

Fund Source Report

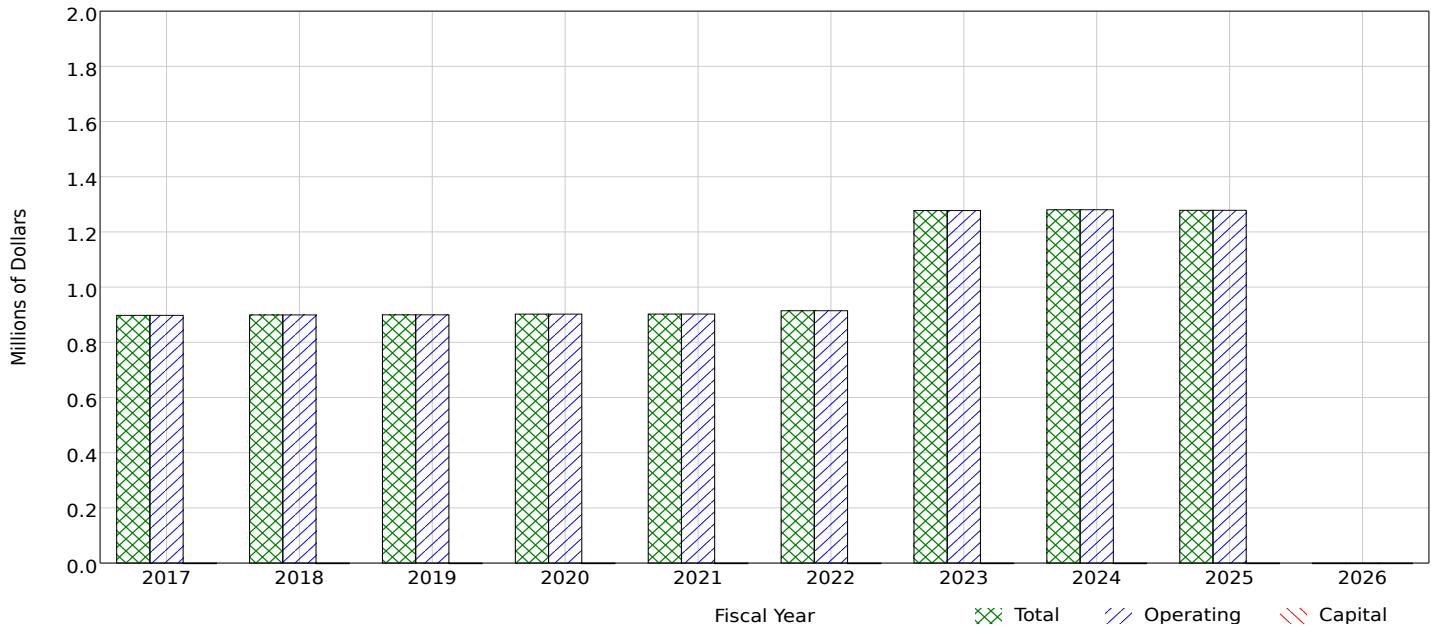
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AMBB Rcpts

Alaska Municipal Bond Bank Receipts

Year Authorized 1997 Year Repealed Active? Yes Mental Health? No Duplicated? No Fund Group Corporate Receipts

Operating and Capital Appropriations



Legal Authority

AS 44.85.020-.280

Source of Revenue

Consists of appropriations made by the legislature, interest earnings, rents, fees, proceeds from bond sales or other money or assets transferred to the fund.

Restrictions on Use

The bond bank can do business only with municipalities. Money held for payment of debt shall be used for no other purpose. Administrative costs of the AMBB are payable solely from revenue or funds appropriated to the bank.

Description and History

The Municipal Bond Bank Authority was established in 1975 to foster and promote by all reasonable means the provision of adequate capital markets and facilities for borrowing money by municipalities in the state to finance capital improvements. The legislature found that rapid growth of municipalities in the state and the incorporation of new municipalities created a demand for capital improvements that can only be met by these municipalities borrowing money through the issuance of bonds or notes.

The Municipal Bond Bank Authority is the state's instrument to assist municipalities meet their capital needs by making capital funds available at reduced interest costs and by reducing bond insurance and issuance costs.

The Municipal Bond Bank (MBB) Receipts fund code reflects money spent on the operating costs of the MBBA; bonds issued by the Authority are excluded.

State corporation receipts were budgeted in one fund code called "corporate receipts" until 1998 when separate fund codes were created for each of the state's corporations to clarify the budget process. The operating budgets of all state corporations are classified as "other" receipts.

Appropriations from the MBB budget fund code include receipts collected from bond debt reimbursement and additional funds and accounts (AS 44.85.280).

If appropriations are required to support MBB operations, money should not be appropriated to this fund; money should be appropriated directly to the MBB in order to avoid a situation in which some appropriations from the fund would be duplicated while other appropriations from the fund would be new receipts. The reserve fund must be DGF.