

**State of Alaska**  
**FY2023 Governor's Operating Budget**

**Department of Revenue**  
**AMBBA Operations**  
**RDU/Component Budget Summary**

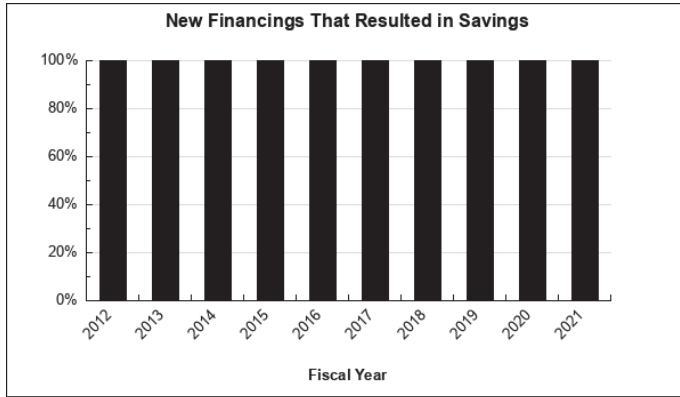
**RDU/Component: AMBBA Operations**

**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>.)



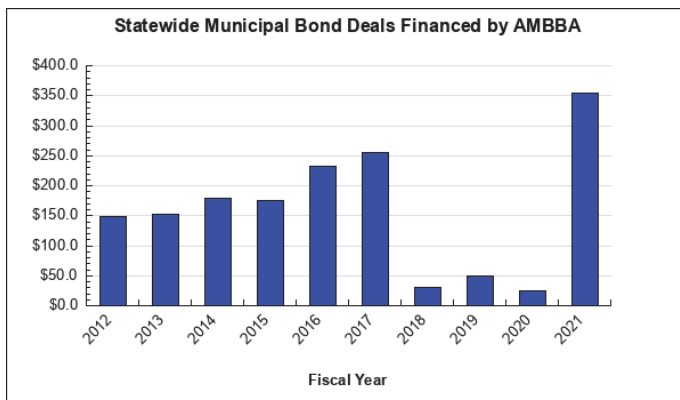
**Core Services**

- 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 2021**

- \$51.7 million in estimated savings to Alaskans through lowered borrowing cost and by design.
- Issued a record of approximately \$329.1 million in bonds generating \$353.5 million to fund and refinance Alaskan projects.

- Entered into 57 loan agreements, with approximately \$30 million in new projects, approximately \$288.1 million to refinance current borrower loan for savings, and approximately \$35.4 million to refinance loans not originally issued through the Bond Bank for savings.

### 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 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, 2021, the Bond Bank retains ratings of A+/A/A1 from S&P Global Ratings (S&P), Fitch Ratings (Fitch), and Moody's Investors Service, Inc. (Moody's), respectively. The outlook on S&P and Moody's ratings is stable, and the outlook on the Fitch ratings is negative. The Bond Bank receives certain credit support from the State of Alaska, with ratings linked to the State's General Obligation debt rating. On April 22, 2021, Moody's revised the State of Alaska's outlook to stable from negative. At the same time, Moody's revised the Bond Bank's outlook to stable from negative. On May 4, 2021, S&P revised the State of Alaska's outlook to stable from negative. At the same time, S&P revised the Bond Bank's outlook to stable from negative. The Bond Bank currently actively uses S&P and Moody's for bond issue ratings, Fitch maintains a rating on the program based on historical use of their services.
- 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 FY2023

- Potential passage of House Bill 127 will provide statutory changes to allow expansion of the type of project, the financing participation levels, and total lending authority for Regional Health Organizations and the University of Alaska through the Bond Bank. HB127 passed out of the House and is currently in Senate Finance.

### 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>FY2022</u> <u>Management</u> <u>Plan</u>	<u>FY2023</u> <u>Governor</u>		
Full-time	1	1	Annual Salaries	150,651
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	75,084
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>1</b>	<b>1</b>	<b>Total Personal Services</b>	<b>225,735</b>

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

**Component Detail All Funds**  
**Department of Revenue**

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

Non-Formula Component

	FY2021 Actuals	FY2022 Conference Committee	FY2022 Authorized	FY2022 Management Plan	FY2023 Governor	FY2022 Management Plan vs FY2023 Governor	
71000 Personal Services	214.8	215.0	215.0	224.2	225.7	1.5	0.7%
72000 Travel	0.0	14.5	14.5	14.5	14.5	0.0	0.0%
73000 Services	286.8	788.2	788.2	779.0	770.3	-8.7	-1.1%
74000 Commodities	0.0	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%
<b>Totals</b>	<b>501.6</b>	<b>1,021.5</b>	<b>1,021.5</b>	<b>1,021.5</b>	<b>1,014.3</b>	<b>-7.2</b>	<b>-0.7%</b>
<b>Fund Sources:</b>							
1104 MBB Rcpts (Other)	501.6	916.5	916.5	916.5	909.3	-7.2	-0.8%
1108 Stat Desig (Other)	0.0	105.0	105.0	105.0	105.0	0.0	0.0%
<b>Unrestricted General (UGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>501.6</b>	<b>1,021.5</b>	<b>1,021.5</b>	<b>1,021.5</b>	<b>1,014.3</b>	<b>-7.2</b>	<b>-0.7%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Positions:</b>							
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	
<b>***** Changes From FY2022 Conference Committee To FY2022 Authorized *****</b>												
<b>FY2022 Conference Committee</b>												
	ConfCom	1,021.5	215.0	14.5	788.2	3.8	0.0	0.0	0.0	1	0	0
1104 MBB Rcpts		916.5										
1108 Stat Desig		105.0										
<b>Subtotal</b>		<b>1,021.5</b>	<b>215.0</b>	<b>14.5</b>	<b>788.2</b>	<b>3.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>***** Changes From FY2022 Authorized To FY2022 Management Plan *****</b>												
<b>Align Authority with Anticipated Expenditures</b>												
	LIT	0.0	9.2	0.0	-9.2	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from services to personal services for anticipated expenditures. The remaining services authority is sufficient to cover anticipated expenditures.												
<b>Subtotal</b>		<b>1,021.5</b>	<b>224.2</b>	<b>14.5</b>	<b>779.0</b>	<b>3.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>***** Changes From FY2022 Management Plan To FY2023 Governor *****</b>												
<b>FY2023 PERS Actuarial Rate Adjustment to 24.79% Ch9 SLA2021 (SB55)</b>												
	SalAdj	-7.8	-7.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1104 MBB Rcpts		-7.8										
Includes: FY2023 Adjustment for PERS ARM Board Approved Rate of 24.79% (from 30.11%): \$-7.8												
<b>FY2023 Executive Health Insurance, SBS, and Risk Management Rate Changes</b>												
	SalAdj	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1104 MBB Rcpts		0.7										
FY2023 Change Partially Exempt & Exempt Executive (EE) - Health Insurance from \$1,555 to \$1,685; SBS and Risk Management Rates: \$0.7												
<b>FY2023 General Government Unit SBS and Risk Management Rate Changes</b>												
	SalAdj	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1104 MBB Rcpts		-0.1										
FY2023 Change General Government Unit (GG, GP, GY, GZ) - SBS, and Risk Management Rates: \$-0.1												
<b>Align Authority with Anticipated Expenditures</b>												
	LIT	0.0	8.7	0.0	-8.7	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from services to personal services for anticipated expenditures. The remaining services authority is sufficient to cover anticipated expenditures.												

**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	
	Totals	1,014.3	225.7	14.5	770.3	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		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
2000	Travel		0.0	14.5	14.5
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
<b>2000 Travel Detail Totals</b>			<b>0.0</b>	<b>14.5</b>	<b>14.5</b>
2000	In-State Employee Travel	Airfare, lodging, surface transportation, reimbursable travel costs, meals and incidentals	0.0	14.5	14.5



**Line Item Detail (1676)**  
**Department of Revenue**  
**Services**

**Component:** AMBBA Operations (108)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2021 Actuals</b>	<b>FY2022 Management Plan</b>	<b>FY2023 Governor</b>
3000	Services		286.8	779.0	770.3
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2021 Actuals</b>	<b>FY2022 Management Plan</b>	<b>FY2023 Governor</b>
<b>3000 Services Detail Totals</b>			<b>286.8</b>	<b>779.0</b>	<b>770.3</b>
3000	Education Services	Training, educational conferences, agency memberships, tuition, books and fees for work-related courses	0.0	10.0	10.0
3001	Financial Services	Accounting, auditing, and management/consulting services	149.0	532.0	523.3
3003	Information Technology	IT training, consulting, software licensing, software maintenance, and IT equipment leases	0.0	1.0	1.0
3004	Telecommunications	Local, long distance, cellular, television, data/network telecommunications equipment charges	0.8	8.2	8.2
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	0.0	4.8	4.8
3010	Equipment/Machinery	Office furniture and equipment repairs, maintenance, rentals and leases	0.1	0.5	0.5
3011	Other Services	Professional management and consulting services; printing and copying services	0.0	2.0	2.0
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Office of Information Technology (OIT) core services	3.4	4.0	4.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Office of Information Technology (OIT) telecommunications services	0.4	1.0	1.0

**Line Item Detail (1676)**  
**Department of Revenue**  
**Services**

**Component:** AMBBA Operations (108)

Object Class		Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
<b>3000 Services Detail Totals</b>				<b>286.8</b>	<b>779.0</b>	<b>770.3</b>
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	0.6	0.6	0.6
3023	Inter-Agency Building Leases	Trans - Department-wide	Cost of space in state-owned facilities and private leases	4.7	4.7	4.7
3024	Inter-Agency Legal	Law - Department-wide	Legal services provided by the Department of Law	122.5	200.0	200.0
3026	Inter-Agency Insurance	Admin - Department-wide	Risk Management	0.1	0.5	0.5
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	0.1	0.5	0.5
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	4.0	6.0	6.0
3038	Inter-Agency Management/Consulting	Rev - Commissioner's Office (123)	Support services provided by the Commissioner's Office	0.0	0.7	0.7

**Line Item Detail (1676)**  
**Department of Revenue**  
**Commodities**

**Component:** AMBBA Operations (108)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2021 Actuals</b>	<b>FY2022 Management Plan</b>	<b>FY2023 Governor</b>
4000	Commodities		0.0	3.8	3.8
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2021 Actuals</b>	<b>FY2022 Management Plan</b>	<b>FY2023 Governor</b>
<b>4000 Commodities Detail Totals</b>			<b>0.0</b>	<b>3.8</b>	<b>3.8</b>
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	0.0	3.8	3.8

**Revenue Detail (1681)**  
**Department of Revenue**

**Component:** AMBBA Operations (108)

Revenue Type (OMB Fund Code)	Component	Comment	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
Revenue Source					
<b>5104 MBB Rcpts (1104 MBB Rcpts)</b>			<b>501.6</b>	<b>916.5</b>	<b>909.3</b>
5419 Alaska Municipal Bond Bank Receipts		Municipal bond bank receipts	501.6	916.5	909.3
<b>5108 Stat Desig (1108 Stat Desig)</b>			<b>0.0</b>	<b>105.0</b>	<b>105.0</b>
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)

				FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
<b>Component Totals</b>				<b>136.9</b>	<b>219.7</b>	<b>219.7</b>
With Department of Administration				5.7	8.3	8.3
With Department of Transportation/Public Facilities				4.7	4.7	4.7
With Department of Law				122.5	200.0	200.0
With Department of Revenue				4.0	6.7	6.7
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2021 Actuals</b>	<b>FY2022 Management Plan</b>	<b>FY2023 Governor</b>	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Office of Information Technology (OIT) core services	3.4	4.0	4.0	
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Office of Information Technology (OIT) telecommunications services	0.4	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	0.6	0.6	0.6	
3023	Inter-Agency Building Leases	Trans - Department-wide Cost of space in state-owned facilities and private leases	4.7	4.7	4.7	
3024	Inter-Agency Legal	Law - Department-wide Legal services provided by the Department of Law	122.5	200.0	200.0	
3026	Inter-Agency Insurance	Admin - Department-wide Risk Management	0.1	0.5	0.5	
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	0.1	0.5	0.5	
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	4.0	6.0	6.0	
3038	Inter-Agency	Rev - Commissioner's Office (123) Support services provided by the	0.0	0.7	0.7	

**Inter-Agency Services (1682)**  
**Department of Revenue**

**Component:** AMBBA Operations (108)

<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2021 Actuals</b>	<b>FY2022 Management Plan</b>	<b>FY2023 Governor</b>
Management/Consulting		Commissioner's Office			

**Personal Services Expenditure Detail**  
**Department of Revenue**

**Scenario:** FY2023 Governor (18673)  
**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 / L	6.0	*	52,601	0	0	28,795	81,396	0
04-5025	State Investment Officer	FT	A	XE	Juneau	99	22	6.0	**	98,050	0	0	46,289	144,339	0
													<b>Total Salary Costs:</b>	150,651	
													<b>Total COLA:</b>	0	
													<b>Total Premium Pay:</b>	0	
													<b>Total Benefits:</b>	75,084	
													<b>Total Pre-Vacancy:</b>	225,735	
													<b>Minus Vacancy Adjustment of 0.00%:</b>	(0)	
													<b>Total Post-Vacancy:</b>	225,735	
													<b>Plus Lump Sum Premium Pay:</b>	0	
													<b>Personal Services Line 100:</b>	225,735	
<b>Total Component Months:</b>		12.0													

<b>PCN Funding Sources:</b>	<b>Pre-Vacancy</b>	<b>Post-Vacancy</b>	<b>Percent</b>
1104 Alaska Municipal Bond Bank Receipts	225,735	225,735	100.00%
<b>Total PCN Funding:</b>	<b>225,735</b>	<b>225,735</b>	<b>100.00%</b>

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)  
FY2023 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