

State of Alaska
FY2021 Governor's Operating Budget

Department of Revenue
AMBBA Operations
RDU/Component Budget Summary

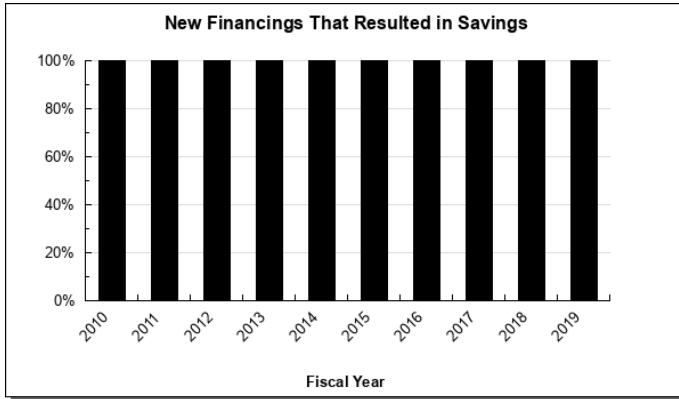
RDU/Component: AMBBA Operations

Contribution to Department's Mission

The mission of the Alaska Municipal Bond Bank is to provide municipalities with financing options for capital projects.

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)



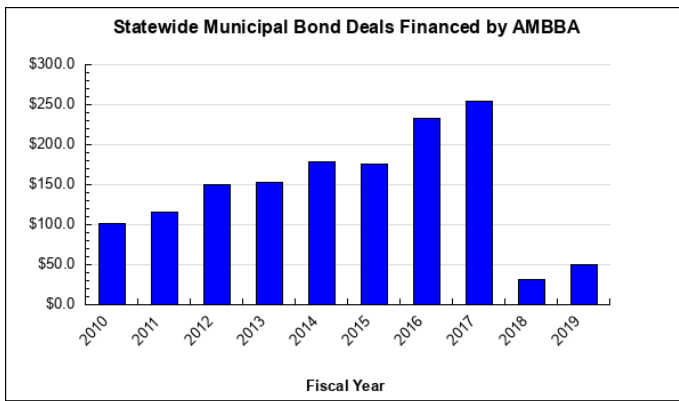
Core Services

- Provide expertise and the lowest cost financing for Alaska's authorized borrowers that either diminish administrative burden of borrower, diminish the cost of borrowing, or both.

Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

- 1. Provide expertise and the lowest cost financing for Alaska's authorized borrowers that either diminish administrative burden of borrower, diminish the cost of borrowing, or both.**



Major Component Accomplishments in 2019

- \$4.3 million in estimated savings to Alaskans through lowered borrowing cost and by design, due to modest loan activity, constrained operating expenses to \$684,379.
- Entered into nine loan agreements to fund approximately \$50.4 million in loans.

- Issued approximately \$44.2 million in bonds that generated \$49.8 million and provided a \$0.6 million direct loan, providing a total of \$50.4 million in funding for Alaskan projects.
- Increased total net position by \$3.3 million.

Key Component Challenges

- Managing the cost of maintaining required reserve funds. Reserve funds are funded through the use of borrowed funds, equity contributions, and surety policies. Earnings rates on funds in the reserve have been insufficient to pay debt service on borrowed funds in recent years and resulted in draws on equity.
- Maintaining the Bond Bank's credit ratings. As of October 22, 2019, S&P rates the Bond Bank program at 'AA-' with Stable Outlook, and Fitch rates the Bond Bank program at 'A+' with Outlook Stable, which are one notch off of the respective State of Alaska general obligation bond credit ratings. If the State continues to experience credit rating deterioration the value of the Bond Bank program will diminish.
- Limited authority to lend to Regional Health Organizations has resulted in financings being conducted outside the program. In many instances, the current statutory administrative limitations result in more administrative cost than the benefit of use of the Bond Bank program provides.

Significant Changes in Results to be Delivered in FY2021

Review potential broadening of statutory authority of the Bond Bank to better serve existing user base.

Statutory and Regulatory Authority

AS 44.85 Alaska Municipal Bond Bank Authority

Contact Information
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AMBBA Operations Personal Services Information					
Authorized Positions			Personal Services Costs		
	<u>FY2020</u> <u>Management</u> <u>Plan</u>	<u>FY2021</u> <u>Governor</u>			
Full-time	1	1	Annual Salaries		140,276
Part-time	0	0	COLA		671
Nonpermanent	0	0	Premium Pay		0
			Annual Benefits		66,755
			<i>Less 0.00% Vacancy Factor</i>		(2)
			Lump Sum Premium Pay		0
Totals	1	1	Total Personal Services		207,700

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
State Investment Officer	0	0	1	0	1
Totals	0	0	1	0	1

Component Detail All Funds
Department of Revenue

Component: AMBBA Operations (108)
RDU: Alaska Municipal Bond Bank Authority (44)

Non-Formula Component

	FY2019 Actuals	FY2020 Conference Committee	FY2020 Authorized	FY2020 Management Plan	FY2021 Governor	FY2020 Management Plan vs FY2021 Governor	
71000 Personal Services	192.1	206.4	206.4	200.7	207.7	7.0	3.5%
72000 Travel	15.9	14.5	14.5	14.5	14.5	0.0	0.0%
73000 Services	476.1	784.6	784.6	790.3	783.6	-6.7	-0.8%
74000 Commodities	0.3	3.8	3.8	3.8	3.8	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	684.4	1,009.3	1,009.3	1,009.3	1,009.6	0.3	0.0%
Fund Sources:							
1104 MBB Rcpts (Other)	684.4	904.3	904.3	904.3	904.6	0.3	0.0%
1108 Stat Desig (Other)	0.0	105.0	105.0	105.0	105.0	0.0	0.0%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	684.4	1,009.3	1,009.3	1,009.3	1,009.6	0.3	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	1	1	1	1	1	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Revenue

Component: AMBBA Operations (108)
RDU: Alaska Municipal Bond Bank Authority (44)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2020 Conference Committee To FY2020 Authorized *****												
FY2020 Conference Committee												
ConfCom		1,009.3	206.4	14.5	784.6	3.8	0.0	0.0	0.0	1	0	0
1104 MBB Rcpts		904.3										
1108 Stat Desig		105.0										
Subtotal		1,009.3	206.4	14.5	784.6	3.8	0.0	0.0	0.0	1	0	0
***** Changes From FY2020 Authorized To FY2020 Management Plan *****												
Align Authority with Anticipated Expenditures												
LIT		0.0	-5.7	0.0	5.7	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from personal services to cover anticipated services costs. The remaining personal services authority is sufficient to cover anticipated expenditures.												
Subtotal		1,009.3	200.7	14.5	790.3	3.8	0.0	0.0	0.0	1	0	0
***** Changes From FY2020 Management Plan To FY2021 Governor *****												
FY2021 Salary and Health Insurance Increases												
SalAdj		0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1104 MBB Rcpts		0.3										
FY2021 GGU Salary Increases: \$0.4												
FY2021 increase to GGU Health Insurance from \$1530 to \$1555 per member per month: \$-0.1												
Align Authority with Anticipated Expenditures												
LIT		0.0	6.7	0.0	-6.7	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from services to cover anticipated personal services costs. The remaining services authority is sufficient to cover anticipated expenditures.												
Totals		1,009.6	207.7	14.5	783.6	3.8	0.0	0.0	0.0	1	0	0

Line Item Detail (1676)
Department of Revenue
Travel

Component: AMBBA Operations (108)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
2000	Travel		15.9	14.5	14.5
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
2000 Travel Detail Totals			15.9	14.5	14.5
2000	In-State Employee Travel	Employee instate travel - airfare, lodging, surface transportation, reimbursable travel costs, and meal & incidentals	15.9	14.5	14.5

Line Item Detail (1676)
Department of Revenue
Services

Component: AMBBA Operations (108)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000	Services		476.1	790.3	783.6
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals			476.1	790.3	783.6
3000	Education Services	Training, conferences, memberships, and employee tuition	1.1	1.2	1.2
3001	Financial Services	Accounting, auditing, management/consulting services	317.7	469.6	469.6
3003	Information Technology	IT training, consulting, software licensing, software maintenance, and IT equipment leases	0.1	1.0	1.0
3004	Telecommunications	Local, long distance, cellular and telecommunications equipment charges; data/network; and television	0.4	1.3	1.3
3006	Delivery Services	Delivery and courier services	0.0	0.8	0.8
3007	Advertising and Promotions	Advertising of legal notices for regulations and public hearings	3.7	4.8	4.8
3010	Equipment/Machinery	Repairs, maintenance, rentals and/or leases of office furniture and equipment	0.3	0.5	0.5
3011	Other Services	Admin - Department-wide Professional management and consulting services; and printing and copying services	0.1	0.3	0.3
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide SSOA chargeback for computer services (including EPR and MICS charges for mainframe usage)	2.8	3.0	3.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide OIT Telecommunications (CISCO device config, deployment, maintenance, and replacements)	0.7	1.0	1.0

Line Item Detail (1676)
Department of Revenue
Services

Component: AMBBA Operations (108)

Object Class		Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals				476.1	790.3	783.6
3021	Inter-Agency Mail	Admin - Department-wide	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	0.7	0.7	0.7
3022	Inter-Agency Human Resources	Admin - Department-wide	Human resource and payroll services provided by the Division of Personnel	0.7	0.7	0.7
3023	Inter-Agency Building Leases	Admin - Department-wide	Cost of space in state-owned facilities	7.5	7.6	7.6
3024	Inter-Agency Legal	Law - Department-wide	Legal services provided by the Department of Law	140.0	275.0	268.3
3026	Inter-Agency Insurance	Admin - Department-wide	Risk Management	0.0	0.1	0.1
3027	Inter-Agency Financial	Admin - Department-wide	Division of Finance Chargeback for IRIS FIN, HRM, and ALDER	0.3	1.0	1.0
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide	ADA compliance	0.0	0.1	0.1
3038	Inter-Agency Management/Consulting	Rev - Administrative Services (125)	Support services provided by the Administrative Services Division, including IT, fiscal, budget, contract management, procurement, and legislative support	0.0	20.0	20.0
3038	Inter-Agency Management/Consulting	Rev - Commissioner's Office (123)	Support services provided by the Commissioner's Office	0.0	1.6	1.6

Line Item Detail (1676)
Department of Revenue
Commodities

Component: AMBBA Operations (108)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
4000	Commodities		0.3	3.8	3.8
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
4000 Commodities Detail Totals			0.3	3.8	3.8
4000	Business	Business supplies including book and educational equipment and furniture; office supplies; desktop computers, printers and IT equipment less than \$5,000 per item; and subscriptions including electronic access to information	0.3	3.8	3.8

Revenue Detail (1681)
Department of Revenue

Component: AMBBA Operations (108)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
5104 MBB Rcpts (1104 MBB Rcpts)			684.4	904.3	904.6
5419 Alaska Municipal Bond Bank Receipts	Rev - AMBBA Operations (108)		684.4	904.3	904.6
5108 Stat Desig (1108 Stat Desig)			0.0	105.0	105.0
5205 Statutory Dsgntd Prgrm Rcpts Development - Charges for Svcs			0.0	105.0	105.0

Inter-Agency Services (1682)
Department of Revenue

Component: AMBBA Operations (108)

				FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
Component Totals				152.8	311.1	304.4
With Department of Administration				12.8	14.5	14.5
With Department of Law				140.0	275.0	268.3
With Department of Revenue				0.0	21.6	21.6
Object Class	Servicing Agency	Explanation		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3011	Other Services	Admin - Department-wide	Professional management and consulting services; and printing and copying services	0.1	0.3	0.3
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	SSOA chargeback for computer services (including EPR and MICS charges for mainframe usage)	2.8	3.0	3.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	OIT Telecommunications (CISCO device config, deployment, maintenance, and replacements)	0.7	1.0	1.0
3021	Inter-Agency Mail	Admin - Department-wide	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	0.7	0.7	0.7
3022	Inter-Agency Human Resources	Admin - Department-wide	Human resource and payroll services provided by the Division of Personnel	0.7	0.7	0.7
3023	Inter-Agency Building Leases	Admin - Department-wide	Cost of space in state-owned facilities	7.5	7.6	7.6
3024	Inter-Agency Legal	Law - Department-wide	Legal services provided by the Department of Law	140.0	275.0	268.3
3026	Inter-Agency Insurance	Admin - Department-wide	Risk Management	0.0	0.1	0.1
3027	Inter-Agency Financial	Admin - Department-wide	Division of Finance Chargeback for IRIS FIN, HRM, and ALDER	0.3	1.0	1.0
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide	ADA compliance	0.0	0.1	0.1
3038	Inter-Agency Management/Consulting	Rev - Administrative Services (125)	Support services provided by the Administrative Services Division, including IT, fiscal, budget, contract	0.0	20.0	20.0
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Inter-Agency Services (1682)
Department of Revenue

Component: AMBBA Operations (108)

Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3038 Inter-Agency Management/Consulting	Rev - Commissioner's Office (123)	management, procurement, and legislative support Support services provided by the Commissioner's Office	0.0	1.6	1.6

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2021 Governor (16414)
Component: AMBBA Operations (108)
RDU: Alaska Municipal Bond Bank Authority (44)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
04-5022	Operations Research Analyst	FT	A	GP	Juneau	205	21J / K	6.0	*	49,938	671	0	26,489	77,098	0
04-5025	State Investment Officer	FT	A	XE	Juneau	N05	22	6.0	**	90,338	0	0	40,266	130,604	0
													Total Salary Costs:	140,276	
													Total COLA:	671	
													Total Premium Pay:	0	
													Total Benefits:	66,755	
													Total Pre-Vacancy:	207,702	
													Minus Vacancy Adjustment of 0.00%:	(2)	
													Total Post-Vacancy:	207,700	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	207,700	
Total Component Months:		12.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1104 Alaska Municipal Bond Bank Receipts	207,702	207,700	100.00%
Total PCN Funding:	207,702	207,700	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

DEPARTMENT OF REVENUE

AMBBA Operations (108)

RDU: Alaska Municipal Bond Bank Authority (44)

FY2021 Governor's Budget

Position Totals PFT - 2

