



2017 | ANNUAL REPORT



Dear Fellow Alaskans:

On behalf of the entire Board of Directors, I am pleased to report that the Alaska Municipal Bond Bank Authority (Bond Bank) completed another year of exceptional support to authorized borrowers within the State of Alaska during Fiscal Year 2017. Here are a few accomplishments we are particularly proud of:

- The Bond Bank is estimated to have saved \$41.2 million for authorized borrowers;
- The Bond Bank issued \$255.0 million in bonds, which resulted in approximately \$280.7 million in loans to communities, and a Regional Health Organization for refinancing loans or funding new projects;
- The Bond Bank entered into 27 loan agreements;
- Funded projects include health care facilities, ports, harbors, roads, and public services;
- The second Regional Health Organization loan of \$100.7 million was made, representing the largest single loan issued by the Bond Bank since inception

These 2017 results were developed by utilizing the Bond Bank's authority to capitalize on the financial strength of the State of Alaska to achieve high credit ratings, combining our authorized borrower bond issuances into larger more economic offerings, negotiating lower costs to issue bonds, and taking advantage of the favorable interest rate environment over the last year.

The Bond Bank generates funding by selling bonds on the national market, and using the proceeds to purchase bonds from authorized borrowers. For 42 years, the Bond Bank has provided a lower cost alternative for aiding political subdivisions within the State in financing capital improvement projects.

We find that many borrowers rely on the Bond Bank due to a lack of familiarity with the financial markets, while others are driven by the goal of seeking the lowest possible cost for their bonds. In providing this lower cost alternative, the savings achieved by the borrowing communities has directly reduced local taxpayer burden. The State of Alaska also benefits as when communities borrow through the Bond Bank at lower interest rates, the State of Alaska pays lower reimbursements rates for qualifying projects such as schools, transportation projects, and health care facilities.

We hope you share our pride in the Bond Bank's accomplishments during fiscal year 2017 and we look forward to helping serve all authorized Alaskan borrowers that seek our expertise and assistance in the future.

In accordance with Alaska Statute 44.85.100, the Bond Bank respectfully submits the attached report for fiscal year 2017. Within you will find recent activities and the financial condition of the Bond Bank.

Sincerely,
Luke Welles
Chairperson



The Alaska Municipal Bond Bank Authority

The Bond Bank is a public corporation of the State of Alaska created in 1975 with a mission of saving authorized borrowers money. The Bond Bank achieves this by selling bonds at interest rates lower than otherwise available, and by purchasing the borrowers' general obligation bonds, revenue bonds, or other obligations at the same rate.

The Bond Bank has a legal existence independent of and separate from the State of Alaska. Bonds issued by the Bond Bank are payable from pledged Bond Bank funds. (For more information please see Notes to Financial Statements, attached.)

The powers of the Bond Bank are vested in its Board of Directors. The membership of the Board consists of five directors representing both the public and private sector. The three private sector Board members are appointed by the Governor and serve four-year terms. They are joined on the Board by the Commissioner of Revenue and the Commissioner of Commerce, Community & Economic Development (or their assigned representatives).

The Board of Directors operates in accordance with the Bond Bank Act (AS 44.85), its published regulations (15 AAC144) and its by-laws.

AS 44.85.180(c) was enacted in 1975 limiting the Bond Bank outstanding bonds at any time to \$150 million. This Statute has been periodically amended to raise the limit, and modify the definition of authorized borrowers. As of Fiscal Year 2017, the limit was \$1.7925 billion, comprised of \$1.5 billion in authority for authorized political subdivisions, \$87.5 million for the University of Alaska, and \$205 million for Regional Health Organizations.

Total Bond Bank bonds and notes outstanding as of June 30, 2017 was approximately \$1.19 billion. The limit on additional bond issuance as of June 30, 2017 was approximately \$604.9 million, of which \$543.3 million of authority is available for the main program, \$1.4 million is available specifically to the University of Alaska, and \$60.2 million is available to Regional Health Organizations.

The Bond Bank has Funded Projects for the Following Authorized Borrowers:

- | | |
|------------------------------|------------------------------------|
| City of Kaktovik | City of Kenai |
| City of Wasilla | Ketchikan Gateway Borough |
| City of King Cove | City of Palmer |
| Haines Borough | City of Seward |
| City of North Pole | Municipality of Skagway |
| City of Cordova | Northwest Arctic Borough |
| City of Adak | University of Alaska |
| Municipality of Anchorage | City of Whittier |
| City of Craig | City of Soldotna |
| Fairbanks North Star Borough | Kodiak Island Borough |
| Inter-Island Ferry Authority | City of Wrangell |
| City of Valdez | City of Ketchikan |
| City of Hoonah | City of Homer |
| Matanuska-Susitna Borough | Kenai Peninsula Borough |
| City of Saxman | City of Dillingham |
| City of Klawock | City & Borough of Sitka |
| City & Borough of Yakutat | Lake & Peninsula Borough |
| City of Kodiak | City & Borough of Juneau |
| City of Sand Point | City of Nome |
| City of Petersburg | City of Galena |
| Bristol Bay Borough | City of St. Paul |
| Aleutians East Borough | City of Fairbanks |
| City of Bethel | Tanana Chiefs Conference |
| City of Unalaska | Yukon-Kuskokwim Health Corporation |

An Idea That Works

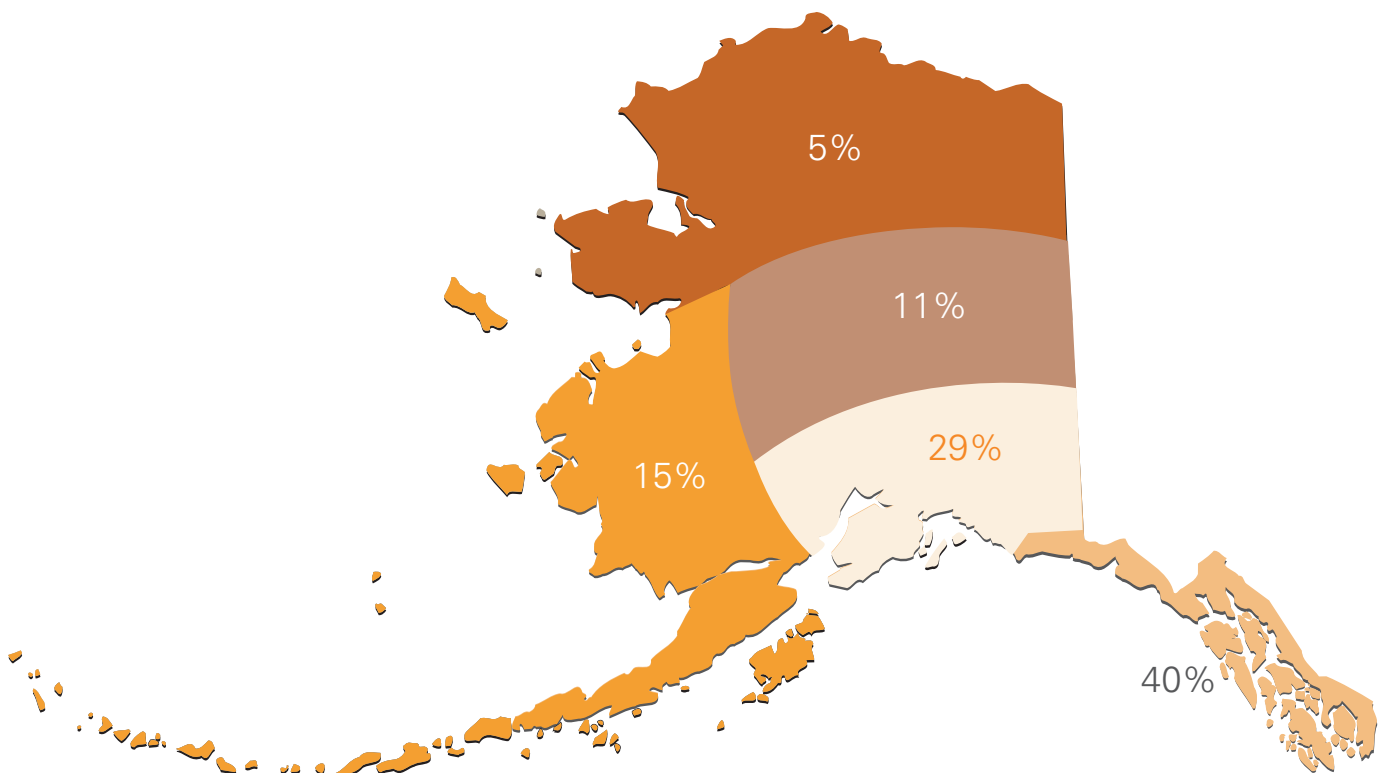
Alaska's investment in the Bond Bank is realized in reduced payments in State funded municipal programs as well as lower local tax requirements in Alaskan communities. The State manages reimbursement programs for school projects through the Alaska Department of Education and Early Development, certain other capital projects through the Alaska Department of Transportation, and provides State match to health care facilities' Medicare reimbursement rates. As communities are borrowing at lower interest rates through the Bond Bank the State of Alaska pays less money in reimbursements to the communities eligible for these programs.

Alaskan borrowers taking advantage of the Bond Bank program over the last 10 years have realized savings of over \$230 million. These borrowers may have low bond ratings, or although credit worthy have not issued bonds, have little outstanding debt, or lack investor familiarity. The Bond Bank has high credit ratings and frequently issues bonds and uses these attributes to meet the capital needs of authorized borrowers. The Bond Bank is efficient enough that some larger communities, that routinely issue their own bonds, find that the Bond Bank's services result in less expense, especially for small bond issues.

Helping Alaskan Borrowers

The Bond Bank is organized to work with all authorized borrowers in funding their capital needs at the lowest cost. From the time a borrower contacts the Bond Bank, legal and financial professionals with extensive experience in Alaska financing begin working with managers to identify and develop the most advantageous financing program for the borrower.

The Bond Bank is able to reduce borrowers' costs of issuing bonds by including multiple borrowers in a bond issue for operational efficiency.



ALL BOND PROCEEDS DISTRIBUTION
BY AREA PERCENTAGES

Issuing Bonds

The Bond Bank issues primarily tax-exempt, but also taxable bonds. Purchasers of these bonds include bond mutual funds, institutional investors, insurance companies, and private individual investors. Purchasers of the Bond Bank's tax exempt bonds do not have to pay federal income taxes on the interest income received, and as a result, receive lower interest rates.

The Bond Bank adds to efficiency by pooling multiple bond issues into a single Bond Bank issue. This is accomplished by selling one larger Bond Bank bond issue to fund a number of smaller bond issues.

Bond issues of the Bond Bank are typically reviewed by at least two of the national rating agencies. The 2005 general obligation bond resolution is currently the active program of the Bond Bank, and is rated by both Fitch Ratings (Fitch), and Standard & Poor's Global Ratings (S&P). Fitch and S&P have assigned ratings of "AA-" (outlook stable) and "AA-" (negative outlook), respectively. Both of these ratings are considered "investment grade," and are just three notches off the best possible credit ratings. Maintenance of these high-grade ratings is crucial to achieving the mission of the Bond Bank, as it directly correlates to the ability to borrow money at lower interest rates.

An important reason for the Bond Bank's favorable bond rating and lower borrowing costs is that it secures its bonds with limited pledges of the State of Alaska. The Bond Bank's reserve funds are supported by the "moral obligation" of the State of Alaska. Then, starting in fiscal year 2010, the State has demonstrated the depth of this pledge by annually appropriating an unlimited amount in the operating budget to replenish Bond Bank reserves if there is a default. This appropriation is included in the Fiscal Year 2018 operating budget, as well as the Governor's proposed Fiscal Year 2019 budget.

The reserve funds are available to cure defaults, should they occur, and sized to an amount equal to 125% of average debt service over the life of all bond issues in the specific program. For the 2005 loan program there is flexibility to use any combination of bond bank assets, bond proceeds, or surety policies to satisfy reserve requirements. The balance in the pooled reserve is equivalent to many years of debt payments on even the largest of borrower loans.

General Obligation Bonds

The majority of the Bond Bank's bonds have been issued to fund general obligation loans. Communities typically issue general obligation bonds to finance facilities that do not generate revenue, such as schools, roads, public safety and municipal buildings. Such bonds must be approved by the municipal voters in their respective communities.



Revenue Bonds

The Bond Bank also funds loans for revenue bonds that are used to finance revenue-producing capital improvements such as utility or port facilities. Because they are not secured by a municipality's taxing power, such bonds do not normally require voter approval.

2005 Bond Indenture

In fiscal year 2006, the Bond Bank created the 2005 lending program that allows both general obligation and revenue bond loans, through the Bond Bank's issuance of general obligation bonds in the public marketplace. The ability to pool all general obligation and revenue bonds provides greater operational efficiency for the Bond Bank and provides additional flexibility and savings to communities. Other than certain lease backed and regional health organization obligations, all future lending is anticipated to flow through the 2005 program.

General obligation bonds issued by the Bond Bank, to purchase municipal general obligation and revenue bonds from communities issued through the 2005 bond indenture are secured by:

- ▶ For general obligation loans the full faith and credit of each respective community with no taxing limitation
- ▶ For revenue bond loans the revenues for the facility or enterprise being financed
- ▶ The Bond Bank's general obligation debt service reserve fund
- ▶ All unobligated Bond Bank assets
- ▶ The statutory right of the Bond Bank, in the event of default, to demand and receive any funds held by a state agency which are payable to the defaulting municipality
- ▶ The moral obligation of the State of Alaska to maintain the debt service reserves at their required levels
- ▶ The commitment to seek current-year State funding for reserve replenishment. This is currently funded in the State's FY2018 operating budget, and is included in the Governor's proposed operating budget for FY2019.

2010 Bond Indenture

During fiscal year 2011 the Bond Bank created the 2010 lending program. Currently, the only outstanding issues under the 2010 Bond Indenture are Series 2010 A-1 and Series 2010 A-2. The 2010 lending program has been reserved for certain lease backed obligations.

CURRENT FINANCING SUMMARY

AMBBA - FY2017 GENERAL OBLIGATION BOND ISSUES

Saving Alaskans Over \$41.2 million in Financing Costs

\$109,835,000 – 2016 SERIES THREE & FOUR

Generating \$123,134,425 of funding

- **City & Borough of Juneau** – Renovations to the Capital Transit Maintenance Shop, and to refund bonds previously issued
- **City of Ketchikan** – Improvements to Harbor Facilities
- **Refinanced Bonds for Savings** - Aleutians East Borough, City of Bethel, City of Dillingham, Kenai Peninsula Borough, City of Kodiak, Kodiak Island Borough, City of Nome, Northwest Arctic Borough, City of Petersburg, City of Seward, City & Borough of Sitka, Municipality of Skagway, and the City of Wasilla

20 years (Varies by individual community): Overall Issuance True Interest Cost 2.82%

\$100,715,000 – SERIES 2017A

- **Yukon-Kuskokwim Health Corporation (Regional Health Organization)** – Partially funded the Yukon-Kuskokwim Health Corporation's Dr. Paul John Calricaraq Project (hospital renovation and a new primary care clinic in Bethel, Alaska)

30 years: True Interest Cost 4.21%

\$44,450,000 – 2017 SERIES ONE & TWO

Generating \$47,110,339 of funding

- **Kenai Peninsula Borough** – Improvements to the Central Peninsula Landfill, and Improvements to South Peninsula Hospital and Homer Medical Center
- **City of Seward** – Road Improvements
- **City of Unalaska** – Improvements to Port
- **City of Whittier** – Improvements to Harbor Facilities
- **2017 Series One** - 20 years (Varies by individual community): True Interest Cost 2.86%
- **2017 Series Two (AMT)** – 25 years (Varies by individual community) True Interest Cost 3.95%

2016 General Obligation Bond Indenture

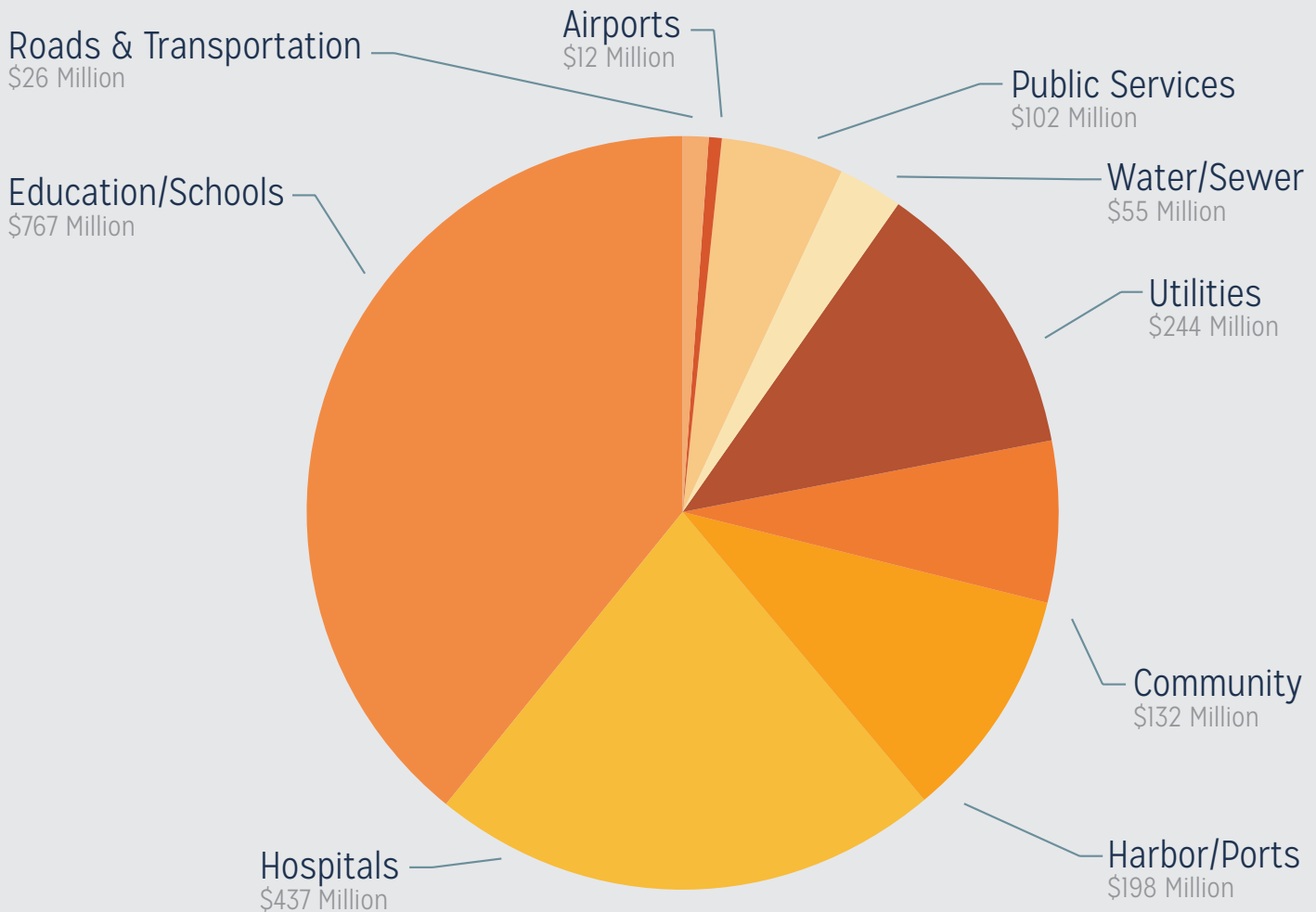
With the expansion of authority provided to the Bond Bank to lend to regional health organizations (RHO), the 2016 Bond Indenture was created in fiscal year 2016, and two loans have been completed to date. For RHOs to participate in a Bond Bank loan, there needs to be an anticipated financial benefit to the State of Alaska, and an increase in the regional quality of healthcare.

Leveraging Alaska's Strong Credit Rating

Since 1975 the Bond Bank has relied on the State's strong credit rating to borrow at lower interest rates. During these 42 years all Bond Bank debt service has been paid by borrowers, but the amount of interest they paid was significantly reduced. This includes approximately \$41.2 million in savings in Fiscal Year 2017.

USES OF BOND PROCEEDS—INCEPTION TO DATE

DOES NOT INCLUDE REFUNDINGS



THE BOARD OF DIRECTORS

The Bond Bank has five directors consisting of three public members appointed by the governor, the Commissioner of Revenue, and the Commissioner of Commerce, Community and Economic Development.

The Commissioners may appoint delegates to serve in their place.

Luke Welles

Chairperson

Mr. Welles was originally appointed to the Board on May 16, 2008. Mr. Welles became Vice President of Finance of the Arctic Slope Native Association, Ltd. in March 2011. Prior to this position, Mr. Welles served as Chief Financial Officer of LifeMed Alaska, LLC which provides medevac services in Alaska. Previously, Mr. Welles was the Chief Financial Officer for the Yukon-Kuskokwim Healthcare Corporation. He has management experience in healthcare, civil construction, and commercial real estate. He has served on several economic development commissions in the State, a city council in Homer, Alaska and multiple boards. Mr. Welles received a Bachelor of Arts in Foreign Service and International Business from Baylor University.

Gregory Gurse

Vice Chair

Mr. Gurse was originally appointed to the Board on June 22, 2009. Mr. Gurse became President of Benefit Brokers, Inc. in 2001, after working as Vice President of Investments for Wedbush Morgan Securities for 11 years. Mr. Gurse also serves as a FINRA industry arbitrator in both civil and industry arbitration cases. After graduating from the University of Alaska Anchorage with a degree in finance, Mr. Gurse became involved with the University of Alaska Foundation. He served as the first Chairman of the UAA College of Fellows, served as a Trustee to the UA Foundation, and was a member of the Investment Committee to the UA Foundation. Mr. Gurse has served on both the State of Alaska Dental Examiner's Board and the United States Treasury Department's Taxpayer Advocacy Panel. He has served on the Investment Commission for the Municipality of Anchorage and several other local boards.

Mike Navarre

Department of Commerce, Community, and Economic Development

The Governor recently announced the appointment of Mike Navarre as the Commissioner of the Department of Commerce, Community, and Economic Development. Commissioner Navarre was most recently in his second consecutive term as mayor of the Kenai Peninsula Borough, and third term overall; he has also twice been president of the Alaska Conference of Mayors. Previously, he served in the Alaska House of Representatives for six terms (1985-1996) where he held multiple leadership positions, including Majority Leader, and chair of the Finance and Rules Committees. Commissioner Navarre has over 30 years of business experience in restaurant and retail operations throughout Alaska. He holds a Bachelor's degree in Government with a minor in Economics from Eastern Washington University.

Pamela Leary

Delegate for the Department of Revenue

Ms. Leary is the first delegate for Sheldon Fisher, Commissioner of the Department of Revenue. She is the Director of Treasury Division in the Department of Revenue and serves as the State Treasurer. She previously served in the Department of Revenue as State Comptroller from 2007 through 2013. Ms. Leary began her career as an auditor with Price Waterhouse and became a partner in the firm PricewaterhouseCoopers, LLP. After moving to Alaska, Ms. Leary owned and operated a business before reentering the accounting profession with the Alaska Permanent Fund Corporation. She holds a bachelor's degree in economics from the Wharton School, University of Pennsylvania, and is a certified public accountant in the State of Alaska.

Craig Chapman

Member

Mr. Chapman was appointed to the board on July 21, 2017. Mr. Chapman is a lifelong Alaskan. He graduated from Gonzaga University with a Bachelor of Business Administration with an emphasis in accounting. He has been a licensed Certified Public Accountant in the State of Alaska since 1983. In addition to spending six years in public accounting, Mr. Chapman has over 30 years of experience in private and governmental financial management positions including 20 years at the Kenai Peninsula Borough with almost 12 years as Finance Director. He previously served on the State of Alaska, Board of Public Accountancy.



The State's Department of Revenue, Treasury Division, fulfills management and administrative responsibilities for the Bond Bank.

Deven Mitchell

Executive Director & Treasurer

Mr. Mitchell also serves as the State Debt Manager and Investment officer in the Department of Revenue, Treasury Division, with responsibility for the management of all debt of the State, was appointed Executive Director of the Bond Bank in 1999. Mr. Mitchell has worked for the State of Alaska Department of Revenue since 1992. He previously held several positions in Alaskan financial institutions. Mr. Mitchell holds a Bachelor of Science in Business Administration from Northern Arizona University. He has served as board member and chairman of the Wildflower Court Nursing Home and as board member and president of the Alaska Government Finance Officers Association, and currently is serving on the boards of the Alaska Municipal League and the Alaska Municipal League Joint Insurance Association.

Ryan Williams

Finance Director & Deputy Treasurer

Mr. Williams, who also serves as Operations Research Analyst in the Department of Revenue, Treasury Division, was appointed Finance Director of the Bond Bank in 2014. Mr. Williams has worked for the Department of Revenue since 2009. Mr. Williams holds a Bachelor of Science Degree in Business Administration from the University of Southern California, with a concentration in International Business. He has served as a board member and currently is president of the Alaska Government Finance Officers Association.

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



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

Financial Statements

For the Year Ended June 30, 2017

Together with Independent Auditor's Report Thereon

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

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3601 C Street, Suite 600
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Independent Auditor's Report

Board of Directors
Alaska Municipal Bond Bank Authority
Juneau, Alaska

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Alaska Municipal Bond Bank Authority (the Authority), a component unit of the State of Alaska, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Alaska Municipal Bond Bank Authority, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Alaska Municipal Bond Bank Authority's basic financial statements. The supplemental schedules and tables noted in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedules and tables is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BDO USA, LLP

September 29, 2017
Anchorage, Alaska

ALASKA MUNICIPAL BOND BANK AUTHORITY

(a Component Unit of the State of Alaska)

Management's Discussion and Analysis

Year Ended June 30, 2017

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

This financial report has two integral parts: this MD&A and the financial statements with the accompanying notes that follow. Together, they present the Alaska Municipal Bond Bank Authority's (Bond Bank) financial performance during the fiscal year ended June 30, 2017. Summarized prior fiscal year information is shown within this MD&A, as needed, for comparative purposes.

Required Financial Statements

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

Financial Highlights

During fiscal year 2017 the Bond Bank entered into 27 loan agreements to fund \$280.7 million of loans resulting in an estimated \$41.2 million in savings. Bond Bank loans funded 8 new construction projects located in 7 communities and refinanced 19 existing loans of 15 communities for savings. In fiscal year 2017 totals was a \$102.5 million loan to partially fund the Yukon-Kuskokwim Health Corporation's Paul John Calricaraq Project, which includes constructing and equipping the expansion of an existing hospital and a new primary care clinic in Bethel, Alaska. This loan represents the largest single loan issued by the Bond Bank since inception. The Bond Bank issued \$255.0 million in bonds during fiscal year 2017 that generated approximately \$280.7 million in funding. Bond Bank activity resulted in \$162.6 million in loans for new capital projects, and \$118.1 million to refinance loans for savings. Bond Bank bond activity in fiscal year 2017 resulted in gross savings of approximately \$41.2 million to all borrowers. In comparison, during fiscal year 2016, the Bond Bank issued \$233.0 million in bonds, generating approximately \$256.9 million in funding. During fiscal year 2016, the Bond Bank entered into 16 loan agreements, funded 7 new construction projects located in 5 communities, and refinanced 3 existing loans for savings.

Statement of Net Position

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

Assets

Assets represent 1) The value of the Bond Bank's investments and investment income receivable on the financial statement dates, recorded at fair market value, and 2) Bond principal and interest payments receivable from municipalities. The investments generate income for the Bond Bank, used to meet reserve requirements and pay operating costs. Historically excess operating account earnings were transferred to the State of Alaska's (State) general fund each year. The fiscal year ending June 30, 2017 marked the tenth consecutive year that the State operating budget has appropriated any excess earnings of the

ALASKA MUNICIPAL BOND BANK AUTHORITY

(a Component Unit of the State of Alaska)

Management's Discussion and Analysis

Year Ended June 30, 2017

operating account to the Bond Bank's reserve fund (HB 57, Sec. 39(d)). Interest received on bonds purchased from borrowers is used to pay the Bond Bank's corresponding interest payments on the bonds that it has issued.

Liabilities

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

Restricted and Unrestricted Net Position

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

The following table shows the value of Bond Bank assets summarized as of June 30, 2017 and 2016, as well as liabilities and net position:

| | As of June 30, | | Changes from 2016 to 2017 | |
|--|----------------------|----------------------|--------------------------------|---------------|
| | 2017 | 2016 | Increase/(Decrease) Dollars | Percent |
| Assets: | | | | |
| Cash and investments | \$ 73,287,012 | \$ 67,724,121 | \$ 5,562,891 | 8.21% |
| Bonds and bond interest receivable | 1,197,321,224 | 1,096,118,127 | 101,203,097 | 9.23% |
| Other receivables | 120,446 | 29,163 | 91,283 | 313.01% |
| Total assets | <u>1,270,728,682</u> | <u>1,163,871,411</u> | <u>106,857,271</u> | <u>9.18%</u> |
| Liabilities: | | | | |
| Accounts payable and accrued liabilities | 12,705,807 | 2,980,601 | 9,725,206 | 326.28% |
| Bonds and bond interest payable | <u>1,203,085,677</u> | <u>1,104,745,050</u> | <u>98,340,627</u> | <u>8.90%</u> |
| Total liabilities | <u>1,215,791,484</u> | <u>1,107,725,651</u> | <u>108,065,833</u> | <u>9.76%</u> |
| Net Position: | | | | |
| Restricted | 35,796,462 | 35,750,062 | 46,400 | 0.13% |
| Unrestricted | <u>19,140,736</u> | <u>20,395,698</u> | <u>(1,254,962)</u> | <u>-6.15%</u> |
| Total net position | <u>\$ 54,937,198</u> | <u>\$ 56,145,760</u> | <u>\$ (1,208,562)</u> | <u>-2.15%</u> |

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

The increase in bonds and bond interest receivable, as well as in bonds and bond interest payable, reflects the issuance of approximately \$255.0 million in new bonds during the year, net of principal payments on bonds previously issued of approximately \$58.4 million. \$162.6 million in new bonds and loans during the year were lent to authorized borrowers for projects, and \$118.1 million in new bonds were used to refinance current borrower loans for savings.

ALASKA MUNICIPAL BOND BANK AUTHORITY

(a Component Unit of the State of Alaska)

Management's Discussion and Analysis

Year Ended June 30, 2017

Statement of Activities

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

Revenues

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

Expenses

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

The following is a condensed statement of the Bond Bank's changes in net position as of June 30, 2017, and 2016:

| | As of June 30, | | Changes from 2016 to 2017 | |
|-------------------------------------|----------------------|----------------------|--------------------------------|----------------|
| | 2017 | 2016 | Increase/(Decrease) Dollars | Percent |
| Revenues: | | | | |
| Interest income on bonds receivable | \$ 49,928,101 | \$ 44,803,553 | \$ 5,124,548 | 11.44% |
| Investment earnings (loss) | (88,178) | 1,542,043 | (1,630,221) | -105.72% |
| Other income | 7,053 | - | 7,053 | 100.00% |
| Total income | <u>49,846,976</u> | <u>46,345,596</u> | <u>3,501,380</u> | <u>7.55%</u> |
| Expenses: | | | | |
| Interest expense on bonds payable | 50,419,766 | 45,503,886 | 4,915,880 | 10.80% |
| Operating expenses | <u>635,772</u> | <u>856,679</u> | <u>(220,907)</u> | <u>-25.79%</u> |
| Total expenses | <u>51,055,538</u> | <u>46,360,565</u> | <u>4,694,973</u> | <u>10.13%</u> |
| Change in net position | (1,208,562) | (14,969) | (1,193,593) | 7973.77% |
| Net position, beginning of period | <u>56,145,760</u> | <u>56,160,729</u> | <u>(14,969)</u> | <u>-0.03%</u> |
| Net position, end of period | <u>\$ 54,937,198</u> | <u>\$ 56,145,760</u> | <u>\$ (1,208,562)</u> | <u>-2.15%</u> |

Interest income and expense on bonds receivable and payable are a function of the total amount of bonds outstanding, the age of the bonds and the interest rates at which they are issued. The increases in both of these line items of \$5.1 million (interest income) and \$4.9 million (interest expense) are consistent with the increase in bond receivable and payable balances, respectively.

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

ALASKA MUNICIPAL BOND BANK AUTHORITY

(a Component Unit of the State of Alaska)

Management's Discussion and Analysis

Year Ended June 30, 2017

Governmental Funds

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

The following tables show governmental funds' condensed balance sheets and statements of revenues, expenditures and changes in fund balances as of June 30, 2017, and 2016.

General Fund

| | As of June 30, | | Changes from 2016 to 2017 | |
|--|----------------------|----------------------|--------------------------------|----------------|
| | 2017 | 2016 | Increase/(Decrease) Dollars | Percent |
| Assets: | | | | |
| Cash, investments and related | | | | |
| accrued interest | \$ 11,655,396 | \$ 11,494,536 | \$ 160,860 | 1.40% |
| Bonds and bond interest receivable | 6,524,578 | 7,391,659 | (867,081) | -11.73% |
| Other Receivables | 120,446 | 29,163 | 91,283 | 313.01% |
| Interfund receivable | 6,165,108 | 6,207,126 | (42,018) | -0.68% |
| Total assets | <u>24,465,528</u> | <u>25,122,484</u> | <u>(656,956)</u> | <u>-2.62%</u> |
| Liabilities: | | | | |
| Accounts payable and accrued liabilities | <u>148,510</u> | <u>336,059</u> | <u>(187,549)</u> | <u>-55.81%</u> |
| Fund Balance: | | | | |
| Restricted for debt service | 4,956,430 | 4,956,430 | - | 0.00% |
| Unassigned | <u>19,360,588</u> | <u>19,829,995</u> | <u>(469,407)</u> | <u>-2.37%</u> |
| Total fund balance | <u>24,317,018</u> | <u>24,786,425</u> | <u>(469,407)</u> | <u>-1.89%</u> |
| Total liabilities and fund balance | <u>\$ 24,465,528</u> | <u>\$ 25,122,484</u> | <u>\$ (656,956)</u> | <u>-2.62%</u> |

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Debt Service Fund

| | As of June 30, | | Changes from 2016 to 2017 | |
|--|-------------------------|-------------------------|---------------------------|----------------|
| | 2017 | 2016 | Increase/(Decrease) | |
| | | | Dollars | Percent |
| Assets: | | | | |
| Cash, investments and related accrued interest | \$ 61,631,616 | \$ 56,229,585 | \$ 5,402,031 | 9.61% |
| Bonds and bond interest receivable | 1,190,796,646 | 1,088,726,468 | 102,070,178 | 9.38% |
| Total assets | 1,252,428,262 | 1,144,956,053 | 107,472,209 | 9.39% |
| Liabilities: | | | | |
| Accounts payable and accrued liabilities | 12,557,297 | 2,644,542 | 9,912,755 | 374.84% |
| Interfund payables | 6,165,108 | 6,207,126 | (42,018) | -0.68% |
| Total liabilities | 18,722,405 | 8,851,668 | 9,870,737 | 111.51% |
| Fund Balance: | | | | |
| Restricted for debt service | 1,233,705,857 | 1,136,104,385 | 97,601,472 | 8.59% |
| Total liabilities and fund balance | \$ 1,252,428,262 | \$ 1,144,956,053 | \$ 107,472,209 | 9.39% |

General Fund

| | As of June 30, | | Changes from 2016 to 2017 | |
|---|----------------------|----------------------|---------------------------|----------------|
| | 2017 | 2016 | Increase/(Decrease) | |
| | | | Dollars | Percent |
| Revenues: | | | | |
| Interest income | \$ 126,331 | \$ 428,051 | \$ (301,720) | -70.49% |
| Other income | 7,053 | - | 7,053 | 100.00% |
| Total income | 133,384 | 428,051 | (294,667) | -68.84% |
| Expenditures: | | | | |
| Operating expenses | 635,772 | 856,679 | (220,907) | -25.79% |
| Excess (deficiency) of revenues over expenditures | (502,388) | (428,628) | (73,760) | -17.21% |
| Other financing sources (uses) - transfers | 32,981 | 1,302,709 | (1,269,728) | -97.47% |
| Excess (deficiency) of revenues and transfers over expenditures | (469,407) | 874,081 | (1,343,488) | -153.70% |
| Fund balance, beginning of period | 24,786,425 | 23,912,344 | 874,081 | 3.66% |
| Fund balance, end of period | \$ 24,317,018 | \$ 24,786,425 | \$ (469,407) | -1.89% |

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Debt Service Fund

| | As of June 30, | | Changes from 2016 to 2017 | |
|--|-------------------------|-------------------------|---------------------------|----------------|
| | 2017 | 2016 | Dollars | Percent |
| Revenues: | | | | |
| Interest income on bonds receivable | \$ 49,782,385 | \$ 44,728,889 | \$ 5,053,496 | 11.30% |
| Investment earnings (loss) | (68,793) | 1,188,656 | (1,257,449) | -105.79% |
| Total revenues | <u>49,713,592</u> | <u>45,917,545</u> | <u>3,796,047</u> | <u>8.27%</u> |
| Expenditures: | | | | |
| Interest payments | 49,274,139 | 44,259,409 | 5,014,730 | 11.33% |
| Principal payments | <u>58,405,000</u> | <u>55,225,000</u> | <u>3,180,000</u> | <u>5.76%</u> |
| Total expenditures | <u>107,679,139</u> | <u>99,484,409</u> | <u>8,194,730</u> | <u>8.24%</u> |
| Excess (deficiency) of revenues over expenditures | (57,965,547) | (53,566,864) | (4,398,683) | -8.21% |
| Other financing sources (uses): | | | | |
| Bond proceeds | 255,000,000 | 232,955,000 | 22,045,000 | 9.46% |
| Payments to Bond Escrow Agent | (99,400,000) | (28,230,000) | (71,170,000) | 252.11% |
| Transfers | <u>(32,981)</u> | <u>(1,302,709)</u> | <u>1,269,728</u> | <u>-97.47%</u> |
| Total other financing sources (uses): | <u>155,567,019</u> | <u>203,422,291</u> | <u>(47,855,272)</u> | <u>-23.53%</u> |
| Excess of revenues and transfers over expenditures | 97,601,472 | 149,855,427 | (52,253,955) | -34.87% |
| Fund balance, beginning of period | <u>1,136,104,385</u> | <u>986,248,958</u> | <u>149,855,427</u> | <u>15.19%</u> |
| Fund balance, end of period | <u>\$ 1,233,705,857</u> | <u>\$ 1,136,104,385</u> | <u>\$ 97,601,472</u> | <u>8.59%</u> |

Long-term Debt

At June 30, 2017 the Bond Bank had \$1,187,615,000 of bonds and notes outstanding, up 8.9% from \$1,090,420,000 at June 30, 2016. This excludes conduit debt obligations of the Coastal Energy Loan Program. Payment of principal and interest on the Bond Bank's Coastal Energy Bond is not secured by a pledge of any amounts held by or payable to the Bond Bank under the General Bond Resolution, including the Reserve Account, and is not in any way a debt or liability of the Bond Bank and accordingly, are not included in the basic financial statements. Please see note (8), to the financial statements.

As discussed in the previous sections, net increase in 2017 long term debt balances is due to new bond issuances for loans to authorized borrowers.

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

During fiscal year 2015, the legislature passed, and the Governor signed into law a bill to authorize the Authority to make loans to Joint Action Agencies and Regional Health Organizations, effective May 26,

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2015. Joint Action Agency lending is now part of the main political subdivision program. Regional Health Organization lending is limited to no more than \$205 million in total, no more than 49% of any single project where the other 51% of the project's funding is in place, and not more than \$102.5 million for any single project. With this legislation, the total debt limit as of June 30, 2017 was \$1,792,500,000, comprised of \$1.5 billion in authority for political subdivisions, \$87.5 million for the University of Alaska, and \$205 million for Regional Health Organizations. Total Bond Bank bonds and notes outstanding as of June 30, 2017 was \$1,187,615,000. The limit on additional bond issuance as of June 30, 2017 was approximately \$604.9 million, of which \$543.3 million of authority is available for the main political subdivision program, \$1.4 million is available to the University of Alaska, and \$60.2 million is available to Regional Health Organizations.

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

| | As of June 30, | | Changes from 2016 to 2017 | |
|------------------|-------------------------|-------------------------|---------------------------|--------------|
| | | | Increase/(Decrease) | |
| | 2017 | 2016 | Dollars | Percent |
| GO bonds payable | \$ 1,187,615,000 | \$ 1,090,420,000 | \$ 97,195,000 | 8.91% |
| | <u>\$ 1,187,615,000</u> | <u>\$ 1,090,420,000</u> | <u>\$ 97,195,000</u> | <u>8.91%</u> |

Contacting the Bond Bank's Financial Management

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

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

June 30, 2017

| | General Fund | Debt Service Fund | Total | Adjustments | Statement of Net Position |
|---|----------------------|-------------------------|-------------------------|------------------------|------------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 454,415 | \$ 7,721,132 | \$ 8,175,547 | \$ - | \$ 8,175,547 |
| Investments, at fair value (note 4) | 11,155,454 | 53,714,341 | 64,869,795 | - | 64,869,795 |
| Accrued interest receivable: | | | | | |
| Bonds receivable | 47,604 | 15,301,646 | 15,349,250 | - | 15,349,250 |
| Investment securities | 45,527 | 196,143 | 241,670 | - | 241,670 |
| Bonds receivable (note 5) | 6,476,974 | 1,175,495,000 | 1,181,971,974 | - | 1,181,971,974 |
| Other receivables | 120,446 | - | 120,446 | - | 120,446 |
| Interfund receivables | 6,165,108 | - | 6,165,108 | (6,165,108) | - |
| Total assets | <u>\$ 24,465,528</u> | <u>\$ 1,252,428,262</u> | <u>\$ 1,276,893,790</u> | <u>(6,165,108)</u> | <u>1,270,728,682</u> |
| LIABILITIES | | | | | |
| Accounts payable | \$ 15,262 | \$ - | \$ 15,262 | - | 15,262 |
| Due to Primary Government | 133,248 | - | 133,248 | - | 133,248 |
| Principal and interest payments received in advance | - | 5,564,147 | 5,564,147 | - | 5,564,147 |
| Accrued interest payable | - | - | - | 15,470,677 | 15,470,677 |
| Interfund payables | - | 6,165,108 | 6,165,108 | (6,165,108) | - |
| Bond proceeds held in reserve (note 6): | - | 6,993,150 | 6,993,150 | - | 6,993,150 |
| Long-term liabilities (note 7): | | | | | |
| Portion due or payable within one year: | | | | | |
| General obligation bonds payable | - | - | - | 73,160,000 | 73,160,000 |
| Portion due or payable after one year: | | | | | |
| General obligation bonds payable | - | - | - | 1,114,455,000 | 1,114,455,000 |
| Total liabilities | <u>148,510</u> | <u>18,722,405</u> | <u>18,870,915</u> | <u>1,196,920,569</u> | <u>1,215,791,484</u> |
| FUND BALANCES/NET POSITION | | | | | |
| Fund balances: | | | | | |
| Restricted (note 2) | 4,956,430 | 1,233,705,857 | 1,238,662,287 | (1,238,662,287) | - |
| Unassigned | 19,360,588 | - | 19,360,588 | (19,360,588) | - |
| Total fund balances | <u>24,317,018</u> | <u>1,233,705,857</u> | <u>1,258,022,875</u> | <u>(1,258,022,875)</u> | <u>-</u> |
| Total liabilities and fund balances | <u>\$ 24,465,528</u> | <u>\$ 1,252,428,262</u> | <u>\$ 1,276,893,790</u> | | |
| Net position: | | | | | |
| Restricted (note 2) | | | | 35,796,462 | 35,796,462 |
| Unrestricted | | | | 19,140,736 | 19,140,736 |
| Total net position | | | | <u>\$ 54,937,198</u> | <u>\$ 54,937,198</u> |

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

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

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

For the Year Ended June 30, 2017

| | General Fund | Debt Service Fund | Total | Adjustments | Statement of Activities |
|---|------------------|---------------------|---------------------|----------------------|----------------------------|
| Revenues: | | | | | |
| Investment earnings (loss) | \$ (19,385) | \$ (68,793) | \$ (88,178) | \$ - | \$ (88,178) |
| Interest income on bonds receivable | 145,716 | 49,782,385 | 49,928,101 | - | 49,928,101 |
| Other income | 7,053 | - | 7,053 | - | 7,053 |
| Total revenues | 133,384 | 49,713,592 | 49,846,976 | - | 49,846,976 |
| Expenditures / expenses: | | | | | |
| Debt service: | | | | | |
| Principal payments | - | 58,405,000 | 58,405,000 | (58,405,000) | - |
| Interest payments / expense | - | 49,274,139 | 49,274,139 | 1,145,627 | 50,419,766 |
| Professional services | 429,253 | - | 429,253 | - | 429,253 |
| Personal services | 203,182 | - | 203,182 | - | 203,182 |
| Office expense | 3,337 | - | 3,337 | - | 3,337 |
| Total expenditures / expenses | 635,772 | 107,679,139 | 108,314,911 | (57,259,373) | 51,055,538 |
| Excess (deficiency) of revenues over expenditures / expenses | (502,388) | (57,965,547) | (58,467,935) | 57,259,373 | (1,208,562) |
| Other financing sources / (uses): | | | | | |
| Proceeds from issuance of bonds | - | 255,000,000 | 255,000,000 | (255,000,000) | - |
| Payments to refunded bond escrow agent | - | (99,400,000) | (99,400,000) | 99,400,000 | - |
| Transfers - internal activities | 32,981 | (32,981) | - | - | - |
| Total other financing sources / (uses) | 32,981 | 155,567,019 | 155,600,000 | (155,600,000) | - |
| Net change in fund balance / net position | (469,407) | 97,601,472 | 97,132,065 | (98,340,627) | (1,208,562) |
| Fund balances / net position: | | | | | |
| Beginning of the year | 24,786,425 | 1,136,104,385 | 1,160,890,810 | (1,104,745,050) | 56,145,760 |
| End of the year | \$ 24,317,018 | \$ 1,233,705,857 | \$ 1,258,022,875 | \$ (1,203,085,677) | \$ 54,937,198 |

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

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

Notes to Financial Statements

For the Year Ended June 30, 2017

(1) History/Reporting Entity

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

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

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

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

During fiscal year 2015, the legislature passed, and the Governor signed into law a bill to authorize the Authority to make loans to Joint Action Agencies and Regional Health Organizations, effective May 26, 2015. Joint Action Agency lending is now part of the main political subdivision program. Regional Health Organization lending is limited to no more than \$205 million in total, no more than 49% of any single project where the other 51% of the project's funding is in place, and not more than \$102.5 million for any single project.

With this legislation, the total debt limit as of June 30, 2017 was \$1,792,500,000, comprised of \$1.5 billion in authority for political subdivisions, \$87.5 million for the University of Alaska, and \$205 million for Regional Health Organizations. Total Bond Bank bonds and notes outstanding as of June 30, 2017 was approximately \$1,187,615,000. The limit on additional bond issuance as of June 30, 2017 was approximately \$604.9 million, of which \$543.3 million of authority is available for the main political subdivision program, \$1.4 million is available to the University of Alaska, and \$60.2 million is available to Regional Health Organizations.

(2) Summary of Significant Accounting Policies

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

(a) Government-wide and Fund Financial Statements

The government-wide statement of net position and the statement of activities report information on all of the activities of the Authority. For the most part, the effect of interfund activity has been removed

ALASKA MUNICIPAL BOND BANK AUTHORITY
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Notes to Financial Statements

from these statements. The balance sheet and statement of revenues, expenditures and changes in fund balances are provided for governmental funds.

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

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

The Authority reports the following major governmental funds:

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

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

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

General Fund

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

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Notes to Financial Statements

Debt Service Fund

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

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

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

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

2016 Master Bond Resolution – The reserve fund may be funded with transfers from the custodian account, surety policies, bond proceeds, or other funds available to the Bond Bank.

At June 30, 2017, the *2005 General Bond Resolution*, *2010 General Bond Resolution* and *2016 Master Bond Resolution* reserves must be the least of: (i) 10% of the initial principal amount of each Series of Bonds outstanding; (ii) the maximum annual principal and interest requirements on all bonds outstanding; (iii) 125% of the average annual debt service on all bonds then outstanding; or (iv) such lower amount as may be allowed by law. Amounts in excess of the required debt service in any reserve are transferred to the Operating Account on a periodic basis.

(c) Adjustments

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

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Notes to Financial Statements

(d) Restricted Assets

Certain resources set aside for the repayment of the Authority's bonds, net of certain proceeds from additional bonds issued, are classified as restricted on the statement of net position because they are maintained in separate trust accounts and their use is limited by applicable bond covenants. Cash and cash equivalents and investments include \$35,796,462 of restricted assets. These assets were funded as follows:

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

Restricted for Debt Service:

| | |
|--|-----------------------------|
| Appropriated amounts residing in reserve accounts | \$ 28,439,616 |
| Appropriated amounts residing in Custodian account | <u>4,956,430</u> |
| Total State of Alaska appropriated equity | 33,396,046 |
| Bond Bank equity residing in reserve accounts | <u>2,400,416</u> |
| Total restricted for debt service/net position | <u><u>\$ 35,796,462</u></u> |

(e) Bond Receivables

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

(f) Long-Term Obligations

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

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Notes to Financial Statements

(g) Fund Equity

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

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

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

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

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

(h) Interfund Receivables, Payables and Transfers

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

(i) Interest Arbitrage Rebate

Bonds issued and funds segregated into reserves after August 15, 1986 are subject to Internal Revenue Service income tax regulations which require rebates to the U.S. Government of interest income earned on investments purchased with the proceeds from the bonds or any applicable reserves in excess of the allowable yield of the issue. Amounts owed are expensed when paid and refunds are recorded when received at the five year anniversary date of the bond issue or upon final repayment. Beginning in FY 2013 the Bond Bank's arbitrage rebate consultant will update all general obligation bond rebate analysis annually as of June 30. The Bond Bank did not have an arbitrage rebate liability as of June 30, 2017.

(j) Income Taxes

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

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(3) Cash

The Authority considers all highly liquid investments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents. Cash and cash equivalents at June 30, 2017 consist of money market accounts held with the trustee or custodial bank.

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

(4) Investments

In accordance with the authoritative guidance on fair value measurements and disclosures, the Authority discloses the fair value of its investments in a hierarchy that ranks the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest ranking to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest ranking to valuations based upon unobservable inputs that are significant to the valuation (Level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

Level 1 - Quoted prices in active markets for identical assets.

Level 2 - Inputs other than quoted prices that are observable for the assets, including quoted prices for similar investments based on interest rates, credit risk and like factors.

Level 3 - Unobservable inputs for the assets.

Investments are assigned a level based upon the observability of the inputs which are significant to the overall valuation. The inputs and methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The aggregate fair value by input level, as of June 30, 2017 is as follows:

| | 6/30/2017 | Level | | |
|-----------------------------------|---------------|---------------|--------------|------|
| | | 1 | 2 | 3 |
| Debt Securities | | | | |
| General Fund | | | | |
| U.S. Treasury securities | \$8,158,391 | \$8,158,391 | \$ - | \$ - |
| U.S. Government agency securities | 2,997,063 | - | 2,997,063 | - |
| | 11,155,454 | 8,158,391 | 2,997,063 | - |
| Debt Service Fund | | | | |
| U.S. Treasury securities | 53,714,341 | 53,714,341 | - | - |
| Total | \$ 64,869,795 | \$ 61,872,732 | \$ 2,997,063 | \$ - |

U.S. Treasury securities are liquid and have quoted market prices. Fair value of U.S. Treasuries securities is based on live trading feeds. U.S. Treasury securities are categorized in Level 1 of the fair value hierarchy. Government agency securities use market-based and observable inputs. As such, these securities are classified as Level 2 of the fair value hierarchy.

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The fair value of debt security investments by contractual maturity as of June 30, 2017 is shown below.

| | <u>Less than 1</u> | <u>1-5</u> | <u>6-10</u> | <u>More than 10</u> | <u>Total</u> |
|-----------------------------------|----------------------|----------------------|---------------------|---------------------|----------------------|
| General Fund | | | | | |
| U.S. Treasury securities | \$ 1,221,489 | \$ 5,931,609 | \$ 1,005,293 | \$ - | \$ 8,158,391 |
| U.S. Government agency securities | 2,997,063 | - | - | - | 2,997,063 |
| | <u>4,218,552</u> | <u>5,931,609</u> | <u>1,005,293</u> | <u>-</u> | <u>11,155,454</u> |
| Debt Service Fund | | | | | |
| U.S. Treasury securities | 11,279,150 | 36,622,894 | 5,812,297 | - | 53,714,341 |
| Total investments | <u>\$ 15,497,702</u> | <u>\$ 42,554,503</u> | <u>\$ 6,817,590</u> | <u>\$ -</u> | <u>\$ 64,869,795</u> |

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

(a) Investment Policies

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

Custodian Account

The Custodian Account investment portfolio is designed with the objective of attaining the highest market rate of return subject to the required use of the Custodian Account for operation, funding transfers to the state, and funding reserves. The Custodian Account balance must maintain a minimum balance of \$5 million, and be forecasted to maintain that \$5 million balance for the subsequent twelve-month period, and an analysis of risk profile and historical benefit between the varying strategies must be undertaken before any shift in the investment strategy of the Account. Up to \$1,000,000 shall be used for longer term, 5 to 10 year U.S. Treasury and Agency securities. The Custodian Account has to maintain sufficient liquidity to meet operating requirements, provide the prior fiscal year's state dividend (if not otherwise appropriated back to the Bond Bank), and to allow transfers to reserves as needed for bond issuance activity. Long-term preservation of principal is the third objective of the Custodian Account's investment program. Investments shall be undertaken in a manner that minimizes the probability of long-term loss.

- There are no arbitrage restrictions.

The bond resolutions limit investments to:

- 5% +/- 2% money market funds (no less than \$350,000).
- 95% +/- 3% government agencies and U.S. Treasuries.
- The performance benchmark is 5% +/- 2% three month U.S. Treasury Bill, and 95% +/- 3% Barclays 1-5 year government bond index; Barclays U.S. Aggregate.

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

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

Bond Reserve Funds

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

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

The 2005, 2010 and 2016 Reserve Fund bond resolutions limit investments to:

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

Municipal Debt Payments

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

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

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(b) Concentration Risk

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

(c) Credit Risk

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

(d) Custodial Credit Risk

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

(e) Interest Rate Risk

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

(5) Bonds Receivable

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

| | City of Galena | Kenai Peninsula Borough | Total General Fund Bonds Receivable |
|-----------|----------------|----------------------------|--|
| 2018 | \$ 165,457 | \$ 817,000 | \$ 982,457 |
| 2019 | 167,119 | 827,000 | 994,119 |
| 2020 | 168,798 | 843,000 | 1,011,798 |
| 2021 | 170,494 | 861,000 | 1,031,494 |
| 2022 | 172,207 | 879,000 | 1,051,207 |
| 2023-2027 | 505,899 | 900,000 | 1,405,899 |
| | \$ 1,349,974 | \$ 5,127,000 | \$ 6,476,974 |

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Bonds receivable by debt service program at June 30, 2017 mature in varying annual installments as follows:

| Year ending June 30 | 2005 General | 2010 General | 2016 General | Total Principal |
|------------------------|-------------------------|---------------------|-----------------------|-------------------------|
| 2018 | \$ 61,230,000 | \$ 150,000 | 6,975,000 | \$ 68,355,000 |
| 2019 | 63,560,000 | 160,000 | 4,965,000 | 68,685,000 |
| 2020 | 62,875,000 | 165,000 | 5,225,000 | 68,265,000 |
| 2021 | 61,815,000 | 170,000 | 5,485,000 | 67,470,000 |
| 2022 | 60,055,000 | 175,000 | 7,930,000 | 68,160,000 |
| 2023-2027 | 253,235,000 | 960,000 | 27,840,000 | 282,035,000 |
| 2028-2032 | 202,745,000 | 1,150,000 | 15,210,000 | 219,105,000 |
| 2033-2037 | 131,400,000 | 1,080,000 | 18,470,000 | 150,950,000 |
| 2038-2042 | 73,805,000 | - | 22,895,000 | 96,700,000 |
| 2043-2047 | 51,815,000 | - | 29,855,000 | 81,670,000 |
| 2048-2052 | 4,100,000 | - | - | 4,100,000 |
| | <u>\$ 1,026,635,000</u> | <u>\$ 4,010,000</u> | <u>\$ 144,850,000</u> | <u>\$ 1,175,495,000</u> |

(6) Authority Reserve Funds Derived from Series 2017A Bond Proceeds

The Authority deposited bond proceeds from the issuance of the Series 2017A bonds to satisfy the Authority's 2016 Master Resolution Reserve requirement. The Yukon-Kuskokwim Health Corporation (2017A Borrower) is obligated by the loan agreement to pay all interest expense associated with the Series 2017A bonds including the bonds that funded the deposit to the 2016 Master Resolution. These reserve funds are held by the Trustee until the maturity of the bonds when per the loan agreement proceeds attributable to funding the Authority's 2016 Master Resolution reserve requirement will be used to repay the 2017A bonds that funded them. The amount initially required to satisfy the Authority's reserve at time of issuance was \$6,993,150.

(7) Long-Term Liabilities

During the year ended June 30, 2017 the Authority's long-term liabilities changed as follows:

| | Beginning of year | New debt | Repayments/ Adjustments | End of year |
|----------------------------------|-------------------------|-----------------------|----------------------------|-------------------------|
| General obligation bonds payable | \$ 1,090,420,000 | \$ 255,000,000 | (157,805,000) | \$ 1,187,615,000 |
| Total | <u>\$ 1,090,420,000</u> | <u>\$ 255,000,000</u> | <u>\$ (157,805,000)</u> | <u>\$ 1,187,615,000</u> |

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Bond Bank's long term liabilities consist of the following as of June 30, 2017:

| Issue | Debt Service Account | | Statutory Reserve Account Ordinary Reserve Sub-Account | |
|---|----------------------|-----------------------|--|-----------------------|
| | Interest rate | Principal outstanding | Interest rate | Principal outstanding |
| 2005 Bond Resolution: | | | | |
| 2007-Three Series | 4.25%-5.50% | 520,000 | 4.00% | 415,000 |
| Bethel, City of | | | | |
| Juneau, City and Borough of | | | | |
| 2007-Four Series - Kenai Peninsula Borough | 4.25%-5.00% | 680,000 | 4.25%-4.50% | 1,070,000 |
| 2008-One Series | 4.00%-5.00% | 1,880,000 | 5.00% | 3,260,000 |
| Dillingham | | | | |
| Kodiak Island Borough | | | | |
| Kodiak, City of | | | | |
| Seward | | | | |
| 2008-Two Series | 4.40%-6.00% | 710,000 | 4.75%-6.00% | 1,200,000 |
| Seward | | | | |
| Sitka, City and Borough of | | | | |
| Skagway | | | | |
| 2009-One Series | 3.00%-5.63% | 1,630,000 | 4.00%-5.50% | 560,000 |
| Kodiak, City of | | | | |
| Unalaska, City of | | | | |
| 2009-Two Series | 4.00%-6.00% | 2,605,000 | 4.00%-6.00% | 1,400,000 |
| Cordova | | | | |
| Nome, City of | | | | |
| Unalaska, City of | | | | |
| Kodiak, Island Borough | | | | |
| 2009-Three Series - Juneau, City and Borough of | 2.00%-4.00% | 4,160,000 | 2.00%-4.00% | 495,000 |
| 2009-A-Four Series | 3.00%-4.00% | - | 3.00%-4.00% | 430,000 |
| Kenai Peninsula Borough | | | | |
| Ketchikan Gateway Borough | | | | |
| 2009-B-Four Series - Ketchikan Gateway Borough | 4.63%-5.40% | 19,835,000 | - | - |
| 2010-A-Series One | 2.00%-5.00% | 4,285,000 | - | - |
| Ketchikan, City of | | | | |
| Ketchikan Gateway Borough | | | | |
| Kenai, City of | | | | |
| Northwest Arctic Borough | | | | |
| Petersburg | | | | |
| Unalaska | | | | |
| 2010-B Series One | 5.99%-6.34% | 7,415,000 | - | - |
| Kenai, City of | | | | |
| Northwest Arctic Borough | | | | |
| Petersburg | | | | |
| Unalaska | | | | |
| 2010-B Series Two | 3.75%-4.91% | 10,730,000 | - | - |
| Juneau, City and Borough of | | | | |
| Cordova | | | | |
| King Cove, City of | | | | |
| 2010-A Series Three | 2.00%-4.00% | 1,525,000 | - | - |
| Aleutians East Borough | | | | |
| Unalaska | | | | |
| King Cove, City of | | | | |
| 2010-B Series Three | 4.93%-5.43% | 6,900,000 | - | - |
| Aleutians East Borough | | | | |
| Unalaska | | | | |
| King Cove, City of | | | | |

(continued)

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Notes to Financial Statements

| Issue | Debt Service Account | | Statutory Reserve Account Ordinary Reserve Sub-Account | |
|--|----------------------|-----------------------|--|-----------------------|
| | Interest rate | Principal outstanding | Interest rate | Principal outstanding |
| 2010-A Series Four | 2.00%-5.00% | 15,230,000 | - | - |
| Kenai Peninsula Borough | | | | |
| Ketchikan, City of | | | | |
| Ketchikan Gateway Borough | | | | |
| Sitka, City and Borough of | | | | |
| Sitka, City and Borough of (Refunding) | | | | |
| Soldotna | | | | |
| 2010-B Series Four | 1.42%-6.26% | 45,140,000 | - | - |
| Kenai Peninsula Borough | | | | |
| Ketchikan, City of | | | | |
| Ketchikan Gateway Borough | | | | |
| Sitka, City and Borough of | | | | |
| Soldotna | | | | |
| 2011-Series One | 3.00%-5.13% | 6,310,000 | - | - |
| Kodiak Island Borough | | | | |
| Wrangell | | | | |
| 2011-Series Two | 2.00%-4.38% | 6,720,000 | - | - |
| Juneau, City and Borough of | | | | |
| Sitka, City and Borough of | | | | |
| 2011-Series Three | 2.00%-5.00% | 53,420,000 | 2.00%-5.00% | 1,390,000 |
| Wrangell | | | | |
| Aleutians East Borough | | | | |
| Northwest Arctic Borough | | | | |
| Ketchikan Gateway Borough | | | | |
| Kenai Peninsula Borough | | | | |
| Cordova | | | | |
| Hoonah | | | | |
| Skagway | | | | |
| Seward | | | | |
| Kodiak Island Borough | | | | |
| 2012-Series One | 2.00%-5.00% | 6,800,000 | - | - |
| Juneau, City and Borough of (Wildflower Court) | | | | |
| Juneau, City and Borough of | | | | |
| 2012-Series Two | 1.75%-5.00% | 36,095,000 | 2.00%-4.00% | 1,900,000 |
| Juneau, City and Borough of | | | | |
| Ketchikan, City of | | | | |
| Ketchikan Gateway Borough | | | | |
| Kodiak Island Borough | | | | |
| Nome, City of | | | | |
| North Pole, City of | | | | |
| Palmer, City of | | | | |
| Petersburg | | | | |
| Sitka, City and Borough of | | | | |
| Valdez | | | | |
| 2012-Series Three | 1.50%-5.00% | 14,715,000 | - | - |
| Juneau, City and Borough of (School) | | | | |
| Juneau, City and Borough of (REF) | | | | |
| Petersburg | | | | |
| Haines Borough | | | | |
| 2013-Series One | 2.00%-5.00% | 87,045,000 | - | - |
| Juneau, City and Borough of (Hospital Rev REF) | | | | |
| Juneau, City and Borough of | | | | |
| Kenai Peninsula Borough | | | | |
| Ketchikan Gateway Borough | | | | |
| Kodiak Island Borough | | | | |
| Sand Point, City of | | | | |
| Sitka, City and Borough of (Harbor) | | | | |
| Sitka, City and Borough of (Electric) | | | | |

(continued)

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| Issue | Debt Service Account | | Statutory Reserve Account Ordinary Reserve Sub-Account | |
|--|----------------------|-----------------------|--|-----------------------|
| | Interest rate | Principal outstanding | Interest rate | Principal outstanding |
| 2013-Series Two A Homer, City of Ketchikan, City of Ketchikan, City of (REF) Skagway | 2.00%-4.00% | 15,750,000 | - | - |
| 2013-Series Two B Kodiak Island Borough | 3.00%-4.00% | 15,235,000 | - | - |
| 2013 Series Three Juneau, City and Borough of Kenai Peninsula Borough Lake and Peninsula Borough Sitka, City and Borough of | 1.50%-5.00% | 66,435,000 | - | - |
| 2014-Series One A Juneau, City and Borough of Kodiak Island Borough Kenai Peninsula Borough- Exempt Kenai Peninsula Borough- Taxable | 0.38%-5.00% | 52,950,000 | - | - |
| 2014-Series Two A Ketchikan, City of (Harbor) Ketchikan, City of (Hospital) King Cove, City of | 3.00%-5.00% | 44,670,000 | - | - |
| 2014-Series Three City & Borough of Juneau City of Saxman City & Borough of Sitka City of Adak (REF) Municipality of Anchorage (Rev REF) Haines Borough (REF) Kenai Peninsula City of Nome (REF) Northwest Arctic Borough (REF) Petersburg Borough (REF) City of Seward (REF) City of Seward (REF) - 2 | 1.25%-5.00% | 52,325,000 | - | - |
| 2015-Series One City of Craig - New Money City of Cordova - New Money City of Cordova (REF2005A) City of Ketchikan (REF2005A) Northwest Arctic Borough (REF2005A) City and Borough of Sitka (REF2005A) City of Unalaska (REF2005A) Ketchikan Gateway Borough (REF2005E) Aleutians East Borough (REF2006A) City of Nome (REF2006A) City of Wrangell (REF2006A) City and Borough of Sitka (REF2008-2) City of Unalaska (REF2009-1) City of Cordova (REF2009-2) City of Nome (REF2009-2) | 2.00%-5.00% | 52,305,000 | - | - |
| 2015-Series Two City of Cordova - CC Municipality of Skagway - PSB City and Borough of Juneau - PP Municipality of Skagway - PP City and Borough of Juneau - School City and Borough of Juneau (REF2007-3) Kenai Peninsula Borough (REF2007-4) | 2.00%-5.00% | 55,475,000 | - | - |

(continued)

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| Issue | Debt Service Account | | Statutory Reserve Account Ordinary Reserve Sub-Account | |
|--|----------------------|-------------------------|--|-----------------------|
| | Interest rate | Principal outstanding | Interest rate | Principal outstanding |
| 2015-Series Three | 2.00%-5.25% | 95,835,000 | - | - |
| University of Alaska | | | | |
| Haines Borough | | | | |
| Kodiak Island Brough - School | | | | |
| Kodiak Island Borough - R&R | | | | |
| King Cove, City of | | | | |
| 2016-Series One | 2.00%-5.00% | 32,320,000 | - | - |
| Kenai Peninsula Borough CES 7-Year Loan | | | | |
| Kenai Peninsula Borough CES 15-Year Loan | | | | |
| City of Klawock | | | | |
| Kodiak Island Borough - R&R | | | | |
| Kodiak Island Borough - School | | | | |
| City of Seward (REF2008-1) | | | | |
| City of Seward (REF 2008-2) | | | | |
| 2016-Series Two | 3.00%-5.00% | 55,770,000 | - | - |
| Fairbanks North Star Borough | | | | |
| Ketchikan, City of | | | | |
| 2016-Series Three | 2.00%-5.00% | 79,975,000 | - | - |
| City of Petersburg 2007 One Current Refunding | | | | |
| City of Nome 2007 One Refunding | | | | |
| Northwest Arctic Borough 2007 One Refunding | | | | |
| City of Seward 2007 One Refunding | | | | |
| City of Wasilla 2007 One Refunding | | | | |
| City and Borough of Sitka 2007 One Refunding | | | | |
| Aleutians East Borough 2007 Two Refunding | | | | |
| Kenai Peninsula Borough 2007 Two Refunding | | | | |
| City of Bethel 2007 Three Refunding | | | | |
| City of Kodiak 2007 Five Float Refunding | | | | |
| City of Kodiak 2007 Five Lift Refunding | | | | |
| City of Dillingham 2008 One Loan Refunding | | | | |
| City of Kodiak 2008 One Loan Refunding | | | | |
| Kodiak Island Borough 2008 One Loan Refunding | | | | |
| City of Skagway 2008 Two Loan Refunding | | | | |
| City of Kodiak 2009 One Loan Refunding | | | | |
| City and Borough of Juneau 2006B Refunding | | | | |
| City and Borough of Juneau New Money | | | | |
| 2016-Series Four | 2.00%-5.00% | 28,790,000 | - | - |
| City of Ketchikan Port 2006 Two Loan Refunding | | | | |
| City of Ketchikan Port New Money | | | | |
| 2017-Series One | 2.50%-5.00% | 12,795,000 | - | - |
| Kenai Peninsula Borough Hospital Loan | | | | |
| Kenai Peninsula Borough | | | | |
| Kenai Peninsula Borough Solid Waste Loan | | | | |
| 2017-Series Two | 3.63%-5.00% | 31,655,000 | - | - |
| City of Unalaska | | | | |
| City of Whittier | | | | |
| Total 2005 Bond Resolution: | | <u>1,026,635,000</u> | | <u>12,120,000</u> |
| 2010 Bond Resolution: | | | | |
| 2010-A-1 Series One - Ketchikan Gateway Borough | 3.00%-4.00% | 310,000 | - | - |
| 2010-A-2 Series One - Ketchikan Gateway Borough | 5.78%-6.86% | <u>3,700,000</u> | - | - |
| Total 2010 Bond Resolution: | | <u>4,010,000</u> | | - |
| 2016 Master Bond Resolution: | | | | |
| 2016-Series A - Tanana Chiefs Conference | 5.00% | 44,135,000 | - | - |
| 2017 Series A - Yukon-Kuskokwim Health Corporation | 3.00%-5.50% | <u>100,715,000</u> | | |
| Total 2016 Master Bond Resolution: | | <u>144,850,000</u> | | - |
| | | <u>\$ 1,175,495,000</u> | | <u>\$ 12,120,000</u> |

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Notes to Financial Statements

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

In November 2016 the Authority issued \$109.8 million in general obligation and refunding bonds with interest rates ranging between 2% and 5%. The Authority issued the bonds to advance refund \$99,400,000 of the outstanding 2007-1, 2007-2, 2007-3, 2007-5, 2008-1, 2008-2, 2009-1 and 2006-2 general obligation bonds with interest rates averaging between 4% and 6%. The Authority used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the series bonds listed above. As a result, these bonds are considered defeased, and the Authority has removed the liability from its financial statements. The outstanding principal of the defeased bonds was \$32,115,000 at June 30, 2017. The advance refunding reduced the total debt service payments over the next 10 years by nearly \$16.6 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$12.6 million.

In fiscal year 2016 the Authority advance refunded a portion of the outstanding 2005-1 and 2008-2 general obligation bonds. As a result, these bonds were considered defeased, and the Authority removed the liability from its financial statements. The outstanding principal of these defeased bonds was \$25,370,000 at June 30, 2017.

In fiscal year 2015 the Authority advance refunded a portion of the outstanding 2007-3, 2007-4, 2008-2, 2009-1, and 2009-2 general obligation bonds. As a result, these bonds were considered defeased, and the Authority removed the liability from its financial statements. The outstanding principal of these defeased bonds was \$51,040,000 at June 30, 2017.

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Notes to Financial Statements

The above bonds mature in varying annual installments. The maturities at June 30, 2017 are as follows:

| Year ending June 30 | 2005 | | 2010 | | 2016 | |
|------------------------|-------------------------|----------------------|---------------------|-----------------------|---------|---------|
| | General | Reserve | General | General | General | General |
| 2018 | \$ 61,230,000 | \$ 4,805,000 | \$ 150,000 | \$ 6,975,000 | | |
| 2019 | 63,560,000 | 625,000 | 160,000 | 4,965,000 | | |
| 2020 | 62,875,000 | 925,000 | 165,000 | 5,225,000 | | |
| 2021 | 61,815,000 | - | 170,000 | 5,485,000 | | |
| 2022 | 60,055,000 | 235,000 | 175,000 | 7,930,000 | | |
| 2023-2027 | 253,235,000 | 3,290,000 | 960,000 | 27,840,000 | | |
| 2028-2032 | 202,745,000 | 2,240,000 | 1,150,000 | 15,210,000 | | |
| 2033-2037 | 131,400,000 | - | 1,080,000 | 18,470,000 | | |
| 2038-2042 | 73,805,000 | - | - | 22,895,000 | | |
| 2043-2047 | 51,815,000 | - | - | 29,855,000 | | |
| 2048-2052 | 4,100,000 | - | - | - | | |
| | <u>\$ 1,026,635,000</u> | <u>\$ 12,120,000</u> | <u>\$ 4,010,000</u> | <u>\$ 144,850,000</u> | | |

| Year ending June 30 | Total Principal | Total Interest |
|------------------------|-------------------------|-----------------------|
| 2018 | \$ 73,160,000 | \$ 54,162,800 |
| 2019 | 69,310,000 | 51,064,664 |
| 2020 | 69,190,000 | 48,082,250 |
| 2021 | 67,470,000 | 45,042,453 |
| 2022 | 68,395,000 | 41,953,297 |
| 2023-2027 | 285,325,000 | 164,372,285 |
| 2028-2032 | 221,345,000 | 103,936,696 |
| 2033-2037 | 150,950,000 | 59,366,068 |
| 2038-2042 | 96,700,000 | 33,185,656 |
| 2043-2047 | 81,670,000 | 10,458,272 |
| 2048-2052 | 4,100,000 | 207,499 |
| | <u>\$ 1,187,615,000</u> | <u>\$ 611,831,940</u> |

(8) Conduit Debt

Under the Coastal Energy Loan Program (Program), the Authority issued \$5,000,000 1986 Series A Coastal Energy Bonds (Bonds) payable to the National Oceanic and Atmospheric Administration (NOAA). The proceeds of these bonds were used to purchase port revenue bonds from the City of Nome. The City of Nome entered into a tripartite agreement with NOAA and the Authority effective August 2, 1994 to defer payment of the principal and accrual of interest for ten years. Effective January 29, 2009 a second amendment to the tripartite agreement was executed. The amendment authorized the issuance of 2009A Bonds for the purpose of refunding by exchange the outstanding City of Nome, Alaska, Port Revenue Bond 1986 Series A. As of June 30, 2017 the aggregate amount outstanding for conduit debt obligations was \$4,128,430.

Also under the Program, the Authority issued \$6,563,000 1987 Series A Coastal Energy Bonds payable to NOAA. The proceeds of these bonds were used to purchase port revenue bonds from the City of St. Paul. The City of St. Paul entered into a tripartite agreement with NOAA and the Authority effective December 14, 2000 to modify and defer payment. As of June 30, 2017 the aggregate amount outstanding for the City of St. Paul conduit debt obligations was \$6,005,878.

ALASKA MUNICIPAL BOND BANK AUTHORITY
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Notes to Financial Statements

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

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

(8) Commitments

During 2011 State Legislature appropriated \$2,450,000 to Bond Bank to issue a 15-year, one percent interest loan to the City of Galena to retire existing debt obligations and make certain utility improvements. The intent of the legislature was that loan repayments made for the loan be paid into the State of Alaska General Fund in accordance with the provisions of the AS 44.85.270(h). The amount of receipts available to the Authority during fiscal year 2017 as discussed in Note 2(d), included \$178,200 of City of Galena loan repayments for the year ended June 30, 2017. There were no excess receipts over operating expenditures during fiscal year 2017.

The amount of Authority receipts determined under AS 44.85.270(h) and, as discussed in Note 2(d), available for transfer by the Authority and appropriation to the Bond Bank Authority Reserve Fund under AS 44.85.270(a) was \$-0- for fiscal year 2017; the cumulative state appropriated amount, therefore, remained \$33,396,046 at June 30, 2017.

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

(9) Subsequent Events

Subsequent to June 30, 2017, the Bond Bank has not issued additional bonds. At a meeting on September 28, 2017, the Bond Bank Board of Directors approved an application from an authorized borrower and a resolution authorizing the issuance of the Series 2017-03 bonds. The Bond Bank anticipates the issuance of the Series 2017-03 bonds before the end of calendar year 2017.

Supplemental Schedule

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

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

June 30, 2017

| | <u>2005 Resolution</u> | <u>2010 Resolution</u> | <u>2016 Resolution</u> | <u>Total</u> |
|-------------------------------|------------------------|------------------------|------------------------|----------------------|
| ASSETS | | | | |
| Cash | \$ 1,645,237 | \$ 395 | \$ 35,406 | \$ 1,681,038 |
| Accrued interest receivable | 160,958 | 850 | 34,335 | 196,143 |
| Marketable securities | 46,458,263 | 288,214 | 6,967,864 | 53,714,341 |
| Interaccount receivables | - | 105,791 | - | 105,791 |
| | <u>\$ 48,264,458</u> | <u>\$ 395,250</u> | <u>\$ 7,037,605</u> | <u>\$ 55,697,313</u> |
| LIABILITIES | | | | |
| Accrued interest payable | \$ 169,031 | \$ - | \$ - | \$ 169,031 |
| Interaccount payables | 5,765,904 | - | 29,048 | 5,794,952 |
| Bond proceeds held in reserve | - | - | 6,993,150 | 6,993,150 |
| Bonds payable | 12,120,000 | - | - | 12,120,000 |
| | <u>18,054,935</u> | <u>-</u> | <u>7,022,198</u> | <u>25,077,133</u> |
| RESERVES | | | | |
| State appropriated | 28,046,530 | 393,086 | - | 28,439,616 |
| Unappropriated | 2,398,951 | 1,465 | - | 2,400,416 |
| Unrealized gain (loss) | (235,958) | 699 | 15,407 | (219,852) |
| | <u>30,209,523</u> | <u>395,250</u> | <u>15,407</u> | <u>30,620,180</u> |
| | <u>\$ 48,264,458</u> | <u>\$ 395,250</u> | <u>\$ 7,037,605</u> | <u>\$ 55,697,313</u> |

See Independent Auditor's report

Continuing Disclosure Tables

Pursuant to the Securities and Exchange Commission Rule 15c2-12 and the Authority's continuing disclosure undertakings, the Authority is obligated to provide annual financial information. In addition to annual financial statements the Authority must provide a statement of authorized, issued and outstanding bonded debt, reserve fund balances, and government unit statistics in substantially the same form as Appendix C of official statements of the Authority. The following supplemental information related to the 2005, 2010, and 2016 master resolutions is provided in compliance with the Appendix C filing requirement.

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

Supplemental Schedule of 2005 Bond Resolution Program - Borrower Concentration

June 30, 2017

| Borrower | Outstanding Par | Percent of Outstanding |
|------------------------------|-------------------------|---------------------------|
| City and Borough of Sitka | \$ 139,685,000 | 13.45% |
| City and Borough of Juneau | 133,675,000 | 12.87% |
| Kenai Peninsula Borough | 112,225,000 | 10.80% |
| City of Ketchikan | 94,680,000 | 9.11% |
| Kodiak Island Borough | 91,745,000 | 8.83% |
| University of Alaska | 86,085,000 | 8.29% |
| City of Unalaska | 61,635,000 | 5.93% |
| Fairbanks North Star Borough | 55,770,000 | 5.37% |
| Ketchikan Gateway Borough | 33,495,000 | 3.22% |
| City of Seward | 33,425,000 | 3.22% |
| Northwest Arctic Borough | 30,215,000 | 2.91% |
| Aleutians East Borough | 23,275,000 | 2.24% |
| Municipality of Skagway | 19,780,000 | 1.90% |
| City of Cordova | 16,730,000 | 1.61% |
| Lake & Peninsula Borough | 16,500,000 | 1.59% |
| City of Kodiak | 12,605,000 | 1.21% |
| Haines Borough | 10,835,000 | 1.04% |
| Petersburg Borough | 10,240,000 | 0.99% |
| City of Dillingham | 9,150,000 | 0.88% |
| City of Nome | 4,390,000 | 0.42% |
| Municipality of Anchorage | 3,495,000 | 0.34% |
| City of Homer | 3,200,000 | 0.31% |
| City of King Cove | 2,820,000 | 0.27% |
| City of Sand Point | 2,370,000 | 0.23% |
| City of Valdez | 2,270,000 | 0.22% |
| City of Bethel | 2,175,000 | 0.21% |
| City of Whittier | 2,000,000 | 0.19% |
| City of Soldotna | 1,900,000 | 0.18% |
| City of Craig | 1,695,000 | 0.16% |
| City of Kenai | 1,445,000 | 0.14% |
| City of Klawock | 1,350,000 | 0.13% |
| City of Hoonah | 1,015,000 | 0.10% |
| City and Borough of Wrangell | 980,000 | 0.09% |
| City of Wasilla | 800,000 | 0.08% |
| City of North Pole | 755,000 | 0.07% |
| City of Palmer | 710,000 | 0.07% |
| South Peninsula Hosp. (KPB) | 680,000 | 0.07% |
| City of Adak | 680,000 | 0.07% |
| City of Saxman | 155,000 | 0.01% |
| Reserve Obligations | 12,120,000 | 1.18% |
| Total Outstanding Par | \$ 1,038,755,000 | 100.00% |

See Independent Auditor's report

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

Supplemental Schedule 2005 Bond Resolution Program - Debt Service Requirements

June 30, 2017

| Borrower | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|---|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| City and Borough of Juneau - 2007 III Dock Loan | \$ 353,625 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| City of Bethel - 2007 III Court Facility Loan | 179,375 | - | - | - | - | - | - | - | - | - |
| Kenai Peninsula Borough South Hospital Service Area | 695,300 | - | - | - | - | - | - | - | - | - |
| City of Dillingham 2008 One Loan | 754,000 | - | - | - | - | - | - | - | - | - |
| Kodiak Police Station 2008 One Loan | 218,400 | - | - | - | - | - | - | - | - | - |
| City of Seward Long Term Care 2008 One Loan | 982,800 | - | - | - | - | - | - | - | - | - |
| City and Borough of Sitka 2008 Two Loan | 355,100 | - | - | - | - | - | - | - | - | - |
| Municipality of Skagway 2008 Two Loan | 249,100 | - | - | - | - | - | - | - | - | - |
| City of Seward 2008 Two Loan | 148,400 | - | - | - | - | - | - | - | - | - |
| City of Unalaska 2009 One Loan | 856,625 | 855,875 | - | - | - | - | - | - | - | - |
| City of Unalaska 2009 Two Loan | 563,588 | 560,413 | - | - | - | - | - | - | - | - |
| City of Cordova 2009 Two Loan | 799,188 | 801,338 | - | - | - | - | - | - | - | - |
| City of Nome 2009 Two Loan | 32,775 | 31,425 | - | - | - | - | - | - | - | - |
| City and Borough of Juneau - 2009 Three Loan | 1,495,800 | 1,444,800 | 1,468,800 | - | - | - | - | - | - | - |
| Ketchikan Gateway Borough-2009 Four Loan | 1,768,232 | 1,754,104 | 1,743,479 | 1,731,390 | 1,722,642 | 1,707,107 | 1,694,654 | 1,684,964 | 1,664,500 | 1,652,551 |
| City of Kenai-2010 One Loan | 176,998 | 178,398 | 172,704 | 172,011 | 171,018 | 164,725 | 163,433 | 161,840 | 159,948 | 152,339 |
| Ketchikan Gateway Borough-2010 One Loan | 731,000 | 730,000 | 728,000 | - | - | - | - | - | - | - |
| Northwest Arctic Borough-2010 One Loan | 282,565 | 281,765 | 280,765 | 284,565 | 281,315 | 276,127 | 275,640 | 269,552 | 268,166 | 260,484 |
| Petersburg Borough - 2010 One Loan | 234,494 | 234,794 | 234,894 | 234,794 | 238,694 | 238,694 | 232,010 | 227,870 | 228,281 | 222,947 |
| City of Unalaska-2010 One Loan | 428,749 | 424,949 | 425,949 | 426,549 | 424,299 | 424,017 | 417,835 | 411,055 | 403,675 | 399,652 |
| City and Borough of Juneau - 2010 Two Loans | 1,129,772 | 1,117,534 | 1,107,744 | 2,472,665 | 1,820,539 | 1,779,639 | 1,517,673 | 1,742,096 | - | - |
| City of Cordova 2010 Two Loan | 46,859 | 45,138 | 48,188 | 46,070 | - | - | - | - | - | - |
| City of King Cove 2010 Two Loan | 44,762 | 43,686 | 42,540 | 41,363 | 40,155 | 38,847 | 42,319 | 40,652 | 38,985 | 37,246 |
| Aleutians East Borough - 2010 Loan | 395,378 | 396,578 | 397,966 | 392,943 | 390,877 | 383,441 | 380,636 | 372,462 | 368,918 | 359,283 |
| City of King Cove 2010 Three Loan | 62,392 | 60,992 | 59,680 | 58,205 | 61,359 | 59,389 | 57,419 | 55,449 | 53,479 | 56,271 |
| City of Unalaska 2010 Three Loan | 437,867 | 438,067 | 433,605 | 432,617 | 429,319 | 420,652 | 416,616 | 407,211 | 397,559 | 396,616 |
| Kenai Peninsula Borough 2010 Four Loan | 1,442,725 | 1,431,305 | 1,411,775 | 1,395,269 | 1,376,201 | 1,358,946 | 1,338,264 | 1,314,029 | 1,291,441 | 1,264,032 |
| City of Ketchikan 2010 Four Loan | 616,549 | 608,190 | 603,500 | 597,854 | 586,163 | 578,214 | 568,842 | 562,857 | 550,401 | 540,902 |
| Ketchikan Gateway Borough 2010 Four Loan | 324,287 | 320,209 | 315,233 | 314,574 | 308,091 | 300,753 | 292,534 | 288,269 | 282,919 | - |
| City and Borough of Sitka 2010 Four Loan | 4,075,151 | 4,062,570 | 4,047,570 | 4,058,570 | 4,050,648 | 4,038,926 | 4,030,419 | 4,000,527 | 3,930,489 | 3,845,859 |
| City of Soldotna 2010 Four Loan | 216,594 | 211,905 | 211,752 | 206,311 | 205,509 | 199,279 | 197,602 | 195,333 | 192,515 | 188,948 |
| City and Borough of Wrangell 2011 One Loan | 28,875 | 28,000 | 27,000 | 26,000 | - | - | - | - | - | - |
| Kodiak Island Borough 2011 One Loan | 622,950 | 621,400 | 622,800 | 623,600 | 623,800 | 625,513 | 626,275 | 626,088 | 624,950 | 622,863 |
| City and Borough of Juneau 2011 Two Loan | 658,831 | 657,300 | 659,600 | 655,200 | - | - | - | - | - | - |
| City and Borough of Sitka 2011 Two Loan | 412,134 | 410,090 | 407,590 | 407,390 | 411,790 | 407,690 | 408,071 | 411,271 | 408,871 | 411,071 |
| Aleutians East Borough 2011 Three Refunding | 229,375 | 229,875 | 226,000 | 231,625 | 230,625 | - | - | - | - | - |
| Kenai Peninsula Borough 2011 Three Refunding | 1,630,075 | 1,621,825 | 1,617,850 | 967,375 | 958,750 | 953,250 | - | - | - | - |
| Ketchikan Gateway Borough 2011 Three Refunding | 618,175 | 618,800 | 615,900 | 616,875 | 616,875 | 614,000 | - | - | - | - |
| Northwest Arctic Borough 2011 Three Refunding | 2,486,775 | 2,492,025 | 2,492,700 | 2,488,875 | 2,485,000 | 2,485,625 | 1,681,000 | - | - | - |
| Kenai Peninsula Borough (Central Hospital) 2011 Three | 3,521,750 | 3,520,000 | 3,521,000 | 3,525,500 | 3,528,625 | 3,533,750 | 3,520,875 | - | - | - |
| City of Cordova 2011 Three | 55,625 | 53,375 | 56,250 | 54,000 | 56,375 | - | - | - | - | - |
| City of Hoonah 2011 Three | 111,625 | 113,250 | 90,500 | 93,125 | 90,375 | 92,500 | 89,500 | 91,700 | 89,100 | 91,400 |
| Kodiak Island Borough 2011 Three | 300,975 | 300,975 | 301,550 | 301,625 | 300,125 | 298,125 | 300,500 | 298,600 | 302,500 | 300,900 |
| Municipality of Skagway 2011 Three | 37,800 | 36,800 | 35,900 | 35,000 | 34,000 | 37,875 | 36,625 | 35,500 | 34,500 | 33,500 |
| City of Seward 2011 Three | 244,300 | 244,175 | 244,350 | 244,275 | 243,400 | 242,275 | 245,775 | 244,600 | 243,900 | 243,000 |
| Juneau Wildflower Court Refunding 2012 One | 1,418,125 | 1,486,925 | 1,555,825 | 437,725 | 484,575 | 534,966 | 583,463 | 442,172 | 491,063 | - |
| Juneau 2012 Two | 1,940,250 | 1,958,400 | - | - | - | - | - | - | - | - |
| City of Ketchikan 2012 Two | 356,644 | 352,519 | 352,019 | 355,894 | 355,344 | 354,294 | 351,544 | 353,169 | 357,306 | 353,894 |
| Ketchikan Gateway Borough 2012 Two | 682,350 | 689,250 | 681,625 | - | - | - | - | - | - | - |
| Kodiak Island Borough 2012 Two | 1,439,500 | 1,447,950 | 1,439,025 | 1,442,275 | 1,433,950 | 1,433,125 | 1,433,250 | 1,435,000 | - | - |
| City of Nome 2012 Two | 148,900 | 148,825 | 147,950 | 146,825 | 146,100 | 150,000 | 133,250 | - | - | - |
| City of North Pole 2012 Two | 102,550 | 99,400 | 100,775 | 101,900 | 103,200 | 104,250 | 99,750 | 100,125 | 101,375 | - |
| City of Palmer 2012 Two | 105,800 | 108,450 | 104,850 | 105,725 | 106,800 | 107,625 | 107,750 | 107,625 | - | - |

(continued)

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Supplemental Schedule 2005 Bond Resolution Program - Debt Service Requirements

June 30, 2017

| Borrower | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Petersburg Borough 2012 Two | 496,600 | 491,075 | 488,125 | 488,375 | 489,750 | 485,250 | 468,125 | 246,000 | - | - |
| City and Borough of Sitka 2012 Two | 1,460,150 | 1,456,775 | 1,455,650 | 1,456,650 | 1,451,200 | 1,453,000 | 1,450,375 | 630,375 | - | - |
| City of Valdez 2012 Two | 348,250 | 351,850 | 343,725 | 340,225 | 342,550 | 344,125 | 343,500 | 317,750 | - | - |
| Haines Borough 2012 Three | 84,744 | 82,719 | 85,344 | 82,844 | 85,219 | 87,344 | 84,344 | 86,544 | 83,944 | 86,594 |
| Juneau 2012 Three Refunding | 918,950 | 928,250 | 937,125 | 948,625 | 947,875 | 959,750 | 973,750 | - | - | - |
| Juneau 2012 Three School Construction | 1,430,600 | 1,400,375 | 1,363,625 | 1,364,875 | 1,363,125 | 1,363,250 | - | - | - | - |
| Petersburg Borough 2012 Three | 103,050 | 105,000 | 101,500 | 102,875 | 104,000 | 104,875 | 105,500 | 101,450 | 102,750 | 99,425 |
| Kenai Peninsula Borough (Bear Creek Fire) 2013 One | 93,820 | 97,020 | 94,520 | 97,520 | 95,320 | 93,120 | 95,920 | 92,920 | 94,920 | 96,670 |
| City and Borough of Juneau (Bartlett Hospital) 2013 One | 1,659,263 | 1,665,563 | 1,661,863 | 1,661,513 | 1,666,713 | 1,665,313 | 1,667,513 | 1,668,263 | 1,667,663 | 1,673,913 |
| City and Borough of Juneau 2013 One | 203,610 | 199,610 | 204,610 | 200,210 | 200,810 | 201,210 | 201,410 | 200,160 | 203,660 | 201,660 |
| Ketchikan Gateway Borough 2013 One | 607,150 | 608,150 | 608,400 | 607,600 | 611,000 | 608,400 | - | - | - | - |
| Kodiak Island Borough 2013 One | 1,688,140 | 1,690,340 | 1,687,590 | 1,691,790 | 1,689,390 | 1,690,590 | 1,690,190 | 1,687,690 | 1,687,690 | 1,689,940 |
| City of Sand Point 2013 One | 182,980 | 180,180 | 181,680 | 183,680 | 180,480 | 182,280 | 183,880 | 184,380 | 184,630 | 184,630 |
| City and Borough of Sitka (Harbor) 2013 One | 308,900 | 307,900 | 310,150 | 308,550 | 311,750 | 309,550 | 312,150 | 307,400 | 307,400 | 306,900 |
| City and Borough of Sitka (Electric) 2013 One | 1,757,360 | 1,757,360 | 1,757,360 | 1,757,360 | 1,757,360 | 1,757,360 | 1,757,360 | 1,757,360 | 1,757,360 | 1,757,360 |
| City of Homer 2013 Two | 287,850 | 288,650 | 289,300 | 293,300 | 291,900 | 290,300 | 293,500 | 294,500 | 295,000 | 295,000 |
| City of Ketchikan 2013 Two | 1,069,200 | 1,068,450 | 1,072,250 | 1,069,850 | 1,071,650 | 1,072,450 | 1,077,250 | 1,079,250 | 1,079,500 | 1,078,000 |
| Kodiak Island Borough 2013 Two | 1,355,988 | 1,355,888 | 1,360,188 | 1,361,588 | 1,361,788 | 1,363,038 | 1,367,288 | 1,364,288 | 1,369,288 | 1,366,788 |
| Municipality of Skagway 2013 Two | 70,300 | 69,250 | 68,200 | 71,800 | 70,200 | 68,600 | 72,000 | 69,750 | 67,500 | 70,250 |
| City and Borough of Juneau 2013 Three | 903,650 | 905,450 | 903,650 | 902,125 | 902,000 | 905,000 | 902,000 | - | - | - |
| Kenai Peninsula Borough | 1,626,550 | 1,625,550 | 1,626,600 | 1,627,325 | 1,628,500 | 1,627,675 | 1,630,175 | 1,630,175 | 1,627,675 | 1,627,550 |
| Lake and Peninsula Borough 2013 Three | 1,421,950 | 1,419,850 | 1,423,900 | 1,423,250 | 1,424,250 | 1,423,500 | 1,422,000 | 1,423,375 | 1,422,500 | 1,419,375 |
| City and Borough of Sitka 2013 Three | 1,274,975 | 1,274,975 | 1,274,975 | 1,274,975 | 1,274,975 | 1,274,975 | 1,274,975 | 1,274,975 | 1,274,975 | 1,274,975 |
| Kenai Peninsula Borough 2014 One | 2,956,670 | 2,960,067 | 2,960,062 | 2,959,103 | 2,955,849 | 2,957,500 | 2,955,500 | 2,958,250 | 2,959,500 | 2,957,750 |
| Kodiak Island Borough 2014 One | 1,774,713 | 1,772,713 | 1,775,113 | 1,772,113 | 1,776,363 | 1,773,113 | 1,772,613 | 1,769,613 | 1,774,925 | 1,772,425 |
| City and Borough of Juneau 2014 One | 407,838 | 404,838 | 406,538 | 403,138 | 404,638 | 405,638 | 406,138 | 406,138 | 404,575 | 403,825 |
| City of Ketchikan Hospital (G.O.) 2014 Two | 2,553,700 | 2,553,700 | 2,551,700 | 2,552,700 | 2,556,450 | 2,557,700 | 2,556,450 | 2,557,700 | 2,561,200 | 2,561,700 |
| City of Ketchikan Harbor (G.O.) 2014 Two | 205,300 | 205,550 | 205,550 | 205,300 | 204,800 | 209,050 | 207,800 | 206,300 | 209,550 | 207,300 |
| City of King Cove Electric 2014 Two | 161,050 | 160,050 | 163,800 | 42,050 | 41,050 | 40,050 | 39,050 | 38,050 | 37,050 | 41,050 |
| City and Borough of Juneau 2014 Three | 909,900 | 908,400 | 909,000 | 911,375 | 907,625 | 907,750 | 911,500 | 908,875 | 909,875 | 909,375 |
| City and Borough of Sitka 2014 Three | 816,250 | 816,250 | 816,250 | 816,250 | 816,250 | 816,250 | 816,250 | 816,250 | 816,250 | 816,250 |
| City of Saxman 2014 Three | 12,550 | 12,350 | 12,125 | 11,875 | 11,625 | 11,375 | 16,000 | 15,500 | 15,000 | 14,500 |
| City of Adak Refunding 2014 Three | 106,000 | 103,000 | 104,500 | 100,500 | 101,375 | 102,000 | 102,375 | 102,500 | - | - |
| Municipality of Anchorage Refunding 2014 Three | 294,700 | 294,600 | 298,500 | 296,375 | 294,000 | 296,250 | 298,000 | 294,375 | 290,500 | 291,250 |
| Haines Borough Refunding 2014 Three | 1,196,100 | 1,198,600 | 1,195,375 | 1,191,125 | 1,194,625 | 1,190,750 | 1,189,500 | 1,190,625 | 1,189,000 | - |
| Kenai Peninsula Borough Refunding 2014 Three | 180,650 | 180,750 | 180,000 | 183,250 | 181,125 | 178,750 | 181,000 | 177,875 | 179,375 | - |
| City of Nome Refunding 2014 Three | 271,350 | 268,650 | 269,625 | 269,125 | 268,125 | 266,625 | 269,500 | 271,625 | - | - |
| Northwest Arctic Borough Refunding 2014 Three | 445,300 | 448,200 | 448,875 | 447,250 | 449,750 | 446,375 | 447,125 | 442,000 | 445,875 | - |
| Petersburg Borough Refunding 2014 Three | 399,550 | 398,750 | 401,000 | 401,125 | 400,500 | 399,125 | 401,875 | 398,750 | 399,750 | - |
| City of Seward 2005 Refunding 2014 Three | 105,400 | 107,500 | 104,125 | 105,250 | 106,125 | 106,750 | 107,125 | 102,375 | 102,500 | - |
| City of Seward 2006 Refunding 2014 Three | 323,900 | 320,400 | 320,475 | 318,975 | 316,975 | 319,350 | 320,975 | 321,850 | 637,100 | - |
| City of Cordova 2015 One New Money | 134,225 | 136,725 | 134,125 | 136,075 | 132,575 | 133,950 | 135,075 | 135,950 | 136,575 | 136,950 |
| City of Cordova 2015 One 2005 Refunding | 193,300 | 191,200 | 193,800 | - | - | - | - | - | - | - |
| City of Cordova 2015 One 2009 Refunding | 564,850 | 566,950 | 593,350 | 1,354,000 | 1,348,500 | 1,345,875 | 1,345,875 | 1,343,375 | 1,343,250 | 1,330,625 |
| City of Craig 2015 One New Money | 134,388 | 136,888 | 134,288 | 136,238 | 132,738 | 134,113 | 135,238 | 136,113 | 136,738 | 137,113 |
| Aleutians East Borough 2015 One 2006 Refunding | 276,000 | 253,100 | 250,400 | 251,375 | 255,750 | 269,125 | 169,125 | 117,500 | 97,375 | - |
| Ketchikan Gateway Borough 2015 One 2005 Refunding | 594,200 | 586,500 | - | - | - | - | - | - | - | - |
| Ketchikan 2015 One 2005 Refunding | 800,700 | - | - | - | - | - | - | - | - | - |
| Nome 2015 One 2006 Refunding | 88,950 | 91,450 | 83,950 | 86,125 | 87,750 | 89,125 | 90,250 | 86,250 | 87,125 | - |
| Nome 2015 One 2009 Refunding | 19,700 | 19,700 | 49,100 | 52,625 | 50,875 | 49,125 | 52,250 | 50,250 | 48,250 | 51,125 |
| Northwest Arctic Borough 2015 One 2005 Refunding | 1,637,600 | 1,635,100 | 1,630,400 | 1,640,000 | - | - | - | - | - | - |
| Sitka 2015 One 2005 Refunding | 397,800 | 398,100 | 397,800 | 397,800 | - | - | - | - | - | - |
| Sitka 2015 One 2008 Refunding | 196,275 | 539,275 | 535,075 | 533,500 | 539,125 | 538,625 | 537,688 | 536,000 | 537,875 | 533,625 |
| Unalaska 2015 One 2005 Refunding | 397,600 | 397,900 | 392,700 | - | - | - | - | - | - | - |
| Unalaska 2015 One 2009 Refunding | 815,900 | 815,900 | 1,852,438 | 1,853,125 | 1,849,844 | 1,848,994 | 1,846,138 | 1,841,825 | 1,840,575 | 1,841,200 |

(continued)

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

Supplemental Schedule 2005 Bond Resolution Program - Debt Service Requirements

June 30, 2017

| Borrower | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|--|----------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Wrangell 2015 One 2006 Refunding | 238,450 | 240,050 | 241,250 | 240,875 | - | - | - | - | - | - |
| Cordova 2015 Two | 211,450 | 212,650 | 212,650 | 212,400 | 211,900 | 211,150 | 213,750 | 212,500 | 211,000 | 214,250 |
| Skagway 2015 Two | 683,550 | 680,150 | 684,400 | 682,900 | 680,900 | 683,400 | 683,100 | 684,600 | 680,350 | 680,600 |
| City and Borough of Juneau 2015 Two (G.O. Refunding) | 705,350 | 705,750 | 708,750 | - | - | - | - | - | - | - |
| City and Borough of Juneau 2015 Two (Harbor Refunding) | 362,100 | 742,100 | 738,100 | 738,350 | 737,600 | 740,850 | 741,650 | 743,150 | 738,400 | 737,650 |
| Kenai Peninsula Borough 2015 Two | 402,050 | 1,097,050 | 1,097,300 | 1,090,800 | 1,092,800 | 1,092,800 | 1,091,000 | 1,093,250 | 1,088,250 | 1,091,250 |
| Juneau 2015 Two (Cruise Dock) | 1,687,500 | 1,692,500 | 1,688,250 | 1,692,250 | 1,689,000 | 1,688,750 | 1,686,250 | 1,686,500 | 1,689,250 | 1,689,250 |
| Skagway 2015 Two (Port) | 363,088 | 361,688 | 363,438 | 359,688 | 360,688 | 361,188 | 361,188 | 360,688 | 359,688 | 363,188 |
| University of Alaska 2015 Three | 4,057,863 | 5,586,663 | 5,589,588 | 5,585,838 | 5,587,838 | 5,590,213 | 5,587,838 | 5,590,463 | 5,587,838 | 5,589,713 |
| Haines Borough 2015 Three | 94,300 | 93,100 | 91,300 | 89,300 | 92,175 | 89,925 | 92,550 | 90,050 | 92,425 | 89,675 |
| Kodiak Island Borough 2015 Three High School | 492,413 | 491,313 | 491,838 | 490,838 | 494,213 | 491,963 | 494,088 | 490,588 | 491,463 | 491,588 |
| Kodiak Island Borough 2015 Three Renewal & Replace | 224,200 | 224,600 | 222,500 | 224,250 | 225,500 | 226,250 | 226,500 | 226,250 | 225,500 | - |
| King Cove 2015 Three | 48,588 | 48,588 | 48,588 | 72,963 | 76,588 | 75,088 | 73,588 | 76,963 | 75,213 | 73,463 |
| Kenai Peninsula Borough CES 7-Year Loan - 2016 One | 86,125 | 87,750 | 89,125 | 89,125 | 90,250 | 86,250 | 87,125 | - | - | - |
| Kenai Peninsula Borough CES 15-Year Loan - 2016 One | 178,313 | 178,188 | 177,813 | 177,188 | 176,313 | 175,188 | 178,688 | 176,813 | 179,563 | 179,263 |
| City of Klawock New Money Loan - 2016 One | 89,950 | 87,950 | 85,950 | 88,825 | 86,575 | 84,325 | 86,950 | 89,325 | 91,450 | 89,350 |
| Kodiak Island Borough R&R Loan - 2016 One | 674,250 | 676,625 | 677,750 | 677,625 | 676,250 | 678,500 | 674,375 | 678,750 | 676,500 | 676,500 |
| Kodiak Island Borough High School Loan - 2016 One | 133,794 | 130,544 | 132,169 | 133,544 | 134,669 | 130,669 | 131,544 | 132,169 | 132,544 | 134,169 |
| City of Seward 2008 One Refunding - 2016 One | 649,006 | 649,006 | 1,458,256 | 1,455,756 | 1,451,256 | 1,444,756 | 1,446,006 | 1,439,881 | 1,441,256 | 1,452,256 |
| City of Seward 2008 Two Refunding - 2016 One | 196,575 | 200,700 | 341,075 | 337,700 | 338,950 | 339,700 | 339,950 | 334,825 | 339,200 | 341,400 |
| Fairbanks North Star Borough - 2016 Two | 4,110,525 | 4,109,400 | 4,113,275 | 4,111,900 | 4,110,150 | 4,112,650 | 4,109,150 | 4,109,400 | 4,112,900 | 4,109,400 |
| City of Petersburg 2007 One New Money Refunding - 2016 Three | 83,550 | 86,800 | 84,400 | 84,400 | 84,300 | 81,375 | 83,000 | 79,500 | 80,875 | 82,000 |
| City of Petersburg 2007 One Current Refunding - 2016 Three | 137,200 | 143,400 | 138,200 | 142,800 | - | - | - | - | - | - |
| City of Nome 2007 One Refunding - 2016 Three | 171,100 | 176,400 | 174,900 | 168,300 | - | - | - | - | - | - |
| Northwest Arctic Borough 2007 One Refunding - 2016 Three | 1,189,650 | 1,187,700 | 1,188,800 | 1,183,200 | - | - | - | - | - | - |
| City of Seward 2007 One Refunding - 2016 Three | 236,200 | 230,200 | 232,000 | 228,500 | 234,600 | - | - | - | - | - |
| City of Wasilla 2007 One Refunding - 2016 Three | 415,150 | 413,100 | - | - | - | - | - | - | - | - |
| City and Borough of Sitka 2007 One Refunding - 2016 Three | 830,300 | 826,200 | - | - | - | - | - | - | - | - |
| Aleutians East Borough 2007 Two Refunding - 2016 Three | 1,547,150 | 1,592,650 | 1,608,050 | 1,616,550 | 1,633,050 | 1,895,625 | 2,044,875 | 2,119,750 | 2,167,375 | 2,193,625 |
| Kenai Peninsula Borough 2007 Two Refunding - 2016 Three | 119,350 | 119,350 | 119,350 | 119,350 | 726,950 | 726,650 | 722,000 | 722,625 | - | - |
| City of Bethel 2007 Three Refunding - 2016 Three | 93,050 | 254,750 | 253,050 | 251,150 | 253,950 | 250,500 | 255,625 | 250,250 | 249,500 | 253,125 |
| City of Kodiak 2007 Five Float Refunding - 2016 Three | 118,763 | 112,213 | 115,113 | 112,913 | 115,613 | 112,913 | 114,788 | 111,538 | 113,163 | 114,538 |
| City of Kodiak 2007 Five Lift Refunding - 2016 Three | 214,900 | 217,250 | 218,550 | 219,650 | 220,550 | 220,700 | 220,075 | 219,200 | 218,075 | 216,700 |
| City of Dillingham 2008 One Loan Refunding - 2016 Three | 392,150 | 1,063,450 | 1,060,550 | 1,061,550 | 1,066,250 | 1,065,500 | 1,064,000 | 1,060,500 | 1,064,750 | 1,066,500 |
| City of Kodiak 2008 One Loan Refunding - 2016 Three | 253,000 | 448,850 | 450,450 | 451,650 | 447,550 | 446,950 | 449,575 | 451,450 | 447,700 | 448,325 |
| Kodiak Island Borough 2008 One Loan Refunding - 2016 Three | 228,350 | 615,450 | 619,250 | 617,350 | 619,750 | 619,000 | 619,875 | 619,500 | 622,750 | 619,625 |
| City of Skagway 2008 Two Loan Refunding - 2016 Three | 131,700 | 357,100 | 357,700 | 357,900 | 357,700 | 355,750 | 356,875 | 357,250 | 356,875 | 355,750 |
| City of Kodiak 2009 One Loan Refunding - 2016 Three | 63,531 | 62,631 | 61,431 | 60,231 | 59,031 | 62,556 | 60,806 | 59,056 | 62,181 | 60,181 |
| City and Borough of Juneau 2006B Refunding - 2016 Three | 3,840,950 | 3,861,500 | 3,849,800 | 3,784,100 | 4,029,000 | - | - | - | - | - |
| City and Borough of Juneau New Money - 2016 Three | 328,550 | 331,900 | 332,700 | 333,100 | 333,100 | 331,375 | 332,750 | 328,500 | 328,625 | 328,000 |
| City of Ketchikan Port 2006 Two Loan Refunding - 2016 Four | 2,214,925 | 2,213,250 | 2,215,500 | 2,210,375 | 2,207,875 | 2,207,750 | 2,204,875 | 2,204,125 | 2,200,375 | 2,198,500 |
| City of Ketchikan Port New Money - 2016 Four | 141,325 | 144,000 | 145,875 | 142,625 | 144,250 | 145,625 | 141,875 | 143,000 | 143,875 | 144,500 |
| Kenai Peninsula Borough Hospital Loan - 2017 One | 399,547 | 398,919 | 397,669 | 400,919 | 398,419 | 400,419 | 401,669 | 399,419 | 399,669 | 399,169 |
| Kenai Peninsula Borough Solid Waste Loan - 2017 One | 1,065,164 | 1,065,250 | 1,063,500 | 1,064,750 | 1,063,750 | 1,060,500 | - | - | - | - |
| City of Seward - 2017 One | 210,121 | 210,056 | 210,056 | 209,806 | 209,306 | 208,556 | 207,556 | 209,431 | 207,931 | 206,181 |
| City of Unalaska - 2017 Two | 1,343,109 | 1,328,350 | 2,013,350 | 2,014,100 | 2,013,100 | 2,015,350 | 2,010,600 | 2,014,100 | 2,010,350 | 2,014,600 |
| City of Whittier - 2017 Two | 155,070 | 156,625 | 159,025 | 155,525 | 157,025 | 158,275 | 154,275 | 155,275 | 156,025 | 156,525 |
| Total Loan Obligation Debt Service | \$ 107,591,568 | \$ 107,400,739 | \$ 104,028,206 | \$ 100,227,540 | \$ 95,704,309 | \$ 91,326,146 | \$ 85,591,028 | \$ 76,520,544 | \$ 71,913,968 | \$ 66,853,160 |

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

Supplemental Schedule of 2010 Bond Resolution Program - Borrower
Concentration

June 30, 2017

| <u>Borrower</u> | <u>Outstanding Par</u> | <u>Percent of Outstanding</u> |
|---------------------------|----------------------------|-----------------------------------|
| Ketchikan Gateway Borough | \$ 4,010,000 | 100.00% |
| Total Outstanding Par | <u>\$ 4,010,000</u> | <u>100.00%</u> |

See Independent Auditor's report

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

Supplemental Schedule 2010 Bond Resolution Program - Debt Service Requirements

June 30, 2017

| Borrower | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Ketchikan Gateway Borough | \$399,644 | \$403,444 | \$400,474 | \$395,791 | \$390,819 | \$385,558 | \$380,007 | \$374,168 | \$372,895 | \$365,080 |
| Total Loan Obligation DS | <u>\$ 399,644</u> | <u>\$ 403,444</u> | <u>\$ 400,474</u> | <u>\$ 395,791</u> | <u>\$ 390,819</u> | <u>\$ 385,558</u> | <u>\$ 380,007</u> | <u>\$ 374,168</u> | <u>\$ 372,895</u> | <u>\$ 365,080</u> |

See Independent Auditor's report

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

Supplemental Schedule of 2016 Master Resolution Program - Borrower Concentration

June 30, 2017

| <u>Borrower</u> | <u>Outstanding Par</u> | <u>Percent of Outstanding</u> |
|------------------------------------|----------------------------|-----------------------------------|
| Tanana Chiefs Conference | \$ 44,135,000 | 30.47% |
| Yukon-Kuskokwim Health Corporation | 100,715,000 | 69.53% |
| Total Outstanding Par | <u>\$ 144,850,000</u> | <u>100.00%</u> |

See Independent Auditor's report

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

Supplemental Schedule 2016 Master Resolution Program - Debt Service Requirements

June 30, 2017

| Borrower | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Tanana Chiefs Conference | 9,068,000 | 6,762,500 | 6,771,125 | 6,766,625 | 6,778,875 | 6,771,625 | 6,784,750 | 3,351,750 | - | - |
| Yukon-Kuskokwim Health Corporation | 4,967,494 | 4,833,238 | 4,833,238 | 4,833,238 | 6,955,913 | 6,944,188 | 6,932,038 | 6,940,788 | 6,929,163 | 6,924,788 |
| Total Loan Obligation DS | <u>\$14,035,494</u> | <u>\$11,595,738</u> | <u>\$11,604,363</u> | <u>\$11,599,863</u> | <u>\$13,734,788</u> | <u>\$13,715,813</u> | <u>\$13,716,788</u> | <u>\$10,292,538</u> | <u>\$ 6,929,163</u> | <u>\$ 6,924,788</u> |

See Independent Auditor's report