

ORDINANCE SERIAL NO. 07-04

AN ORDINANCE AMENDING TITLE 6, CHAPTER 6.04, SECTION 6.04.041,
SUBSECTIONS (D) OF THE ALEUTIANS EAST BOROUGH
CODE OF ORDINANCES

WHEREAS, the legislative power of the Aleutians East Borough is vested in the Borough Assembly under Alaska State Statute Sec. 29.20.050; and

WHEREAS, the Aleutians East Borough Permanent Fund was created by the unanimous Borough Assembly in _____; and

WHEREAS, the Borough Code provides for limited use of the Fund each year after inflation proofing for any municipal purpose including operations and capital needs. The Fund has grown from the initial deposits to a current value of over \$22 million dollars; and

WHEREAS, after considerable study, the unanimous Borough Assembly believes that limiting annual withdrawals to 3% of the Fund's five year average market value will protect the Fund, provide for long term growth and avoid the effects of short term fluctuations in value; and

WHEREAS, the proposed change adopts a method used across the world by endowments and is endorsed by Alaska Permanent Capital Management.

NOW, THEREFORE, BE IT:

Section 1. That Section 6.04.041 (D) of the Borough Municipal Code is hereby amended to read as follows:

D. Earnings.

The Borough Assembly may only appropriate from the permanent fund as follows: In any fiscal year, an amount not to exceed three percent (3%) of the five-year average fund market value, to be computed using the five (5) prior calendar years market value.

Section 2. Classification. This ordinance is of a general and permanent nature and shall become part of the Borough Code.

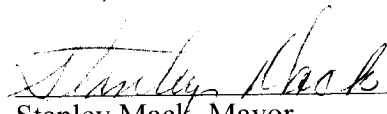
Section 3. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 4: Effectiveness. This ordinance shall become effective upon adoption.

Section 5: Adoption of Sections. Code Section 6.04.041(D) is hereby repealed and Code Section 6.04.041(D) as annexed hereto as part of this ordinance is hereby adopted as Code Section 6.04.041(D) of the Code of Ordinances of the Aleutians East Borough.

INTRODUCED: 1/10/07


ADOPTED: March 07



Stanley Mack, Mayor

Date: 3/5/07

ATTEST:



CLERK

Date: 3/5/07