875.00	382,699.94
06/30/2032	10,209,875.00	9,740,250.00	469,625.00	371,638.47
06/30/2033	10,211,625.00	9,741,250.00	470,375.00	360,130.60
06/30/2034	10,207,000.00	9,736,875.00	470,125.00	348,242.57
06/30/2035	10,209,875.00	9,741,000.00	468,875.00	336,035.92
06/30/2036	10,209,000.00	9,737,500.00	471,500.00	326,949.64
	131,028,625.00	124,851,631.94	6,176,993.06	5,227,724.48

Savings Summary

Deliv Date	Refunding Funds on Hand	Total	Present Value to 08/15/2024 @ 3.3681546%
05/06/2025	2,465.75	2,465.75	2,406.76
			2,406.76

PV of savings from cash flow	5,227,724.48
Adjustments	2,406.76
Net PV Savings	5,230,131.24

PRIOR BOND DEBT SERVICE

State of Alaska
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2026			5,098,250	5,098,250
06/30/2027	11,370,000	5.000%	4,814,000	16,184,000
06/30/2028	11,940,000	5.000%	4,231,250	16,171,250
06/30/2029	12,545,000	5.000%	3,619,125	16,164,125
06/30/2030	13,180,000	5.000%	2,976,000	16,156,000
06/30/2031	7,755,000	5.000%	2,452,625	10,207,625
06/30/2032	8,155,000	5.000%	2,054,875	10,209,875
06/30/2033	8,575,000	5.000%	1,636,625	10,211,625
06/30/2034	9,010,000	5.000%	1,197,000	10,207,000
06/30/2035	9,475,000	5.000%	734,875	10,209,875
06/30/2036	9,960,000	5.000%	249,000	10,209,000
	101,965,000		29,063,625	131,028,625

SUMMARY OF BONDS REFUNDED

State of Alaska
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024

Assumes 50% Participation in Tender

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
GO Bonds, Series 2015B, S2015B_F:					
SER_C	08/01/2026	5.000%	5,015,000	08/01/2025	100.000
	08/01/2027	5.000%	5,265,000	08/01/2025	100.000
	08/01/2028	5.000%	5,530,000	08/01/2025	100.000
	08/01/2029	5.000%	5,805,000	08/01/2025	100.000
			21,615,000		
GO Bonds, Series 2016A, S2016A_F:					
SER_C	08/01/2026	5.000%	3,175,000	08/01/2025	100.000
	08/01/2027	5.000%	3,335,000	08/01/2025	100.000
	08/01/2028	5.000%	3,505,000	08/01/2025	100.000
	08/01/2029	5.000%	3,685,000	08/01/2025	100.000
	08/01/2030	5.000%	3,875,000	08/01/2025	100.000
	08/01/2031	5.000%	4,075,000	08/01/2025	100.000
	08/01/2032	5.000%	4,285,000	08/01/2025	100.000
	08/01/2033	5.000%	4,500,000	08/01/2025	100.000
	08/01/2034	5.000%	4,735,000	08/01/2025	100.000
	08/01/2035	5.000%	4,975,000	08/01/2025	100.000
			40,145,000		
GO Bonds, Series 2016B, S2016B_F:					
SER_C	08/01/2026	5.000%	3,180,000	08/01/2025	100.000
	08/01/2027	5.000%	3,340,000	08/01/2025	100.000
	08/01/2028	5.000%	3,510,000	08/01/2025	100.000
	08/01/2029	5.000%	3,690,000	08/01/2025	100.000
	08/01/2030	5.000%	3,880,000	08/01/2025	100.000
	08/01/2031	5.000%	4,080,000	08/01/2025	100.000
	08/01/2032	5.000%	4,290,000	08/01/2025	100.000
	08/01/2033	5.000%	4,510,000	08/01/2025	100.000
	08/01/2034	5.000%	4,740,000	08/01/2025	100.000
	08/01/2035	5.000%	4,985,000	08/01/2025	100.000
			40,205,000		
			101,965,000		

ESCROW REQUIREMENTS

State of Alaska
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)

Rates as of July 2, 2024
Assumes 50% Participation in Tender

Period Ending	Interest	Principal Redeemed	Total
08/01/2025	2,549,125.00	101,965,000	104,514,125.00
	2,549,125.00	101,965,000	104,514,125.00



STATE OF ALASKA
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)
Distribution List as of July 2, 2024
Page 1 of 3

Telephone		E-Mail
Issuer		
STATE OF ALASKA DEPARTMENT OF REVENUE 550 W 7 th Avenue Suite 670 Anchorage, AK 99501		
Adam Crum, Commissioner	907-465-2300	adam.crum@alaska.gov
Fadil Limani, Deputy Commissioner	907-312-9236	fadil.limani@alaska.gov
State Office Building, 11 th Floor 333 Willoughby Juneau, AK 99811-0400		
Ryan Williams, Debt Manager	907-465-2893	ryan.williams@alaska.gov
DEPARTMENT OF LAW 1031 W. 4 th Ave. #200 Anchorage, AK 99501		
[to come]		
Bond Counsel		
ORRICK, HERRINGTON & SUTCLIFFE LLP 701 5 th Avenue, Suite 5600 Seattle, WA 98104-7097		
Leslie Conrad Krusen, Esq.	206-839-4334	lkrusen@orrick.com
Doug Goe, Esq. (Portland)	503-943-4810	dgoe@orrick.com
Greg Blonde, Esq. (Portland)	503-943-4823	gblonde@orrick.com
John Stanley, Esq. (San Fran)	415-773-5713	jstanley@orrick.com
Angie Gardner, Esq. (Portland)	503-943-4826	agardner@orrick.com
Nina Brox, Esq. (Sacramento)	415-818-5109	nbrox@orrick.com
Senior Manager / Dealer Manager		
JEFFERIES LLC 520 Madison Avenue, 6 th Floor New York, NY 10022		
Alan Jaffe, Managing Director	212-284-2053	ajaffe@jefferies.com
Amanda Lee, Managing Director	212-336-7025	amanda.lee@jefferies.com
Bill Bloom, Managing Director	212-336-6283	bbloom@jefferies.com
Bob Foggio, Senior Vice President	212-284-2084	rfoggio@jefferies.com
Nihara Gunasekera, Senior Vice President	212-284-3434	ngunasekera@jefferies.com
Jack Kingston, Associate	212-778-8737	jkingston@jefferies.com



STATE OF ALASKA
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)
Distribution List as of July 2, 2024
Page 2 of 3

	Telephone	E-Mail
Co-Manager		
GOLDMAN SACHS & CO. LLC 10100 Santa Monica Blvd., Suite 2600, Los Angeles, CA 90067		
Ruth Pan, Managing Director	310-407-5848	ruth.pan@gs.com
Paul Bloom, Vice President	310-407-5590	paul.bloom@gs.com
Adil Dahlvani, Analyst	415-249-7387	adil.dahlvani@gs.com
Underwriter's Counsel		
NIXON PEABODY 300 South Grand Avenue, Suite 4100 Los Angeles, California 90071-3151		
Daniel M. Deaton, Partner (Los Angeles)	213-629-6050	ddeaton@nixonpeabody.com
Virginia Wong, Partner (New York)	212-940-3028	vwong@nixonpeabody.com
Janelle M Walker, Associate (San Francisco)	415-984-8440	jmwalker@nixonpeabody.com
Trustee		
U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION 1420 Fifth Avenue Seattle, WA 98101		
Tom Zrust, Vice President	206-344-4687	thomas.zrust@usbank.com
Information and Tender Agent		
GLOBIC ADVISORS 485 Madison Avenue, 7 th Floor New York, NY 10022		
Rob Stevens	212-227-9622	rstevens@globic.com
Adrianna Cova	212-227-9611	acova@globic.com
Rating Agency		
S&P Global Ratings 55 Water Street New York, NY 10041		
Thomas J. Zemetis, Director	212-438-1172	thomas.zemetis@spglobal.com
Ladunni Okolo, Director		ladunni.okolo@spglobal.com
Oscar Padilla, Director		oscar.padilla@spglobal.com



STATE OF ALASKA
General Obligation Refunding Bonds, Series 2024B
General Obligation Refunding Bonds, Series 2025A (Forward Delivery)
Distribution List as of July 2, 2024
Page 3 of 3

	Telephone	E-Mail
Rating Agency		
Kroll Ratings 805 Third Ave, 29 th Floor New York, NY 10022		
Michael Taylor, Senior Director Peter Scherer, Senior Director	646-731-3357	michael.taylor@kbra.com peter.scherer@kbra.com
Rating Agency		
Moody's Ratings 7 World Trade Center New York, NY 10007		
Ted Hampton, Vice President	212-553-2741	ted.hampton@moodys.com

Working Group Email List:

adam.crum@alaska.gov; fadil.limani@alaska.gov; ryan.williams@alaska.gov; lkrusen@orrick.com; dgoe@orrick.com; gblonde@orrick.com; jstanley@orrick.com; agardner@orrick.com; nbrox@orrick.com; ajaffe@jefferies.com; amanda.lee@jefferies.com; bbloom@jefferies.com; rfoggio@jefferies.com; ngunasekera@jefferies.com; jkingston@jefferies.com; ruth.pan@gs.com; paul.bloom@gs.com; adil.dahlvani@gs.com; ddeaton@nixonpeabody.com; vwong@nixonpeabody.com; jmwalker@nixonpeabody.com; thomas.zrust@usbank.com; rstevens@globic.com; acova@globic.com

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: See "RATINGS" herein

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 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the 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 that Interest on the Bonds is not included in taxable income for purposes of the State of Alaska income tax imposed on corporations. 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 Bonds. See "TAX MATTERS." Delivery of the Series 2025A Bonds, and delivery of Bond Counsel's opinion with respect to the Series 2025A Bonds, is subject to the satisfaction of certain terms and conditions provided in the Forward Delivery Bond Purchase Agreement as described under the heading "CERTAIN FORWARD DELIVERY CONSIDERATIONS."



STATE OF ALASKA
General Obligation Refunding Bonds

\$ _____ *
Series 2024B

\$ _____ *
Series 2025A (Forward Delivery)

Dates, Interest Rates, Prices and Yields Are Shown on the Inside Cover Page

The State of Alaska (the "State") is issuing its \$ _____ * aggregate principal amount of General Obligation Refunding Bonds, Series 2024B (the "Series 2024B Bonds"), and its \$ _____ * aggregate principal amount of General Obligation Refunding Bonds, Series 2025A (Forward Delivery) (the "Series 2025A Bonds," and together with the Series 2024B Bonds, the "Bonds").

The Bonds will be general obligations of the State and the full faith, credit and resources of the State will be pledged to the payment of principal of and interest on the Bonds. See "THE BONDS—Security for the Bonds" herein.

The Bonds will be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof. Interest on the Series 2024B Bonds will accrue from the date of delivery of the Series 2024B Bonds, or from the most recent interest payment date to which interest has been paid or provided for, and is payable on each February 1 and August 1, commencing February 1, 2025. Interest on the Series 2025A Bonds will accrue from the date of delivery of the Series 2025A Bonds, or from the most recent interest payment date to which interest has been paid or provided for, and is payable on each February 1 and August 1, commencing August 1, 2025. Interest will be calculated on the basis of a 360-day year of twelve 30-day months at the annual rates set forth on the inside front cover. The Bonds are subject to redemption prior to their stated maturity dates. See "THE BONDS—Redemption" herein.

The Series 2025A Bonds are scheduled to be delivered on May 7, 2025*. For a discussion regarding the forward delivery of the Series 2025A Bonds, see "CERTAIN FORWARD DELIVERY CONSIDERATIONS."

The Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers of Bonds will not receive physical certificates representing their interest in the Bonds purchased. DTC will act as securities depository for the Bonds. Individual purchases of interests in the Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. The principal of and interest on the Bonds will be payable directly to DTC by U.S. Bank Trust Company, National Association, Seattle, Washington as authenticating agent, paying agent and registrar for the Bonds. Upon receipt of payments of principal and interest, DTC is to remit such principal and interest to the Direct Participants (defined in Appendix E) for subsequent disbursement to the purchasers of beneficial interests in the Bonds, as described herein.

The Bonds are being issued pursuant to the Alaska Constitution, Alaska Statutes 37.15.010 through 37.15.220 (the "Bond Act") and the Resolution (as defined herein) for the purpose of purchasing and/or refunding all or a portion of certain of the State's Outstanding GO Bonds, as defined and further described herein, tendered to the State, and paying the costs of issuing the Bonds. See "SOURCES AND USES OF BOND PROCEEDS—Application of Bond Proceeds" and "—Plan of Refunding; State Offer."

This cover page contains certain information for quick reference only. Investors must read the entire Official Statement to obtain information essential to the making of an informed decision.

The Series 2024B Bonds are offered when, as and if issued by means of the Invitation to Tender Bonds, with the assistance of Jefferies LLC as Dealer Manager, as described herein. The Bonds are offered when, as and if issued, subject to receipt of an approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the State Bond Committee. Certain legal matters will be passed upon for the Underwriters by their special counsel, Nixon Peabody LLP. It is expected that the Bonds in book-entry form will be available for delivery by Fast Automated Securities Transfer, through the facilities of DTC, on or about August ___, 2024, with respect to the Series 2024B Bonds, and May 7, 2025*, with respect to the Series 2025A Bonds.

Jefferies**Goldman Sachs & Co. LLC**

The date of this Official Statement is August ___, 2024

* Preliminary, subject to change.

\$ _____ *

STATE OF ALASKA
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2024B

Dated: Date of Delivery Due: August 1, as shown below

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES, CUSIPS

<u>Maturity</u> <u>August 1*</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>
-------------------------------------	------------------------------------	--------------------------------	--------------	--------------	---------------

\$ _____ *

STATE OF ALASKA
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2025A (FORWARD DELIVERY)

Dated: Date of Delivery Due: August 1, as shown below

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES, CUSIPS

<u>Maturity</u> <u>August 1*</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>
-------------------------------------	------------------------------------	--------------------------------	--------------	--------------	---------------

* Preliminary, subject to change.

† Copyright 2024, CUSIP Global Services. CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. CUSIP® data herein is provided by CGS. This data is not intended to create a database and do not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided in this Official Statement for convenience of reference only. CUSIP numbers are subject to change. Neither the State of Alaska nor the Underwriter nor their agents or advisors takes any responsibility for the accuracy of such CUSIP® numbers.

STATE OF ALASKA
Mike Dunleavy, Governor
Nancy Dahlstrom, Lt. Governor
P.O. Box 110001
Juneau, Alaska 99811
<http://www.alaska.gov>¹

Julie Sande, Chair
Commissioner
Department of Commerce,
Community and Economic
Development

STATE BOND COMMITTEE
Adam Crum, Secretary
Commissioner
Department of Revenue

Paula Vrana, Member
Commissioner
Department of Administration

**Micaela Fowler, Designee for
Department of Commerce,
Community and Economic
Development**
Deputy Commissioner of the
Department of Commerce,
Community and Economic
Development

**Fadil Limani, Designee for
Department of Revenue**
Deputy Commissioner of the
Department of Revenue

**Eric DeMoulin, Designee for
Department of Administration**
Division Director – Department of
Administration

Ryan S. Williams
Debt Manager, State of Alaska
Department of Revenue
P.O. Box 110405
Juneau, Alaska 99811-0400

STATE DEPARTMENT OF LAW
P.O. Box 110300
Juneau, Alaska 99811-0400

William E. Milks
Chief Assistant Attorney General

BOND COUNSEL
Orrick, Herrington & Sutcliffe LLP
Seattle, Washington

BOND REGISTRAR
U.S. Bank Trust Company, National Association
Seattle, Washington

¹ The reference to the State's website is not part of this Official Statement, and investors should not rely on information presented in the State's website in determining whether to purchase the Bonds. This inactive textual reference to the State's website is not a hyperlink and does not incorporate the State's website by reference.

The information contained in this Official Statement has been obtained from sources the State deems reliable. The information concerning DTC and its book-entry system has been obtained from DTC, and no representation is made by the State as to the completeness or accuracy of such information.

No dealer, broker, salesperson or other person has been authorized by the State or by the State Bond Committee (the "Committee") or the Underwriters to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Underwriters, the State or by the Committee.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 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 sales made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the State or DTC since the date hereof. This Official Statement does not constitute a contract between the State and any one or more of the purchasers or registered owners of the Bonds.

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 can any such information be relied upon in making investment decisions regarding the Bonds.

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

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 included in the continuing disclosure undertaking of the State, the State does not plan to issue any updates or revisions to those forward-looking statements. See APPENDIX D - "Proposed Form of Continuing Disclosure Undertaking."

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

TABLE OF CONTENTS

	Page
INTRODUCTORY STATEMENT	1
THE BONDS	2
Authority for Issuance and Purpose of the Bonds	2
Security for the Bonds	3
General Description of the Bonds	3
Redemption of the Bonds	3
Notice and Effect of Redemption	Error! Bookmark not defined.
Selection of Bonds for Redemption	Error! Bookmark not defined.
Purchase of the Bonds	4
Defeasance	5
Book-Entry System	5
SOURCES AND USES OF BOND PROCEEDS	5
Application of Bond Proceeds	5
Plan of Refunding; State Offer	5
Sources and Uses of Funds	7
CERTAIN FORWARD DELIVERY CONSIDERATIONS	7
General	7
Series 2025A Bond Settlement	8
Agreement of Purchasers	8
Additional Risks Related to the Forward Delivery Period	10
INFORMATION CONCERNING THE STATE OF ALASKA	11
General	11
State Government	12
State Bond Committee	12
Infectious Disease Outbreak - COVID-19	12
State Revenues	13
Government Budgets and Appropriations	23
Government Funds	27
Revenue Forecasts	31
General Fund Expenditure Trends	32
10-Year Plan and General Fund Forecast	32
Other Funds Maintained by the State	34
State Ownership of Land and Natural Resources	34
Oil and Gas Reserves and Potential Future Recoverable Resources	35
Natural Gas Pipeline Developments	37
Mineral Resources	38
Other Major Resources	39
Public Debt and Other Obligations of the State	40
STATE PENSION AND OTHER POST-EMPLOYMENT BENEFIT RESPONSIBILITIES	48
General	48
The ARM Board	50
Administration of the Systems	50
Valuation Reports	50
The Public Employees' Retirement System	51
Teachers' Retirement System	60
Pension Reforms	68
The Other Retirement Systems	69
State's Supplemental Benefits System	70
State's Deferred Compensation Plan	70
State's Annual/Personal Leave and Sick Leave	70
INVESTMENT POLICIES	70
General Fund, Constitutional Budget Reserve Fund and Other Subfunds	70
The Permanent Fund	71
SPECIAL INVESTOR CONSIDERATIONS	72
Revenues of the State	72

TABLE OF CONTENTS

	Page
Other Factors Affecting the State	73
Infectious Disease Outbreak	74
Ratings.....	74
Early Redemption.....	74
Federal Income Tax Considerations	74
Secondary Market and Prices	75
LITIGATION	75
Oil and Gas Tax Litigation	75
Environmental Litigation	75
Tort Claims.....	76
Medicaid Payment Rate Appeals.....	76
Employment Claims	76
Tobacco Company Litigation.....	76
Opioid Litigation	77
Other Litigation	77
CERTAIN LEGAL MATTERS	78
TAX MATTERS	78
VERIFICATION OF SUFFICIENCY	80
FORWARD-LOOKING STATEMENTS	80
RATINGS.....	81
UNDERWRITING	81
CONTINUING DISCLOSURE.....	82
PRELIMINARY OFFICIAL STATEMENT	83
MISCELLANEOUS	83
EXECUTION OF OFFICIAL STATEMENT	84
 APPENDIX A - Summary Information Regarding the Economy of the State	
APPENDIX B - State of Alaska “General Purpose Financial Statements” from the Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023	
APPENDIX C-1 - Proposed Form of Bond Counsel Opinion for Series 2024B Bonds	
APPENDIX C-2 - Proposed Form of Bond Counsel Opinion for Series 2025A Bonds	
APPENDIX D - Proposed Form of Continuing Disclosure Undertaking	
APPENDIX E - Information Regarding The Depository Trust Company	

OFFICIAL STATEMENT

Relating to

STATE OF ALASKA General Obligation Refunding Bonds

\$ _____*
Series 2024B

\$ _____*
Series 2025A (Forward Delivery)

INTRODUCTORY STATEMENT

The purpose of this Official Statement, including the Appendices, is to provide certain information concerning the State of Alaska (the “State”) and the issuance of its \$ _____* aggregate principal amount of the State of Alaska General Obligation Refunding Bonds, Series 2024B (the “Series 2024B Bonds”), and its \$ _____* aggregate principal amount of the State of Alaska General Obligation Refunding Bonds, Series 2025A (Forward Delivery) (the “Series 2025A Bonds,” and together with the Series 2024B Bonds, the “Bonds”). The Bonds will be issued pursuant to Resolution No. 2024-[02] (the “Resolution”), adopted by the State Bond Committee (the “Committee”) on July 9, 2024. See “THE BONDS” herein for a description of the Bonds and the security therefor.

The Bonds will be general obligations of the State and the full faith, credit and resources of the State will be pledged to the payment of the principal of and interest on the Bonds. See “THE BONDS—Security for the Bonds” herein.

The Bonds are being issued to (a) purchase and/or refund all or a portion of the State’s (i) General Obligation Refunding Bonds, Series 2015B (the “Series 2015B Bonds”), (ii) General Obligation Bonds, Series 2016A (the “Series 2016A Bonds”) and (iii) General Obligation Bonds, Series 2016B (the “Series 2016B Bonds,” and together with the Series 2015B Bonds and the Series 2016A Bonds, the “Outstanding GO Bonds”), as more fully described below, and (b) pay costs of issuing the Bonds. See “SOURCES AND USES OF BOND PROCEEDS—Application of Bond Proceeds” and “—Plan of Refunding; State Offer” herein.

The Series 2024B Bonds are proposed to be issued in connection with the Invitation to Tender Bonds dated [_____, 2024] (the “State Offer”) inviting owners of the Outstanding GO Bonds to tender such bonds for purchase for cash, with the assistance of Jefferies LLC, as Dealer Manager (the “Dealer Manager”), as described therein.

The Series 2025A Bonds will not be delivered until on or about May 7, 2025.* The delay in the issuance and delivery of the Series 2025A Bonds may have significant consequences to the purchasers of beneficial ownership interests therein. The market value of the Series 2025A Bonds on the date of issuance and delivery thereof is unlikely to be the same as, and likely will be greater or less than, the respective initial offering prices thereof, and any such difference may be substantial. Several factors may adversely affect the market prices of the Series 2025A Bonds, including, but not limited to, a general increase in interest rates for all obligations and other indebtedness, changes to the economic environment, any proposed or adopted change in federal tax laws affecting the relative benefits of owning tax-exempt securities instead of other types of investments, such as fully taxable obligations, or any adverse development with respect to the State. See “CERTAIN FORWARD DELIVERY CONSIDERATIONS” herein.

* Preliminary, subject to change.

BY PLACING AN ORDER WITH THE UNDERWRITERS FOR THE PURCHASE OF THE SERIES 2025A BONDS, EACH INVESTOR ACKNOWLEDGES AND AGREES THAT THE SERIES 2025A BONDS ARE BEING SOLD ON A “DELAYED DELIVERY” BASIS AND THAT THE INVESTOR IS OBLIGATED TO ACCEPT DELIVERY AND PAY FOR THE SERIES 2025A BONDS ON THE DELAYED DELIVERY DATE SUBJECT ONLY TO THE CONDITIONS IN THE FORWARD DELIVERY BOND PURCHASE AGREEMENT. See “CERTAIN FORWARD DELIVERY CONSIDERATIONS.”

The proposed form of the opinion of Bond Counsel for the Series 2024B Bonds is included in Appendix C-1. The proposed form of opinion of Bond Counsel for the Series 2025A Bonds is included in Appendix C-2.

The proposed form of the Continuing Disclosure Undertaking is included in Appendix D.

The historical financial information included in this Official Statement is derived primarily from the State’s audited financial statements and from the State’s unaudited financial documents and records. All of the historical information about the State’s financial condition and about its economy and resources and all summaries of resolutions, statutes, agreements, reports and other documents are subject to and are qualified in their entirety by reference to such financial statements, records, resolutions, statutes, agreements, reports and other documents. A copy of the State’s audited financial statements for the fiscal year ended June 30, 2023, is included in this Official Statement as Appendix B.

In addition to historical information, this Official Statement includes information about the State’s long-term plans and proposed budgets and forecast information about the State’s resources, economy and revenues and expenditures. Forecast information is derived from a number of sources and is based upon a variety of assumptions, many of which themselves are based upon other forecasts and assumptions and most of which are not within the State’s control. Actual budgets, plans and results may differ materially from the plans, budgets and results described herein.

On March 13, 2024, the Department of Revenue issued its Spring 2024 Revenue Forecast (the “Spring 2024 Revenue Forecast”), which provides updated projections, and is based on certain assumptions, including that no major disruptions to economic activity from COVID-19, geopolitical events or economic events occur during the forecast period and that the State will continue to receive federal funding from the Infrastructure Investment and Jobs Act (“IIJA”). Historic information in this Official Statement about the finances and operations of the State that predates the outbreak of COVID-19 should be considered in light of the effects the COVID-19 outbreak had and may have on the current and future finances and operations thereof. The Spring 2024 Revenue Forecast and any other budget and projection information and all other forward-looking statements in this Official Statement were based on expectations as of the date thereof 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.

For a discussion of certain risks associated with an investment in the Bonds, see “SPECIAL INVESTOR CONSIDERATIONS”

THE BONDS

Authority for Issuance and Purpose of the Bonds

The Bonds are being issued pursuant to the Alaska Constitution, AS 37.15.010 through 37.15.220 (the “Bond Act”) and the Resolution.

Security for the Bonds

When issued, the Bonds will be general obligations of the State, and the full faith, credit and resources of the State will be pledged to the payment of the principal of and interest on the Bonds. Pursuant to the Bond Act, the amounts required annually to pay the principal of and interest and redemption premium on all issued and outstanding general obligation bonds of the State are appropriated to the Committee to make all required payments of principal, interest and redemption premium. AS 37.15.012 provides that, if such appropriation is insufficient to fully pay these amounts, the necessary additional amounts are appropriated from the General Fund to the Committee to make all required payments of principal, interest and redemption premium.

For the payment of principal of and interest on general obligation indebtedness, including the Bonds, the State has the power to levy taxes, including taxes on all taxable property and other sources of revenues to the State, without limitation as to rate or amount. For a description of the State's current taxes and other sources of revenues, see "INFORMATION CONCERNING THE STATE OF ALASKA—State Revenues" and "INFORMATION CONCERNING THE STATE OF ALASKA—Public Debt and Other Obligations of the State" herein.

General Description of the Bonds

The Bonds are issuable solely as fully registered Bonds without coupons (initially in the book-entry only system) in denominations of \$5,000 or any integral multiple thereof. The Bonds will be dated as of their respective dates of original issuance and delivery and will bear interest at the rates and will mature on the dates set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable semiannually on February 1 and August 1 of each year, commencing on February 1, 2025, with respect to the Series 2024B Bonds, and commencing on August 1, 2025, with respect to the Series 2025A Bonds, each computed on the basis of a 360-day year (consisting of 12 months of 30 days each).

When issued, the Bonds will be registered in the name of Cede & Co. as the partnership nominee of the Depository Trust Company, New York, New York ("DTC"). So long as Cede & Co. (or such other name as may be requested by an authorized representative of DTC), is the registered owner of the Bonds, principal of and interest on the Bonds are payable by wire transfer by the U.S. Bank Trust Company, National Association, as bond registrar (the "Bond Registrar") to DTC, which, in turn, is obligated to remit such principal and interest to the Direct Participants for subsequent disbursement to the Beneficial Owners (each as defined in Appendix E) of the Bonds. See "—Book-Entry-System" below and "INFORMATION REGARDING THE DEPOSITORY TRUST COMPANY" in Appendix E.

In the event that DTC or its successor (or substitute securities depository or its successor) resigns and no substitute securities depository can be obtained, or in the event the State determines that it is in the best interests of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, new Bonds are required to be issued and registered.

Redemption of the Bonds*

Optional Redemption of Series 2024B Bonds. The Series 2024B Bonds maturing on or after August 1, 20__, are subject to redemption, in whole or in part, at the option of the State, on any date on or after August 1, 20__, at a price of 100 percent of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption.

* Preliminary, subject to change.

Optional Redemption of Series 2025A Bonds. The Series 2025A Bonds maturing on or after August 1, 20__, are subject to redemption, in whole or in part, at the option of the State, on any date on or after August 1, 20__, at a price of 100 percent of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption.

Selection of Bonds for Redemption. The Resolution provides that if the State elects to redeem less than all of the Bonds for optional redemption, the State will select the series, amount and the maturities to be redeemed.

So long as the Bonds of a series are registered to DTC or its nominee, selection of a portion of such series of Bonds to be redeemed within a maturity is to be made by DTC in accordance with its operational arrangements then in effect. If the Bonds of a series are no longer held in book-entry form and if fewer than all of the Outstanding Bonds of a maturity are to be redeemed, the Bond Registrar is to select the Bonds to be redeemed by lot; provided, that the portion of any Bond to be redeemed in part is in the principal amount of \$5,000 or any integral multiple thereof. See “—Book-Entry System” below and “INFORMATION REGARDING THE DEPOSITORY TRUST COMPANY” in Appendix E.

Notice of Redemption. The Resolution provides that unless waived by the Registered Owner of Bonds of a series to be redeemed (DTC so long as the Bonds are held by DTC or by a nominee of DTC), official notice of any redemption, which notice in the case of an optional redemption may be a conditional notice, is to be given by the Bond Registrar on behalf of the State at least 20 days and not more than 60 days prior to the date fixed for redemption. If the Bonds of a series cease to be in book-entry form, notice of redemption is to be given by registered mail to the Registered Owner of the Bond or Bonds to be redeemed. Failure to give any required notice of redemption as to any particular Bond or any defect therein will not affect the validity of the notice for redemption of any Bonds in respect of which no such failure or defect has occurred. The Resolution provides that a notice given will be effective when sent and will be conclusively presumed to have been given whether or not actually received by any Registered Owner.

Conditional Notice of Redemption. Redemption notices in connection with optional redemption of any Bonds may be conditional notices and may provide that unless a stated condition has been satisfied before the date fixed for redemption or unless money sufficient to pay the principal of and premium, if any, and interest on such Bond has been received by the Bond Registrar prior to the giving of such notice of redemption, such redemption shall be conditional upon the satisfaction of such condition or the receipt of such money by the Bond Registrar on or prior to the date fixed for redemption.

Effect of Redemption. The Resolution provides that unless the State has revoked a notice of optional redemption (or unless the State provided a conditional notice of optional redemption and the conditions for redemption set forth therein are not satisfied), the Bonds or portions of Bonds to be redeemed shall on the date fixed for redemption (unless in the case of a conditional notice of optional redemption, the condition is not satisfied or funds sufficient to pay the redemption price are not on deposit with the Bond Registrar), become due and payable at the redemption price therein specified and that from and after such date (unless the State has not paid the redemption price), such Bonds or portions thereof shall cease to bear interest.

Purchase of the Bonds

The State has reserved the right to purchase any of the Bonds offered to the State at any time at a price deemed reasonable by the State.

Defeasance

The Resolution provides that in the event that money and/or noncallable direct obligations of the United States or obligations unconditionally guaranteed by the United States, (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds in accordance with their terms, are set aside in a special account of the State to effect such redemption and retirement and are pledged for such purpose, then no further payments need be made for the payment of the principal of and interest on the Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of the Resolution except the right to receive the moneys so set aside and pledged, and such Bonds shall be deemed to be no longer outstanding under the Resolution.

Book-Entry System

When issued, the Bonds will be registered in the name of Cede & Co. (or such other name as may be requested by an authorized representative of DTC), as nominee of DTC. DTC will act as securities depository for the Bonds. Unless the State elects to substitute another depository or determines that Beneficial Owners of the Bonds obtain Bond certificates, individual purchases will be made only in book-entry form through DTC, and purchasers will not receive physical certificates representing their interests in the Bonds purchased. Except as provided in the Resolution so long as Cede & Co. (or such other name as may be requested by an authorized representative of DTC) is the registered owner of the Bonds, as nominee of DTC, references in this Official Statement to Owners, Registered Owners or holders mean Cede & Co. (or such other name) and not the Beneficial Owners of the Bonds. For information about DTC and its book-entry system, see APPENDIX E—“INFORMATION REGARDING THE DEPOSITORY TRUST COMPANY.”

SOURCES AND USES OF BOND PROCEEDS*

Application of Bond Proceeds

The proceeds from the sale of the Bonds will be used to (a) purchase and/or refund all or a portion of the Outstanding GO Bonds and (b) pay costs of issuing the Bonds.

Plan of Refunding; State Offer

The State intends to use a portion of the proceeds of the Bonds being issued to purchase and/or refund all or a portion of the Outstanding GO Bonds, including Outstanding GO Bonds tendered to the State pursuant to the State Offer and thereby to refund such Outstanding GO Bonds for debt service savings. The Outstanding GO Bonds are described as follows:

Table 1

Outstanding GO Bonds Subject to Purchase and/or Refunding

Series	Maturity (August 1)	Outstanding Principal Amount	Coupon	Expected Redemption Date	Redemption Price(%)	CUSIP No.
2015B	2025	\$ 9,555,000	5.000%	August 1, 2025	N/A	0117702H6
2015B	2026	10,030,000	5.000%	August 1, 2025	100	0117702P8
2015B	2027	10,530,000	5.000%	August 1, 2025	100	0117702Q6
2015B	2028	11,060,000	5.000%	August 1, 2025	100	0117702R4

* Preliminary, subject to change.

Series	Maturity (August 1)	Outstanding Principal Amount	Coupon	Expected Redemption Date	Redemption Price(%)	CUSIP No.
2015B	2029	11,605,000	5.000%	August 1, 2025	100	0117702S2
		<u>\$ 52,780,000</u>			100	
2016A	2025	\$ 6,095,000	5.000%	August 1, 2025	N/A	0117703C6
2016A	2026	6,345,000	5.000%	August 1, 2025	100	0117703D4
2016A	2027	6,670,000	5.000%	August 1, 2025	100	0117703E2
2016A	2028	7,010,000	5.000%	August 1, 2025	100	0117703F9
2016A	2029	7,370,000	5.000%	August 1, 2025	100	0117703G7
2016A	2030	7,750,000	5.000%	August 1, 2025	100	0117703H5
2016A	2031	8,145,000	5.000%	August 1, 2025	100	0117703J1
2016A	2032	8,565,000	5.000%	August 1, 2025	100	0117703K8
2016A	2033	9,000,000	5.000%	August 1, 2025	100	0117703L6
2016A	2034	9,465,000	5.000%	August 1, 2025	100	0117703M4
2016A	2035	9,950,000	5.000%	August 1, 2025	100	0117703N2
		<u>\$ 86,365,000</u>				
2016B	2025	\$ 6,075,000	5.000%	August 1, 2025	N/A	0117703X0
2016B	2026	6,355,000	5.000%	August 1, 2025	100	0117703Y8
2016B	2027	6,680,000	5.000%	August 1, 2025	100	0117703Z5
2016B	2028	7,020,000	5.000%	August 1, 2025	100	0117704A9
2016B	2029	7,380,000	5.000%	August 1, 2025	100	0117704B7
2016B	2030	7,760,000	5.000%	August 1, 2025	100	0117704C5
2016B	2031	8,160,000	5.000%	August 1, 2025	100	0117704D3
2016B	2032	8,575,000	5.000%	August 1, 2025	100	0117704E1
2016B	2033	9,015,000	5.000%	August 1, 2025	100	0117704F8
2016B	2034	9,480,000	5.000%	August 1, 2025	100	0117704G6
2016B	2035	9,965,000	5.000%	August 1, 2025	100	0117704H4
		<u>\$ 86,465,000</u>			100	

State Offer. Concurrently with the issuance of the Bonds, the State, with the assistance of the Dealer Manager, is making the State Offer to the beneficial owners of the Outstanding GO Bonds described above. As further described in the State Offer, the State is making an offer to the Holders of any and all of the Outstanding GO Bonds, to tender such Outstanding GO Bonds for purchase at the respective prices described in the State Offer. The State may refund a portion of the Outstanding GO Bonds to achieve annual debt service savings.

In the event that the State refunds, rather than purchases, any of the Outstanding GO Bonds, such Outstanding GO Bonds will be “Refunded Bonds.” In such event, the State will deposit a portion of the proceeds of the Series 2025A Bonds on their date of delivery, together with any funds on deposit with the State’s Bond Registrar with respect to any of the Refunded Bonds, to be escrowed to the redemption date for such Refunded Bonds, at which time the Refunded Bonds will be redeemed at a price of par, plus accrued interest to the date of redemption. To fund the escrow, if any, with respect to the defeasance and refunding of the Refunded Bonds, the State may purchase certain direct noncallable Government Obligations. Cash and Government Obligations, if any, will be deposited in the custody of U.S. Bank Trust Company, National Association (the “Escrow Agent”). The maturing principal of the Government Obligations, interest earned thereon, and necessary cash balance, if any, will provide payment of the redemption price of the Refunded Bonds. The Government Obligations, interest earned thereon and any necessary cash balance, if any, will irrevocably be pledge to and held in trust for the benefit of the Holders of the Refunded Bonds by the Escrow Agent, pursuant to an escrow deposit agreement to be executed by the State and the Escrow Agent. See “VERIFICATION OF SUFFICIENCY.”

Depending on market conditions on the date of sale of the Bonds, and the resulting savings, the State may refund all, a portion or none of the Refunded Bonds on the sale date. The State is not obligated to issue any of the Bonds or to refund any or all of the Refunded Bonds.

Sources and Uses of Funds

The State expects to apply the proceeds of the Bonds as shown below.

	Series 2024B Bonds	Series 2025A Bonds
Sources of Funds:		
Principal Amount of Bonds		
[Net] Original Issue Premium/Discount		
Funds on Deposit for Outstanding GO Bonds		
Total		
Uses of Funds:		
Escrow Deposit		
Costs of Issuance		
Total		

Note: Costs of issuance include legal fees, printing costs, underwriting discount, information and tender agent fees, rating agency fees and other costs related to the issuance of the Bonds.

CERTAIN FORWARD DELIVERY CONSIDERATIONS

General

The State expects to enter into a forward delivery bond purchase agreement (the “Forward Delivery Bond Purchase Agreement”) for the Series 2025A Bonds with Jefferies LLC, as representative (the “Representative”), on behalf of itself and on behalf of Goldman Sachs & Co. LLC (collectively, the “Underwriters of the Series 2025A Bonds”). Subject to the terms of the Forward Delivery Bond Purchase Agreement, the State expects to issue and deliver the Series 2025A Bonds on May 7, 2025* or on such later date as is mutually agreed upon by the State and the Representative (the “Settlement Date”).

Pursuant to the Forward Delivery Bond Purchase Agreement, the Underwriters of the Series 2025A Bonds will agree to purchase the Series 2025A Bonds on the Settlement Date. An initial closing (the “Initial Closing”) will be held with respect to the Series 2025A Bonds on or about August [], 2024.* At such time, the conditions for issuance and delayed delivery of the Series 2025A Bonds and payment therefor by the Underwriters of the Series 2025A Bonds of the Series 2025A Bonds are expected to be met, except for the confirmation of certain facts, and the documents, certificates and opinions specified in the Forward Delivery Bond Purchase Agreement the receipt of which is a condition to the delivery of the Series 2025A Bonds will be delivered to be held in escrow (to the extent possible), including the opinion of Bond Counsel with respect to the Series 2025A Bonds substantially in the form and to the effect as set forth in APPENDIX C-2 hereto.

Upon satisfaction of the conditions of the Initial Closing, and subject to compliance with the conditions described below and in the Forward Delivery Bond Purchase Agreement, the Underwriters of the Series 2025A Bonds will be obligated to take delivery of and pay for the Series 2025A Bonds on the

* Preliminary, subject to change.

Settlement Date. There will be no delivery of the Series 2025A Bonds or any payment therefor on the date of the Initial Closing.

Series 2025A Bond Settlement

The issuance of the Series 2025A Bonds and the obligation of the Underwriters of the Series 2025A Bonds under the Forward Delivery Bond Purchase Agreement to purchase, accept delivery of and pay for the Series 2025A Bonds on the Settlement Date are conditioned upon the performance by the State of their respective obligations thereunder, including, without limitation, the delivery of an opinion, dated the Settlement Date, of Bond Counsel, substantially in the form set forth in APPENDIX C-2. The purchase and delivery of the Series 2025A Bonds is further contingent upon (i) the delivery and/or release from escrow of certain certificates and legal opinions, (ii) the Series 2025A Bonds being rated at least investment grade by Moody's Investors Service, Inc., S&P Global Ratings and Kroll Bond Rating Agency, LLC (each a "Rating Agency"), and (iii) the satisfaction of other conditions set forth in the Forward Delivery Bond Purchase Agreement as of the Settlement Date. Changes or proposed changes in federal or state laws, court decisions, regulations or proposed regulations or rulings of administrative agencies occurring or in effect prior to the Settlement Date or the failure by the State to provide closing documents of the type customarily required in connection with the issuance of state and local government tax-exempt bonds could prevent those conditions from being satisfied. None of the Series 2025A Bonds will be issued unless all of the Series 2025A Bonds are issued and delivered on the Settlement Date.

The Underwriters of the Series 2025A Bonds have the right to terminate its obligations under the Forward Delivery Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Series 2025A Bonds by the Representative notifying the State of its election to do so under the circumstances set forth herein and in the Forward Delivery Bond Purchase Agreement.

The State has agreed to supplement this Official Statement during the forward period, if and when necessary, in order to provide any material updates to the disclosure in this Official Statement. The Underwriters of the Series 2025A Bonds shall file such supplements, if any, with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access ("EMMA") system currently accessible at www.emma.msrb.org and such supplements are hereby incorporated by reference and are made a part of this Official Statement.

During the period of time between the date of this Official Statement and the Settlement Date (the "Forward Delivery Period"), certain information contained in this Official Statement could change in a material respect. Except as described above, the Representative may not refuse to purchase the Series 2025A Bonds by reason of "general market or credit changes," including, but not limited to, (a) changes in the ratings assigned to the Series 2025A Bonds, so long as the Series 2025A Bonds are rated investment grade by at least one of the Rating Agencies as of the Settlement Date, or (b) changes in the financial condition, operations, performance, properties or prospects of the State prior to the Settlement Date.

Agreement of Purchasers

[By submitting an order for the Series 2025A Bonds, every Purchaser shall be deemed to have committed to purchase its allotted share of the Series 2025A Bonds (the "Purchased Bonds").

By submission of its order, the Purchaser confirms that it has reviewed this Official Statement, has considered the risks associated with purchasing the Purchased Bonds and is duly authorized to purchase the Purchased Bonds. The Purchaser understands that the Purchased Bonds are being sold on a "forward" basis, and the Purchaser will purchase and agree to accept delivery of such Purchased Bonds from the

Underwriters of the Series 2025A Bonds on or about the Settlement Date, pursuant to the Forward Delivery Bond Purchase Agreement.

Upon issuance by the State of the Series 2025A Bonds and purchase thereof by the Underwriters of the Series 2025A Bonds, the obligation of the Purchaser to take delivery of the Purchased Bonds shall be unconditional unless the Underwriters of the Series 2025A Bonds terminates the Forward Delivery Bond Purchase Agreement prior to the Settlement Date. The obligations of the Underwriters of the Series 2025A Bonds to accept delivery of and pay for the Series 2025A Bonds on the Settlement Date shall be subject to the accuracy in all material respects of the representations and warranties on the part of the State contained in the Forward Delivery Bond Purchase Agreement as of its date and as of the Settlement Date, to the accuracy in all material respects of the statements of the officers and other officials of the State, as well as of the other individuals referred to therein, made in any certificates or other documents furnished pursuant to the provisions thereof, to the performance by the State of its obligations to be performed thereunder at or prior to the Settlement Date and to the following additional conditions:

(A) On the Settlement Date, the Series 2025A Bonds and the Forward Delivery Bond Purchase Agreement, the Resolution and the Continuing Disclosure Undertaking for the Series 2025A Bonds in the form attached as APPENDIX D to the Official Statement (collectively, the “Financing Documents”) shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriters of the Series 2025A Bonds, and there shall have been taken in connection with the issuance of the Series 2025A Bonds and with the transactions contemplated by the Series 2025A Bonds and the Financing Documents, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate; and

(B) At any time subsequent to the Initial Closing and at or prior to the Settlement Date, the following events shall not have occurred:

(a) any Change in Law shall have occurred. For purposes of the preceding sentence, “Change in Law” means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies, (ii) any legislation enacted by the Congress of the United States or introduced therein or recommended for passage by the President of the United States (if such enacted, introduced or recommended legislation has a proposed effective date that is on or before the Settlement Date), (iii) any law, rule or regulation proposed or enacted by any governmental body, department or agency (if such proposed or enacted law, rule or regulation has a proposed effective date that is on or before the Settlement Date) or (iv) any judgment, ruling or order issued by any court or administrative body, which in the case of any of (i), (ii), (iii) or (iv) would, as to the Underwriters of the Series 2025A Bonds, prohibit (or have the retroactive effect of prohibiting, if enacted, adopted, passed or finalized) the Underwriters of the Series 2025A Bonds from purchasing the Series 2025A Bonds as provided in the Forward Delivery Bond Purchase Agreement or selling the Series 2025A Bonds or beneficial ownership interests therein to the public, or as to the State, make the issuance, sale or delivery of the Series 2025A Bonds illegal (or have the retroactive effect of making such issuance, sale or delivery illegal, if enacted, adopted, passed or finalized), or prevent the issuance of any of the opinions referenced in Section 8(c) of the Forward Delivery Bond Purchase Agreement at Settlement; provided, however, that such change in or addition to law, legislation, law, rule or regulation or judgment, ruling or order shall have become effective, been enacted, introduced or recommended, been proposed or enacted or been issued, as the case may be, after the date of the Forward Delivery Bond Purchase Agreement. If the Change in Law involves the enactment of legislation that only diminishes the value of, as opposed to eliminating the exclusion from gross income for federal income tax purposes of interest payable on “state or local bonds,” the State may, nonetheless, be able to satisfy

the requirements for the delivery of the Series 2025A Bonds, and in such case, the Underwriters of the Series 2025A Bonds would be obligated to purchase the Series 2025A Bonds from the State.

(b) the Official Statement, as the same may be amended or supplemented in accordance with the Forward Delivery Bond Purchase Agreement prior to the time of Settlement, contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(c) Bond Counsel does not deliver an opinion on the Settlement Date substantially in the form and to the effect set forth in APPENDIX C-2 to this Official Statement;

(d) an event of default (howsoever defined) has occurred and is continuing, technical or otherwise, on the Settlement Date under any documents described herein; or

(e) a reduction or withdrawal of the assigned ratings to or below the following ratings, or, as of the Settlement Date, the failure by any of the following rating agencies to assign investment grade ratings, to the Series 2025A Bonds; e.g., “Baa3” by Moody’s Investors Service, Inc, “BBB-” by S&P Global Ratings and “BBB-” by Kroll Bond Rating Agency, LLC.]

Except as otherwise described above or in the Forward Delivery Bond Purchase Agreement, by submission of its order, the Purchaser shall be deemed to acknowledge and agree that it will not be able to withdraw its order and will not otherwise be excused from performance of its obligations to take up and pay for the Purchased Bonds on the Settlement Date because of market or credit changes. The Purchaser shall be deemed to acknowledge and agree that it will remain obligated to purchase the Purchased Bonds in accordance with the terms hereof even if the Purchaser decides to sell such Purchased Bonds after the date of this Official Statement.

Additional Risks Related to the Forward Delivery Period

During the Forward Delivery Period, certain information contained in this Official Statement could change in a material respect. Any changes in such information will not permit the Representative on behalf of the Underwriters of the Series 2025A Bonds to terminate the Forward Delivery Bond Purchase Agreement or release the purchasers from their obligation to purchase the Series 2025A Bonds. Purchasers of the Series 2025A Bonds will be subject to the risks (including changes in the financial condition and business operations of the State prior to the Settlement Date), some of which are described below, and none of which will constitute grounds for purchasers to refuse to accept delivery of and pay for the Series 2025A Bonds unless the Representative on behalf of the Underwriters of the Series 2025A Bonds determines that such material changes give rise to its right to termination under the Forward Delivery Bond Purchase Agreement.

In addition to the risks set forth above, purchasers of the Series 2025A Bonds are subject to certain additional risks, some of which are described below:

Ratings Risk. No assurances can be given that the ratings assigned to the Series 2025A Bonds on the Settlement Date will not be different from those currently assigned to the Series 2025A Bonds. Issuance of the Series 2025A Bonds and the obligations of the Underwriters of the Series 2025A Bonds under the Forward Delivery Bond Purchase Agreement are not conditioned upon the assignment of any particular ratings to the Series 2025A Bonds or the maintenance of the initial ratings assigned to the Series 2025A Bonds. So long as the Series 2025A Bonds are rated at least investment grade by at least one of the Rating

Agencies as of the Settlement Date, the condition precedent concerning the rating of the Series 2025A Bonds under the Forward Delivery Bond Purchase Agreement will have been satisfied.

Secondary Market Risk. The Underwriters of the Series 2025A Bonds are not obligated to make a secondary market in the Series 2025A Bonds, and no assurances can be given that a secondary market will exist for the Series 2025A Bonds during the Forward Delivery Period. Purchasers of the Series 2025A Bonds should assume that the Series 2025A Bonds will be illiquid throughout the Forward Delivery Period. Should events occur before the Series 2025A Bonds are issued and delivered by the State on the Settlement Date that affect the market value of the Series 2025A Bonds and if a secondary market in the Series 2025A Bonds does not exist, a beneficial owner of Series 2025A Bonds may be unable to re-sell all or a portion of the Series 2025A Bonds held by or on behalf of that beneficial owner.

Market Value Risk. The market value of the Series 2025A Bonds as of the Settlement Date may be affected by a variety of factors, including, without limitation, general market conditions, the ratings then assigned to the Series 2025A Bonds, the financial condition of the State and federal income tax and other laws. The market value of the Series 2025A Bonds as of the Settlement Date could therefore be higher or lower than the price to be paid by the initial purchasers of the Series 2025A Bonds and that difference could be substantial. Neither the State nor any of the Underwriters of the Series 2025A Bonds makes any representation as to the expected market prices of the Series 2025A Bonds as of the Settlement Date, and the State and the Underwriters of the Series 2025A Bonds may not refuse to deliver and purchase, respectively, the Series 2025A Bonds by reason of general market or credit changes, except as set forth in the Forward Delivery Bond Purchase Agreement. Further, no assurance can be given that the introduction or enactment of any future legislation will not affect the market prices for the Series 2025A Bonds as of the Settlement Date or thereafter or not have a materially adverse effect on any secondary market for the Series 2025A Bonds.

Tax Treatment Risk. Subject to the additional conditions of settlement described under “CERTAIN FORWARD DELIVERY CONSIDERATIONS—Series 2025A Bond Settlement” above, a condition to the obligation of the Underwriters of the Series 2025A Bonds to purchase the Series 2025A Bonds under the Forward Delivery Bond Purchase Agreement is the delivery of an opinion of Bond Counsel with respect to the Series 2025A Bonds substantially in the form set forth as APPENDIX D-2 to this Official Statement. During the Forward Delivery Period, new legislation, new court decisions, new regulations, or new rulings may be enacted, delivered or promulgated, or existing law, including regulations adopted pursuant thereto, may be interpreted in a manner that might prevent Bond Counsel from rendering its opinion in the form set forth as APPENDIX D-2 to this Official Statement, in which case the Underwriters of the Series 2025A Bonds would not be obligated to pay for and take delivery of the Series 2025A Bonds. Notwithstanding that the enactment of new legislation, new court decisions, the promulgation of new regulations or rulings or reinterpretations or existing law might diminish the value of, or otherwise affect, the exclusion of interest on the Series 2025A Bonds for purposes of federal income taxation, Bond Counsel may still be able to satisfy the opinion requirements for the delivery of the Series 2025A Bonds. In such event, the purchasers would be required to accept delivery of the Series 2025A Bonds. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood of any changes in tax law and the consequences of such changes to such purchasers.

INFORMATION CONCERNING THE STATE OF ALASKA

General

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 8.2 percent between fiscal year 2008 and fiscal year 2016; however, since 2016 the population has contracted by approximately 0.8 percent with a population estimate of 736,812 (2023 preliminary and adjusted estimates, Alaska Department of Labor and Workforce Development, Research & Analysis Section).

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 Bond Committee

The Legislature, by AS 37.15.110, has created the Committee. The Committee is comprised of the Commissioner of the Department of Commerce, Community & Economic Development ("DCCED"), as chairperson, the Commissioner of the Department of Revenue, as secretary, and the Commissioner of the Department of Administration, or their designees. The Committee adopts resolutions and generally oversees the proceedings relating to the issuance of bonds by the State.

Infectious Disease Outbreak - COVID-19

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 and Spring 2023 Revenue Forecast, all federal funds were shown as restricted revenue in all years.

Historic information in this Official Statement about the finances and operations of the State, that predates the outbreak of COVID-19 should be considered in light of the possible negative effects the COVID-19 outbreak may have on the current and future finances and operations thereof. The Spring 2024 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.

State Revenues

The State does not currently impose personal income taxes and has never imposed statewide general sales taxes or statewide property tax with the exception of taxation of certain oil and gas activities and properties. 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 2023. 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 24.0 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 10.9 percent of total nonfarm employment. The State's unemployment rate in March 2024 was 4.6 percent (seasonally adjusted, preliminary), 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, Preliminary and adjusted estimates; 2023 Annual Average).

The Department of Revenue releases a formal state revenue forecast twice per year. The revenue forecast is intended to be a policy-neutral document that provides fundamental data and information to inform the public and aid decision-makers. 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 2024 Revenue Forecast, released by the Department of Revenue on March 13, 2024 (the "Spring 2024 Revenue Forecast"). The next forecast update, the Fall 2024 Revenue Sources Book and Forecast (the "Fall 2024 Revenue Forecast"), is anticipated to be released in December 2024.

The Spring 2024 Revenue Forecast reflects a modest increase in expected unrestricted General Fund revenue for fiscal years 2024 and 2025, compared to the Fall 2023 Revenue Sources Book and Forecast, released by the Department of Revenue on December 14, 2023. The modest increases in expected

unrestricted General Fund revenue contained in the Spring 2024 Revenue Forecast are largely a function of the Alaska North Slope (“ANS”) oil price forecast increasing by \$1.69 and \$2.00 per barrel for fiscal years 2024 and 2025, respectively. The ANS oil production forecast has been adjusted to 467.6 thousand barrels per day for fiscal year 2024 and 476.8 thousand barrels per day for fiscal year 2025, representing a decrease of 2,800 barrels per day for fiscal year 2024 and an increase of 13,100 barrels per day for fiscal year 2025 when compared to the previous fall forecast.

The Fall 2023 Revenue Forecast, released December 14, 2023, included the most recent forecast for federal revenue related to the IIJA, as of November 30, 2023. The 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. The legislation targets disadvantaged communities, a designation which applies to most of Alaska. It was originally estimated that 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. However, as of November 30, 2023, the total state revenue, including overall increases and discretionary grants, is estimated at \$5.4 billion. These include \$1 billion for a new Broadband Equity, Access, and Development Program; \$136 million for the Clean Water State Revolving and Drinking Water State 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 and Alaska is number one in per capita funding under IIJA. There can be no assurance that federal grants currently available to the State will not decrease or cease and grant awards are subject to amendment or repeal.

The Inflation Reduction Act, passed by Congress in August 2022, provides \$369 billion to address climate-related issues by expanding tax credits for clean energy and electric vehicles, boosting energy efficiency, establishing a national climate bank, supporting climate-smart agriculture, supporting production of sustainable aviation fuel, reducing air pollution at ports, among other items. Nearly three-quarters of the Inflation Reduction Act’s climate change investment (\$270 billion) is delivered through tax incentives and will have no impact on the State’s spending or federal revenue. As a result, projections of State revenues from federal funds within the Spring 2024 Revenue Forecast only include recently announced Home Energy Rebate program grants totaling \$74.5 million from the Inflation Reduction Act.

The federal tax incentives included in the Inflation Reduction Act could provide material support for some new projects in Alaska. For example, expanded tax credits for carbon sequestration projects could provide incentives for projects in Alaska that would otherwise not be viable. The Department of Revenue monitors these incentives for potential State revenue impacts.

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, 50 percent in fiscal year 2022 and 44 percent in fiscal year 2023. In the Spring 2024 Revenue Forecast, the State forecasts the percentage of unrestricted General Fund revenue that petroleum-related revenue represents to be approximately 37 percent in fiscal year 2024 and 34 percent in fiscal year 2025.

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 3. The Permanent Fund Earnings Reserve transferred approximately \$3.4 billion to General Fund revenue in 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, 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 \$69.6 billion as of March 31, 2024, unaudited, may not be spent without amending the State Constitution. The earnings reserve, approximately \$10.0 billion as of March 31, 2024, 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 \$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 2024 Revenue Forecast, the State forecasted general purpose unrestricted revenue to be approximately \$6,543.9 million in fiscal year 2024 and \$6,448.5 million in fiscal year 2025, compared to \$6,939.2 million in fiscal year 2022 and \$7,050.0 million in fiscal year 2023.

In the Spring 2024 Revenue Forecast, the State forecasts that ANS oil prices will average \$84.08 in fiscal year 2024 and \$78.00 in fiscal year 2025, compared to actual prices averaging \$86.63 in fiscal year 2023, \$91.41 in fiscal year 2022 and \$54.14 in fiscal year 2021. The State forecasts that ANS production will average approximately 467.6 thousand barrels of oil per day in fiscal year 2024 and 476.8 thousand barrels of oil per day in fiscal year 2025, compared to 479.4 thousand barrels of oil per day in fiscal year 2023, 476.5 thousand barrels of oil per day in fiscal year 2022 and 486.1 thousand barrels of oil per day in fiscal year 2021. In the Spring 2024 Revenue Forecast, the State forecasts ANS oil prices and production and general purpose unrestricted revenue through fiscal year 2034. See Table 5.

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 four sources: oil and gas property taxes, oil and gas production taxes, 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, including the terminal at Valdez (“TAPS”) and the field production systems at Prudhoe Bay. The assessed value of all existing properties subject to this tax was approximately \$30.4 billion as of January 1, 2023, \$28.6 billion as of January 1, 2022, \$28.2 billion as of January 1, 2021, and \$29.0 billion as of January 1, 2020.

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 \$608.9 million of gross tax levied in fiscal year 2023 on oil and gas property in the State, the State’s share was approximately \$128.8 million. In the Spring 2024 Revenue Forecast, the State forecasts income from the oil and gas property tax to be approximately \$133.3 million in fiscal year 2024 and \$133.2 million in fiscal year 2025.

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 2022 and 2023, \$21.1 million and \$196.0 million, respectively, in total tax and royalty settlements were deposited into the CBRF, and in the Spring 2024 Revenue Forecast, the State forecasts tax and royalty settlements to be \$10.0 million in fiscal year 2024 and \$20.0 million in fiscal year 2025. 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. Appropriations funded State purchase of the full balance of tax credits for fiscal year 2007 through fiscal year 2015, then partial funding beginning in fiscal year 2016 onward, with an outstanding balance remaining every year from fiscal year 2016 through fiscal year 2023. All outstanding tax credits available for State purchase have been fully retired with a final appropriation in the enacted fiscal year 2024 budget, and no future purchases or appropriations are anticipated under current law. A total of \$4.1 billion of tax credits were purchased by the State over the life of the program.

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 outstanding tax credits available for State purchase have been fully retired with the final appropriation in the enacted fiscal year 2024 budget.

All unrestricted revenue generated by the oil and gas production taxes (approximately \$587 million in fiscal year 2019, \$277 million in fiscal year 2020, \$381 million in fiscal year 2021, \$1,802 million in fiscal year 2022, \$1,491 million in fiscal year 2023 and forecasted in the Spring 2024 Revenue Forecast to be \$939.9 million in fiscal year 2024 and \$752.3 million in fiscal year 2025) 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 2.

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 land owner, 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 2 summarizes the sources and initial applications of oil and other petroleum-related revenue for fiscal years 2014 through 2023.

Table 2
Sources and Initial Applications of Oil and Other Petroleum-Related Revenue
Fiscal Years Ended June 30, 2014 – 2023
(\$ millions)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Oil Revenue to the General Fund										
Property Tax	\$ 128.1	\$ 125.2	\$ 111.7	\$ 120.4	\$ 121.6	\$ 119.5	\$ 122.9	\$ 119.2	\$ 122.4	\$ 128.8
Corporate Income Tax ⁽¹⁾	307.6	94.8	(58.8)	(59.4)	66.4	217.7	(0.2)	(19.4)	297.5	312.4
Production Tax	2,605.9	381.6	176.8	125.9	741.2	587.3	277.4	381.1	1,801.6	1,490.9
Royalties (including bonuses, rents and interest) ⁽²⁾⁽³⁾	1,721.2	1,086.3	879.8	690.1	1,011.0	1,119.3	683.0	736.6	1,259.3	1,187.4
Subtotal	\$ 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	\$ 3,119.4
Oil Revenue to Other Funds										
Royalties to the Permanent Fund and School Fund ⁽²⁾⁽³⁾	\$ 786.2	\$ 518.3	\$ 396.9	\$ 340.0	\$ 363.1	\$ 382.3	\$ 323.9	\$ 337.7	\$ 548.0	\$ 507.4
Tax settlements to CBRF	177.4	149.9	119.1	481.9	121.3	181.2	281.2	35.0	21.1	196.0
NPR-A royalties, rents and bonuses ⁽⁴⁾	6.8	3.2	1.8	1.4	23.7	12.3	16.4	15.8	16.7	41.5
Subtotal	970.4	671.4	517.8	823.2	508.0	575.8	621.5	388.5	593.5	752.7
Total Oil Revenue	\$ 5,733.2	\$ 2,359.3	\$ 1,627.4	\$ 1,700.2	\$ 2,448.2	\$ 2,619.6	\$ 1,704.6	\$ 1,606.1	\$ 4,074.3	\$ 3,872.1

(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. See APPENDIX B—"State of Alaska "General Purpose Financial Statements" from the Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2021-*Independent Auditor's Report*." 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. Beginning with fiscal year 2022, the hazardous release surcharge and refined fuel surcharge are shown as Designated General Fund revenue. Previously these surcharges were shown as unrestricted General Fund revenue.

(4) By federal statute, the State receives 50 percent of federal revenues from oil and gas lease sales located in the NPR-A.

Source: 2014 through 2023 Revenue Sources Books and Forecast, including the Spring 2024 Revenue Forecast Update, 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 2023, unrestricted revenues unrelated to petroleum production (excluding investment income and federal revenues) was \$472.3 million, and in the Spring 2024 Revenue Forecast, the State forecasts the value to be \$461.1 million in fiscal year 2024 and \$517.4 million in fiscal year 2025. 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 \$3.4 billion in fiscal year 2019, \$4.2 billion in fiscal year 2020, \$7.6 billion in fiscal year 2021, \$6.9 billion in fiscal year 2022, and \$5.8 billion in fiscal year 2023. In the Spring 2024 Revenue Forecast, the State forecasts restricted federal revenue to be approximately \$6.2 billion in fiscal year 2024 and \$6.5 billion in fiscal year 2025. 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.

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 \$79.6 billion as of March 31, 2024, 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 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 \$2.8 billion as of March 31, 2024. 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 2024 Revenue Forecast, the State forecasts restricted investment revenue from the CBRF to be \$119.3 million in fiscal year 2024 and \$78.7 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, as reflected in Table 3.

Table 3
State of Alaska
Transfers from the Permanent Fund Earnings Reserve
to the General Fund for the Fiscal Years Ending June 30, 2019 - 2023
APFC Forecast for Fiscal Years Ending June 30, 2024 – 2034
(\$ millions)

Fiscal Year	Transfer Amount
2019	\$ 2,723
2020	2,933
2021	3,092
2022	3,069
2023	3,361
Projected⁽¹⁾	
2024	3,526
2025	3,657
2026	3,790
2027	3,957
2028	3,983
2029	4,090
2030	4,208
2031	4,338
2032	4,473
2033	4,613
2034	4,758

(1) APFC transfer projections as of the Spring 2024 Revenue Forecast, and subject to change.
Source: Spring 2024 Revenue Forecast

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 2023, reported in the State’s Annual Comprehensive Financial Report (“ACFR”), was zero. 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 unrestricted funds (\$97.7 million in fiscal year 2023, an investment loss of \$59.1 million in fiscal year 2022, \$29.4 million in fiscal year 2021, \$58.1 million in fiscal year 2020, and \$93.3 million in fiscal year 2019). In the Spring 2024 Revenue Forecast, the State forecasts investment revenue of other unrestricted funds to be approximately \$124.6 million in fiscal year 2024 and \$77.9 million in fiscal year 2025. See “—Government Funds” below.

Major Components of State Revenues. Table 4 summarizes the sources of unrestricted and restricted revenues available to the State in fiscal years 2018 through 2023, with a forecast for fiscal years 2024 and 2025 from the Spring 2024 Revenue Forecast.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Table 4

Total State Government Revenue by Major Component
Fiscal Years Ended June 30, 2018 - 2023
Forecast for Fiscal Years Ending June 30, 2024 – 2025
(\$ millions)

	2018	2019	2020	2021	2022	2023	2024 ⁽²⁾	2025 ⁽²⁾
Revenue Source								
<u>Unrestricted</u>								
Oil Revenue	\$ 1,940.2	\$ 2,043.8	\$ 1,083.1	\$ 1,217.6	\$ 3,480.9	\$ 3,119.4	\$ 2,432.3	\$ 2,196.0
Non-Oil Revenue	457.0	490.1	454.8	444.3	448.1	472.3	461.1	517.4
Investment Earnings	16.3	2,815.9	2,991.2	3,120.9	3,010.2	3,458.3	3,650.6	3,735.1
Subtotal	\$ 2,413.5	\$ 5,349.8	\$ 4,529.1	\$ 4,782.8	\$ 6,939.2	\$ 7,050.0	\$ 6,543.9	\$ 6,448.5
<u>Restricted</u>								
Oil Revenue ⁽¹⁾	\$ 508.1	\$ 575.8	\$ 621.5	\$ 376.0	\$ 576.7	\$ 711.2	\$ 518.3	\$ 496.0
Non-Oil Revenue	697.4	631.2	558.6	590.9	643.0	680.5	831.4	848.3
Investment Earnings ⁽³⁾	5,616.4	1,188.0	(1,208.5)	16,460.9	(6,422.1)	1,210.1	1,346.3	2,250.5
Federal Revenue	3,124.6	3,434.5	4,173.0	7,555.0	6,911.8	5,826.8	6,225.3	6,472.5
Subtotal	9,446.5	5,829.6	4,144.6	24,982.8	1,709.4	8,428.6	8,921.2	10,067.3
Total	\$ 12,360.0	\$ 11,179.4	\$ 8,673.7	\$ 29,765.6	\$ 8,648.6	\$ 15,478.7	\$ 15,465.2	\$ 16,515.8

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 2024 and 2025 include a projection for the transfer 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 2024 and 2025 are based on projections as of the release of the Spring 2024 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 transfer to the General Fund classified as unrestricted pursuant to SB 26.

Source: 2018 through 2023 Revenue Sources Books and Forecasts, including the Spring 2024 Revenue Forecast and Update, 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 5, “—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.

Through special appropriations in the fiscal year 2024 enacted budget, if the unrestricted General Fund revenue, collected in fiscal year 2024, exceeds \$6,264,300,000, the amount remaining, after all appropriations have been made that take effect in fiscal year 2024, of the difference between \$6,264,300,000 and the actual unrestricted General Fund revenue collected in fiscal year 2024, not to exceed \$636,400,000, is appropriated as follows: (i) 50 percent from the General Fund to the dividend fund to pay a one-time energy relief payment as part of the permanent fund dividend and for administrative and associated costs for fiscal year 2025; and (ii) 50 percent from the General Fund to the CBRF. After the appropriations described in clauses (i) and (ii) above are made, the amount remaining, after all other appropriations have been made that take effect in fiscal year 2024, of the difference between \$6,900,700,000 and the actual unrestricted General Fund revenue collected in fiscal year 2024, is appropriated from the General Fund to the CBRF.

The State's enacted budget for fiscal year 2024, including forecasted supplemental appropriations, decreased spending from fiscal year 2023 from \$15.9 billion to \$14.5 billion. The fiscal year 2023 expenditure value, provided by the OMB fiscal summary as of June 19, 2023, was inclusive of the permanent fund dividend distribution of approximately \$2.1 billion.

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 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 OMB 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 5, unrestricted General Fund revenue increased to \$6.9 billion in fiscal year 2022 and further increased to approximately \$7.1 billion in fiscal year 2023. 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 fiscal year 2023 budget included approximately \$3.4 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 5.

Table 5

State of Alaska
Total Unrestricted General Fund Revenue, ANS West Coast Oil Price, and ANS Oil Production
Fiscal Years Ended June 30, 2014 - 2023 and
Forecast for Fiscal Years Ending June 30, 2024 - 2034

Fiscal Year	Total Unrestricted General Fund Revenue (\$ millions)	ANS West Coast Oil Price (\$/barrel)	ANS Oil Production (thousands of barrels per day)
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
2023	7,050	86.63	479.4
Projected⁽¹⁾			
2024	6,544	84.08	467.6
2025	6,449	78.00	476.8
2026	6,430	74.00	482.0
2027	6,617	72.00	520.0
2028	6,707	70.00	547.2
2029	6,813	70.00	542.8
2030	6,869	69.00	545.2
2031	7,008	69.00	573.1
2032	7,305	71.00	614.9
2033	7,604	73.00	640.2
2034	7,833	75.00	641.1

(1) The values for fiscal years 2024 through 2034 use the projections included in the Spring 2024 Revenue Forecast, and are subject to change. Fiscal year 2024 includes approximately \$3.5 billion in transfers from the Permanent Fund Earnings Reserve to the General Fund as unrestricted revenue. The forecast period includes a projection 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: 2014 through 2023 Revenue Sources Books and Forecast, including the 2024 Spring Revenue Forecast Update, Tax Division.

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 2024 Revenue Forecast projects approximately \$6.5 billion in unrestricted General Fund revenue in fiscal year 2024 prior to any carryforwards and adjustments from fiscal year 2023, and the enacted fiscal year 2024 budget includes approximately \$5.2 billion in unrestricted General Fund operating

and capital budget appropriations. The enacted fiscal year 2024 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 fiscal year 2024, projections for unrestricted General Fund capital budget appropriations decreased to approximately \$387.5 million from \$734.9 million in fiscal year 2023. Prior to fiscal year 2023, there were seven consecutive fiscal years that unrestricted General Fund capital budget appropriations had been under \$250 million, compared to \$608 million in fiscal year 2015. The State's fiscal year 2024 total capital budget appropriations, including unrestricted general funds, designated general funds, and other federal funds were approximately \$3.1 billion (Source: Office of Management and Budget, Fiscal Summary as of June 19, 2023, and March 13, 2024).

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 60 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 (i) for any public purpose, upon the affirmative vote of three-fourths of each house of the

Legislature; or (ii) 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 until fiscal year 2015.

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 2023, 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, 2023 was approximately \$11.3 billion. Pursuant to the State's fiscal year 2023 ACFR, the June 30, 2023, unassigned fund balance of the CBRF was approximately \$2.6 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 any 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. 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 SBRF unassigned fund balance for fiscal year 2023, reported in the State's ACFR, was zero. 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 during fiscal year 2023.

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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Table 6

State of Alaska
Available Funds and Recurring and Discretionary General Fund Expenditures
Fiscal Years Ended June 30, 2013 - 2023

Fiscal Year	General Purpose Unrestricted Revenue (\$ mil)	Recurring & Discretionary General Fund Expenditures (\$ mil)	Unrestricted Revenue Surplus/ (Deficit) (\$ mil)	Ending SBRF Reserves Available Balance (\$ mil)	Ending CBRF Reserves Available Balance (\$ mil)⁽¹⁾	Permanent Fund Earnings Reserve Balance (\$ mil)	Oil Price (\$/barrel)	ANS Oil Production (thousands of barrels per day)
2013	6,929	7,455	(526)	4,711 ⁽²⁾	11,564	4,054	107.57	531.6
2014	5,394	7,314	(1,920)	2,791 ⁽²⁾	12,780	6,211	107.57	530.4
2015	2,257	4,760	(2,503) ⁽³⁾	288 ⁽²⁾	10,101	7,162	72.58	501.0
2016	1,533	5,213	(3,680) ⁽³⁾	- ⁽²⁾	7,331	8,570	43.18	514.7
2017	1,354	4,498	(3,144) ⁽³⁾	- ⁽²⁾	3,896	12,816	49.43	526.4
2018	2,414	4,489	(2,075) ⁽³⁾	- ⁽²⁾	2,360	18,864 ⁽⁴⁾	63.61	518.5
2019	5,350 ⁽⁵⁾	4,889	461 ⁽³⁾	- ⁽²⁾	1,832	18,481 ⁽⁴⁾	69.46	495.0
2020	4,529 ⁽⁵⁾	4,805	(276) ⁽³⁾	- ⁽²⁾	1,983	12,894 ⁽⁴⁾	52.12	471.8
2021	4,783 ⁽⁵⁾	5,031 ⁽³⁾	(248) ⁽³⁾	481 ⁽²⁾	1,076	21,148 ⁽⁴⁾	54.14	486.1
2022	6,939 ⁽⁵⁾	5,362 ⁽³⁾	1,577 ⁽³⁾	370	915	16,150 ⁽⁴⁾	91.41	476.5
2023	7,050 ⁽⁵⁾	5,641	1,409 ⁽³⁾	- ⁽²⁾	2,620	10,491 ⁽⁴⁾	86.63	479.4

(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 estimated \$109 million draw from the SBRF, and the fiscal year 2023 unassigned fund balance was zero.

(4) Includes amount committed for General Fund transfer 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: State of Alaska Department of Revenue and OMB.

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 2024 Revenue Forecast. The State will next update its forecast in the Fall 2024 Revenue Forecast, which is anticipated to be released in December 2024. The State has provided certain estimates for fiscal years 2024 and 2025 based on information available as of the Spring 2024 Revenue Forecast, as well as certain audited results for fiscal year 2023 for the CBRF. 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 7 provides a summary of the State's most recent forecast for revenues subject to appropriation in fiscal years 2024 through 2029.

Table 7

**State of Alaska Projection of Revenues Subject to Appropriation
Forecast Summary for Fiscal Years 2024 through 2029⁽¹⁾**
(\$ millions)

	2024	2025	2026	2027	2028	2029
<u>Petroleum Revenue</u>						
Unrestricted General Fund	\$ 2,432.3	\$ 2,196.0	\$ 2,013.2	\$ 1,999.7	\$ 2,044.0	\$ 2,029.0
Production Tax - Hazardous Release Surcharge	7.5	7.7	7.7	8.3	8.8	8.7
Royalties, Bonuses, Rents, and Interest to Alaska Permanent Fund	83.8	77.3	75.3	99.9	118.7	122.7
Tax and Royalty Settlements to CBRF	10.0	20.0	20.0	20.0	20.0	20.0
Subtotal Petroleum Revenue	\$ 2,533.6	\$ 2,300.9	\$ 2,116.3	\$ 2,127.9	\$ 2,191.5	\$ 2,180.4
<u>Non-Petroleum Revenue</u>						
Unrestricted General Fund	\$ 461.1	\$ 517.4	\$ 549.2	\$ 582.1	\$ 602.1	\$ 615.7
Designated General Fund	480.2	494.9	497.6	501.1	501.9	502.8
Royalties to Alaska Permanent Fund beyond 25% dedication	3.7	4.0	4.2	4.4	4.5	4.5
Subtotal Non-Petroleum Revenue	\$ 945.0	\$ 1,016.4	\$ 1,051.0	\$ 1,087.6	\$ 1,108.5	\$ 1,123.0
<u>Investment Revenue</u>						
Unrestricted General Fund	\$ 3,650.6	\$ 3,735.1	\$ 3,867.9	\$ 4,034.9	\$ 4,060.9	\$ 4,167.9
Designated General Fund	73.3	57.3	57.3	57.3	57.3	57.3
CBRF ⁽²⁾	119.3	78.7	89.3	92.3	95.4	98.6
Subtotal Investment Revenue	\$ 3,843.2	\$ 3,871.1	\$ 4,014.5	\$ 4,184.5	\$ 4,213.6	\$ 4,323.8
Total Revenue Subject to Appropriation	\$ 7,321.8	\$ 7,188.4	\$ 7,181.8	\$ 7,400.0	\$ 7,513.5	\$ 7,627.1

- (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. Totals may not add due to rounding.
- (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).

Source: Spring 2024 Revenue Forecast, Tax Division.

General Fund Expenditure Trends

From the fiscal year 2013 peak through fiscal year 2023, recurring Unrestricted General Fund expenditures have diminished from approximately \$7.9 billion to \$5.6 billion. Prior to fiscal year 2022, a significant portion of the expenditures were funded from prior fiscal year excess revenue held in the CBRF, the SBRF or in the form of forward funding future fiscal year appropriations.

10-Year Plan and General Fund Forecast

The Executive branch is obligated by AS 37.07.020 (b) to provide a 10-year plan and General Fund forecast on an annual basis. The Office of the Governor, OMB annually in December submits a 10-year projection of revenues based on the Tax Division's Fall Revenue Sources Book and expenditures as projected by their staff. The expenditure projections contained in the document are intended to be used as a planning tool. They do not represent a commitment by the Executive Branch to propose spending nor generate revenue at a particular level for any given fiscal year.

The Fiscal Year 2025 Budget Overview and 10-Year Plan ("FY 2025 10-Year Plan") was released by Governor Dunleavy's administration and the OMB on December 14, 2023. The FY 2025 10-Year Plan is provided in complete form on the State of Alaska, Office of the Governor, OMB's website. The FY 2025 10-Year Plan includes recognition of the State's diminishing reserves with status-quo revenue sources and policies, a full statutory dividend payment and need for a shift in future year's new revenue targets, as reflected in the "10-Year Plan Summary" in Table 8.

Table 8

Fiscal Year 2025 Budget Overview and 10-Year Plan Summary
Fiscal Years Ended June 30, 2025 - 2034

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Permanent Fund Dividend ("PFD")										
PFD Transfer	\$ 2,303.7	\$ 2,499.7	\$ 2,199.7	\$ 2,272.5	\$ 2,575.3	\$ 2,751.9	\$ 2,824.9	\$ 2,899.8	\$ 2,977.2	\$ 3,057.1
Per Capita PFD (dollars)	3,429.0	3,720.0	3,274.0	3,382.0	3,833.0	4,096.0	4,205.0	4,316.0	4,431.0	4,550.0
Unrestricted General Fund Expenditures										
Agency Operations	4,321.8	4,386.6	4,452.4	4,519.2	4,587.0	4,655.8	4,725.6	4,796.5	4,868.4	4,941.5
Statewide Items	365.0	368.6	379.1	393.7	388.4	388.6	380.2	392.5	381.7	369.5
Operating Budget	\$ 4,686.8	\$ 4,755.2	\$ 4,831.5	\$ 4,912.9	\$ 4,975.3	\$ 5,044.4	\$ 5,105.8	\$ 5,189.0	\$ 5,250.2	\$ 5,311.0
Capital Budget	305.2	309.8	314.4	319.1	323.9	328.8	333.7	338.7	343.8	349.0
Total General Fund Appropriations	\$ 4,992.0	\$ 5,065.0	\$ 5,145.9	\$ 5,232.0	\$ 5,299.3	\$ 5,373.2	\$ 5,439.5	\$ 5,527.7	\$ 5,594.0	\$ 5,659.9
Unrestricted Revenues										
Traditional Unrestricted General Fund Revenue	\$ 2,651.2	\$ 2,542.3	\$ 2,585.8	\$ 2,659.3	\$ 2,609.2	\$ 2,548.2	\$ 2,547.5	\$ 2,687.4	\$ 2,809.9	\$ 2,881.5
Gross Percent of Market Value ("POMV") Transfer	3,657.2	3,760.0	3,892.0	3,877.0	3,937.0	4,003.0	4,105.0	4,212.0	4,323.0	4,440.0
Revenue Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PFD Deposit	(2,303.7)	(2,499.7)	(2,199.7)	(2,275.5)	(2,575.3)	(2,751.9)	(2,824.9)	(2,899.8)	(2,977.2)	(3,057.1)
Status-Quo Available Revenue	\$ 4,004.7	\$ 3,802.6	\$ 4,278.1	\$ 4,263.8	\$ 3,970.9	\$ 3,799.3	\$ 3,827.6	\$ 3,999.6	\$ 4,155.7	\$ 4,264.4
Deposit/(Draw)	(987.2)	(1,262.4)	(867.8)	(968.2)	(1,328.4)	(1,573.9)	(1,611.9)	(1,528.1)	(1,438.3)	(1,395.5)
Reserve Balances	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Statutory Budget Reserve										
Statutory Budget Reserve Beginning Balance	\$ 20.9	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Surplus/(Draws)	(20.9)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Statutory Budget Reserve End Balance	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Constitutional Budget Reserve										
Constitutional Budget Reserve Beginning Balance	\$ 2,829.1	\$ 1,939.5	\$ 715.9	(\$ 137.6)	(\$ 1,108.5)	(\$ 2,459.1)	(\$ 4,082.2)	(\$ 5,775.7)	(\$ 7,419.3)	(\$ 9,006.0)
Earnings and Deposits	76.7	38.8	14.3	(2.8)	(22.2)	(49.2)	(81.6)	(115.5)	(148.4)	(180.1)
Surplus/(Draws)	(966.3)	(1,262.4)	(867.8)	(968.2)	(1,328.4)	(1,573.9)	(1,611.9)	(1,528.1)	(1,438.3)	(1,395.5)
Constitutional Budget Reserve End Balance	\$ 1,939.5	\$ 715.9	(\$ 137.6)	(\$ 1,108.5)	(\$ 2,459.1)	(\$ 4,082.2)	(\$ 5,775.7)	(\$ 7,419.3)	(\$ 9,006.0)	(\$ 10,581.6)

The fiscal year 2023 budget was approved by the Legislature on May 18, 2023, and on June 18, 2023, Governor Dunleavy signed into law the fiscal year 2024 budget. The most recent 10-Year Plan was released on December 14, 2023. The fiscal year 2025 10-Year Plan includes certain forecasted information contained in the Fall 2023 Revenue Forecast as well as other projected revenue scenarios over the forecast period.

Other Funds Maintained by the State

The State maintains other types of funds, such as Enterprise Funds, Trust and Agency Funds, Capital Projects Funds and Special Revenue Funds.

Enterprise Funds are operated by the State for “self-supported” activities that provide goods and/or services to the public on a charged payment basis. The International Airports Revenue Fund and a number of State loan program funds are Enterprise Funds.

Trust and Agency Funds are maintained to account for assets held by the State acting in the capacity of custodian or fiduciary agent. In addition to the Permanent Fund and the retirement systems funds, major funds in this category include the Public School Trust Fund, and the Mental Health Trust Reserve Fund.

Capital Projects Funds account for the use of the proceeds of general obligation bond issues and matching federal funds for capital outlays. In general, all capital outlay projects are accounted for through Capital Projects Funds except capital projects being financed by the General Fund through direct appropriations and capital projects financed with moneys in the International Airports Revenue Fund.

Special Revenue Funds are maintained in connection with the State’s issuance of revenue bonds, such as revenue bonds issued by the Alaska International Airports System.

State Ownership of Land and Natural Resources

Alaska includes approximately 586,412 square miles (approximately 365 million acres) of land and is the largest state in the United States, roughly equivalent in size to one-fifth of all the other 49 states combined. Unlike the other 49 states, where significant portions of the land may be privately owned, less than one percent of the land in Alaska is owned by private, non-Alaska Native owners.

In 1959, when Alaska became a state, 99.8 percent of the land was owned by the federal government. The Statehood Act, as modified by the Alaska Land Transfer Acceleration Act of 2004, gave the State the right to select and acquire approximately 105.5 million of the nearly 365 million acres of federal lands in Alaska. As of 2023, over 95 percent, or about 100.6 million acres, of this grant has been conveyed to the State. In addition, the State owns approximately 65 million acres of submerged and tide lands, some of which overlie areas with the potential for natural resource production. The State is constitutionally obligated to pursue resource use and development on these lands to support its economy and the provision of public services.

Land ownership in Alaska is also shaped by the Alaska Native Claims Settlement Act (“ANCSA”) enacted by Congress in 1971. Under ANCSA, 13 regional corporations and more than 200 village corporations were established with Alaska Natives as their shareholders and beneficiaries. Interests in these corporations can only be hereditarily transferred and cannot be otherwise bought or sold. These corporations were authorized to select approximately 44 million acres of federal lands and the associated subsurface and surface rights for transfer into their ownership to develop and steward on behalf of their shareholders.

In summary, Alaska Natives and ANCSA corporations own approximately 13 percent of Alaska lands, the State owns approximately 26 percent, and the federal government owns approximately 60 percent, with less than one percent of Alaska lands owned by private, non-Native owners. As described below, the State obtains significant revenues from companies that lease State-owned lands for extraction of oil, natural gas, coal, gold, silver, zinc, copper and other minerals and shares with the federal government revenues from oil, natural gas and other assets extracted from federal lands leased by private companies. Additionally, the State receives indirect benefits and tax revenues from development and activity on ANCSA corporation-owned lands.

For State land, Article 8, Section 1 of the State Constitution provides that, “it is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest.” The DNR is the State entity entrusted with fulfilling this obligation on the 165-million-acre upland and tideland portfolio. Consequently, DNR has a stewardship and public trust responsibility for all State-owned land, water and resources in addition to regulatory responsibilities on private lands.

As part of this work, DNR manages the State’s mineral, coal, oil and gas, geothermal, timber, material and water resources, provides land use authorizations for surface activities on State land, receives title from the federal government in accordance with the Statehood Act and the Alaska Land Transfer Acceleration Act and conveys land to private purchasers. DNR manages and distributes a large volume of technical data, public records, land records and geospatial information.

Oil and Gas Reserves and Potential Future Recoverable Resources

Most of the State’s annual revenues have been generated from oil exploration and production since 1968, when the first large oil and gas reservoir on the Arctic Coast was discovered. To enable the production of this resource, the TAPS, an 800-mile, 48-inch crude oil pipeline from the State’s Arctic Coast to Valdez in south-central Alaska was constructed in the 1970s and came online in 1977. This nationally important infrastructure has transmitted more than 18.7 billion barrels of crude oil from the North Slope of Alaska to market through calendar year 2023. Other pipelines exist upstream of TAPS that have spare capacity and currently deliver oil production from existing fields.

At peak production levels in 1988, over 2 million barrels per day were flowing through TAPS from the Prudhoe Bay field, the Kuparuk field (the State’s second largest oil-producing area), as well as from the Endicott and Lisburne satellite fields. While total Alaska oil production has declined to approximately 480,000 barrels of oil per day in 2023, upwards of 20 billion barrels of new discoveries have been made since 2016 and currently stand at different stages of appraisal and development. Production from several of these new discoveries is proposed to be brought to market in the next five years.

The ANS continues to see new oil being produced from redevelopment of existing fields, as well as new developments that are anticipated to bring future production. New production on the North Slope helps to offset some of the volume decline since the 1988 peak. The Spring 2024 Revenue Forecast for North Slope crude oil production projects approximately 467,600 barrels per day in fiscal year 2024 and 476,800 in fiscal year 2025.

In the Spring 2024 Revenue Forecast, the State forecasted that crude oil production on the North Slope will rebound to over 500,000 barrels of oil per day in the 10-year forecast period, to 641,100 barrels of oil per day by fiscal year 2034. This forecast applies a risk-weighted view on future projects which typically fall below forecasts by operators of the projects in question.

Additionally, continued pilot and test deployments of polymer flooding, viscous and heavy oil technologies could further unlock resources that have stayed out of recoverable estimates in the past. Broad application of more viscous and heavy oil technologies could translate to significant increases in State production in viscous and heavy oil resources given the known accumulations across the North Slope.

The State does not include potential production from the Arctic National Wildlife Refuge (“ANWR”) or other fields yet to be discovered in its forecasts. After President Trump signed the Tax Cuts and Jobs Act (Public Law 115-97) in December 2017, the U.S. Department of Interior was directed to hold at least two oil and gas lease sales in the ANWR Coastal Plain. This area is commonly known as the “1002 area,” after section 1002 of the Alaska National Interest Lands Conservation Act of 1980. The first of two lease sales required by the law was held in January 2021, but several of the executive orders (“EOs”) signed by President Biden upon inauguration and subsequent actions by the federal administration suspended the leases and have resulted in litigation and uncertainty about the status of the leases, as well as the process for the future lease sales required by law. Two of the leaseholders from that lease sale have relinquished their leases, while the third, the Alaska Industrial Development and Export Authority (“AIDEA”), is challenging these actions by the federal government.

In recent years, oil companies operating in Alaska have been able to attract capital at competitive rates to expand development of oil and gas assets in the State. The Spring 2024 Revenue Forecast presented aggregated capital spending projections for Alaska’s Oil industry on the North Slope to exceed approximately \$19.2 billion through fiscal year 2028.

Oil production from the smaller fields within the Cook Inlet Basin, in south-central Alaska, has declined in the past three years, partially due to the pandemic and oil prices in fiscal year 2020 and 2021. Some of these fields have now been in production for over 60 years. Cook Inlet production grew from 10,200 barrels per day in fiscal year 2010 to over 18,000 barrels in fiscal year 2015, and most recently was 9,000 barrels of oil per day on average in fiscal year 2023. The Spring 2024 Revenue Forecast forecasts Cook Inlet production to decline to a low of 5,900 barrels of oil per day by fiscal year 2029.

The State holds potential for future production from known (discovered but undeveloped) and unknown (undiscovered) hydrocarbon resources on the North Slope. Particularly, the initial discoveries within the shallower Brookian-sourced strata are being developed and brought into production, which may drive continued interest in additional exploration across the North Slope. The Department of Revenue’s Spring 2024 Revenue Forecast projects a 33.7 percent rise in total ANS crude oil production by 2034.

In the next ten years, the State anticipates new developments on State and federal lands, both of which benefit the State. Many of the opportunities to add production from State lands are from conventional light oil, expanded heavy and viscous oil development, tight oil development, continued satellite development at the Alpine field, and projects targeting the Brookian Nanushuk and Torok formations. Major projects in active appraisal include the Pikka Nanushuk Phase 1 project on State lands that received a final investment decision and project approval by the operator in mid-2022; the Willow Project, located on federal lands that received a final investment decision and project approval by the operator at the end of 2023; and the continued operation of the Nuna-Torok project that started production in 2022. These projects could increase proved crude oil reserves by several billion barrels.

While production from the western North Slope in the NPR-A is entirely on federally managed lands, the State benefits from the production of federal oil within the State through federal laws directing revenue be shared with the State. For example, in the NPR-A, the State is entitled to 50 percent of all royalties, bonuses and rents. The State also benefits from the production of oil from federal and Alaska Native Corporation lands that is shipped through TAPS in the form of a lower per-barrel transportation tariff, and thus higher value, on all state royalty oil, whether taken in value or in kind. The continued

development of infrastructure on the North Slope associated with federal development also continues to improve the economic viability of new projects and prolong the economic life of producing fields.

Additionally, studies by the U.S. Geological Survey (“USGS”) also point to the undiscovered resource potential of the North Slope Basin. A 2020 USGS resource assessment estimates mean undiscovered resources within the North Slope Central region at 3.5 billion un-risked barrels. This area is generally closer to infrastructure. Including the NPR-A area increases this estimate to over 13 billion barrels (USGS, 2017). Development by both ConocoPhillips Alaska and Oil Search Alaska/Santos in the Western North Slope area may increase industry confidence in the undiscovered resource potential of the area.

The State continues to see strong interest in bidding on leases of State land for oil and gas exploration and production on the North Slope. The DNR Division of Oil & Gas holds five regular areawide lease sales twice per year: Cook Inlet and the Alaska Peninsula in Spring, and North Slope, North Slope Foothills, and Beaufort Sea in Fall. In the 5-year period from fiscal years 2018 through 2023, the Division of Oil & Gas held 11 lease sales, receiving bids on 531 sale tracts from 19 unique bidding groups, bringing in over \$53 million in bonus bids. Bidders included major international producers and established independent companies. As of April 2024, there are 16.5 million unleased acres in the five areawide sale areas.

To encourage interest in the State’s unleased acreage, a significant amount of data related to wells, geology, and seismic surveys has been made available on several government websites, including the Division of Oil & Gas, the Division of Geological & Geophysical Surveys, and the Alaska Oil & Gas Conservation Commission.

Natural Gas Pipeline Developments

Natural gas development on the ANS has been limited because a pipeline to transport recovered natural gas to market outside the State has never been constructed. As a result, natural gas produced in conjunction with oil production on the North Slope is not yet sold commercially in significant volumes. Most of the produced gas is re-injected into the North Slope oil fields for use in enhanced oil recovery projects at the Prudhoe Bay field or at the Kuparuk field while some is used on site or is sold to TAPS and used to heat field camps, run electrical generators, or power pump stations. Although there are currently an estimated 50 TCF of known contingent gas resources on the North Slope, mostly in the Prudhoe Bay and Point Thomson fields, geologic estimates for the greater Alaska region by the USGS (onshore and state waters) and the Bureau of Ocean Energy Management (federal Outer Continental Shelf waters) place the amount of undiscovered technically recoverable resources around 200 TCF of conventional gas and 125 TCF of methane hydrates and shale gas.

The State’s production tax and royalty provisions apply to natural gas products as well as to oil, and the State’s long-term financial planning is based in part on efforts to develop natural gas resources in addition to continued revenue from oil production. See “—State Revenues—*Oil and Gas Revenues*” above.

To spur commercialization of Alaska natural gas, the Alaska Legislature has passed several laws designed to support moving gas off the North Slope to in-state and export markets. After passage of the Alaska Gasline Inducement Act of 2007, the State and TransCanada Alaska had investigated a plan to build a 1,715-mile natural gas pipeline from a natural gas treatment plant at Prudhoe Bay to the Alberta Hub in Canada. The project conducted its initial open season in 2010, receiving multiple bids from potential shippers. In 2012, TransCanada, ExxonMobil, ConocoPhillips and BP formally agreed on a work plan under the AGIA framework and pertinent milestones to explore and develop a concept for a liquefied natural gas project and associated pipeline to Southcentral Alaska.

More recently, in 2013, the Alaska Gasline Development Corporation (“AGDC”) was established as an independent, public corporation of the State. Its mission was expanded in 2014 to include developing a liquified natural gas (“LNG”) project for the State. In addition to developing initial scoping and engineering for the project, much work has been done to court potential buyers of LNG in Asian markets. Since 2016, AGDC has been leading the proposed multibillion-dollar project to build a natural gas pipeline from the North Slope to South-central Alaska, where LNG was successfully exported to Asian markets from 1969 to 2015. The full project would also include infrastructure such as a gas conditioning plant on the North Slope and a new liquefaction plant and marine terminal in Nikiski, Alaska. In April and May of 2020, AGDC received crucial authorizations from the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration and the Federal Energy Regulatory Commission to construct and operate the Alaska LNG Project. AGDC continues to assess commercial viability of the project and seeks private sector partners for the project.

In October 2019, Qilak LNG Inc. announced that a Heads of Agreement (“HOA”) was entered with ExxonMobil Alaska Production Inc. regarding the potential supply of natural gas from the Point Thomson field to Qilak LNG’s proposed LNG export project. The Qilak LNG project seeks to capitalize on recent developments in arctic LNG technology allowing natural gas to be directly exported from the North Slope. The project targets delivery of natural gas to Asia, utilizing icebreaking LNG carriers at a rate of 4 million tons per year. In April 2021, the DNR, Division of Oil & Gas, State Pipeline Coordinator issued two pipeline right-of-way leases for an Alaska LNG Point Thomson mainline and transmission line. These pipelines would link the gas field at Point Thomson with the proposed gas treatment plant in the central Prudhoe Bay infrastructure area and be built mostly along existing oil pipeline corridors.

Mineral Resources

According to the DNR Division of Geological and Geophysical Surveys, the State contains measurable amounts of the world’s mineral resources, including the following approximate percentages of global mineral resources: 17% for coal, 7.4% for zinc, 7% for gold, 1.7% for lead, 7% for silver, 12.4% for copper, and 16% for molybdenum.

Eight large mines in the State currently produce zinc, gold, lead, silver, germanium, and coal and several other large mine projects are under development or exploration. There are also more than 150 smaller-scale placer gold operations, and more than 75 sand and gravel mining operations.

In 2024, the eight major Alaska mines are:

- Red Dog Mine, a surface (open pit) mine and mill that produces zinc, lead, silver, and germanium in the Northwest Arctic Borough. It is a joint venture between Teck Alaska, Inc. and NANA, an Alaska Native Corporation. Red Dog Mine is one of the largest zinc mines in the world, both in terms of production and reserves. It is also the largest critical mineral mine in the United States.
- Fort Knox Mine, owned by Kinross Alaska, has been the largest gold producer in Alaska since production began in 1996 and is located 25 miles northeast of Fairbanks.
- Manh Choh Mine, an open pit mine near Tok, Alaska, is operated by Kinross Alaska in a 70/30 project owned by Kinross Alaska and Contango ORE LLC.
- Gil Mine, owned by Kinross Alaska, is located 8 miles east of the Fort Knox Mine. Gold production began in late 2021.
- Pogo Mine is an underground gold mining operation that began producing gold in 2006, operated by Northern Star Resources Limited.
- Usibelli Coal Mine, located outside Healy, and privately owned by Usibelli Coal Mine Inc., is the only operating coal mine in Alaska and was established in 1943.

- Greens Creek Mine, located on Admiralty Island, in southeastern Alaska near Juneau, is an underground polymetallic mine producing silver, gold, zinc and lead since 1989. It is owned by Hecla Greens Creek Mining Company (Hecla Mining Company) and is one of the world's top 10 silver producers.
- Kensington Gold Mine, located on the east side of Lynn Canal about 45 miles north-northwest of Juneau, is owned by Coeur Alaska. This underground mine began production in 2010.

Mining claims and prospecting sites covered approximately 4.3 million acres of Alaska in calendar year 2023, with 6,574 active federal and 37,642 active state mining claims. The total area of State mining claims increased by 3 percent in calendar year 2023, while the total area of Federal claims decreased by 3 percent. The total number of Alaska Placer Mining Applications has increased from 579 in 2021, to 640 in 2022, and 680 in 2023.

The total reported value of Alaska's mineral industry was \$4.4 billion in calendar year 2023. The total value is a composite of the year's expenditures on exploration and development plus the estimated first market value of the commodities produced. The value of Alaska's 2023 mineral production is estimated at \$3.9 billion. Mining companies are among the largest taxpayers in the City and Borough of Juneau, the Fairbanks North Star Borough, the Denali Borough, and the Northwest Arctic Borough.

Zinc continued to be the top metal produced in calendar year 2023, accounting for 44 percent of Alaska's total metal production with an estimated 646,523 tons of production. Gold followed closely at 36 percent of total production value, with approximately 733,000 total ounces. Production of silver and lead remained steady with approximately 16.2 million ounces of silver and 122,500 tons of lead in 2023.

Estimated exploration expenditures totaled \$230 million in calendar year 2023, compared to \$255 million for calendar year 2022 and \$273 million for calendar year 2021. Total value spent on exploration since calendar year 1981 is estimated at \$4.75 billion.

The State's revenues from mining are derived primarily from mining license taxes, corporate income taxes, annual rental fees and production royalties. According to current mine-life figures, production may end over the next decade at several mines that currently contribute most of the State's mining-related revenue. New resource areas are being explored for expansions and extensions of the mine life. In addition, several projects are in the advanced exploration or the permitting phase. Overall, in calendar year 2021, over \$119 million of reported and estimated revenues were paid to the State and municipalities by Alaska's mineral industry, with a state total of \$75 million, and an estimated municipality total of \$44 million. There was an estimated \$98 million in payments to Alaska Native corporations in 2021.

Alaska has several deposits and many occurrences of rare earth elements, which are used in magnets, batteries, refining and other metallurgical applications. Finished products in which they are critical include smart phones, electric and hybrid cars, military hardware, advanced consumer electronics, fiber optics and windmills. Bokan Mountain, located in Southeastern Alaska, on Prince of Wales Island near Ketchikan, has total resources of 77.5 million pounds of total rare-earth oxides. There are three other known deposits of rare earth elements located on Prince of Wales Island. The Alaska Division of Geological & Geophysical Surveys is currently engaged in a major project to evaluate Alaska's potential for rare earth elements and other strategic and critical minerals resources.

Other Major Resources

Fish and game have long been important resources in Alaska, and taxes on fish landings and processing represent a share of the State's non-petroleum revenues. Tourism has also been a source of revenue for the State. Passenger fee revenues are restricted revenues and not available for general

appropriations, the large commercial passenger cruise vessels are subject to the State corporate income tax, the proceeds of which are unrestricted. See “—State Revenues—*Other Non-Oil and Non-Mineral Revenues.*”

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 School Debt Reimbursement Program (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.

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 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 \$577.2 million of general obligation bonds were outstanding as of June 30, 2023. See “— *Summary of Outstanding Debt*” and Tables 9 and 10 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, 2023, 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, 2023. As of June 30, 2023, \$41.3 million of State guaranteed debt was outstanding. Subsequent to June 30, 2023, the AHFC issued Veteran’s Mortgage Bonds in the approximate amount of \$49.9 million and on March 26, 2024, received approval through the State Bond Committee for the issuance of not-to-exceed \$75 million in aggregate principal amount of Veteran’s Mortgage Bonds in 2024.

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 such 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 \$164.0 million of State-supported debt was outstanding as of June 30, 2023.

On September 4, 2020, the Alaska Supreme Court issued a decision in *Eric Forrer v. State of Alaska* (“*Forrer*”) related to the ATCCBC that created additional limitations on when the State can issue State Supported Debt. While the decision reaffirmed prior Supreme Court decisions allowing the use of State Supported Debt for lease-purchase of real property arrangements, it specifically disallowed the structure contemplated for the ATCCBC created in 2018 pursuant to AS 37.18. Due to similarity of structure, the decision also rendered the Pension Obligation Bond Corporation (the “POBC”) (created pursuant to 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 Court’s intent in their decision. The Court declined to respond to the Petition for Rehearing without any further ruling on the merits of the case.

State-Supported Unfunded Actuarially Assumed Liability (UAAL). In 2008, Senate Bill 125 became law, declaring that the State shall fund any actuarially determined employer contribution rate above 22% for the Public Employees’ Retirement System (“PERS”) or 12.56% for the Teachers’ Retirement System (“TRS”) out of the State’s general fund. This change was designed to address the 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, the Governmental Accounting Standards Board Statement 68 (“GASB 68”) was enacted, updating reporting and disclosure requirements related to pension liabilities. One of the key changes was requiring a government that is committed to making payments on a pension system’s unfunded actuarial 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 added to the State’s fiscal year 2015 Annual Comprehensive Financial Report, for a total of \$6.0 billion of UAAL owed by the State at that time.

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. The Alaska Retirement Management Board (“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 were 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 the assumption was included within the June 30, 2022, actuarial valuation reports.

According to the PERS and TRS ACFR as of June 30, 2023, 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 \$1,775,923,000 and the net TRS pension liability by approximately \$830,095,000.

As long as the Senate Bill 125 statutory framework is in place, the State is statutorily obligated to obtain amounts required to meet all actuarially determined employer contribution rate for PERS’ employers above 22% and TRS employers above 12.56%.

Senate Bill 55 (SB 55) amended AS 39.35.255, providing that effective July 1, 2021, the State, as a participating employer, shall contribute to PERS and TRS every payroll period an amount sufficient to

pay the actuarially determined employer normal cost, all contributions required under AS 39.30.370 (health reimbursement arrangements) and AS 39.35.750 (all defined contribution retirement plan costs, e.g., employer match, occupational death and disability, retiree major medical plan), and past service costs for members at the contribution rate adopted by the ARM Board under AS 37.10.220 for the fiscal year for that payroll period. The State of Alaska, as an employer, will pay the full actuarial determined employer contribution rate adopted by the Board for each fiscal year effective July 1, 2021.

As of June 30, 2023, State long-term debt for the combined PERS and TRS pension UAAL was approximately \$3.5 billion. Worth noting is that the Other Post Employment Benefit (“OPEB”) asset levels are greater than the assumed liabilities for both PERS and TRS. See “STATE PENSION AND OTHER POST-EMPLOYMENT BENEFIT RESPONSIBILITIES” below for certain information related to the State pension responsibilities.

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.

The Department of Education and Early Development (“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 then in fiscal year 2022 at approximately 42 percent of the authorized amount. The fiscal year 2023 and 2024 budgets include a fully funded SDRP and Transportation and Infrastructure Debt Service Reimbursement Authorization (“TIDSRA”). In addition, fiscal year 2022 supplemental appropriations offset prior year reductions in the SDRP for fiscal year 2017 and for fiscal years 2020 through 2022.

The Department of Transportation and Public Facilities (“DOTPF”) and the Alaska Energy Authority (AEA) administers the TIDSRA which was created by law in 2002. The program currently includes University of Alaska revenue bonds, six municipalities’ general obligation bonds, and one electric association revenue bond. The program provides for 100% reimbursement of a limited number of municipal transportation and infrastructure related projects. The underlying municipal bonds are issued as either general obligation bonds or utility revenue bonds, providing the ultimate source of payment commitment. This was a one-time authorization and no additional authorizations have been proposed. Other than certain reimbursements for the University of Alaska, no funding was provided in the fiscal year 2020 through 2022 budgets. The fiscal year 2023 and 2024 budgets include a fully funded TIDSRA.

While the SDRP and the TIDSRP have been only partially funded or not funded at all in certain fiscal years, 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 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 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; AEA; AHFC; AIDEA; Alaska Municipal Bond Bank Authority (“AMBBA”); and Alaska Student Loan Corporation (“ASLC”). Current outstanding moral obligation debt is limited to the AMBBA, and the AEA. Approximately \$1,220.7 million of such State moral obligation debt was outstanding as of June 30, 2023.

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 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 Airports Revenue Bonds, various University Revenue Bonds, Notes, and Contracts, and Clean Water and Drinking Water Fund Bonds. As of June 30, 2023, there was \$479.1 million of State and University revenue debt outstanding, consisting of \$241.4 million of University of Alaska Revenue Bonds and Notes, and \$237.7 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, 2023, there was \$1,534.8 million aggregate principal amount of State agency debt outstanding, consisting of \$1,247.3 million of AHFC obligations, \$9.3 million of AMBBA Coastal Energy Impact Program Bonds payable to the National Oceanic and Atmospheric Administration, \$17.3 million of Alaska Railroad Corporation obligations, and \$260.9 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, 2023, the total principal amount outstanding of State agency collateralized or insured debt was approximately \$1,108.0 million, consisting of associated obligations issued through AHFC.

State-Supported Pension Obligation Bonds. In 2008, AS 37.16 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 *Forrer* decision of the Supreme Court, this statutory construct is invalid.

State-Supported Tax Credit Certificate Bonds. In 2018, AS 37.18.010 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 of the State Constitutionality of the ATTCCBC was filed and delayed the potential for bond issuance. Based on the September 4, 2020 *Forrer* decision of the Supreme Court, this statutory construct is invalid.

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, *Forrer* decision of the Supreme Court this statutory construct is invalid.

Summary of Outstanding Debt. Table 9 lists, by type, the outstanding State-related debt as of June 30, 2023, except as otherwise noted.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Table 9

State of Alaska Debt and State-Related Debt by Type as of June 30, 2023
(\$ millions)

	Principal outstanding	Interest to maturity	Total debt service to maturity
State Debt			
State of Alaska General Obligation Bonds	\$ 577.2	\$ 198.9	\$ 776.1
State Guaranteed Debt			
Alaska Housing Finance Corporation Collateralized Bonds (Veterans' Mortgage Program)	41.3	11.5	52.8
State-Supported Debt			
Certificates of Participation	14.7	2.7	17.4
Lease Revenue Bonds with State Credit Pledge and Payment	149.3	39.0	188.3
Total State-Supported Debt	164.0	41.7	205.7
State-Supported Municipal Debt			
State Reimbursement of Municipal School Debt Service	433.6	77.0	510.6
State Reimbursement of Capital Projects	13.6	3.4	17.0
Total State-Supported Municipal Debt	447.2	80.4	527.6
Pension System Unfunded Actuarial Accrued Liability (UAAL)⁽¹⁾			
Public Employees' Retirement System UAAL	2,810.0	N/A	2,810.0
Teachers' Retirement System UAAL	710.0	N/A	710.0
Total UAAL	3,520.0	N/A	3,520.0
State Moral Obligation Debt			
Alaska Municipal Bond Bank: 2005 & 2016 General Resolution General Obligation Bonds	1,016.7	420.5	1,437.2
Alaska Energy Authority: Power Revenue Bonds #1 through #11	204.0	193.5	397.5
Total State Moral Obligation Debt	1,220.7	614.0	1,834.7
State Revenue Debt			
International Airport System Revenue Bonds	237.7	85.6	323.3
University of Alaska Debt			
University of Alaska Revenue Bonds	229.1	100.3	329.4
University Lease Liability and Notes Payable	12.3	2.7	15.0
Total University of Alaska Debt	241.4	103.0	344.4
Total State Revenue and University Debt	479.1	188.6	667.7
State Agency Debt			
Alaska Housing Finance Corporation: Commercial Paper	\$ 129.6	N/A	\$ 129.6
State Capital Project Bonds II	1,117.7	529.8	1,647.5
Alaska Municipal Bond Bank Coastal Energy Loan Bonds	9.3	1.4	10.7
Alaska Railroad	17.3	0.4	17.7
Northern Tobacco Securitization Corporation 2006 Tobacco Settlement Asset-Backed Bonds (2)	260.9	444.2	705.1
Total State Agency Debt	1,534.8	975.8	2,510.6
State Agency Collateralized or Insured Debt			
Alaska Housing Finance Corporation: Home Mortgage Revenue Bonds:	445.9	171.4	617.3
General Mortgage Revenue Bonds II	598.5	256.7	855.2
Government Purpose Bonds	63.6	10.3	73.9
Total State Agency Collateralized or Insured Debt	1,108.0	438.4	1,546.4
Total State and State Agency Debt	9,092.3		
Municipal Debt			
School G.O. Debt	649.6	N/A	N/A
Other G.O. Debt (3)	1,714.0	N/A	N/A
Revenue Debt	848.3	N/A	N/A
Total Municipal Debt	3,211.9		
Debt Reported in More than One Category			
Less: State Reimbursable Municipal Debt and Capital Leases	(162.9)		
Less: State Reimbursable Municipal School G.O. Debt	(433.6)		
Less: Alaska Municipal Bond Bank debt included in University debt	(77.5)		
Less: Alaska Municipal Bond Bank debt included in Municipal debt	(825.0)		

	Principal outstanding	Interest to maturity	Total debt service to maturity
Total Deductions Due to Reporting in More than One Category	(1,499.0)		
Total Alaska Public Debt	\$ 10,805.2		

- (1) From most recent June 30, 2022 actuarial valuation, as of the release of the Alaska Public Debt Book 2023-2024.
(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 the Office of the State Assessor and certain municipal ACFRs.
Source: 2023 - 2024 Alaska Public Debt Book, published in January 2024.

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 10 sets forth existing debt service on outstanding State-supported debt the State has provided from the General Fund for these outstanding obligations and the forecast support required to retire the outstanding obligations into the future. In the State's enacted fiscal year 2024 budget, the SDRP and TIDSRP were funded at 100 percent.

Table 10
State of Alaska
Payments on General Fund Paid Debt as of June 30, 2023
(\$ millions)

Fiscal Year	State G.O.*	Lease / Purchase	Capital Leases ⁽¹⁾	School Debt Reimbursement ⁽²⁾⁽³⁾	Capital Project Reimbursement ⁽³⁾	Statutory Debt Payment to PERS/TRS ⁽⁴⁾	Total Debt Service
2023	\$ 73.5	\$ 2.9	\$ 19.5	\$ 77.6	\$ 3.6	\$ 124.9	\$ 302.0
2024	72.7	2.9	19.5	66.2	3.6	136.7	301.6
2025	67.7	2.9	19.5	56.4	3.6	220.6	370.7
2026	67.5	2.9	19.5	46.5	2.8	219.3	358.5
2027	67.5	2.9	20.9	41.2	2.6	247.5	382.6
2028	66.5	2.9	20.9	39.2	2.2	253.8	385.5
2029	65.5	2.9	17.6	34.4	0.9	260.3	381.6
2030	64.8	-	17.6	32.0	0.9	267.4	382.7
2031	52.4	-	17.6	29.8	0.4	274.9	375.1
2032	51.9	-	17.6	26.5	-	283.0	379.0
2033	51.4	-	17.6	20.3	-	291.5	380.8
2034	50.9	-	-	18.0	-	300.0	368.9
2035	27.1	-	-	13.0	-	308.7	348.8
2036	27.0	-	-	6.0	-	317.8	350.8
2037	6.6	-	-	0.9	-	327.7	335.2
2038	18.3	-	-	0.8	-	337.2	356.3
2039	6.1	-	-	0.8	-	347.5	354.4
2040	6.1	-	-	0.4	-	-	6.5
2041	6.1	-	-	0.2	-	-	6.3
2042							
- 2051	-	-	-	-	-	16.8	16.8

- (1) A prison and a parking garage have been financed with capital leases.
(2) Fiscal years 2023 - 2041 payments are based on actual bond repayment schedules on file with DEED as of June 30, 2023.
(3) In fiscal year 2023, School Debt and Capital Project Reimbursements were funded at 100%.
(4) Based on PERS and TRS Actuarial Valuation Reports as of June 30, 2022.
(*) State G.O. debt service is net of federal subsidies on interest expense through fiscal year 2038.
Source: 2023 - 2024 Alaska Public Debt Book, published in January 2024.

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 uses 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 investment and oil resource-generated revenue. Historically, the State Bond Committee adopted a policy to target no more than 5 percent of annual unrestricted General Fund (“UGF”) revenue for debt service on general obligation bonds and other public debt directly secured by a subject to appropriation pledge of the State. Additionally, a higher target of no more than 8 percent of annual UGF revenue for debt service on general obligation bonds and other public debt directly secured by a subject to appropriation pledge of the State, as well as certain reimbursement programs of the State of Alaska, was established. This policy was revised in fiscal year 2019 due to the inclusion of certain Permanent Fund earnings in UGF revenue through SB 26, which made an adjustment of these ratios from 5 percent to 4 percent, and from 8 percent to 7 percent.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Table 11

State of Alaska
Debt Service on Outstanding Obligations to Unrestricted Revenues
Fiscal Years Ended June 30, 1996 - 2023
Forecast for Fiscal Years Ending June 30, 2024 - 2033

Fiscal Year	Unrestricted Revenues (\$ millions)	State G.O. Debt Service (%)	State Supported Debt Service (%)	Total State Debt Service (%)	School & Capital Debt Reimbursements (%)	Statutory Payment to PERS/TRS (%)	Total Payments to Revenues** (%)
1996	\$ 2,133	1.0%	0.5%	1.4%	3.7%	-	5.2%
1997	2,495	0.7	0.4	1.0	2.5	-	3.5
1998	1,826	0.8	0.6	1.3	3.4	-	4.7
1999	1,348	0.7	1.1	1.8	4.6	-	6.4
2000	2,082	0.1	0.9	1.0	3.1	-	4.1
2001	2,282	0.0	0.7	0.7	2.3	-	3.0
2002	1,660	0.0	1.3	1.3	3.3	-	4.5
2003	1,948	0.0	1.1	1.1	2.7	-	3.7
2004	2,346	0.8	0.9	1.7	2.6	-	4.3
2005	3,189	1.5	0.7	2.2	2.2	-	4.4
2006	4,200	1.1	0.6	1.7	1.9	-	3.6
2007	5,159	0.9	0.5	1.4	1.7	-	3.1
2008	10,728	0.4	0.3	0.6	0.8	-	1.4
2009	5,838	0.8	0.6	1.3	1.6	-	2.9
2010	5,513	0.9	0.8	1.7	1.7	-	3.4
2011	7,673	0.7	0.6	1.3	1.3	-	2.6
2012	9,485	0.8	0.4	1.3	1.1	-	2.3
2013	6,929	1.1	0.6	1.7	1.6	-	3.3
2014	5,390	1.4	0.7	2.1	2.0	-	4.1
2015	2,256	3.3	1.6	4.9	5.2	-	10.1
2016	1,533	4.0	2.3	6.3	7.6	-	13.9
2017	1,355	6.1	2.3	8.3	6.7	-	15.0
2018	2,414	3.7	1.1	4.8	4.6	-	9.4
2019	5,350	1.7	0.4	2.1	2.0	-	4.1
2020	4,529	1.7	0.5	2.2	2.2	-	4.5
2021	4,783	1.7	0.5	2.1	2.0	-	4.1
2022	6,939	1.1	0.3	1.4	1.2	-	2.6
2023	7,044	1.0	0.3	1.4	1.2	-	2.6
Projected*							
2024	6,486	1.1	0.3	1.5	1.1	2.1	4.7
2025	6,308	1.1	0.4	1.4	1.0	3.5	5.9
2026	6,302	1.1	0.4	1.4	0.8	3.5	5.7
2027	6,478	1.0	0.4	1.4	0.7	3.8	5.9
2028	6,536	1.0	0.4	1.4	0.6	3.9	5.9
2029	6,546	1.0	0.3	1.3	0.5	4.0	5.8
2030	6,551	1.0	0.3	1.3	0.5	4.1	5.9
2031	6,653	0.8	0.3	1.1	0.5	4.1	5.7
2032	6,900	0.8	0.3	1.0	0.4	4.1	5.5
2033	7,133	0.7	0.2	1.0	0.3	4.1	5.4

* The forecast for fiscal years 2024 through 2033 use the projections included in the 2023 - 2024 Alaska Public Debt Book, which was based on available information as the Fall 2023 Revenue Sources Book and Forecast release.

** Certain 'Total Payment to Revenue' percentages may not foot in the table due to rounding.

Source: 2023 - 2024 Alaska Public Debt Book, published in January 2024.

STATE PENSION AND OTHER POST-EMPLOYMENT BENEFIT RESPONSIBILITIES

General

The State, through the Department of Administration, administers five retirement systems, a healthcare trust, a deferred compensation plan and a supplemental annuity plan. The two largest retirement systems are PERS and TRS. Smaller systems are the Alaska National Guard and Naval Militia Retirement

System (“NGNMRS”) and the Judicial Retirement System (“JRS”). The fifth system, the smallest, is the Elected Public Officers Retirement System (“EPORS”), which provides pension and Other Post-Employment Benefits (“OPEB”) benefits to elected officials who served in 1976.

PERS and TRS each had funding ratios in excess of 100 percent (i.e., were “overfunded”) as recently as 2001. Since that time, as a result of investment losses, recalibration of OPEB liabilities and changes in actuarial assumptions and valuation methodologies, PERS and TRS each has had a UAAL and increasing actuarially determined employer contribution rates. The NGNMRS and JRS, although much smaller systems, also had UAALs until May 2008, when the Legislature made additional contributions in amounts calculated to eliminate the entire UAAL of both the NGNMRS and JRS as of June 30, 2006. The NGNMRS has been fully funded or close to fully funded since June 30, 2010. Despite the additional funding in 2008, the JRS system continued to have a UAAL through June 30, 2021, primarily on the pension benefits; however, over the last two fiscal years, JRS improved to funded ratios over 100% for both pension and healthcare benefits due to changes in assumptions as well as recent investment gains that improved the funded status. The State maintains EPORS as a cash-funded, pay-as-you go arrangement and pays benefits each year as they arise. No assets are set aside to pay EPORS benefit costs.

In December 2023, the State’s consulting actuary provided draft June 30, 2023, actuarial valuation information for PERS and TRS defined benefits pension and OPEB, and defined contribution OPEB. The actuarial valuation reports will be adopted by the ARM Board on June 12, 2024. The actuarial valuation reports produced a PERS defined benefit pension funded level of 67.9%, OPEB funded level of 129.6%, and a total funded level of 85.5%. The 2023 valuation report shows a TRS defined benefit pension funded level of 76.8%, OPEB funded level of 135.5%, and a total funded level of 91.2% as reflected in Table 12.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Table 12

**Actuarial Valuation Report⁽¹⁾
As of June 30, 2023**

Funded Status as of June 30 (\$'s in 000's)	PERS		TRS	
	2023 ⁽²⁾	2022	2023 ⁽²⁾	2022
Defined Benefit ("DB") - Pension				
a. Actuarial Accrued Liability	\$16,835,581	\$16,093,679	\$8,036,685	\$7,804,046
b. Valuation Assets	11,272,339	10,961,498	6,171,460	6,100,204
c. Funded Ratio based on Valuation Assets, (b) ÷ (a)	67.0%	68.1%	76.8%	78.2%
DB - Healthcare				
a. Actuarial Accrued Liability	\$7,085,823	\$6,657,069	\$2,617,821	\$2,442,577
b. Valuation Assets	9,180,231	8,979,943	3,547,973	3,437,216
c. Funded Ratio based on Valuation Assets, (b) ÷ (a)	129.6%	134.9%	135.5%	140.7%
DB - Total				
a. Actuarial Accrued Liability	\$23,921,404	\$22,750,748	\$10,654,506	\$10,246,623
b. Valuation Assets	20,452,570	19,941,441	9,719,433	9,537,420
c. Funded Ratio based on Valuation Assets, (b) ÷ (a)	85.5%	87.6%	91.2%	93.1%
Defined Contribution Retirement ("DCR") - Pension				
a. Actuarial Accrued Liability	\$18,064	\$14,952	\$190	\$199
b. Valuation Assets	73,068	62,938	7,568	6,700
c. Funded Ratio based on Valuation Assets, (b) ÷ (a)	404.5%	420.9%	3,983.2%	3,366.8%
DCR - Healthcare				
a. Actuarial Accrued Liability	\$204,540	\$169,396	\$57,093	\$47,797
b. Valuation Assets	246,953	212,638	77,815	68,403
c. Funded Ratio based on Valuation Assets, (b) ÷ (a)	120.7%	125.5%	136.3%	143.1%
DCR - Total				
a. Actuarial Accrued Liability	\$222,604	\$184,348	\$57,283	\$47,996
b. Valuation Assets	320,021	275,576	85,383	75,103
c. Funded Ratio based on Valuation Assets, (b) ÷ (a)	143.8%	149.5%	149.1%	156.5%

(1) The fiscal year 2023 actuarial valuation report will be adopted by the ARM Board on June 12, 2024.

(2) The fiscal year 2023 actuarial valuation report is currently in draft form and is subject to change prior to ARM Board adoption.

Source: Actuarial Valuation Reports as of June 30, 2022. Draft Actuarial Valuation Reports as of June 30, 2023.

The ARM Board

The ARM Board is the fiduciary for funds of three of the retirement systems: PERS, TRS and the NGNMRS and has investment oversight of all of the systems. The ARM Board's mission is to serve as the trustee of the assets of the State's retirement systems, the supplemental annuity plan, the deferred compensation program for State employees and the Retiree Healthcare Trusts (for the PERS, TRS, JRS, and the Retiree Health Fund).

Administration of the Systems

The Commissioner of the Department of Administration or the Commissioner's designee is the administrator, and the Attorney General is the legal counsel, for each of the State's retirement systems. The Treasury Division provides investment and cash management services, together with external money managers and consultants, for the ARM Board and for each of the retirement systems and healthcare trusts.

Valuation Reports

PERS and TRS are funded by a combination of mandatory employee contributions at rates that are determined by statute, investment income, and employer contributions at rates adopted by the ARM Board based upon recommendations of the consulting actuary in its valuation reports. State law limits PERS and

TRS contribution rates, and statutes provide that the State contribute additional amounts up to the actuarially determined contribution rate. State law requires that actuarial valuation reports be prepared annually for PERS and TRS and that the work of the actuary be reviewed by a second, independent actuary. Additionally, every four years, an experience study of the actual experience of each system is performed by the consulting actuary, opined on by the review actuary, and adopted by the ARM Board for use in the next four years of actuarial valuation reports. State law also requires that every four years an independent actuary be retained to conduct a separate, complete valuation for comparison purposes.

Employer Contribution Rates. Employer contribution rates are adopted by the ARM Board and are based upon State law, administrative regulations and the actuarial determined employer contribution rates based upon results of the actuary's valuations. Employer rates represent a percentage of payroll based upon (i) the normal cost (a uniform rate for all employers within a specific pension program (e.g., PERS and TRS) calculated to reflect the cost of benefits accruing in the applicable fiscal year, less the value of the employees' contributions during that year), plus (ii) the past service cost (amortization of the UAAL over the remaining amortization period). The PERS employer contribution rate is set by law at 22.0 percent; the TRS contribution employer rate is set by law at 12.56 percent. Compensation used to determine required employer contribution rates is total compensation to all active members, including those who are not members of the defined benefit plans. If the actuarially determined employer contribution rate adopted by the ARM Board to fund the plans exceeds these statutorily established rates, the State is required to consider annually appropriating an amount that, when combined with the total employer contributions, will be sufficient to pay the plans' past service liability for that fiscal year.

Senate Bill 55, an Act relating to employer contributions to the system, made changes to AS 39.35.255 that provided the State, as a participating employer, shall contribute to the system every payroll period an amount sufficient to pay the full actuarially determined employer normal cost, all contributions required under AS 39.30.370 (HRA) and AS 39.35.750 (all DCR costs - employer match, occupational death and disability plan, retiree major medical plan), and past service costs for members at the contribution rate adopted by the ARM Board under AS 37.10.220 for the fiscal year for that payroll period. The State, as an employer, will pay the full actuarial determined employer contribution rate adopted by the ARM Board for each fiscal year effective July 1, 2021.

Employee Contributions. Employee contributions are established by statute and vary for each program and for tiers within a program. If statutorily permitted, employees may also make additional, voluntary contributions, which are accounted for separately.

The Public Employees' Retirement System

General. PERS, formed in 1961, is the largest of the State's retirement systems with 151 employers comprising three State entities, 73 municipalities, 52 school districts and 25 other public entities. The three State entities represent approximately 50 percent of active PERS members. PERS is a cost-sharing, multiple employer plan composed of both a defined benefit ("DB") plan and a defined contribution ("DC") plan. Membership in either plan is dependent upon the participant date of hire. The PERS DB plan was closed to all new members effective July 1, 2006.

As of June 30, 2023, the PERS DB membership consisted of 8,557 active members and 36,951 retirees, and beneficiaries and the PERS DC membership consisted of 26,261 total active members. PERS provides pension and other post-employment benefits, death and disability benefits prior to retirement and death benefits and survivor benefits after retirement, in a combination of defined benefit (Tiers 1, 2 and 3) and defined contribution (Tier 4) plans. PERS also provides a voluntary savings plan for the DB tiers and beginning in fiscal year 2007 is funding costs of healthcare benefits through the separate Retiree Healthcare Trust within PERS. Membership in PERS is mandatory for all full- and part-time (15-30

hours per week) employees of the State and of the other participating governmental employers (other than employees exempted by statute or employer participation agreements or who belong to another of the State's retirement systems).

Participants first hired before July 1, 1986 are Tier 1 participants of PERS and are eligible for retirement and for health insurance premiums paid by PERS earlier than members hired after June 30, 1986 (Tier 2). Members first hired after June 30, 1996 (Tier 3) have a 10-year requirement for system-paid premiums, and members who are not peace officer/firefighter members have a different final average earnings calculation than members from Tiers 1 and 2.

Shift to Defined Contribution Plan. In 2005, the Legislature closed the PERS DB plan to members first hired on or after July 1, 2006, and created for Tier 4 employees a DC retirement plan, which is composed of a participant-directed investment account, retiree major medical benefits, a health reimbursement arrangement, and occupational disability and death benefits.

The PERS DC participant account is funded with employee contributions of 8 percent and an employer match of 5 percent. Each participant designates how both employee and employer contributions (regardless of vesting status) are to be allocated among various investment options. Participants are 100 percent vested in their employee contribution and related earnings. Employer contributions to the participant account, plus any earnings they generate are vested as shown in the following Table 13:

Table 13
PERS DC Vesting Schedule

Years of Service	Vested Percentage of Employer Contributions
1 year	0%
2 years	25%
3 years	50%
4 years	75%
5 years	100%

Source: State of Alaska, Division of Retirement & Benefits

Employee Contributions. The PERS DB member contribution rates are 7.5 percent for peace officers and firefighters, 9.6 percent for certain school district employees, and 6.75 percent for general members, as required by statute. The DB member contributions earn interest at the rate of 4.5 percent per annum, compounded semiannually.

The PERS DC Plan member contribution rate is 8.0 percent, as required by statute.

Employer Contributions. The employer contribution rate is determined by the consulting actuary and adopted by the ARM Board annually. AS 39.35.255(a) sets the employer contribution rate at 22.0 percent. The employer contribution rate is paid based on all eligible salaries of the employer without regard to the participant's tier status. The difference between the actuarially determined contribution rate and the statutory employer effective rate is paid by the State as a direct appropriation, also known as the "Additional State Contribution" set out in AS 39.35.280.

Employer contributions made on behalf of DC members also include funding of the DC Retiree Major Medical Plan, Occupational Death and Disability Plan, and the Health Reimbursement Arrangement.

DC employer contribution rates are determined by the ARM Board and are based upon State law, administrative regulations, and the actuary's recommended employer contribution rates based upon results of the actuary's valuations.

Table 14 provides a history of the employer contribution rates from fiscal year 2013 through fiscal year 2025.

Table 14
PERS Employer Contribution Rates

FY	ARM Board Adopted Rate	DB Employer Effective Rate	DC Employer Match	DC Retiree Medical Plan	DC Occupational Death and Disability - Poli ce/Fire	DC Occupational Death and Disability - All Others	DC Health Reimbursement Arrangement ⁽¹⁾
2013	35.84%	22.00%	5.00%	0.48%	0.99%	0.14%	\$ 1,848.43
2014	35.68%	22.00%	5.00%	0.48%	1.14%	0.20%	\$ 1,896.60
2015 ⁽²⁾	44.03%	22.00%	5.00%	1.66%	1.06%	0.22%	\$ 1,960.53
2016	27.19%	22.00%	5.00%	1.68%	1.05%	0.22%	\$ 2,004.52
2017	26.14%	22.00%	5.00%	1.18%	0.49%	0.17%	\$ 2,049.36
2018	25.01%	22.00%	5.00%	1.03%	0.43%	0.16%	\$ 2,084.16
2019	27.58%	22.00%	5.00%	0.94%	0.76%	0.26%	\$ 2,102.88
2020	28.62%	22.00%	5.00%	1.32%	0.72%	0.26%	\$ 2,121.60
2021	30.85%	22.00%	5.00%	1.27%	0.70%	0.31%	\$ 2,159.04
2022	30.11%	22.00%	5.00%	1.07%	0.68%	0.31%	\$ 2,168.40
2023 ⁽³⁾	24.79%	22.00%	5.00%	1.10%	0.68%	0.30%	\$ 2,237.04
2024 ⁽³⁾	25.10%	22.00%	5.00%	1.01%	0.68%	0.30%	\$ 2,302.56
2025 ⁽³⁾	26.76%	22.00%	5.00%	0.83%	0.69%	0.24%	\$ 2,386.80

- (1) The employer contribution to the Health Reimbursement Arrangement is expressed as a dollar amount that must be paid in full on an annual basis for each year of service.
- (2) Table 14 shows the ARM Board adopted rate for fiscal year 2015 based on a level percentage of payroll. The actual contribution for fiscal year 2015 was the one-time transfer of \$3 billion from the CBRF (\$1 billion to PERS and \$2 billion to TRS) described under "Pension Reforms."
- (3) For both PERS and TRS, the fiscal year 2023, 2024 and 2025 ARM Board adopted rates show 0 percent contribution to OPEB due to the trusts' overfunded status.

Source: State of Alaska Division of Retirement and Benefits.

Contributions from the State of Alaska. AS 39.35.280 provides that the State is obligated to annually consider appropriating to contribute each July 1 or, as soon after July 1 as funds become available, an amount for the ensuing fiscal year that, when combined with the total employer contribution rate of 22.0 percent, is sufficient to pay the PERS DB past service liability at the consolidated actuarially determined contribution rate ("ADC") adopted by the ARM Board for the fiscal year. Table 15 provides a ten-year history of the additional PERS contributions from the State under AS 39.35.280, and estimated contributions for fiscal years 2024 and 2025. For fiscal year 2015, the State total contribution to PERS was a one-time payment of \$1 billion. Due to the one-time contributions, additional legislative and actuarial adjustments in analyzing the pension systems, employer contributions have diminished from levels shown in Table 15. For fiscal year 2025, the ARM Board has recommended a PERS contribution rate attributable to participating employers at 26.67%. This results in estimated employer contributions of \$434,502,000 and an additional estimated State contribution under AS 39.35.280 of approximately \$59,149,000.

Table 15

Additional PERS Contribution from the State (under AS 39.35.280)

FY	Legislative Bill	Amount Provided by State under AS 39.35.280 (\$000s)	Total Employer Contributions to PERS DB (\$000s)	% of Contributions made by State ⁽¹⁾
2014	House Bill 65	\$ 312,473	\$ 410,983	43.2%
2015	Senate Bill 119 ⁽²⁾	1,000,000	397,164	71.6
2016	House Bill 2001	126,520	390,990	24.4
2017	House Bill 256	99,167	388,138	20.4
2018	House Bill 57	72,719	385,396	15.9
2019	House Bill 286	67,857	452,867	13.0
2020	House Bill 39	79,487	457,326	14.8
2021	House Bill 205	101,383	482,932	17.4
2022	House Bill 69	97,700	480,528	16.9
2023	House Bill 281	33,933	438,566	7.7
2024 ⁽³⁾	House Bill 39	37,942	412,287	8.4
2025 ⁽³⁾	House Bill 268	59,149	434,502	12.0

(1) Percent of Contributions made by the State under AS 39.35.280.

(2) One-time transfer of \$3 billion from the CBRF (\$1 billion to PERS) described under “Pension Reforms.”

(3) Estimated contributions per the State’s actuary.

Source: State of Alaska Division of Retirement and Benefits.

Pension Benefits. PERS DB members are eligible for normal retirement at age 55 or early retirement at age 50 (Tier 1) or normal retirement at age 60 and early retirement at age 55 (for Tiers 2 and 3), in each case with at least five years of paid-up PERS service or other qualifying service. Members may retire at any age when they have at least 30 years of paid-up service.

PERS DC members are immediately and fully vested in member contributions and related earnings (losses). A member is fully vested in the employer contributions made on that member’s behalf, and related earnings (losses), after five years of service. See Table 14 for vesting percentages.

Other Post-Employment Benefits. PERS pays provider major medical healthcare benefits for all Tier 1 retirees, for Tier 2 retirees who are at least 60, and for Tier 3 retirees with ten years of credited service without premium cost to the member. Retirees in Tiers 1, 2, and 3 with 30 years of service (20 years for Tier 1 peace officers and firefighters and 25 years for other peace officers and firefighters) receive benefits with premiums paid by PERS regardless of their age or Tier. For Tier 4 retirees who are eligible for Medicare, PERS pays a portion (70-90 percent of the cost, depending upon length of service) of health insurance premiums.

PERS DC members are eligible for major medical benefits through the retiree medical plan after certain requirements have been met. In addition, PERS DC members have access to a health reimbursement arrangement plan and Occupational Death and Disability Benefits.

Actuarial Valuation - PERS DB. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and healthcare cost trends. Actuarially determined amounts are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

Effective June 30, 2018, the ARM Board adopted a layered UAAL amortization method: Layer #1 equals the sum of (i) the UAAL at June 30, 2018, based on the 2017 valuation, plus (ii) the fiscal year 2018 experience gain/loss. Layer #1 is amortized over the remainder of the 25-year closed period that was originally established in 2014. Layer #2 is amortized over a separate closed 25-year period starting in 2018.

Future layers will be created each year based on the change in UAAL occurring that year, and will be amortized over separate closed 25-year periods. The UAAL amortization continues to be on a level percent of pay basis. State statutes allow the contribution rate to be determined on payroll for all members, defined benefit and defined contribution member payroll combined.

The fiscal year 2014 contribution requirements were determined as a percentage of total payroll, and reflect the cost of benefits accruing and a fixed 25-year amortization as a level percentage of payroll of the initial unfunded accrued liability and subsequent gains/losses and other changes. The payroll used to determine the contribution rates is the total payroll of all active members in the system, including those hired after July 1, 2006, who are in the DC plan. The amortization period is set by the ARM Board. Contribution rates are recommended by the consulting actuary and adopted by the ARM Board each year.

The Legislature has discretion to deviate from the rates recommended by the ARM Board; however, they have not historically done so.

The most recent funding objective of the plan, as adopted by the ARM Board for fiscal year 2015, is to set an employer contribution rate that will pay the normal cost and amortize the initial UAAL and each subsequent annual change in the UAAL over a closed 25-year period as a level percentage of payroll amortization. After the ARM Board's adoption of the contribution rate for fiscal year 2015, the Legislature provided for one-time deposits of \$1 billion to PERS and \$2 billion to TRS in the fiscal year 2015 capital budget, and amended statutes to require a level percentage of payroll method for determining contributions in the future.

Table 16 presents a summary of the funding status of PERS as a whole, including pension and post-employment healthcare benefits combined, as of June 30, 2003 through June 30, 2023. The information presented in Table 16 is derived from the draft 2023 PERS Valuation Report and differs from the information about PERS prepared for accounting purposes.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Table 16
PERS Funding Status⁽¹⁾
(as of June 30)

Actuarial Valuation Year	Aggregate Accrued Liability (000s)	Valuation of Assets (000s)	Unfunded Liability (000s)	Funded Ratio (%)
2003	\$ 10,561,653	\$ 7,687,281	\$ 2,874,372	72.8%
2004 ⁽²⁾	11,443,916	8,030,414	3,413,502	70.2
2005	12,844,841	8,442,919	4,401,922	65.7
2006	14,388,413	9,040,908	5,347,505	62.8
2007 ⁽³⁾	14,570,933	9,900,960	4,669,973	68.0
2008	15,888,141	11,040,106	4,848,035	69.5
2009	16,579,371	10,242,978	6,336,393	61.8
2010	18,132,492	11,157,464	6,975,028	61.5
2011	18,740,550	11,813,774	6,926,776	63.0
2012	19,292,361	11,832,030	7,460,331	61.3
2013	19,992,759	12,162,626	7,830,133	60.8
2014	20,897,372	14,644,598	6,252,774	70.1
2015	20,648,663	16,173,459	4,475,204	78.3
2016	21,369,490	16,467,992	4,901,498	77.1
2017	21,881,395	16,786,771	5,094,624	76.7
2018	22,264,137	17,116,701	5,147,436	76.9
2019	22,190,874	17,387,184	4,803,690	78.4
2020	22,316,075	17,703,068	4,613,007	79.3
2021	22,276,145	19,047,864	3,228,281	85.5
2022	22,750,748	19,941,441	2,809,307	87.6
2023	23,921,404	20,452,570	3,468,834	85.5

See "Pension Reforms" section for actuarial projection as of June 30, 2023.

(1) For PERS Tiers I-III and pension and other post-employment benefits combined.

(2) Change in valuation assumptions (particularly the healthcare cost assumptions) and change in methods.

(3) Tier 4, the PERS defined contribution plan, became effective for employees first hired after June 30, 2006 when the defined benefit plans were closed. Change in healthcare cost assumptions.

Source: Draft 2023 PERS Actuarial Valuation Report, Section 1.7.

Tables 17 and 18 present the State of Alaska PERS, Schedule of Contributions from Employers and the State for the Defined Benefit Pension Plan and the Alaska Retiree Healthcare Trust Plan, respectively. These schedules show the dollar amount of the ADC, contributions in relation to the ADC, and the contributions as a percentage of covered payroll (under AS 39.35.280).

Table 17

PERS - Schedule of Employer and Nonemployer Contributions - Defined Benefit Pension Plan
Last 10 Fiscal Years
(In thousands)

Year Ended June 30	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2014	\$ 358,718	\$ 382,998	\$ (24,280)	\$ 1,405,197	27.26%
2015	529,264	1,226,136	(696,872)	1,328,384	92.30
2016	566,615	323,946	242,669	1,251,066	25.89
2017	368,766	362,764	6,002	1,166,107	33.11
2018	395,663	372,383	23,280	1,096,605	33.96
2019	414,243	418,458	(4,215)	1,033,526	40.49
2020	429,322	429,515	(193)	956,120	44.92
2021	495,499	516,123	(20,624)	893,910	57.74
2022	502,772	513,238	(10,466)	831,409	61.73
2023	448,841	471,944	(23,103)	813,896	57.99

Source: Draft PERS Financial Statement as of June 30, 2023.

Table 18

PERS - Schedule of Employer and Nonemployer Contributions - Alaska Retiree Healthcare Trust
Plan
Last 10 Fiscal Years
(In thousands)

Year Ended June 30	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2014	\$ 783,827	\$ 340,458	\$ 443,369	\$ 1,405,197	24.23%
2015	782,258	171,028	611,230	1,328,384	12.87
2016	790,824	193,564	597,260	1,251,066	15.47
2017	133,845	124,541	9,304	1,166,107	10.68
2018	71,251	85,731	(14,480)	1,096,605	7.82
2019	99,083	102,266	(3,183)	1,033,526	9.89
2020	114,783	107,298	7,485	956,120	11.22
2021	101,330	68,191	33,139	893,910	7.63
2022	75,091	64,990	10,101	831,409	7.82
2023	69,353	555	68,798	813,896	0.07

Source: Draft PERS Financial Statement as of June 30, 2023.

Projections of benefits for financial report purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial method and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Additional information as of the latest actuarial valuation follows.

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Level Percentage of Pay normal cost basis for pension and healthcare
Amortization Method	Level percentage of pay, layered
Equivalent Single Amortization Period	25 years
Asset Valuation Method	5-year smoothed fair value, reinitialized to fair value as of June 30, 2014
Actuarial Assumptions:	
Investment rate of return*	7.38% for pension and for healthcare.
Projected salary increases	Peace Officer/Firefighter: Merit - 2.75% per year for the first 4 years of employment, grading down to 0.5% at 7 years and thereafter. Productivity - 0.5% per year. Others: Merit - 6.00% per year grading down to 2.00% after 5 years; for more than 6 years of service, 1.50% grading down to 0%. Productivity - 0.5% per year.
*Includes price inflation at	2.50%
Cost-of-living adjustment	Post-retirement Pension Adjustment.

Changes in Actuarial Assumptions Since the Prior Valuation. The ARM Board completed an experience analysis of the actuarial assumptions underlying the PERS 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 were 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 for the June 30, 2022, actuarial valuation reports. The actuarial assumptions will be analyzed next for the period July 1, 2021 to June 30, 2025.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Defined benefit pension and postemployment healthcare benefit plan:

	June 30, 2021	June 30, 2017
Salary Scale	Based on actual experience from 2013 to 2017. Inflation 2.50% per year and productivity 0.25% per year.	Rates adjusted on actual experience from 2010-2013.
Pre-termination Mortality	Based upon 2013-2017 actual mortality experience. 100% (male and female) of RP-2014 health annuitant table with MP-2017 generational improvement.	Based upon 2010-2013 actual mortality experience. 60% of male rates and 65% of female rates of the post termination mortality rates
Post-termination Mortality	Based upon 2013-2017 actual mortality experience. 91% of male and 96% of female rates of RP-2014 health annuitant table with MP-2017 generational improvement.	96% of all rates of the RP-2000 table, 2000 base year projected to 2018 with projection scale BB.
Disability Mortality	In accordance with the RP-2014 disability table, benefit-weighted, rolled back to 2006, with MP-2017 generational improvement.	RP-2000 Disabled retiree table, 2000 base year projected to 2018 with projection scale BB.
Turnover	Rates adjusted based on actual experience from 2013-2017.	Based upon the 2010-2013 actual withdrawal experience.
Disability	Incidence rates based on 2013-2017 actual experience. Peace Officer/Firefighter: assumed to be occupational 75% of the time. Others: assumed to be occupational 40% of the time.	Incidence rates based on 2010-2013 actual experience. Peace officer/firefighter: Decreased rates by 5%. Others: Decreased rates by 30%.
Retirement	Rates were adjusted based on actual experience from 2013-2017.	Retirement rates based upon the actual 2010-2013 experience.
Deferred vested commencement date	Deferred vested members are assumed to retire at their earliest unreduced retirement date. The modified cash refund annuity is valued as a three-year certain and life annuity.	Peace officer/firefighter: Tier 1 age 55 Tier 2 and 3 age 60 Others: Earliest unreduced age
COLA	Of those benefit recipients who are eligible for the COLA, 70% of others and 65% of peace officer/firefighters are assumed to remain in Alaska and receive the COLA.	Of those benefit recipients who are eligible for the COLA, 70% of others and 65% of peace officer/firefighters are assumed to remain in Alaska and receive the COLA.
Occupational Death and Disability	Others: 40% Peace officer/firefighters: 75%	Others: 50% Peace officer/firefighters: 70%

Defined contribution occupational death and disability and retiree medical benefits plan:

	June 30, 2021	June 30, 2017
Salary Scale	Based on actual experience from 2013-2017. Inflation - 2.50% per year Productivity - 0.25% per year	Inflation - 3.12% per year Productivity - 0.50% per year
Pre-termination Mortality	Based upon 2013-2017 actual mortality experience. 100% of male and female of RP-2014 employee table, benefit-weighted, rolled back to 2006, with MP-2017 generational improvement.	Based upon 2010-2013 actual mortality experience. 60% of male rates and 65% of female rates of the post termination mortality rates. Deaths are assumed to be occupational 70% of the time for peace officers/firefighters, 50% of the time for others.
Post-termination Mortality	Based upon 2013-2017 actual mortality experience, 91% of male and 96% of female rates of the RP-2014 healthy annuitant table with MP-2017 generational improvement.	96% of all rates of the RP-2000 table, 2000 base year projected to 2018 with projection scale BB.
Disability	Incidence rates based on 2013-2017 actual experience. Post-termination disabled mortality in accordance with RP-2014 disabled retiree mortality table, benefit-weighted, rolled back to 2006, with MP-2017 generational improvement. Disabilities are assumed to be occupational 70% of the time for peace officer/ firefighters, 50% of the time for others.	Incidence rates based on 2010-2013 actual experience. Post termination disabled mortality in accordance with RP-2000 disabled retiree mortality table, 2000 base year projected to 2018 with projection scale BB. Disabilities are assumed to be occupational 70% of the time for peace officer/firefighters, 50% of the time for others.
Turnover	Select and ultimate rates based upon the 2013-2017 actual experience.	Based upon the 2010-2013 actual withdrawal experience.
Occupational Death and Disability	Others: 40% Peace officer/firefighters: 75%	Others: 50% Peace officer/firefighters: 70%

Teachers' Retirement System

General. TRS was established in 1955 to provide pension and other post-employment benefits to teachers and other eligible participants. TRS includes 57 employers (including the 53 school districts). TRS is a cost-sharing, multiple employer plan composed of both a DB plan and a DC plan. Membership in either plan is dependent upon the participant date of hire. The TRS DB plan is closed to all new members effective July 1, 2006.

On June 30, 2023, the TRS DB membership consisted of 2,897 active members and 13,484 retirees and beneficiaries and the TRS DC membership consisted of 6,416 active members. TRS provides pension and other post-employment benefits, death and disability benefits prior to retirement and death benefits and survivor benefits after retirement, in a combination of defined benefit (Tiers 1 and 2) and defined contribution (Tier 3) plans. TRS also funds costs of healthcare benefits through the separate Retiree Healthcare Trust within TRS. Membership in TRS is mandatory for all full- and part-time employees, including employees who are certificated elementary and secondary teachers, school nurses and certificated employees in positions requiring teaching certificates, employees in DEED and Department of Labor and Workforce Development positions that require teaching certificates, University of Alaska full- and part-time teachers and with the approval of the TRS administrator, full-time administrative employees in

positions requiring academic standing and certain full-time or part-time teachers of Alaska Native language or culture who elect to be covered under TRS.

Participants first hired before July 1, 1990, are Tier 1 participants of TRS and are eligible for retirement and for health insurance premiums paid by TRS earlier than members hired after July 1, 1990 (Tier 2).

Shift to Defined Contribution Plan. In 2005, the Legislature closed the TRS DB plan to members first hired on or after July 1, 2006, and created for Tier 3 employees a DC retirement plan, which is composed of a participant-directed investment account, medical benefits, a health reimbursement arrangement, and occupational disability and death benefits.

The TRS DC participant account is funded with employee contributions of 8 percent and an employer match of 7 percent. Each participant designates how contributions are to be allocated among various investment options. Participants are 100 percent vested in their employee contribution and related earnings. Employer contributions to the participant account, plus any earnings they generate are vested as shown in the following Table 19:

Table 19
TRS DC Vesting Schedule

<u>Years of Service</u>	<u>Vested Percentage of Employer Contributions</u>
1 year	0%
2 years	25%
3 years	50%
4 years	75%
5 years	100%

Source: State of Alaska, Division of Retirement & Benefits

Employee Contributions. The TRS DB member contribution rates are 8.65 percent as required by statute. Eligible TRS DB members contribute an additional 1.00 percent of their salary under a supplemental contribution provision. The DB member contributions earn interest at the rate of 4.25 percent per annum, compounded annually on June 30.

The TRS DC member contribution rate is 8.0 percent, as required by statute.

Employer Contributions. The employer contribution rate is determined by the consulting actuary and adopted by the ARM Board annually. AS 14.25.070(a) sets the employer contribution rate at 12.56 percent. The employer contribution rate is paid based on all eligible salaries of the employer without regard to the participant's tier status. The difference between the actuarially determined contribution rate and the statutory employer effective rate is paid by the State as a direct appropriation, also known as the "Additional State Contribution" under AS 14.25.085.

Employer contributions made on behalf of DC members also include funding of the DC Retiree Major Medical Plan, Occupational Death and Disability Plan, and the Health Reimbursement Arrangement. DC employer contribution rates are determined by the ARM Board and are based upon State law, administrative regulations, and the actuary's recommended employer contribution rates based upon results of the actuary's valuations.

Table 20 provides a history of the employer contribution rates from fiscal year 2013 through fiscal year 2025.

Table 20
TRS Employer Contribution Rates

FY	ARM Board Adopted Rate	Employer Effective Rate	DC Employer Match	DC Retiree Medical Plan	DC Occupational Death and Disability	DC Health Reimbursement Arrangement ⁽¹⁾
2013	52.67%	12.56%	7.00%	0.49%	0.00%	\$ 1,848.43
2014	53.62%	12.56%	7.00%	0.47%	0.00%	\$ 1,896.60
2015 ⁽²⁾	70.75%	12.56%	7.00%	2.04%	0.00%	\$ 1,960.53
2016	29.27%	12.56%	7.00%	2.04%	0.00%	\$ 2,004.52
2017	28.02%	12.56%	7.00%	1.05%	0.00%	\$ 2,049.36
2018	26.78%	12.56%	7.00%	0.91%	0.00%	\$ 2,084.16
2019	28.90%	12.56%	7.00%	0.79%	0.08%	\$ 2,102.88
2020	30.47%	12.56%	7.00%	1.09%	0.08%	\$ 2,121.60
2021	30.47%	12.56%	7.00%	0.93%	0.08%	\$ 2,159.04
2022	31.85%	12.56%	7.00%	0.83%	0.08%	\$ 2,168.40
2023 ⁽³⁾	24.62%	12.56%	7.00%	0.87%	0.08%	\$ 2,237.04
2024 ⁽³⁾	25.52%	12.56%	7.00%	0.82%	0.08%	\$ 2,302.56
2025 ⁽³⁾	28.59%	12.56%	7.00%	0.68%	0.08%	\$ 2,386.80

(1) The employer contribution to the Health Reimbursement Arrangement is expressed as a dollar amount that must be paid in full on an annual basis for each year of service.

(2) Table 20 shows the ARM Board adopted rate for fiscal year 2015 based on a level percentage of payroll. The actual contribution for fiscal year 2015 was the one-time transfer of \$3 billion from the CBRF (\$1 Billion to PERS and \$2 Billion to TRS) discussed in “Pension Reforms.”

(3) For both PERS and TRS, the fiscal year 2023, 2024 and 2025 ARM Board adopted rates show 0% contribution to OPEB due to the trusts’ overfunded status.

Source: State of Alaska Division of Retirement and Benefits.

Contributions from the State of Alaska. AS 14.25.085 provides that the State is obligated to annually consider appropriating to contribute each July 1 or, as soon after July 1 as funds become available, an amount for the ensuing fiscal year that, when combined with the total employer contribution rate of 12.56 percent, is sufficient to pay the DB past service liability at the consolidated ADC adopted by the ARM Board for the fiscal year.

Table 21 provides a history of the TRS contributions from the State under AS 14.25.085 from fiscal years 2014 through 2025. For fiscal year 2015, the State total contribution to TRS was a one-time payment of \$2 billion. For fiscal year 2025, the ARM Board has adopted a TRS contribution rate attributable to participating employers at 28.59 percent. This results in employer contributions of \$48,459,000 and an additional State contribution under AS 14.25.085 of \$134,976,000.

Table 21

TRS Contribution from the State (under AS 14.25.085)

FY	Legislative Bill	Amount Provided by State under AS 14.25.085 (\$000s)	Total Employer Contributions to TRS DB Plan (\$000s)	% of Contributions made by State ⁽¹⁾
2014	House Bill 65	\$ 316,846	\$ 69,551	82.0%
2015	Senate Bill 119 ⁽²⁾	2,000,000	63,296	96.9
2016	House Bill 2001	130,108	60,058	68.4
2017	House Bill 256	116,700	60,703	65.8
2018	House Bill 57	111,757	59,140	65.4
2019	House Bill 286	127,365	54,762	69.9
2020	House Bill 39	140,219	52,902	72.6
2021	House Bill 205	134,070	54,036	71.3
2022	House Bill 69	141,739	52,513	73.0
2023	House Bill 281	90,412	50,838	64.0
2024 ⁽³⁾	House Bill 39	98,766	42,143	70.1
2025 ⁽³⁾	House Bill 268	123,358	40,555	75.3

(1) Percent of Contributions made by State under AS 14.25.085.

(2) One-time transfer of \$3 billion from the CBRF (\$2 billion to TRS) described under "Pension Reforms."

(3) Estimated contribution per the State's actuary.

Source: State of Alaska Division of Retirement and Benefits.

Pension Benefits. Tier 1 members were hired before July 1, 1990 and are eligible for normal retirement at age 55 or for early retirement at age 50, and Tier 2 members were hired after June 30, 1990 and before July 1, 2006 and are eligible for normal retirement at age 60 and for early retirement at 55, and generally with at least eight years of paid-up membership service or other qualifying service. Members may retire at any age when they have at least 20 years of paid-up membership service or 20-25 years of a combination of paid-up membership service and other types of service. TRS members are also eligible for normal retirement if they have, for each of 20 school years, at least one-half year of membership service as a part-time teacher.

Tier 3 employees were hired after June 30, 2006 and are 100 percent vested in their own contributions from the beginning and vest in their employers' seven-percent contributions over five years: 25 percent after two years of service, 50 percent after three years of service, 75 percent after four years of service and 100 percent after five years of service. Tier 3 pension payments (the account balance plus investment income) are payable in a lump sum or over time at the employee's option.

Other Post-employment Benefits. TRS provides major medical healthcare benefits for all Tier 1 members who are at least 50 or who are any age with at least 20 years of paid-up service, and Tier 2 members who are 60 or older or who have 25 years of paid-up membership service or are disabled. Tier 2 members may receive coverage prior to age 60 if they pay the premiums. Medical benefits are supplemental to Medicare. For both Tier 1 and Tier 2, coverage includes coverage for eligible dependents.

For Tier 3, the TRS healthcare plan is a coinsurance major medical and prescription drug plan intended to maintain over time coinsurance levels at approximately 80 percent by the plan and 20 percent by the participant, with a maximum annual coinsurance payable by the participant of \$2,500 per person and a maximum lifetime benefit payable by the plan, less any amounts paid by Medicare.

Actuarial Valuation - TRS DB. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and healthcare cost trends. Actuarially

determined amounts are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

Effective June 30, 2018, the ARM Board adopted a layered UAAL amortization method: Layer #1 equals the sum of (i) the UAAL at June 30, 2018 based on the 2017 valuation, plus (ii) the fiscal year 2018 experience gain/loss. Layer #1 is amortized over the remainder of the 25-year closed period that was originally established in 2014. Layer #2 equals the change in UAAL at June 30, 2018, due to the experience study and employer group waiver plan implementation. Layer #2 is amortized over a separate closed 25-year period starting in 2018. Future layers will be created each year based on the change in UAAL occurring that year and will be amortized over separate closed 25-year periods. The UAAL amortization continues to be on a level percent of pay basis. State statutes allow the contribution rate to be determined on payroll for all members, defined benefit and defined contribution member payroll combined.

The fiscal year 2014 contribution requirements are determined as a percentage of payroll and reflect the cost of benefits accruing and a fixed 25-year amortization as a level percentage of payroll of the initial unfunded accrued liability and subsequent assumption changes and gains/losses. The payroll used to determine the contribution rates is the total payroll of all active members in the System, including those hired after July 1, 2006 who are in the Defined Contribution Retirement Plan. The amortization period is set by the ARM Board. Contribution levels are recommended by the consulting actuary and adopted by the ARM Board each year.

The Legislature has discretion to deviate from the rates recommended by the ARM Board, however, have not historically done so.

The most recent funding objective of the plan, as adopted by the ARM Board for fiscal year 2015, was to set an employer contribution rate that will pay the normal cost and amortize the initial UAAL and each subsequent annual change in the UAAL over a closed 25-year period as a level percentage of payroll amortization.

The information about TRS funding status included in Table 22 reflects the status of TRS as of June 30, 2023. Information about TRS assets and liabilities allocable to State employers alone is not shown because most non-State TRS employers make these contributions primarily from funds provided by the State.

Table 22**TRS Funding Status⁽¹⁾**
(as of June 30)

Actuarial Valuation Year	Aggregate Accrued Liability (000s)	Valuation Assets (000s)	Unfunded Accrued Liability (000s)	Funded Ratio (%)
2003	\$ 5,835,609	\$ 3,752,285	\$ 2,083,324	64.3%
2004 ⁽²⁾	6,123,600	3,845,370	2,278,230	62.8
2005	6,498,556	3,958,939	2,539,617	60.9
2006	7,229,851	4,141,700	3,088,151	57.3
2007	7,189,403	4,424,399	2,765,004	61.5
2008	7,619,178	4,936,976	2,682,202	64.8
2009	7,847,514	4,472,958	3,374,556	57.0
2010	8,847,788	4,739,128	4,108,660	53.6
2011	9,128,795	4,937,937	4,190,858	54.1
2012	9,346,444	4,869,154	4,477,290	52.1
2013	9,592,107	4,974,076	4,618,031	51.9
2014	9,841,032	6,019,274	3,821,758	61.2
2015	9,729,117	8,108,923	1,620,194	83.3
2016	9,907,624	8,200,391	1,707,233	82.8
2017	10,144,618	8,313,637	1,830,981	82.0
2018	9,960,440	8,440,309	1,520,131	84.7
2019	9,906,664	8,511,493	1,395,171	85.9
2020	9,936,711	8,608,347	1,328,364	86.6
2021	9,911,490	9,178,106	733,384	92.6
2022	10,246,623	9,537,420	709,203	93.1
2023	10,654,506	9,719,433	935,073	91.2

See "Pension Reforms" herein for actuarial projection as of June 30, 2023

(1) Includes pension benefits and other post-employment benefits.

(2) Change in asset valuation method.

Source: 2023 Draft TRS Actuarial Valuation Report, Section 1.7.

Tables 23 and 24 present the State of Alaska TRS, Schedule of Contributions from Employers and the State for the Defined Benefit Pension Plan and the Alaska Retiree Healthcare Trust Plan, respectively. These schedules show the dollar amount of the ADC, contributions in relation to the ADC, and the contributions as a percentage of covered payroll (under AS 39.35.280).

Table 23

TRS - Schedule of Employer and Nonemployer Contributions - Defined Benefit Pension Plan
Last 10 Fiscal Years
(In thousands)

Year Ended June 30	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2014	\$ 240,366	\$ 246,461	\$ (6,095)	\$ 514,035	47.95%
2015	321,971	1,699,074	(1,377,103)	491,223	345.89
2016	359,790	124,067	235,723	463,604	26.76
2017	133,417	153,334	(19,917)	442,029	34.69
2018	144,391	151,593	(7,202)	416,051	36.44
2019	154,083	164,170	(10,087)	392,849	41.79
2020	150,284	174,333	(24,049)	370,449	47.06
2021	155,184	163,406	(8,222)	357,288	45.74
2022	168,900	172,446	(3,546)	333,781	51.66
2023	135,850	141,158	(5,308)	308,408	45.77

Source: Draft TRS Financial Statement as of June 30, 2023.

Table 24

TRS - Schedule of Employer and Nonemployer Contributions - Alaska Retiree Healthcare Trust Plan
Last 10 Fiscal Years
(In thousands)

Year Ended June 30	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2014	\$ 320,797	\$ 139,936	\$ 180,861	\$ 514,035	27.22%
2015	352,417	364,222	(11,805)	491,223	74.15
2016	336,595	66,099	270,496	463,604	14.26
2017	42,171	24,069	18,102	442,029	5.45
2018	19,518	19,305	213	416,051	4.64
2019	19,944	17,957	1,987	392,849	4.57
2020	28,373	18,788	9,585	370,449	5.07
2021	25,197	24,700	497	357,288	6.91
2022	22,360	21,806	554	333,781	6.53
2023	20,643	92	20,551	308,408	0.03

Source: Draft TRS Financial Statement as of June 30, 2023.

Projections of benefits for financial report purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial method and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent

with the long-term perspective of the calculations. Additional information as of the latest actuarial valuation follows.

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Level Percentage of Pay normal cost basis for pension and healthcare
Amortization Method	Level percentage of pay, layered
Equivalent Single Amortization Period	25 years (each layer is amortized on a closed 25-year period)
Asset Valuation Method	5-year smoothed fair value, reinitialized to fair value as of June 30, 2014
Actuarial Assumptions:	
Investment rate of return*	7.38% per year
Projected salary increases	Based upon the 2013-2017 actual experience; inflation - 2.50% per year; productivity - 0.25% per year
*Includes inflation at	2.50%
Cost-of-living adjustment	Post-retirement Pension Adjustment ("PRPA") is 50% and 75% of assumed inflation and is valued for the annual automatic PRPA as specified in statute.

Changes in Actuarial Assumptions Since the Prior Valuation. The ARM Board completed an experience analysis of the actuarial assumptions underlying the 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 for the June 30, 2022, actuarial valuation reports. The actuarial assumptions will be analyzed next for the period July 1, 2021 to June 30, 2025.

	June 30, 2021	June 30, 2017
Salary Scale	Based on actual experience from 2013-2017.	Rates adjusted on actual experience from 2010 to 2013.
Pre-termination Mortality	Mortality rates based on the 2013-2017 actual experience. 100% of RP-2014 white-collar employee table, benefit weighted, rolled back to 2006, with MP-2017 generational improvement. Deaths are assumed to result from non-occupational causes 85% of the time.	68% of male rates and 60% of female rates of RP-2000, 2000 Base Year projected to 2018 with Projection Scale BB.
Post-termination Mortality	Mortality rates based on the 2013-2017 actual experience. 93% of male and 90% of female rates of RP-2014 white-collar healthy annuitant table, benefit weighted, rolled back to 2006, with RP-2017 generational improvement. Deaths are assumed to result from occupational causes 15% of the time.	94% of male rates and 97% of female rates of RP-2000, 2000 Base Year projected to 2018 with Projection Scale BB, with a three-year setback for males and a four-year setback for females.
Disability Mortality	Incidence rates based on the 2013-2017 actual experience. Post-disability mortality in accordance with the RP-2014 disabled table with MP-2017 generational improvement. Deaths are assumed to be from non-occupational causes 85% of the time.	RP-2000 Disabled Retiree Mortality Table, 2000 Base Year projected to 2018 with Projection Scale BB.
Turnover	Based on the 2013-2017 actual experience	Select and ultimate rates based upon the 2010-2013 actual withdrawal experience.
Disability	Based on the 2013-2017 actual experience.	Retirement rates based on 2010-2013 experience. Male/female rates increased and changed to Unisex rates. Disabilities are assumed to result from occupational causes 15% of the time.
Retirement	Based on the 2013-2017 actual experience.	Retirement rates based on 2010-2013 experience.
Part-time Service	0.75 years of credited service per year.	Part-time employees are assumed to earn 0.75 years of credited service per year.

Pension Reforms

In the past several years, to mitigate expected pension costs and rising employer contribution rates, the Legislature enacted a range of statutory changes to the retirement systems and to the State's approach to managing pension and OPEB costs. In 2005, the Legislature closed the PERS and TRS DB plans and established DC plans, each with a healthcare component, for new employees.

In 2007, the Legislature enacted Senate Bill 123, which created the Alaska Retiree Health Care Trusts (the "Retiree Healthcare Trusts"). Senate Bill 123 directed that all separately calculated employer contributions for other post-employment benefits under the DB plans and all appropriations, earnings and

reserves for the payment of retiree medical obligations be credited to these separate trusts. The State received a ruling from the IRS confirming that the State could reallocate a portion of the assets of PERS and TRS to the Retiree Healthcare Trusts, which it did.

In 2008, the Legislature enacted two additional reform bills: Senate Bill 125 and the Retirement Cost Funding Act. The Retirement Cost Funding Act authorizes issuers, including the POBC, to issue bonds and/or to enter into contracts to finance the payment by governmental employers of their share of the UAALs of the retirement systems. The Governor's budget for fiscal year 2017 included an appropriation to the POBC in anticipation of a potential bond issuance. The proposed bonds were to be structured to realize a 90 percent funding level in TRS and to minimize the State's non-employer payments to the retirement system. Projected savings were to be concentrated in the final 8 years of the amortization of the unfunded liability. On February 16, 2016, the Governor's budget was amended and the appropriation to the POBC was eliminated. Based on the September 4, 2020, Forrer decision of the Supreme Court, the statutory construct related to the POBC was invalidated.

Senate Bill 125 converted PERS to a cost-sharing system, similar to TRS, and shifted to the State more of the cost of funding the UAALs of PERS and TRS. Senate Bill 125 set employer contribution rates at the higher of (i) 22 percent of total payroll for PERS and 12.56 percent of payroll for TRS and (ii) in each case, the rate required to cover the actuarially determined normal cost plus amounts required to be contributed to the DC plans' Retiree Health Care Trusts.

As proposed by the Governor, the 2014 Legislature funded a \$3 billion transfer from the State's CBRF to the PERS and TRS retirement trust funds as part of a plan to manage the ongoing cost of funding the unfunded liabilities. The Legislature directed \$2 billion being transferred to the TRS trust and \$1 billion being transferred to the PERS trust in the fiscal year 2015 capital budget. As part of the agreement for the transfer, the Legislature also approved HB 385 that provides for any excess assets at the termination of the plan be deposited in the General Fund and that the contribution rate for liquidating past service liabilities be based on a level percent of pay method based on amortization of the past service liability for a closed term of 25 years. An additional adjustment in 2014 was provided for in SB 119, which eliminated effective in fiscal year 2015 the two-year lag in actuarial analysis for rate setting. In October 2014, the State's consulting actuary estimated the impact of the one-time contributions and programmatic adjustments to increase the PERS projected June 30, 2015 funding ratio to 71.8% and the projected 2015 TRS funding ratio to 77.0%. This was updated most recently in the draft 2023 valuation reports to a PERS June 30, 2023, combined funded ratio of 85.5% and a 2023 TRS combined funded ratio of 91.2%.

The Other Retirement Systems

The Alaska National Guard and Alaska Naval Militia Retirement System. The NGNMRS was established in 1973 and includes members of the Alaska National Guard and members of the Alaska Naval Militia. Members receive voluntary retirement benefits, which do not include healthcare benefits. The total contribution for fiscal year 2021 was \$0. As of June 30, 2023, the roll-forward actuarial valuation reported an actuarial accrued liability of \$28.9 million, actuarial value of assets of \$46.3 million, and excess assets of \$17.4 million. The NGNMRS is funded at 160.1%. It is understood that there will be no contributions to the NGNMRS until such time that the funded level is below 100%.

The Judicial Retirement System. The JRS was established in 1963 and provides pension and other post-employment benefits to Supreme Court Justices and Superior, District and Appellate Court judges and the administrative director of the court system. As of the June 30, 2023, roll-forward actuarial valuation, the System's pension plan had a funded excess of \$27.2 million and was funded at 112.6%. The System's healthcare plan had a funded excess of \$24.2 million and was funded at 226.5%.

The Elected Public Officers Retirement System. The EPORS was enacted as a retirement system for elected State officials who held office between January 1, 1976 and October 14, 1976. As of June 30, 2021, the actuarial accrued liability was \$12.5 million, with an expected annual benefit payment and claims cost of approximately \$1.2 million. No assets are set aside to pay EPORS benefit costs.

State's Supplemental Benefits System

In 1979, State employees elected to withdraw from the Social Security system. The State established a benefit program, effective January 1, 1980, which supplements the existing public employee retirement plans. Participation in the supplemental benefits system is mandatory for each State employee and the 21 other employers participating in the supplemental benefits system. A combined employer/employee contribution of 12.26 percent of wages (one-half contributed by employees up to the wage limit in effect for Social Security in a current year) is deposited into each employee's annuity plan account. Separate contributions are allowed to a cafeteria style supplemental benefit plan to provide death, survivor, disability and health benefits.

As of June 30, 2023, the supplemental benefits system had approximately 51,400 participants. At June 30, 2023, net assets available for system benefits were \$4.8 billion. These assets are held in trust by the State for the exclusive benefit of covered employees and their beneficiaries.

State's Deferred Compensation Plan

The State maintains an optional Deferred Compensation Plan (the "Plan") for the benefit of its employees and participating eligible employers. Participants under the Plan defer receipt of a portion of their salary until termination of State or political subdivision employment. As of June 30, 2023, the Plan had approximately 12,700 participants. As of June 30, 2023, the net assets available for Plan benefits were approximately \$1.1 billion. These assets are held in trust by the State for the exclusive benefit of the covered employees and their beneficiaries.

State's Annual/Personal Leave and Sick Leave

The cost of annual/personal leave and sick leave for State employees is charged against agency appropriations when leave is used rather than when leave is earned, except when an employee's State service is terminated. In that instance, the accumulated annual/personal leave balance is charged to a terminal leave liability account that is funded by a charge to each agency's operating budget.

INVESTMENT POLICIES

General Fund, Constitutional Budget Reserve Fund and Other Subfunds

By statute, the Commissioner of the Department of Revenue is the fiduciary for many of the State's funds, including the CBRF, General Fund and subfunds within the General Fund, such as the SBRF and the Alaska Capital Income Fund. The Commissioner's responsibilities for these funds include establishing investment policy, providing accounting and custody for the assets and monitoring and reporting the performance and characteristics of the funds and investment options. The Commissioner reviews capital market assumptions and sets an appropriate asset allocation for the General Fund, the CBRF and the other subfunds, consistent with each fund's objectives and constraints.

As of July 1, 2023, the target asset allocation for the General Fund is 15 percent short duration government / credit and 85 percent cash equivalents.

As of July 1, 2023, the CBRF, with a short-term time horizon, has a target asset allocation of 100 percent cash equivalents.

Annually, the Commissioner of the Department of Revenue adopts specific investment policies for each asset class. These investment policies specify asset class characteristics, monitoring requirements and risk controls. The Commissioner may revise the investment policies as market conditions warrant. The State employs industry consultants and a professional staff to assist in monitoring and evaluating investments.

The Permanent Fund

A governor appointed APFC Board of Trustees (the “APFC Board”) sets the APFC investment policy. The policy is required to be consistent with the prudent investor rule stated in AS 37.13.120, which provides: “The prudent-investor rule as applied to investment activity of the fund means that the corporation shall exercise the judgment and care under the circumstances then prevailing that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the designation and management of large investments entrusted to it, not in regard to speculation, but in regard to the permanent disposition of funds, considering preservation of the purchasing power of the fund over time while maximizing the expected total return from both income and the appreciation of capital.”

At least once each calendar year, the APFC Board reviews its asset allocation policy for the investment of fund assets for the coming year and was last amended on May 18, 2023. On May 21, 2020, the APFC Board adopted changes to the Investment Policy which included a five-year asset allocation plan for each fiscal year from 2021 through 2025. This review is conducted under the guidance of APFC investment staff, with the assistance and advice of the APFC Board’s investment consultant. The APFC Board’s long-term investment goal is to achieve an average annual real rate of return of five percent at acceptable risk levels (measured by expected volatility).

The APFC Board has created a three-person investment advisory council to provide the APFC Board with independent advice from professionals with significant, direct experience in the management and operation of large investment funds. The role of the members of the investment advisory council is to make recommendations to the APFC Board concerning investment policies, investment strategy and investment procedures; and provide other advice as requested by the APFC Board.

The APFC Board’s investment allocation includes multiple asset classes having varying risk and correlation assumptions. The APFC investment policy seeks to optimize expected return versus expected risk. The fund’s current target asset allocation as of July 1, 2023 is: 34 percent public equity, 20 percent fixed income, 16 percent private equity, 10 percent real estate, 9 percent private income, 7 percent absolute return, 2 percent cash, and 2 percent tactical opportunities. The APFC Board also establishes policies and guidelines for each asset class in which fund assets are invested.

To allow for market fluctuations and to minimize transaction costs, the APFC Board has adopted ranges that permit percentage deviations from the strategic asset allocation targets in accordance with specified reporting requirements and other procedures. Generally, for each risk and asset class, the APFC’s chief investment officer has discretionary authority to permit target deviations within one specified range (referred to as the “green zone” in the investment policy), the APFC’s executive director can approve target deviations for up to 90 days within a broader range (the “yellow zone”), and the APFC Board can approve operating for longer than 30 days within a third range (the “red zone”).

SPECIAL INVESTOR CONSIDERATIONS

The following is a discussion of certain risks that could affect payments to be made with respect to the 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. Prospective purchasers of the 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.

Revenues of the State

Investment Earnings. Investment earnings are a principal source of unrestricted General Fund revenue for the State. In 2018, the Legislature enacted 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. The State has forecasted for fiscal year 2024 that of \$6,543.9 million of unrestricted General Fund revenue, approximately \$3,526.0 billion, or approximately 54 percent, will be derived from transfers from the Permanent Fund Earnings Reserve. See “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 State has forecasted for fiscal year 2024 that of \$6,543.9 million of unrestricted General Fund revenue, \$2,432.3 million, or approximately 37 percent, will be derived from unrestricted petroleum revenue.

Many factors affect the ability of the petroleum industry to sustain production in the State, including: future economic conditions; 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; adverse global health events; 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.

It is anticipated the reduction in demand for and the price of petroleum products would have a negative effect on revenues of the State, and there can be no assurance that oil and gas revenue of the State will not decrease further. See “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. 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. See “INFORMATION CONCERNING THE STATE OF ALASKA—*State Revenues - Federal Revenue*.”

Other Factors Affecting the State

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, 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.

Cybersecurity Risks. The State relies on electronic systems and technologies to conduct its 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 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 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 its 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.

Infectious Disease Outbreak

The financial condition of the State, including the State's ability to collect tax and other sources of revenue, may be materially affected by an international, national or localized outbreak of an infectious disease, such as COVID-19, or other highly contagious or epidemic disease (an "Outbreak").

Tax and other revenue receipts of the State are heavily dependent on financial markets, commodities markets and tourism, all of which may be adversely affected by a resurgence of COVID-19 or by a new Outbreak and any governmental policies related thereto, in each case on an international, domestic or local level. For example, while some governments have lifted travel restrictions, certain restrictions have been reimposed from time to time. In November 2021, Canada ended its ban on cruise ships. If Canada reinstates its ban, without U.S. Congressional action, future large sailings to the Alaska market may be effectively cancelled.

Despite any policies of the State and the existence of governmental aid programs, there can be no assurances that an Outbreak, including COVID-19, will not materially affect the regional economy of the State or the national or global economies and, accordingly, materially adversely affect the receipt of revenues by the State.

Ratings

The lowering, suspension, or withdrawal of either or both of the ratings initially assigned to the Bonds could adversely affect the market price and the market for the Bonds. See "RATINGS."

Early Redemption

Purchasers of Bonds, including those who purchase Bonds at a price in excess of their principal amount or who hold such a Bond trading at a price in excess of par, should consider the fact that the Bonds are subject to redemption at a price equal to their principal amount plus accrued interest in the event such Bonds are redeemed prior to maturity. See "THE BONDS—*Redemption of the Bonds*."

Federal Income Tax Considerations

The exemption of interest on the Bonds from federal income taxes is dependent upon continuing compliance by the State with the requirements of the Code. If there is a failure to continuously comply with the covenants of the Code, interest on the 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 Bonds. All or a portion of the interest on the Bonds also could become subject to federal and/or state income tax as a result of changes of law. Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax-exempt status of such interest.

If interest on the Bonds becomes so includible in the owners' gross incomes, the effect will be to reduce the yield on an owner's 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 Bonds. There is no provision for any adjustment to the interest rate borne by the 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 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 State to recover any losses or damages so sustained.

Secondary Market and Prices

It has been the practice of Underwriters to maintain a secondary market in municipal securities they sell, and the Underwriters of the Bonds likely will engage in secondary market trading of the Bonds, subject to applicable securities laws. The Underwriters, however, are not obligated to engage in secondary trading or to repurchase any of the Bonds at the request of the owners thereof. No assurance can be given that a market will exist for the resale of the 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 Bonds, or if a secondary market exists, that the Bonds can be sold for any particular price.**

LITIGATION

There is no controversy or litigation of any nature now pending or, to the knowledge of the State, threatened to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the State taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security provided for the payment of the Bonds, or the existence or powers of the State.

Upon the delivery of the Bonds, the State will furnish a certificate, to the effect that, among other things, there is no litigation pending in any State court to restrain or enjoin the issuance or delivery of the Bonds or in any way contesting the validity or enforceability of the Bonds.

At any given time, including the present, there are numerous civil actions filed by or pending against the State, which could positively or negatively impact revenue sources or cash flow. A short description of such material litigation is provided below.

Oil and Gas Tax Litigation

Administrative Litigation: There are a number of disputed tax assessments against oil and gas corporations that are at the administrative level and thus confidential under AS 43.05.230(a). The assessments involve the corporate income tax (AS 43.20) or the oil and gas production tax (AS 43.55). Because the taxpayers, the tax years, and the amounts involved are confidential, a more detailed description of the cases cannot be given. Due to the confidentiality statute and because the disputed tax assessments are ongoing, the State cannot give an estimate of how much is expected to be eventually recovered through settlement, the administrative proceedings, or adjudication. Moneys recovered are required to be transferred to the CBRF.

Environmental Litigation

Barbara Gaston v. State of Alaska, 3AN-19-08301CI. This class action suit alleges that the DOTPF's use of firefighting foams that contain per- and polyfluoroalkyls ("PFAS") at some public use airports caused soil and groundwater contamination on private property surrounding the airports. The suit seeks to certify a class that consists of the landowners whose property has been affected, and it seeks damages for the class including property damages (e.g., diminution in value, remediation, alternative water, etc.) and medical monitoring costs. In addition, *Saracco v. State of Alaska* (1JU-20-00758 CI) is a single property case arising out of the DOTPF's sale of a fire-fighting vehicle containing firefighting foams to the City of Gustavus, which discharged the foam when responding to a brush fire. At this time, both the Gaston

and Saracco cases, along with the *State of Alaska v. 3M Company* (4FA-21-01451 CI) (State's Plaintiff litigation) have been removed to the PFAS Multi-District Litigation proceeding in South Carolina. The first bellwether cases (Public Water Systems) were set for trial and settled. Final actions with respect to those settlements are ongoing. The next bellwether cases the judge set are personal injury claims. The states are beginning to press for a state bellwether in order to advance state issues.

Tort Claims

The Attorney General's Office is involved in defending numerous tort claims asserted against the State and agencies. No estimate can be given as to the likelihood or financial effect on the outcome of such claims.

Medicaid Payment Rate Appeals

The Attorney General's Office is involved in defending numerous Medicaid payment rate appeals filed by providers. No estimate can be given as to the likelihood or financial effect on the outcome of such appeals.

Employment Claims

The Attorney General's Office is involved in defending numerous employment-related claims filed by present or former employees. No estimate can be given as to the likelihood or financial effect on the outcome of such claims.

Tobacco Company Litigation

In 1998, Alaska was among 46 states that entered into a settlement of claims against the nation's major tobacco companies. The companies agreed to pay \$4.5 billion in 2000 with annual increases until payments reach \$9 billion in 2019 and each year thereafter. The State's share, based upon its proportionate tobacco consumption, is about .034 percent of the yearly payment. This income stream is indefinite as long as Americans continue to consume tobacco products.

The Legislature authorized the State to sell to the AHFC 80 percent of the State's annual settlement income. AHFC's purchase was financed through the issuance of revenue bonds by the Northern Tobacco Securitization Corporation (the "NTSC"), a subsidiary the AHFC established and to which the right to receive 80 percent of the settlement revenues was transferred. In 2006, NTSC issued additional revenue bonds to refinance its purchase of the State's annual settlement income. The NTSC is using the income stream to pay debt service on the bonds. When the bonds are paid, the settlement income reverts to the State. The State used the bond proceeds to pay for a variety of construction and maintenance projects including rural schools, ports and harbors.

The master settlement agreement provides for a payment adjustment mechanism that, when triggered, could result in the impairment of the State's right to receive the remaining 20 percent of revenue that is not pledged to the NTSC and the NTSC could suffer a revenue shortfall. This payment adjustment mechanism has been triggered for the years 2003-2010. States that have diligently enforced their qualifying statute are exempted from the application of this adjustment mechanism. In July 2010, an arbitration commenced regarding which states "diligently enforced" their qualifying statutes in 2003. During that arbitration, Alaska and 15 other states/territories received notice that the participating manufacturers (tobacco companies that joined the master settlement agreement) no longer contested their diligence, rendering those states exempt from the 2003 adjustment. In 2018, the participating manufacturers entered into a settlement agreement that exempted the State from adjustments for the years 2004 through 2017. An

additional provision of the settlement agreement was triggered in March 2020 that exempted the State from adjustments for the years 2018 and 2019. Subsequently, the State and participating manufacturers extended the settlement agreement exempting the State from adjustments to include sales years 2020 through 2022. In March of 2024, the State and the participating manufacturers again extended the settlement agreement to exempt the State from adjustments for sales years 2023 and 2024. In addition, the State and the participating manufacturers agreed that no determination that the State failed to diligently enforce its qualifying statute in 2025 or any subsequent year can be based on non-participating manufacturer cigarettes sold in or before sales year 2022. The State continues to monitor and participate in the enforcement of the master settlement agreement.

Opioid Litigation

The State filed three lawsuits against opioid manufacturers and distributors alleging deceptive advertising by the manufacturers and failure by the distributors to properly monitor drug orders to identify likely diversion. *See Alaska v. Purdue Pharma et al.* (3AN-17-09966CI); *Alaska v. Mallinckrodt et al.* (3AN-19-04861CI); *Alaska v. McKesson, Cardinal, and Amerisourcebergen* (3AN-18-10023CI). Three of the lawsuits have been consolidated. Purdue and Mallinckrodt filed for bankruptcy and the State's claims against them are stayed during the bankruptcy proceedings. The State expects to participate in the settlement of state claims that is part of the bankruptcy. A separate settlement with distributors has been negotiated and the State joined that settlement.

The State filed a fourth opioid lawsuit in 2021 against generic drug manufacturers Teva & Allergan. *Alaska v. Teva & Allergan*, (3AN-21-05217CI). The claims against Teva and Allergan are similar to those made against Purdue and Mallinckrodt. The defendants filed a motion to dismiss, but the Court denied the motion with respect to most defendants, and allowed discovery on the issue of personal jurisdiction over Teva, Ltd. A multistate group has negotiated a settlement with Teva and Allergan.

The State filed suit in June 2022, against a number of Chain Pharmacies, including Walgreens, Walmart, Albertsons, Kroger, Fred Meyer, and Carrs Safeway, alleging that the pharmacies failed to recognize and refuse to fill opioid prescriptions that showed all the signs of diversion of drugs. *State v. Walgreens, et al.* (3AN-22-06675CI). The defendants have accepted service and agreed to a briefing schedule for motions to dismiss or answers. A multistate group has negotiated settlement agreements with Walgreens and Walmart, which are defendants in this litigation, and with CVS, which Alaska has not sued. The State has agreed to all of these settlements.

The superior court recently dismissed the State's claims against the remaining pharmacy defendants; and the State has filed an appeal of that ruling. The State has begun to receive payments under all of the settlements.

Other Litigation

Jeremiah M., et al. v. Adam Crum, et al., 3:22-cv-00129-JMK. Twelve children who are purportedly in Office of Children's Services custody have sued the Department of Health and Social Services and the Office of Children's Services in federal court. The case asserts various constitutional and statutory claims and is a putative class action. Counsel for the plaintiffs, A Better Childhood, has filed similar cases all over the country seeking court-supervised overhaul of various states' child welfare systems (known as "institutional reform" cases). The litigation is in its early stages and the parties are targeting a May 2025 trial date. Although the case is primarily focused on reform of the child welfare system in the State and not damages, it is possible that a significant attorney's fees award could be entered against the State if the plaintiffs are ultimately successful.

CERTAIN LEGAL MATTERS

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Committee. The proposed form of the Bond Counsel's opinion for the Series 2024B Bonds is attached as Appendix C-1 hereto. The proposed form of opinion of Bond Counsel for the Series 2025A Bonds is attached as Appendix C-2 hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. The Office of the Attorney General will issue a certificate to the effect that no litigation is pending that challenges the issuance of the Bonds.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the State ("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 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the 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 that interest on the Bonds is not included in taxable income for purposes of the State of Alaska income tax imposed on corporations. 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 Bonds. A complete copy of the proposed form of opinion of Bond Counsel related to the Series 2024B Bonds is set forth in APPENDIX C-1 and a complete copy of the proposed form of opinion of Bond Counsel related to the Series 2025A Bonds is set forth in APPENDIX C-2. Delivery of the Series 2025A Bonds, and delivery of Bond Counsel's opinion with respect to the Series 2025A Bonds, is subject to the satisfaction of certain additional terms and conditions provided in the Forward Delivery Purchase Agreement as described under the heading "CERTAIN FORWARD DELIVERY CONSIDERATIONS."

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such 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 Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the 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 Bonds accrues daily over the term to maturity of such 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 Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 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 Bonds is sold to the public.

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 Bonds. The State has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the 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 Bonds being included in gross income for federal income tax purposes, possibly from the applicable date of original issuance of the 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 applicable date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the 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 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 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 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 Bonds. Prospective purchasers of the 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 State or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The State has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the State or the Beneficial Owners regarding the tax-exempt status of the 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 State legitimately disagrees,

may not be practicable. Any action of the IRS, including but not limited to selection of the 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 Bonds, and may cause the State or the Beneficial Owners to incur significant expense.

Payments on the 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 Bonds may be subject to backup withholding with respect to “reportable payments,” which include interest paid on the Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the 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.

VERIFICATION OF SUFFICIENCY

The arithmetical accuracy of certain computations included in the schedules provided by the Underwriters on behalf of the State relating to (a) computation of the redemption price of the Refunded Bonds plus the accrued interest thereon until the date of redemption, and (b) sufficiency of the proceeds from the Series 2025A Bonds to be applied to the redemption of the Refunded Bonds was verified by [____]. Such computations were based solely upon assumptions and information supplied by the Underwriters on behalf of the State. [____], has restricted its procedures to verifying the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information upon which the computations are based and, accordingly, has not expressed an opinion on the data used, the reasonableness of the assumptions, or the achievability of future events.

FORWARD-LOOKING STATEMENTS

The statements contained in this Official Statement, and in any other information provided by the State, that are not purely historical, are forward-looking statements, including statements regarding the State’s expectations, hopes, intentions, forecasts or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the State on the date hereof, and the State assumes no obligation to update any such forward-looking statements. The State’s actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible changes in underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the State. Any of such

assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

RATINGS

Moody's Investors Service, Inc. ("Moody's"), S&P Global Ratings ("S&P") and Kroll Bond Rating Agency, LLC ("Kroll") have assigned the Bonds ratings of "___" with a _____ Outlook, "___" with a _____ Outlook and "___" with a _____ Outlook respectively, based on their research and investigation of the State. Moody's, S&P and Kroll are collectively referred to as the "Rating Agencies." The State furnished each of the Rating Agencies with certain information and materials concerning the Bonds and the State. Any desired explanation of such ratings should be obtained from the rating agency furnishing the same.

Generally, each of the Rating Agencies bases its ratings on such information and materials and also on investigations, studies, and assumptions that it may undertake independently. The ratings assigned by Moody's, S&P and Kroll express only the views of the Rating Agencies. An explanation of the significance of the ratings may be obtained from Moody's, S&P and Kroll, respectively. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if, in the judgment of such rating agency, circumstances so warrant. Any such change in or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

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, including prior to the Settlement Date of the Series 2025A Bonds. So long as the ratings on the Series 2025A Bonds have not been downgraded by Moody's, S&P or Kroll below "Baa3," "BBB-" or "BBB-", respectively, a rating downgrade will not result in the termination of the Forward Delivery Bond Purchase Agreement. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price and marketability of the Bonds.

UNDERWRITING

The Series 2024B Bonds are to be purchased from the State at an aggregate purchase price of \$_____ (the principal amount of the Series 2024B Bonds, plus [net] original issue premium/discount of \$_____, less Underwriters' discount of \$_____); subject to the terms of a bond purchase agreement (the "Series 2024B Purchase Agreement") between the State and the Representative, on behalf of itself and as representative of Goldman Sachs & Co. LLC (collectively, with respect to the Series 2024A Bonds, the "Underwriters"). The Series 2024B Purchase Agreement provides that the Underwriters will purchase all of the Series 2024B Bonds if any are purchased and that the obligation of the Underwriters to accept and pay for the Series 2024B Bonds is subject to certain terms and conditions set forth therein, including the approval by counsel of certain legal matters.

Jefferies LLC, as Dealer Manager, has entered into an exclusive Dealer Manager Agreement with the State under which the Dealer Manager will be compensated in an amount equal to a percentage of the aggregate principal amount of the Outstanding GO Bonds tendered and accepted for exchange and a percentage of the aggregate principal amount of the Outstanding GO Bonds tendered and accepted for purchase.

The Series 2025A Bonds are to be purchased from the State at an aggregate purchase price of \$_____ (the principal amount of the Series 2025A Bonds, plus [net] original issue premium/discount of \$_____, less Underwriters' discount of \$_____); subject to the terms

of the Forward Bond Delivery Purchase Agreement. The Forward Bond Delivery Purchase Agreement provides that the Underwriters of the Series 2025A Bonds will purchase all of the Series 2025A Bonds if any are purchased and that the obligation of the Underwriters of the Series 2025A to accept and pay for the Series 2025A Bonds is subject to certain terms and conditions set forth therein, including the approval by counsel of certain legal matters. See “CERTAIN FORWARD DELIVERY CONSIDERATIONS.”

The initial offering prices or prices corresponding to the yields set forth on the inside cover of this Official Statement may be changed from time to time by the Underwriters without prior notice to any person. The Underwriters may offer and sell the 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 underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the issuer and to persons and entities with relationships with the issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the issuer. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

CONTINUING DISCLOSURE

Annual audited financial statements of the State will be available upon request from the Department of Revenue. The State has covenanted for the benefit of the holders and beneficial owners of the Bonds to provide certain financial information and operating data (the “Annual Disclosure Report”) within nine months after the end of each fiscal year, commencing March 31, 2025 for the Annual Disclosure Report for the fiscal year ending June 30, 2024, and to provide notices of the occurrence of certain enumerated events. A form of document specifying the nature of the information to be contained in the Annual Disclosure Report or the notices of certain events is set forth in Appendix D hereto. These covenants have been made in order to assist the Underwriters in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “Rule”).

A failure by the State to comply with the undertaking pursuant to the Rule will not constitute a default under the Resolution. Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by a broker-dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds or their market price.

The State has developed procedures to help its compliance with its continuing disclosure obligations in all material respects. Although there have been instances of deficiencies with its previous

undertakings, the State 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.

PRELIMINARY OFFICIAL STATEMENT

The State has deemed this Preliminary Official Statement pursuant to SEC Rule 15c2-12 as final as of its date except for the omission of offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, ratings, and other terms of the Bonds depending on such matters.

MISCELLANEOUS

The Bonds qualify as collateral for State funds deposited by the Department of Revenue.

The purpose of this Official Statement is to supply information to prospective purchasers of the Bonds. Quotations from and summaries and explanations of the Bonds and of the statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for full and complete statements as to their provisions. This Official Statement is not intended to be a contract or agreement between the State and the purchasers and owners of the Bonds. This Official Statement may not be reproduced or used, in whole or in part, for any purpose other than in connection with the issuance and sale of the Bonds.

All data contained herein, including the appendices hereto, have been taken from State records unless attributed to a specific source. Insofar as any statements contained in this Official Statement involve matters of estimates, projections, forecasts or matters of opinion, whether or not expressly stated, they are set forth as such and are not to be construed as representations of fact.

The appendices are integral parts of this Official Statement and must be read together with all other parts of this Official Statement.

EXECUTION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement have been authorized by the State.

STATE OF ALASKA

By _____
Ryan S. Williams
Debt Manager,
State of Alaska
For the State Bond Committee

APPENDIX A

SUMMARY INFORMATION REGARDING THE ECONOMY OF THE STATE

SUMMARY INFORMATION REGARDING THE ECONOMY OF THE STATE

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.

State of Alaska

The key drivers of the Alaska economy include natural resource development, federal (including national defense) and State government, seafood, and tourism. Approximately 24.0 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 10.9 percent of total nonfarm employment. The State’s unemployment rate in March 2024 was 4.6 percent (seasonally adjusted, preliminary), 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, Preliminary and adjusted estimates; 2023 Annual Average).

Population

Alaska’s Statewide population of 736,812 (2023 estimate) has increased in each of the last four calendar years; however, the State’s population remains below the recent peak of an estimated 739,649 residents in July 2016.

The following table summarizes the State’s population since 2014, as well as the estimated population in each of the State’s regions.

Population of Alaska by Region, 2014-2023

Area Name	Estimate July 2014	Estimate April 2015	Estimate July 2016	Estimate July 2017	Estimate July 2018	Estimate July 2019	Census Estimate July 2020	Estimate July 2021	Estimate July 2022	Estimate July 2023
Alaska	736,416	736,989	739,649	737,783	734,055	731,007	733,391	736,110	736,508	736,812
Anchorage / Mat-Su Region	398,151	398,597	401,582	402,110	399,902	398,283	398,328	399,539	401,767	403,573
Gulf Coast Region	80,785	80,937	81,062	80,763	80,806	80,866	81,619	81,643	82,474	83,154
Interior Region	113,019	112,888	113,235	112,020	110,904	109,847	109,425	111,561	110,665	109,801
Northern Region	27,486	27,783	27,780	27,716	27,627	27,432	28,870	28,346	27,787	27,723
Southeast Region	74,437	74,278	73,742	72,941	72,657	72,373	72,286	72,688	71,873	71,077
Southwest Region	42,538	42,506	42,248	42,233	42,159	42,206	42,863	42,333	41,942	41,484

Source: US Census Bureau for 2020 Census Estimate, and Alaska Department of Labor and Workforce Development, Research and Analysis Section for July 2014 through 2019 and 2021 through 2023 Estimate.

Income

In 2023, Alaska had a per capita personal income of \$71,616, an increase from the 2010 per capita personal income of \$49,549.²

After Alaska recorded annual deflation in 2020 for the first time, prices rose sharply over the next two years. Inflation hit a 41-year high of 8.1 percent in 2022, compared to the national average of 8.0 percent. In 2022, consumer prices increased 3.2 percent, compared to the national average’s increase of 3.3 percent over the same period. While costs in many spending categories rose faster than usual in 2022, transportation prices rose the most. Costs of food and beverages and housing also rose rapidly. Alaska’s inflation had begun to cool by December 2022 and continued to slow in early 2023. In April of 2023, the rate was down to 3.1 percent, the lowest inflation since February 2021. The slowdown in inflation has come mainly from the same categories that saw increases in prior years, especially transportation and food and beverages. Housing continues to place upward pressure on inflation in the State, especially given that consumers spend more on housing than any other category, giving it more weight. Measuring housing costs is complicated because

² St. Louis Fed Economic Data (“FRED”), <https://fred.stlouisfed.org/series/AKPCPI>

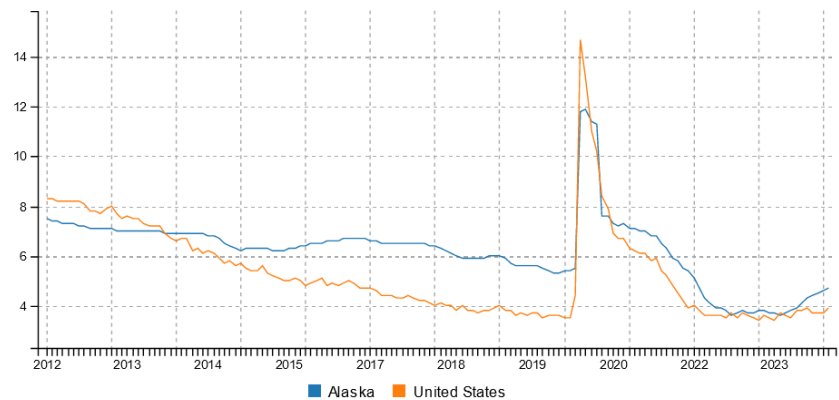
a portion of what owners spend is considered investment rather than consumption. The Bureau of Labor Statistics uses data from renters to calculate “rental equivalency” spending, categorized as shelter. Other housing costs include utilities and maintenance. Shelter, which makes up about 75 percent of housing costs in the Consumer Price Index (CPI) and about a third of all costs, is the biggest reason overall inflation was still high through April 2023. If shelter is excluded from the overall inflation calculation, as of April 2023, the inflation rate falls to 1.1 percent.³

The cost of living in Alaska remains significantly higher than the national average. According to the survey average of 265 cities from the Council for Community and Economic Research, which compares cities’ costs to the U.S. average, the cost of living in Anchorage, Fairbanks, and Juneau, in comparison to the total index is approximately 126.7, 123.0, and 127.9 percent, respectively, more expensive than the average index of the U.S.⁴

Employment

Data of the Alaska Department of Labor and Workforce Development shows the unemployment rate (seasonally adjusted, preliminary) for Alaska for March 2024 was 4.6 percent, as compared to a national unemployment rate for the same period of approximately 3.8 percent.⁵

**Seasonally Adjusted Unemployment Rates Alaska and the U.S.
January 2012 to March 2024**



The largest employment sector in Alaska is Government comprised of federal (except military), State (including the University of Alaska) and local and tribal government employees (including public schools). Government employment on average for calendar year 2023 was 78,400. The largest non-government sector of employment was Trade, Transportation and Utilities with 65,200. The table below provides a summary of the employment of the Alaska labor force by industry, comparing changes in the averages from 2022 to 2023, and a forecast (as of January 2024) for 2024 averages.

[Remainder of page intentionally left blank.]

³ Alaska Department of Labor and Workforce Development, Alaska Economic Trends, July 2023.
⁴ Alaska Department of Labor and Workforce Development, Alaska Economic Trends, July 2023.
⁵ Alaska Department of Labor and Workforce Development and U.S. Department of Labor, Bureau of Labor Statistics, 2024.

Statewide Jobs, by industry - Annual Average, 2022 and 2023, and Forecast 2024:

	Monthly avg, 2022 ¹	Monthly avg, 2023 ¹	Change, 2022-23	Percent change	JOBS FORECAST		
					Monthly avg, 2024	Change, 2023-24	Percent change
Total Nonfarm Employment²	318,800	326,200	7,400	2.3%	331,600	5,400	1.7%
Total Private	241,600	247,800	6,200	2.6%	252,700	4,900	2.0%
Mining and Logging	10,900	11,500	600	5.5%	12,500	1,000	8.7%
Oil and Gas	7,000	7,400	400	5.7%	8,000	600	8.1%
Construction	16,100	16,700	600	3.7%	17,800	1,100	6.6%
Manufacturing	12,100	12,600	500	4.1%	12,600	0	0%
Trade, Transportation, and Utilities	63,800	65,200	1,400	2.2%	66,000	800	1.2%
Wholesale Trade	6,200	6,400	200	3.2%	6,500	100	1.6%
Retail Trade	35,000	35,300	300	0.9%	35,500	200	0.6%
Transportation, Warehousing, and Utilities	22,600	23,500	900	4.0%	24,000	500	2.1%
Information	4,700	4,600	-100	-2.1%	4,600	0	0%
Financial Activities	11,000	10,900	-100	-0.9%	10,900	0	0%
Professional and Business Services	27,300	28,100	800	2.9%	28,600	500	1.8%
Educational (private) and Health Services	50,100	51,300	1,200	2.4%	52,000	700	1.4%
Health Care	38,900	40,000	1,100	2.8%	40,600	600	1.5%
Leisure and Hospitality	34,300	35,600	1,300	3.8%	36,100	500	1.4%
Other Services	11,100	11,400	300	2.7%	11,600	200	1.8%
Total Government	77,200	78,400	1,200	1.6%	78,900	500	0.6%
Federal, except military	15,000	15,400	400	2.7%	15,400	0	0%
State, incl. University of Alaska	22,400	22,800	400	1.8%	23,100	300	1.3%
Local and tribal, incl. public schools	39,800	40,200	400	1.0%	40,400	200	0.5%

¹Preliminary and adjusted estimates. ²Excludes the self-employed, uniformed military, most commercial fishermen, domestic workers, and unpaid family workers.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Federal Spending

Federal spending has a significant impact on Alaska's economy. Federal funds contribute to military and federal government employment, as well as provide support for specific in-state programs and projects. Excluding military, nearly 5 percent of the State's workforce is employed by the federal government. In many cases, State funds are also used to leverage federal funds in matching programs helping to improve Alaskan communities.

According to the U.S. Census Bureau's 2021 Annual Survey of State Government Finances, in Alaska's fiscal year ended 2021, federal spending comprised 57.2 percent of total State general revenue, with 11.5 percent from taxes, 6.4 percent from service charges, approximately 0.1 percent from local sources, and 24.9 percent from miscellaneous sources.

Oil and Gas⁶

According to a study completed by McKinley Research Group, LLC, for the Alaska Oil and Gas Association (November 2023), the primary oil and gas companies employed 4,105 workers (including non-resident workers) earning \$1.1 billion in total wages in 2022. Alaska residents represented approximately 83 percent of primary company total hire in Alaska, earning approximately \$904 million in wages. Primary company spending with Alaska vendors was estimated at \$4.6 billion. Additionally, in 2022, local governments generated \$449 million from taxation of oil and gas properties, 21 percent of all local government tax revenue in Alaska.

Government⁷

Government was responsible for 78,000 jobs on average in calendar year 2023, nearly a quarter of all nonfarm employment in the State. This sector encompasses occupations in all industries, including teachers, builders, deckhands, and scientists.

Within the local government sector, administrations and school districts represented the largest employers and accounted for approximately 12.3 percent of total nonfarm employment, which includes tribal government. State

⁶ McKinley Research Group, LLC (November 2023). The Role of the Oil and Gas Industry in Alaska's Economy. Alaska Oil and Gas Association. Retrieved from <https://www.aoga.org/wp-content/uploads/2024/04/MRG-Economic-Impacts-of-Oil-and-Gas-Report-Final-3.7.24.pdf>.

⁷ Alaska Department of Labor and Workforce Development, Alaska Economic Trends, January 2024.

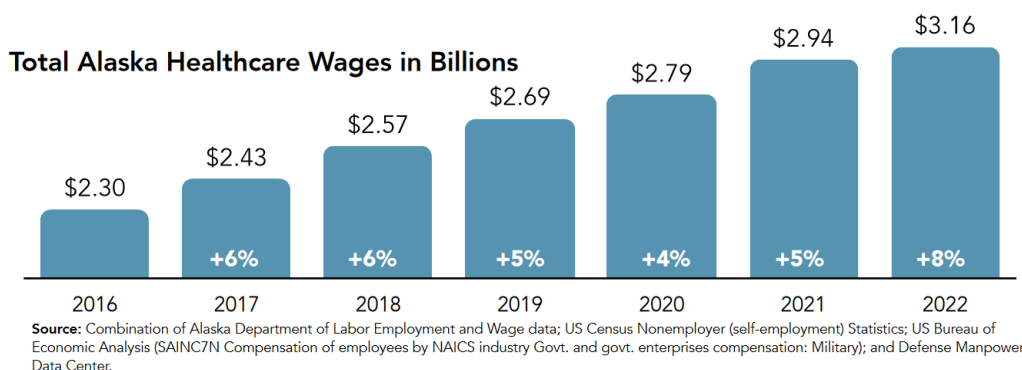
government employment accounted for approximately 7.0 percent of total nonfarm employment and includes the University of Alaska system.

Health Care⁸

The health care sector employed approximately 40,000 people on average in 2023 and accounted for approximately 12.3 percent of total nonfarm employment. Alaska providers have repeatedly adjusted wages up to remain competitive in attracting and retaining workers, resulting in significant overall wage increases. Healthcare wages in Alaska increased by \$867 million, or 38%, from 2016 to 2022. Comparatively, wages in Alaska overall have grown by 17% during the same period. The overall average healthcare wage in Alaska was \$73,729 in 2022.

Healthcare workers in Alaska earned nearly \$3.2 billion in 2022. The healthcare sector pays out more wages than any other industry in Alaska. Healthcare wages comprised 13% of all wages paid in the State, including healthcare wages from government facilities, and self-employed providers. The table below provides a summary of the total healthcare wages paid in Alaska by year from 2016 to 2022.

Total Alaska Healthcare Wages by year - 2016 through 2022:



Fisheries

Approximately 5.7 billion pounds of seafood worth \$2.0 billion was harvested on average in 2019. Processors turned this harvest into 2.8 billion pounds of product worth \$4.7 billion. Alaska produces approximately two-thirds of the nation's seafood harvest in a typical year and is home to nine of the top twenty U.S. fishing ports by value and eight of the top twenty by volume.⁹

In 2019, Alaska seafood was sold in 100 countries around the world. Export markets typically account for approximately two-thirds of sales value, while the U.S. market accounts for the remaining one-third. Just under one million metric tons, or 2.2 billion pounds, of Alaska seafood was exported in 2019, bringing an estimated \$3 billion in new money from foreign buyers into the U.S. economy.³

Salmon is the most valuable commercial species, making up 37 percent of first wholesale value, with Alaskan Pollock second making up 35 percent of first wholesale value.³

Alaska's seafood was harvested, and processed, by 160 shore-based processing facilities, 52 catcher-processors, approximately 30 floating processors, and various other participants in 2019. This subsector employed 20,244 workers at peak monthly employment, and 9,095 workers on average annually. Seafood processing

⁸ Alaska Hospital and Healthcare Association, 2023 Alaska Healthcare Workforce Analysis, Prepared by Rain Coast Data, retrieved from https://www.alaskahha.org/_files/ugd/ab2522_bde54b435a474ca48101e58d9239da21.pdf.

⁹ Economic Value of the Alaska Seafood Industry, McKinley Research Group, LLC. January 2022, retrieved from https://www.alaskaseafood.org/wp-content/uploads/MRG_ASMI-Economic-Impacts-Report_final.pdf.

is Alaska's largest manufacturing subsector, accounting for roughly 70 percent of all manufacturing employment in Alaska.³

In 2019, the top ports ranked by value in Alaska were Naknek ranked first (\$289 million), Dutch Harbor ranked second (\$190 million), Aleutian Islands ranked third (\$142 million), Kodiak ranked fourth (\$120 million), Alaska Peninsula ranked fifth (\$75 million).

Since 2019, seafood harvesting employment has dropped significantly. In 2019, July peaked at more than 23,000 fish harvesters. By July 2023, the annual high only reached 20,241, which was almost 400 below the July 2022 annual high. Salmon harvesters, the largest category by far, has seen decreases in both the yearly average and the monthly peaks every year since 2020. The Yukon Delta salmon fishery has caused a majority of the downward trend, although other regions have also lost salmon fishing jobs. Only Bristol Bay and the Northern Region added salmon harvesters in 2023. The Yukon Delta's harvesting job count has fallen over 40 percent each year since 2019, and 2022's drop was the largest yet at 60.5 percent. Salmon once provided over 94 percent of the Yukon Delta's fishing employment, but that number is now zero after jobs peaked at 1,044 in August 2018. A small number of groundfish harvesting jobs are all that remain.

Additionally, crab harvesting employment declined slightly in 2021 and then dropped precipitously after closures hit in 2022, shrinking the crab harvesting workforce by nearly 21 percent. The annual average job count in 2022 was just 346. Snow crab closures will likely prompt big ongoing job losses in the fishing industry this year, and while prices and job levels do not typically move together, prices for salmon and sablefish have dropped significantly. Some of the 2022 stock has carried over into this year, driving prices down and compounding the oversupply caused by Russia flooding the market at low prices. Sablefish prices have also dropped this year because of a glut compounded by the Russian oversupply. At the same time, economic trouble and wars around the world have depressed the demand for seafood products, and inflation has increased processors' costs. While the United States has now banned the import of Russian seafood, the ban covers only unaltered seafood originating in Russia. Russian harvests sent to another country for processing can still enter the U.S. market, and this is especially prevalent in pollock and salmon fisheries, enabling Russia's low prices to continue depressing Alaska's fisheries.¹⁰

A wave of seafood processing facilities across Alaska were either put up for sale or scheduled to close during 2024, beginning with a press release from Trident Seafoods in early December 2023 and ending with an announcement from OBI Seafoods at the end of January 2024. Trident announced it was seeking buyers for its processing and related assets in Kodiak, Ketchikan, Petersburg, False Pass, South Naknek, and Chignik. The company will also significantly scale back its winter operations in Kodiak in 2024.

Seafood processing has employed nearly 20,000 people at the yearly salmon processing peak in recent years, paying more than \$600 million in annual wages. Its importance to the State's economy is amplified by the market it provides to the tens of thousands of Alaska fishermen working mainly from coastal communities whose economies depend on the seafood industry. The processing facilities that will be sold or closed, temporarily or permanently, represent about 15 percent of the State's seafood processing jobs in the State at the yearly peak, typically July. Sales are already in progress for many of the plants. Trident announced in March 2024, for example, that sales are nearly final for its False Pass, Petersburg, and Ketchikan plants, which may mitigate the loss of processing capacity and buyers for the fishing fleet, but market forces have created a difficult environment for processors and harvesters.¹¹

Mining

Alaska's mining industry includes exploration, mine development, and production. The industry produces zinc, lead, copper, gold, silver, coal, germanium, as well as construction minerals such as sand, gravel, and rock. Alaska's eight largest operating mines are Fort Knox, Greens Creek, Red Dog, Usibelli, Manh Choh, Gil, Pogo, and Kensington, and provided nearly 5,400 full-time jobs of the nearly 10,900 direct and indirect jobs attributed to the

¹⁰ Alaska Department of Labor and Workforce Development, Alaska Economic Trends, November 2023.

¹¹ Alaska Department of Labor and Workforce Development, Alaska Economic Trends, April 2024.

mining industry in Alaska in calendar year 2022. The export value of Alaska's primary produced metals was \$2.1 billion, or 35% of Alaska's total exports in 2021.¹²

Tourism¹³

The Alaska Summer 2019 visitor volume of 2,213,000 was the fifth consecutive summer of growth, at that time, and the largest single year growth going back a decade prior. By transportation market for Summer 2019, 60.2 percent traveled by cruise ship, 35.7 percent were air visitors, and 4.1 percent were highway / ferry visitors.

The effects of the COVID-19 pandemic impacted tourism activity within the State where certain modes of travel (for example, large cruise vessels) were largely diminished, and in some cases prohibited to and from the State during calendar year 2020.

Alaska's tourism industry is experiencing a steady rebound from the COVID-19 pandemic and continues to be a major economic driver in the State. The Alaska Travel Industry Association's Tourism Impact Report depicted travel in summer 2022 and winter 2022/23 and serves as baseline research to demonstrate where Alaska has positioned itself immediately following the COVID-19 pandemic. Data was collected between May 2022 - April 2023 (summer 2022 and winter 2022/23), for their Alaska 2022-2023 Tourism Impact Model. During that time period, Alaska saw 2.7 million visitors who spent an average of 8.5 nights in the State. Alaska's visitors directly spent approximately \$3.9 billion annually in the State, with a total economic impact of \$5.6 billion. Alaska's travel industry supported 43,661 jobs, and the Inside Passage remains the most visited region in the State, seeing 67 percent of travelers, while Southcentral was the second most visited region with 50 percent of travelers.¹⁴

Retail¹⁵

A number of new chain and homegrown retailers opened in Alaska during the past two decades. Since 2000, the following retailers opened stores in the State: Kohl's, Walmart, Best Buy, Target, Sportsman's Warehouse, Petco, Bed Bath and Beyond, and Walgreens. The retail sector provided 35,300 jobs on average in Alaska in 2023.

Transportation

Given the geography of the State, Alaskans rely on aviation and marine transportation to move people and goods. Although the State is the largest state in terms of area, it has the fifth-lowest road mileage in the U.S. The primary reasons for the low road miles in the State are (i) the majority of people live in the urbanized areas and (ii) extreme weather, rugged terrain, vast distances, low population density and scattered islands make road construction difficult and costly compared to the number of users. Many remote communities are connected to the rest of the State and the rest of the world, through waterways or airports, rather than roads.

Most goods shipped to and from the State move by way of intermodal transportation systems. Most food, household items and consumer goods shipped from the lower 48 states of the U.S. to the State generally arrive by container ship, barge or roll-on, roll-off vessel. Upon arriving in the State, freight bound for destinations connected by the highway system are transported by truck or by rail on the Alaska Railroad. Freight bound for remote destinations is flown from Anchorage or Fairbanks to the remote communities. Heavy or bulk commodities are most often moved by barge to remote communities where seasonal barge service is available.

Given the size, geography and population distribution in the State, air transportation is critical for the State's economy and the health, safety and welfare of all Alaskans. The State owns about 252 rural airports, in addition to Ted Stevens Anchorage International Airport ("ANC") and Fairbanks International Airport ("FAI"). ANC serves as the primary passenger airport in the State and is an important cargo airport globally. In terms of cargo levels, ANC was ranked as the number two cargo airport in North America and as the number four cargo airport in the world by

¹² The Economic Benefits of Alaska's Mining Industry, McKinley Research Group report for the Alaska Miners Association. 2021.

¹³ McDowell Group, Inc. report for ATIA on Alaska's Visitors Volume, Winter 2018-19 and Summer 2019.

¹⁴ Destination Analysts on behalf of the Alaska Travel Industry Association (<https://www.alaskatdia.org/sites/default/files/2024-03/ATIA%20Alaska%20Tourism%20Impact%20Modeling%202022-2023%20-%20FINAL%20Updated.pdf>)

¹⁵ Alaska Economic Trends, September 2011 and January 2014, Decade in Review, 2000-2010.

Airports Council International in calendar year 2021. In fiscal year 2023, all-cargo certificated maximum gross takeoff weight (measured in 1,000 lb. units) was approximately 30,860,000, a decrease from the historic high of approximately 33,827,000 in fiscal year 2022. In fiscal year 2023, passenger activity at ANC (including passenger enplanements, passenger deplanements and in-transit passengers) was approximately 5.45 million, as compared to 5.16 million in 2022, 3.00 million in 2021, 4.4 million in 2020, and 5.7 million in 2019.¹⁶

The State's ports and harbors are an important element of the State's economy, providing for the import and export of goods. Port and harbor facilities provide an economic base for those communities dependent on marine resource utilization such as fishing and recreational use. They are an essential link to the State's resources, including fisheries, oil, natural gas, mineral resources and recreational activities.

The Alaska Marine Highway System ("AMHS") is a critical part of the State's transportation system and the service it provides is part of the National Highway System. AMHS serves the State ports by transporting passengers and vehicles, and other goods between coastal communities. This service helps meet the social, educational, health and economic needs of Alaskans.

The Alaska Railroad operates a total of 656 miles of railway miles in the State, consisting of 467 miles of main line, 54 miles of branch line and 135 miles of yards and sidings. The Alaska Railroad assets include 682 freight revenue railcars, 45 passenger railcars, 51 locomotives and 2 power cars, and yards in Seward, Anchorage, Whittier and Fairbanks. The Alaska Railroad plays an important economic role. In 2022, the Alaska Railroad carried 3.7 million tons of freight and 461,949 passengers. As of 2022, the railroad employed 594 year-round employees, and approximately 123 additional employees are hired for additional summer activity.¹⁷

¹⁶ Alaska International Airport Systems, EMMA disclosure, <https://emma.msrb.org/P11729201-P11329249-P11763239.pdf>

¹⁷ Alaska Railroad Corporation, https://www.alaskarailroad.com/sites/default/files/Communications/FACT-SHEET_2023_ARRC_Quick-Facts_or.pdf

APPENDIX B

STATE OF ALASKA “GENERAL PURPOSE FINANCIAL STATEMENTS” FROM THE ANNUAL COMPREHENSIVE FINANCIAL REPORT, FISCAL YEAR ENDED JUNE 30, 2023

The annual financial report for the State contained in Appendix B hereto is historical information that presents the State’s financial position as of June 30, 2023. This report reflects historical performance. The financial performance of the State reflected in such report cannot be relied upon as a reliable indicator of subsequent performance. Historical trends cannot be used to anticipate results or trends in future periods.

APPENDIX C-1

PROPOSED FORM OF BOND COUNSEL OPINION FOR SERIES 2024B BONDS

APPENDIX C-2

PROPOSED FORM OF BOND COUNSEL OPINION FOR SERIES 2025A BONDS

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

APPENDIX E

INFORMATION REGARDING THE DEPOSITORY TRUST COMPANY

INFORMATION REGARDING THE DEPOSITORY TRUST COMPANY

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The 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 Bond certificate will be issued for each maturity of the Bonds, each 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 Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each 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 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all 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 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 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such 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.

6. Redemption notices shall be sent to DTC. If less than all of the 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 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 State 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Payments on the 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 State or the Bond Registrar, 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 Registrar or the State, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the State or the Bond Registrar, 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 Bonds at any time by giving reasonable notice to the State or the Bond Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

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

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) constitutes the written undertaking of the State of Alaska (the “State”) in connection with the issuance by the State of \$_____ aggregate principal amount of General Obligation Refunding Bonds, Series 2024B and \$_____ aggregate principal amount of General Obligation Refunding Bonds, Series 2025A (Forward Delivery) and (collectively, the “Bonds”). The execution and delivery by the State of this Disclosure Certificate were authorized by Resolution No. 2024-03 adopted by the State Bond Committee on July 9, 2024. The State agrees as follows.

SECTION 1. Purpose of the Disclosure Certificate. The State 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 Section (b)(5) of Securities and Exchange Commission (“SEC”) Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, § 240.15c2-12) (as amended from time to time, the “Rule”).

SECTION 2. Definitions: The following capitalized terms shall have the following meanings:

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

“Audited Financial Statements” means the State’s annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants or by the Legislative Auditor of the State.

“Beneficial Owner” means any person that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or intermediaries).

“Disclosure Representative” means the Chairman of the State Bond Committee or his or her designee or such other officer or employee as the State shall designate in writing from time to time.

“Financial Obligation” shall mean, for purposes of the listed events set out in Section 4(a)(10) and Section 4(b)(8) hereof, 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 State (currently the 12-month period ending June 30), as such fiscal year may be changed from time to time as required by State law.

“Holder” means the person in whose name any Bond is registered.

“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>.

“Notice of Significant Events” means the notice required to be given in accordance with Section 4 hereof.

“Official Statement” means the Official Statement dated _____, 2024 relating to the Bonds.

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

“Report Date” has the meaning set forth in Section 3 hereof.

“Resolution” means Resolution No. 2024-03 of the State Bond Committee of the State, adopted on July 9, 2024, authorizing the issuance of the Bonds.

SECTION 3. Provision of Annual Reports and Financial Statements.

(a) The State shall, while any Bonds are outstanding, provide an Annual Report to the MSRB in an electronic format as provided by the MSRB, on or before March 31 of each year (the “Report Date”), commencing March 31, 2025. The State may adjust the Report Date if the State changes its Fiscal Year, by providing written notice of the change of Fiscal Year and the new Report Date to the MSRB; provided that the new Report Date shall be nine months after the end of the new Fiscal Year, and provided further that the period between the final Report Date relating to the former Fiscal Year and the initial Report Date relating to the new Fiscal Year shall not exceed one year in duration. The Annual Report may cross-reference other information as provided below, and the State’s audited financial statements may be submitted separately from the balance of the Annual Report. If the audited financial statements are not available on the Report Date, unaudited financial statements will be provided with audited financial statements to follow when available. The Annual Report shall contain or include by reference:

- (1) annual audited financial statements of the State; and
- (2) historical operating data and financial information of the type included in the Official Statement under the heading “INFORMATION CONCERNING THE STATE OF ALASKA.”

Any or all of these items may be included by specific reference to documents available to the public or on the internet website of the MSRB or filed with the SEC. The State 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) If the State is unable to provide to the MSRB the Annual Report by the Report Date, the State in a timely manner shall send a notice to the MSRB in substantially the form attached hereto as Exhibit A.

The State reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the State; provided that the State agrees that any such modification will be done in a manner consistent with the Rule as provided in Section 6 hereof.

SECTION 4. Reporting of Significant Events. (a) The State shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days after 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 determinations 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 State.
- (10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the State, any of which reflect financial difficulties.

Note: for the purposes of the event identified in subparagraph 4(a)(9), the event is considered to occur when any of the following occurs: the appointment of a receiver, fiscal agent or similar officer for the State 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 State, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject 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 State.

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

(1) Unless described in Section 4(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 State or the sale of all or substantially all of the assets of the State, 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 State, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the State, any of which affect Holders of the Bonds.

SECTION 5. Termination of Reporting Obligation. The State's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the State 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 State;

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

(d) The State 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 Resolution.

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 7. 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 8. Additional information. Nothing in this Disclosure Certificate shall be deemed to prevent the State from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or Notice of Significant Event, in addition to that which is required by this Disclosure Certificate. If the State chooses to include any information in any Annual Financial Information or Notice of Significant Event in addition to that which is specifically required by this Disclosure Certificate, the State shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Financial Information or Notice of Significant Event.

SECTION 9. Default. In the event of a failure of the State 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 State to comply with its obligations under this Disclosure Certificate; provided, however, that any such action may be instituted only in a State court in Juneau, Alaska. No failure to comply with any provision of this Disclosure Certificate shall be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the State 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 State of Alaska, the Participating Underwriters and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

BY: _____
Ryan S. Williams
Debt Manager, State of Alaska,
For the State Bond Committee

Date: _____, 2024

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: THE STATE OF ALASKA

Name of Obligated Person: THE STATE OF ALASKA

Name of Bond Issue: State of Alaska General Obligation
Refunding Bonds, Series 2024B and Series
2025A (Forward Delivery_

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the State has not provided its Annual Report with respect to the above-named Bonds as required by Continuing Disclosure Certificate of the State dated _____, 2024. The State anticipates that the Annual Report will be filed by_____.

Dated: _____

By: _____

Ryan S. Williams
Debt Manager, State of Alaska
For the State Bond Committee

MEMORANDUM

STATE OF ALASKA
Department of Revenue

TO: State Bond Committee

FROM: Ryan Williams
Debt Manager
DOR - Treasury Division

DATE: July 3, 2024

TELEPHONE: 907-465-2893

SUBJECT: Report

The State of Alaska anticipates an update to rating agencies on current events in July 2024 (subject to approval of the Resolution contained in this meeting for State of Alaska General Obligation Refunding Bonds, Series 2024B and 2025A (Forward Delivery)).

Certain rating actions resulted from the meetings and State credit review associated with the State's issuance of the Series 2024A Refunding Bonds. On April 30, 2024, S&P Global upgraded the state's long-term general obligation debt rating to 'AA' from 'AA-' with stable outlook. At approximately the same time, Moody's Investors Service revised the state's outlook to positive from stable and retained their 'Aa3' rating on the state's long-term general obligation debt.

The State's issuance of the Series 2024A bonds priced on May 15th and closed on June 4th, with \$110.08 million in par that refunded all of the State's Series 2010A general obligation bonds (Build America Bonds) for gross savings of approximately \$4.5 million, and net present value savings of approximately \$4 million. The Series 2024A Bonds achieved a True Interest Cost of approximately 3.032% with final maturity in 8/1/2033 (there was no extension to the final maturity date compared to the refunded Series 2010A Bonds).

The AHFC posted a notice of sale and electronic bids are anticipated to be received on the morning of July 9, 2024, for their \$75 million* par amount (*subject to change) Collateralized Bonds (Veterans Mortgage Bonds) 2024 First Series (Non-AMT).