

State of Alaska
FY2022 Governor's Operating Budget

Department of Revenue
AMBBA Operations
RDU/Component Budget Summary

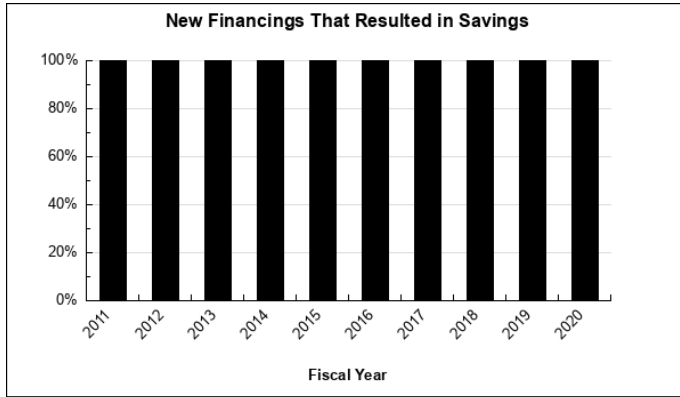
RDU/Component: AMBBA Operations

Contribution to Department's Mission

The mission of the Alaska Municipal Bond Bank is to provide municipalities, joint insurance associations, regional health organizations, the University, and Joint Action Agencies with financing options for capital projects.

Results

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



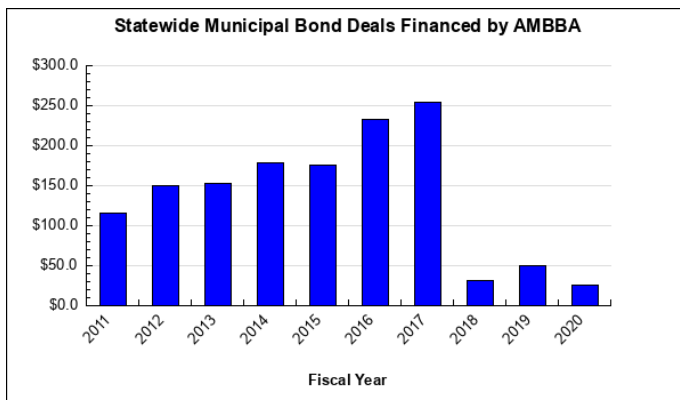
Core Services

- 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 2020

- \$1.0 million in estimated savings to Alaskans through lowered borrowing cost and by design, due to modest loan activity, constrained operating expenses to \$507,949.

- Issued approximately \$22.2 million in bonds generating \$25.5 million for two loan agreements to fund Alaskan projects.
- Increased total net position by \$1.8 million.

Key Component Challenges

- Potential impact to the Bond Bank from the recent Forrer decision of the Alaska Supreme Court.
- 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 are used to pay debt service on outstanding borrowed funds, which can lead to draws on equity in low earnings environments.
- The Bond Bank's credit ratings. As of September 30, 2020, the Bond Bank's ratings were A+/A/A1 from S&P Global Ratings (S&P), Fitch Ratings (Fitch), and Moody's Investors Service, Inc., respectively. The outlook on all ratings is negative. These ratings are one notch off the respective State of Alaska general obligation bond credit ratings, with the State receiving two downgrades by Fitch, and one downgrade by S&P during the course of fiscal year 2020. Any additional State credit rating deterioration is expected to simultaneously diminish the credit rating of the Bond Bank program.
- Limited authority to lend to Regional Health Organizations has resulted in financings being conducted outside the program. In certain 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 FY2022

- Potentially propose statutory changes to conform to recommended structuring requirements as a result of the Forrer decision or increase the ability of the Bond Bank to serve the 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>FY2021</u> <u>Management</u> <u>Plan</u>	<u>FY2022</u> <u>Governor</u>			
Full-time	1	1	Annual Salaries		140,765
Part-time	0	0	COLA		771
Nonpermanent	0	0	Premium Pay		0
			Annual Benefits		66,922
			<i>Less 2.23% Vacancy Factor</i>		(4,658)
			Lump Sum Premium Pay		0
Totals	1	1	Total Personal Services		203,800

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

	FY2020 Actuals	FY2021 Conference Committee	FY2021 Authorized	FY2021 Management Plan	FY2022 Governor	FY2021 Management Plan vs FY2022 Governor	
71000 Personal Services	199.0	207.6	207.6	203.0	203.8	0.8	0.4%
72000 Travel	4.5	14.5	14.5	14.5	14.5	0.0	0.0%
73000 Services	303.5	783.6	783.6	788.2	788.2	0.0	0.0%
74000 Commodities	1.0	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	508.0	1,009.5	1,009.5	1,009.5	1,010.3	0.8	0.1%
Fund Sources:							
1104 MBB Rcpts (Other)	508.0	904.5	904.5	904.5	905.3	0.8	0.1%
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	508.0	1,009.5	1,009.5	1,009.5	1,010.3	0.8	0.1%
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 FY2021 Conference Committee To FY2021 Authorized *****												
Conference Committee												
1104 MBB Rcpts	ConfCom	904.5	207.6	14.5	783.6	3.8	0.0	0.0	0.0	1	0	0
1108 Stat Desig		105.0										
Subtotal		1,009.5	207.6	14.5	783.6	3.8	0.0	0.0	0.0	1	0	0
***** Changes From FY2021 Authorized To FY2021 Management Plan *****												
Align Authority with Anticipated Expenditures												
LIT		0.0	-4.6	0.0	4.6	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from personal services to services for anticipated expenditures. The remaining personal services authority is sufficient to cover anticipated expenditures.												
Subtotal		1,009.5	203.0	14.5	788.2	3.8	0.0	0.0	0.0	1	0	0
***** Changes From FY2021 Management Plan To FY2022 Governor *****												
FY2022 Salary Adjustments												
1104 MBB Rcpts	SalAdj	0.8	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
FY2022 1% COLA for ASEA/General Government (GG/GP/GY/GZ): \$0.8												
Totals		1,010.3	203.8	14.5	788.2	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		FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
2000	Travel		4.5	14.5	14.5
Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
2000 Travel Detail Totals			4.5	14.5	14.5
2000	In-State Employee Travel	Airfare, lodging, surface transportation, reimbursable travel costs, meals and incidentals	4.5	14.5	14.5

Line Item Detail (1676)
Department of Revenue
Services

Component: AMBBA Operations (108)

Line Number	Line Name		FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
3000	Services		303.5	788.2	788.2
Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
3000 Services Detail Totals			303.5	788.2	788.2
3000	Education Services	Training, educational conferences, agency memberships, tuition, books and fees for work-related courses	0.7	1.2	1.2
3001	Financial Services	Accounting, auditing, and management/consulting services	232.3	474.3	474.3
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, television, data/network telecommunications equipment charges	0.8	1.3	1.3
3006	Delivery Services	Freight, courier services, and postage	0.0	0.8	0.8
3007	Advertising and Promotions	Legal notices for regulations and public hearings	2.9	4.8	4.8
3010	Equipment/Machinery	Office furniture and equipment repairs, maintenance, rentals and leases	0.3	0.5	0.5
3011	Other Services	Professional management and consulting services; printing and copying services	0.0	0.3	0.3
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Office of Information Technology (OIT) core services	3.1	3.0	3.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Office of Information Technology (OIT) telecommunications services	0.7	1.0	1.0

Line Item Detail (1676)
Department of Revenue
Services

Component: AMBBA Operations (108)

Object Class		Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
3000 Services Detail Totals				303.5	788.2	788.2
3021	Inter-Agency Mail	Admin - Department-wide	Central mailroom services including pickup and delivery of mail, postage, and 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	0.6	0.6
3023	Inter-Agency Building Leases	Admin - Department-wide	Cost of space in state-owned facilities and private leases	7.6	7.6	7.6
3024	Inter-Agency Legal	Law - Department-wide	Legal services provided by the Department of Law	40.4	268.3	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	0.4	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	11.8	20.0	20.0
3038	Inter-Agency Management/Consulting	Rev - Commissioner's Office (123)	Support services provided by the Commissioner's Office	1.0	1.6	1.6

Line Item Detail (1676)
Department of Revenue
Commodities

Component: AMBBA Operations (108)

Line Number	Line Name		FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
4000	Commodities		1.0	3.8	3.8
Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
		4000 Commodities Detail Totals	1.0	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	1.0	3.8	3.8

Revenue Detail (1681)
Department of Revenue

Component: AMBBA Operations (108)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
5104 MBB Rcpts (1104 MBB Rcpts)			508.0	904.5	905.3
5419 Alaska Municipal Bond Bank Receipts		Municipal bond bank receipts	508.0	904.5	905.3
5108 Stat Desig (1108 Stat Desig)			0.0	105.0	105.0
5205 Statutory Dsgntd Prgrm Rcpts Development - Charges for Svcs		Regional health organization bond proceeds	0.0	105.0	105.0

Inter-Agency Services (1682)
Department of Revenue

Component: AMBBA Operations (108)

	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
Component Totals	66.4	304.0	304.0
With Department of Administration	13.2	14.1	14.1
With Department of Law	40.4	268.3	268.3
With Department of Revenue	12.8	21.6	21.6

Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Office of Information Technology (OIT) core services	3.1	3.0	3.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Office of Information Technology (OIT) telecommunications services	0.7	1.0	1.0
3021	Inter-Agency Mail	Admin - Department-wide Central mailroom services including pickup and delivery of mail, postage, and 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	0.6	0.6
3023	Inter-Agency Building Leases	Admin - Department-wide Cost of space in state-owned facilities and private leases	7.6	7.6	7.6
3024	Inter-Agency Legal	Law - Department-wide Legal services provided by the Department of Law	40.4	268.3	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	0.4	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	11.8	20.0	20.0
3038	Inter-Agency Management/Consulting	Rev - Commissioner's Office (123) Support services provided by the Commissioner's Office	1.0	1.6	1.6

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2022 Governor (17280)
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	21K	6.0	*	50,427	771	0	26,656	77,854	0
04-5025	State Investment Officer	FT	A	XE	Juneau	99	22	6.0	**	90,338	0	0	40,266	130,604	0
Total													Total Salary Costs:	140,765	
													Total COLA:	771	
													Total Premium Pay:	0	
													Total Benefits:	66,922	
Full Time Positions:													Total Pre-Vacancy:	208,458	
Part Time Positions:													Minus Vacancy Adjustment of 2.23%:	(4,658)	
Non Permanent Positions:													Total Post-Vacancy:	203,800	
Positions in Component:													Plus Lump Sum Premium Pay:	0	
Total Component Months: 12.0													Personal Services Line 100:	203,800	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1104 Alaska Municipal Bond Bank Receipts	208,458	203,800	100.00%
Total PCN Funding:	208,458	203,800	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)
FY2022 Governor's Budget
Position Totals: 1 PFT

State Investment Officer
04-5025
R22 / EX Juneau

*Split PCN counted in the
Treasury Division*

**Operations Research
Analyst**
04-5022
R21 / CL Juneau