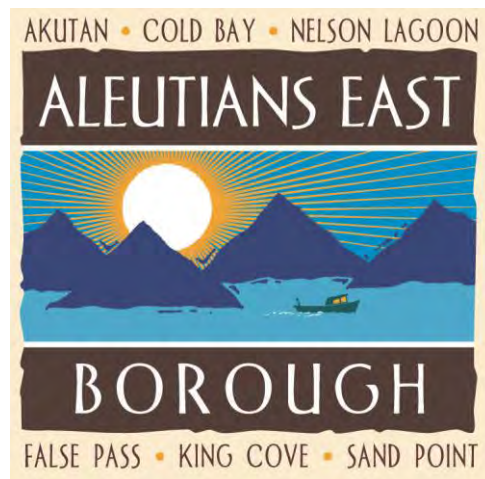


# **Aleutians East Borough Assembly Meeting**



**Workshop: Thursday, May 14, 2020, 2010 – 1:00 p.m.**

**Meeting: Thursday, May 14, 2020 – 3:00 p.m.**

# WORKSHOP ONLY

BDO, LLC

## FY19 Year End Audit Review (Final)

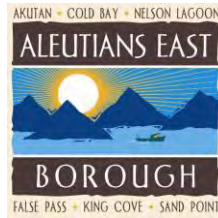
YEAR END AUDIT IS ON THE WEBSITE SEPARATELY FROM PACKET.

NOT INCLUDED IN PACKET.

# Roll Call & Establishment of a Quorum

# Adoption of Agenda





Agenda  
Assembly Meeting  
(packet available on website [www.aleutianseast.org](http://www.aleutianseast.org))

Date: Thursday, May 14, 2020  
Time: Workshop: 1:00 p.m. Meeting: 3:00 p.m.

**Due to Covid-19, the Assembly meeting will not have public locations. All Assembly Members will dial in from individual locations, for the purpose of following the mandates, social distancing and protecting the public health.**

**The meeting will be broadcast on KSDP Public Radio. If you do not have the radio station broadcasting in your community, you can go to KSDP website, <http://apradio.org/> to stream the meeting.**

**Prior to and during the meeting, Public Comments on Agenda items or Public Comments on other issues can be e-mailed to [ltanis@aeboro.org](mailto:ltanis@aeboro.org), Subject: *May Assembly Meeting*, to be read at the appropriate time during the meeting.**

**WORKSHOP ONLY**

1. BDO, LLC FY19 Year End Audit Review (Final).

**ASSEMBLY MEETING AGENDA**

1. Roll Call & Establishment of Quorum.
2. Adoption of the Agenda.
3. Conflict of Interest.
4. Public Comments on Agenda Items.
5. Motion to Convene and go into Platting Board Meeting.
6. PLATTING BOARD AGENDA
  - a. Resolution 20-01, Approval of draft plat within Interim Conveyance (IC) 167, near USS 9314.
7. Adjourn as Platting Board and reconvene as Assembly.
8. Minutes.
  - April 9, 2020 Assembly Meeting Minutes.

9. Financial Reports.
  - March Financial Report.
  - March Investment Report.
10. Consent Agenda.
  - Resolution 20-59, amending Section 11.01, Business Travel, of the Aleutians East Borough Employee Handbook.
  - Resolution 20-61, Assembly accepting the financial statements, required supplementary information, and single audit reports for year ended June 30, 2019.
  - Resolution 20-62, a resolution of the Aleutians East Borough Assembly authorizing the Mayor or designee to negotiate and execute an agreement for managed information technology services with ICE Services, Inc. for an amount not to exceed \$33,190.
11. Ordinances.
  - Emergency Ordinance 20-08, the Aleutians East Borough Assembly issuing a Declaration of Disaster Emergency in response to Covid-19.
  - Introduction Ordinance 20-09 adopting the operating and capital budget for the Aleutians East Borough Fiscal Year 2021.
  - Emergency Ordinance 20-10, an emergency ordinance authorizing the mayor to negotiate and execute a sublease within the Cold Bay Terminal for the air transportation services.
12. Resolutions.
  - Resolution 20-60, Assembly authorizing the issuance of a General Obligation Refunding Bond of the Borough to refund all or a portion of the principal installments of an outstanding General Obligation Bond of the Borough; authorizing the execution of certain documents in accordance therewith; and pledging the full faith and credit of the Borough to the payment thereof.
  - Resolution 20-63, authorizing the mayor to negotiate and execute a contract agreement between the AEB and Espelin & Assoc., LLC for full-charge bookkeeping services in an amount not to exceed \$11,545.
13. Old Business.
14. New Business.
  - Donation Requests.
15. Reports and Updates.
16. Assembly Comments.
17. Public Comments.
18. Next Meeting Date.
19. Adjournment.

## Conflict of Interests

# Community Roll Call & Public Comment on Agenda Items

# Motion to Convene and go into Platting Board Meeting

# PLATTING BOARD

Memo: Special Meeting of the Aleutians East Borough Platting Board

Re Nelson Lagoon Corporation request for platting

Date: May 7, 2020

From: AEB Staff

In the attached letter dated May 1, 2020 the Nelson Lagoon Corporation requests the Planning Commission and the Borough Assembly approve a plat based on a survey by Bradford Rinckey of Bell Surveyors attached as Exhibit "A"

AEB Municipal Code section 40.05.105(a) states "in the event that the Aleutians East Borough Planning Commission is unable to meet, then the Aleutians East Borough Assembly shall act as the Aleutians East Borough Platting Board."

AEB Staff have drafted Platting Board Resolution 20-01 for the Assembly acting as the Platting Board consideration. The resolution:

- states a reformatted draft plat will be submitted to the Assembly for final approval
- states that improvements by Hoodoo Lodge are contingent on AEB Land Use Permitting

Hoodoo Lodge expects limited activity at the lodge this year due to the COVID-19 precautions, and would like to make improvements to the multi-directional airstrip during this down time. The Nelson Lagoon Corporation supports this project and plans to sell the parcels indicated as Proposed Easements on Exhibit "A" to Hoodoo for development.

If the Platting Board approves the proposal by adopting Resolution 20-01, a reformatted draft plat will be submitted to the Assembly for approval at a future meeting.

AEB Staff have determined that the proposed airstrip improvement project at USS 9314 constitutes reasonable resource development for the region and recommend adoption of Platting Board Resolution 20-01.

# Nelson Lagoon Corporation

P.O. Box 913  
Nelson Lagoon, Alaska 99571

May 1, 2020

Aleutians East Borough Planning Committee and Assembly:

The Nelson Lagoon Corporation submits this letter as a request for you to review and approve a plat change to subdivide Nelson Lagoon Corporation lands Interim Conveyance (IC) 167 near USS 9314. The proposed plat revision would subdivide approximately 18 acres that we are planning to sell to Hoodoo Lodge, to facilitate their plans to make improvements to their existing airstrip at their property (USS 9314).

The proposed subdivision has been surveyed by Bradford Rinckey of Bell Surveyors. If the Planning Committee can approve this action based on the attached Exhibit "A", we will have the surveyor redraw as a draft plat for assembly approval, with the noted easements as lots in a new subdivided plat.

The Nelson Lagoon Corporation hereby requests the Aleutians East Borough Planning Committee approve the proposed plat of Nelson Lagoon Corporation IC 167 lands adjacent to USS 9314, based on the attached Exhibit "A", that will be redrawn as a draft plat for Assembly approval.

We believe the requested action for the Planning Committee and Assembly consideration will facilitate responsible resource development within the Aleutians East Borough. Thank you for your consideration.

Sincerely,



Paul E. Gundersen  
President



INTERIM CONVEYANCE

WHEREAS

Nelson Lagoon Corporation

is entitled to a conveyance pursuant to Secs. 14(a) and 22(j) of the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688, 702, 715; 43 U.S.C. 1601, 1613(a), 1621(j) (Supp. V, 1975)), of the surface estate in the following described lands:

Seward Meridian, Alaska (Unsurveyed)

T. 48 S., R. 75 W.

Secs. 14 to 17 (fractional), inclusive, all;  
Secs. 19 to 23 (fractional), inclusive, all;  
Secs. 25, 26 and 27 (fractional), all;  
Secs. 29 and 30 (fractional), all;  
Secs. 34 and 35 (fractional), all;  
Sec. 36, all.

Containing approximately 2,180 acres.

T. 48 S., R. 76 W.

Sec. 19 (fractional), excluding U.S. Survey 499  
and Native allotment AA-7094 Parcel A;  
Sec. 20 (fractional), excluding U.S. Survey 662  
and U.S. Survey 663;  
Secs. 21, 22 and 23 (fractional), all;  
Secs. 26, 27 and 28 (fractional), all;  
Sec. 29 (fractional), excluding U.S. Survey 498;  
Sec. 30 (fractional), all.

Containing approximately 765 acres.

T. 49 S., R. 76 W.

Secs. 1 to 4 (fractional), inclusive, all;  
Secs. 7, 8 and 9 (fractional), all;  
Secs. 10 and 11, all;  
Secs. 12, 13 and 14 (fractional), all;  
Sec. 15, all;  
Secs. 16, 17 and 18 (fractional), all;  
Sec. 21, all;  
Secs. 22, 27 and 28 (fractional), all;  
Secs. 33 and 34 (fractional), all.

Containing approximately 8,525 acres.

T. 50 S., R. 76 W.

Secs. 1, 3 and 10 (fractional), all;  
Secs. 11, 12 and 13 (fractional), all;  
Secs. 24, 25 and 36 (fractional), all.

Containing approximately 3,305 acres.

T. 48 S., R. 77 W.

Secs. 24, 25, 26 and 27 (fractional), all;  
Secs. 31, 32, 33 and 34 (fractional), all.

Containing approximately 1,040 acres.

AA-6681-A  
AA-6681-B

T. 49 S., R. 77 W.

Secs. 2, 4 and 5 (fractional), all;  
Secs. 7 to 11 (fractional), inclusive, all;  
Sec. 12 (fractional), excluding Native allotment  
AA-7262.

Containing approximately 2,923 acres.

T. 50 S., R. 77 W.

Secs. 25 to 36, inclusive, all.

Containing approximately 7,643 acres.

T. 49 S., R. 78 W.

Secs. 2 to 6 (fractional), inclusive, all;  
Sec. 7, all;  
Secs. 8, 9 and 10 (fractional), all;  
Sec. 11 (fractional), excluding Native allotment  
AA-6465 Parcel B;  
Sec. 12 (fractional), excluding Native allotment  
AA-6466 Parcel C;  
Secs. 17, 18, 19 and 30, excluding Caribou River;  
Sec. 31, all.

Containing approximately 7,284 acres.

T. 50 S., R. 78 W.

Secs. 4 to 10, inclusive, all;  
Sec. 14, excluding Native allotment AA-6465  
Parcel C;  
Secs. 15, 16 and 17, all;  
Secs. 19 to 28, inclusive, all;  
Sec. 29, excluding Native allotment AA-7094  
Parcel C;  
Sec. 30, all;  
Sec. 31, excluding Native allotment AA-7094  
Parcel B;  
Secs. 32 to 36, inclusive, all.

Containing approximately 18,334 acres.

T. 49 S., R. 79 W.

Sec. 1 (fractional), all;  
Secs. 8 to 11 (fractional), inclusive, all;  
Sec. 12, all;  
Secs. 15, 16 and 17, all;  
Sec. 18 (fractional), all;  
Sec. 19 to 22, inclusive, all;  
Sec. 25, all;  
Secs. 27 and 29, all;  
Secs. 30 and 36, all.

Containing approximately 10,233 acres.

T. 50 S., R. 79 W.

Secs. 1 and 12, excluding Native allotment AA-7359  
Parcel A.

Containing approximately 1,230 acres.

Aggregating approximately 63,462 acres.

NOW KNOW YE, that there is, therefore, granted by the UNITED  
STATES OF AMERICA, unto the above-named corporation the surface

Interim Conveyance No.

**167**

Date

**MAR 14 1979**

AA-6681-A  
AA-6681-B

estate in the land above-described, TO HAVE AND TO HOLD the said estate with all the rights, privileges, immunities, and appurtenances, of whatsoever nature, thereunto belonging, unto the said corporation, its successors and assigns, forever:

EXCEPTING AND RESERVING TO THE UNITED STATES from the lands so granted:

1. The subsurface estate therein, and all rights, privileges, immunities and appurtenances, of whatsoever nature, accruing unto said estate pursuant to the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688, 704; 43 U.S.C. 1601, 1613(f) (Supp. V, 1975)); and
2. Pursuant to Sec. 17(b) of the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688, 708; 43 U.S.C. 1601, 1616(b) (Supp. V, 1975)), the following public easements, referenced by easement identification number (EIN) on the easement maps in case file AA-6681-EE, are reserved to the United States and subject to further regulation thereby:
  - a. (EIN 1 D9) An easement for a bush airstrip two-hundred and fifty (250) feet in width and three-thousand (3,000) feet in length, lying in a north-south direction, located in Sec. 30, T. 50 S., R. 77 W., Seward Meridian. This size is minimum for public safety.
  - b. (EIN 1a D9) An easement for an existing access trail twenty-five (25) feet in width from the north-south bush airstrip, EIN 1 D9, located in Sec. 30, T. 50 S., R. 77 W., Seward Meridian, east to the east-west bush airstrip, EIN 1b D9, thence, to site easement EIN 1c D9. The usage of roads and trails will be controlled by applicable State or Federal law or regulation.
  - c. (EIN 1b D9) An easement for a bush airstrip two-hundred and fifty (250) feet in width and three-thousand (3,000) feet in length lying in an east-west direction located in Sec. 30, T. 50 S., R. 77 W., Seward Meridian. This size is minimum for public safety.
  - d. (EIN 1c D9) A fishery management and public use easement upland of the ordinary high water mark in Sec. 30, T. 50 S., R. 77 W., Seward Meridian, on the north bank of the Sapsuk River. The easement is five (5) acres in size with an additional twenty-five (25) foot wide extension on the bed of the river along the entire waterfront of the easement. The easement is used for camping, staging, vehicle use and for fishery management purposes.
  - e. (EIN 3 C4) An easement for a proposed access trail twenty-five (25) feet in width from site EIN 1c D9 in Sec. 30, T. 50 S., R. 77 W., Seward Meridian, northerly to public lands. The usage of roads and trails will be controlled by applicable State or Federal law or regulation.

Interim Conveyance No.

167

Date

MAR 14 1979

- f. (EIN 4 D9) A continuous linear easement twenty-five (25) feet in width upland of and parallel to the mean high tide line in order to provide access to and along the marine coastline and use of such shore for puposes such as beaching of watercraft or aircraft, travel along the shore, recreation, and other similar uses. Deviations from the waterline are permitted when specific conditions so require, e.g., impassable topography or waterfront obstruction. This easement is subject to the right of the owner of the servient estate to build upon such easement a facility for public or private purposes, such right to be exercised reasonably and without undue or unnecessary interference with or obstruction of the easement. When access along the marine coastline easement is to be obstructed, the owner of the servient estate will be obligated to convey to the United States an acceptable alternate access route, at no cost to the United States, prior to the creation of such obstruction.
- g. (EIN 5 C) The right of the United States to enter upon the lands hereinabove granted for cadastral, geodetic, or other survey purposes is reserved, together with the right to do all things necessary in connection therewith.
- h. (EIN 6 C4, E) An easement for a proposed access trail fifty (50) feet in width from the shore of Mud Bay located in Sec. 34, T. 49 S., R. 76 W., Seward Meridian, southwesterly to public lands in T. 50 S., R. 76 W., Seward Meridian. The usage of roads and trails will be controlled by applicable State or Federal law or regulation.
- i. (EIN 7 C4, E) An easement for a proposed access trail fifty (50) feet in width beginning at Nelson Lagoon near the mouth of Frank Creek located in Sec. 7, T. 49 S., R. 77 W., Seward Meridian, southerly to public lands in Sec. 18, T. 49 S., R. 77 W., Seward Meridian. The usage of roads and trails will be controlled by applicable State or Federal law or regulation.
- j. (EIN 8 C4, E) An easement for a proposed access trail twenty-five (25) feet in width from the right bank of the Caribou River in Sec. 19, T. 49 S., R. 78 W., Seward Meridian, easterly to public lands in Sec. 20, T. 49 S., R. 78 W., Seward Meridian. The usage of roads and trails will be controlled by applicable State or Federal law or regulation.

These reservations have not been conformed to the Departmental easement policy announced March 3, 1978 and published as final rulemaking on November 27, 1978, 43 FR 55326. Conformance will be made at a later date in accordance with the terms and conditions of the agreement dated January 18, 1977, between the Secretary of the Interior, The Aleut Corporation, Nelson Lagoon Corporation and other Aleut village corporations.

THE GRANT OF THE ABOVE-DESCRIBED LAND IS SUBJECT TO:

- 1. Issuance of a patent confirming the boundary description of the lands hereinabove granted after approval and

Interim Conveyance No. 167

Date MAR 14 1979

filing by the Bureau of Land Management of the official plat of survey covering such lands;

2. Valid existing rights therein, if any, including but not limited to those created by any lease (including a lease issued under Sec. 6(g) of the Alaska Statehood Act of July 7, 1958 (72 Stat. 339, 341; 48 U.S.C. Ch. 2, Sec. 6(g) (1970))), contract, permit, right-of-way or easement, and the right of the lessee, contractee, permittee or grantee to the complete enjoyment of all rights, privileges and benefits thereby granted to him;
3. A right-of-way, AA-15144, located in Sec. 24, T. 48 S., R. 77 W., Seward Meridian and Secs. 19 and 20, T. 48 S., R. 76 W., Seward Meridian, fifty (50) feet each side of the centerline, for an access road, issued to the State of Alaska, Department of Transportation under the provisions of the act of October 21, 1976 (90 Stat. 2743, 2776; 43 U.S.C. 1701, 1761);
4. A right-of-way, AA-14291, located in Sec. 24, T. 48 S., R. 77 W., Seward Meridian, ten (10) feet each side of the centerline, for an electrical distribution system and a wind turbine generation system for the State of Alaska, Department of Commerce and Economical Development under the provisions of the act of October 21, 1976 (90 Stat. 2743, 2776; 43 U.S.C. 1701, 1761);
5. Airport Lease, AA-14244, located in Sec. 20, T. 48 S., R. 76 W., Seward Meridian, containing approximately 88 acres, issued to the State of Alaska, Department of Transportation and Public Facilities, under the provisions of the act of May 24, 1928 (45 Stat. 728-729; 49 U.S.C. 211-214 (1970));
6. Requirements of Sec. 14(c) of the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688, 703; 43 U.S.C. 1601, 1613(c) (Supp. V, 1975)), that the grantee hereunder convey those portions, if any, of lands hereinabove granted, as are prescribed in said section; and
7. The terms and conditions of the agreement dated January 18, 1977, between the Secretary of the Interior, The Aleut Corporation, Nelson Lagoon Corporation and other Aleut village corporations. A copy of the agreement shall be attached to and become a part of the conveyance document and shall be recorded therewith.

IN WITNESS WHEREOF, the undersigned authorized officer of the Bureau of Land Management has, in the name of the United States, set his hand and caused the seal of the Bureau to be hereunto affixed on this 14th day of March, 1979, in Anchorage, Alaska.

UNITED STATES OF AMERICA

*Robert D. Annen*

Assistant to the State Director  
for ANCSA

Interim Conveyance No.

**167**

Date

**MAR 14 1979**

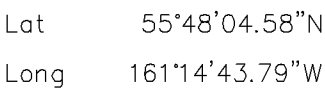
SURVEYED TOWNSHIP 50 SOUTH RANGE 78 WEST OF THE SEWARD MERIDIAN ALASKA

STATUS OF PUBLIC DOMAIN  
LAND AND MINERAL TITLES

**MTP**

West of the PYK Line entire Tp

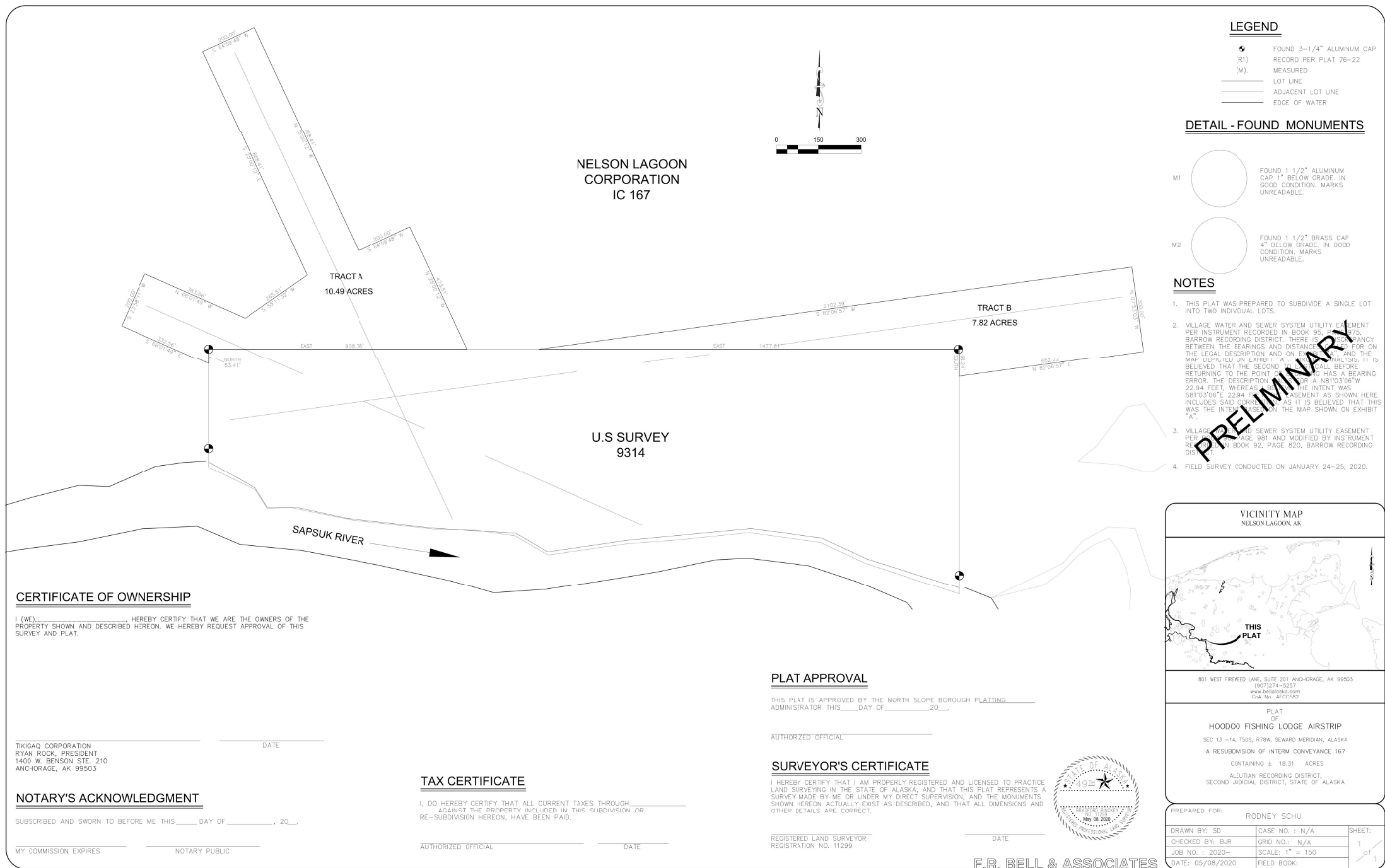
PLO 5184 Wdl Cl affects Lds/Interests not conveyed

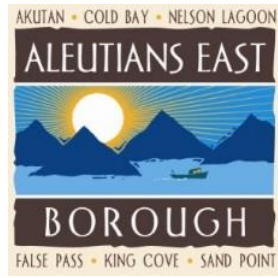


WARNING:  
This plat is the Bureau's Record of Title, and should be used only as a graphic display of the township survey data. Records hereon do not reflect title changes which may have been effected by lateral movements of rivers or other bodies of water. Refer to the cadastral surveys for official survey information.

Sew Mer
T 50 S
R 78 W

AUTO





## **RESOLUTION 20-01 *revised*v.2**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH PLATTING BOARD**

#### **Approving a Preliminary Plat within IC 167 near USS 9314**

**WHEREAS**, in the event that the Aleutians East Borough Planning Commission is unable to meet, the Aleutians East Borough Assembly shall act as the Aleutians East Borough Platting Board; per AEB Municipal Code section 40.05.105, and

**WHEREAS**, the Nelson Lagoon Corporation working with Hoodoo Lodge commissioned that Corporation Land of IC 167 near USS 9314, within T50S R78W, Seward Meridian, Alaska be surveyed and platted by Bradford Rinkey of Bell Surveyors, attached as ‘Preliminary Plat of Hoodoo Fishing Lodge Airstrip’ and

**WHEREAS**, Hoodoo Lodge, the owner of USS 9314, wishes to make improvements to the multi-directional airstrip at the site contingent on approval of an AEB Resource Development Land Use Permit, and

**WHEREAS**, the Nelson Lagoon Corporation supports the facilitation of work on the project during the expected inactivity at the lodge during this 2020 sport hunting & fishing season, and

**WHEREAS**, the Nelson Lagoon Corporation intends sale of the approximately 18.31 acres of Tracts A & B of the ‘Preliminary Plat of Hoodoo Fishing Lodge Airstrip’ to Hoodoo Lodge to support prudent resource development.

**NOW THEREFORE BE IT RESOLVED**, the Aleutians East Borough Platting Board approves the attached ‘Preliminary Plat of Hoodoo Fishing Lodge Airstrip’ be forwarded to the Aleutians East Borough Assembly for final approval.

Approved and Adopted this \_\_\_\_day of May 2020.

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**Alvin D. Osterback, Presiding Officer**

---

**Tina Anderson, Clerk**



Adjourn and reconvene as  
Assembly

# Minutes

## CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Assembly meeting to order by teleconference on April 9, 2020 at 3:00 p.m.

## ROLL CALL

Mayor Alvin D. Osterback	Present
Chris Babcock	Present
Carol Foster	Present
Warren Wilson	Present
Josephine Shangin	Present
Paul Gronholdt	Present
Brenda Wilson	Present
Denise Mobeck	Present

### Advisory Members:

Dailey Schaack, Cold Bay	Present
Samantha McNeley, Nelson Lagoon	Present
Tom Hoblet, False Pass	Present
Justin Mobeck, Student Representative	Present

A quorum was present.

### Staff Present:

Jacki Brandell, Assistant Finance Director  
Tina Anderson, Clerk  
Anne Bailey, Administrator  
Mary Tesche, Assistant Administrator  
Ernie Weiss, Natural Resources Director  
Charlotte Levy, Assistant Natural Resources Director  
Glennora Dushkin, Administrative Assistant  
Laura Tanis, Communications Director  
Emil Mobeck, Maintenance Director

### Adoption of the Agenda:

BRENDA moved to adopt the agenda with the addition below and second by PAUL.

- New Business, Cod Fishery 2021

Hearing no more, the agenda is adopted as amended.

### Conflict of Interests:

Mayor Osterback asked for any potential **Conflict of Interests** to discuss. There were none.

### Community Roll Call and Public Comments on Agenda Items:

All Assembly and staff were participating by teleconference from their individual locations, for the purpose of following the mandates of social distancing and protecting the public health. Also broadcast on KSDP radio.

Public Comments: None

Minutes, March 12, 2020 Assembly Meeting Minutes:

**MOTION**

CHRIS moved to approve the March 12, 2020 Minutes with the amendments below. Second by PAUL.

**PUBLIC COMMENTS**

City of King Cove Administrator, Gary Hennigh, said King Cove supports finishing the Sand Point and Akutan harbors. For the record, he mentioned that the C Float in the new King Cove harbor never got completed as anticipated. Initially, did not worry about it and still not but does not want it to get lost forever. He said the entrance channel swell coming in, over time, can end of being a problem. At some time, suggests engaging the Corps of Engineers along with AEB to see what we can do with that. The city does not want AEB to lose sight of this information. Also, the occasional entrance channel swell, over time, is likely to cause problems to the stability of the A and B floats. He suggested that the COE, AEB and the city should eventually re-engage discussions about this issue.

Hennigh said City of King Cove is struggling financially. \$700,000 revenues down for the year so working on cutting the budget. One budget reduction casualty is the city no longer being able to fund the Aleutia king crab tax grant rebate, not able to do refund. If AEB paid King Cove share to Aleutia, King Cove would not have a problem with that. Hopes that Aleutia can succeed.

Hennigh said the U.S. Census for King Cove population will be about 670 residentspeople, the lowest it U.S. Census count since 1990, it has been. Population is used in funding formulas so will impact funding. Decline due to lower number of processor workers and some out migration of community residents.

Hearing no objections, **MOTION CARRIED.**

Minutes, March 23, 2020 Special Assembly Meeting Minutes:

**MOTION**

BRENDA moved to approve the March 23, 2020 Minutes. Second by DENISE.

Hearing no objections, **MOTION CARRIED.**

Financial Report – February:

**MOTION**

BRENDA moved to approve the February Financial Report and second by DEINISE.

Administrator said February Financial Report is at 66% through the year and everything is tracking to that rate.

**ROLL CALL**

YEAS: Warren, Denise, Carol, Brenda, Paul, Chris, Josephine. Advisory: Tom, Justin, Samantha, Dailey.

NAY: None

**MOTION CARRIED**

February Investment Report:

In packet.

## CONSENT AGENDA

- Resolution 20-57, Assembly supporting the completion of the Akutan Harbor and Sand Point Harbor Floats Project.
- Resolution 20-58, participation in the FY21 Community Assistance Program (CAP).

### **MOTION**

WARREN moved to approve the Consent Agenda and second by JOSEPHINE.

The Administrator reviewed the Consent Agenda saying, Resolution 20-57 supports the completion of the Akutan and Sand Point harbor floats projects, resolution, if approved, to be included in the harbor grants applications approved for submittal.

Resolution 20-58, approves participation in CAP FY21, submitted every year. AEB will receive \$315,741, Nelson Lagoon will receive \$15,789. AEB uses funds for general administration and resolution is required to relay funds to the unincorporated Village of Nelson Lagoon.

### **ROLL CALL**

YEAS: Brenda, Chris, Josephine. Warren, Carol, Denise, Paul. Advisory: Tom, Justin, Dailey, Samantha.

NAY: None

### **MOTION CARRIED**

## RESOLUTIONS

Resolution 20-56, providing recommendations to ADF&G on development of a plan to distribute the 2018 GOA Pacific cod fishery disaster relief funds:

### **MOTION TO INCLUDE AMENDMENT**

PAUL moved to approve Resolution 20-56 with the percentages added and an additional paragraph below.

10% of the 2018 Gulf of Alaska Pacific cod disaster relief funds be dedicated to funding Pacific cod research, including for stock surveys and assessments.

55% of the 2018 GOA Pacific cod disaster relief funds should be direct payments to fishermen.

20% of the 2018 GOA Pacific cod disaster relief funds should be direct payments to processors.

15% of the 2018 GOA Pacific cod disaster relief funds should be direct payments to impacted communities.

### **Additional Paragraph:**

*Be It Further Resolved, the Aleutians East Borough Assembly support a simpler approach would be better for disbursements to fishermen, using low, medium or high rankings; and using 2017 through 2019 as qualifying years.*

Second by WARREN.

Weiss said good discussion at workshop and Assembly Member, Gronholdt percentages are good numbers. Recommendations are due tomorrow.

#### **ROLL CALL**

YEAS: Paul, Warren, Carol, Brenda, Josephine, Denise, Chris. Advisory: Tom, Samantha, Justin, Dailey.

NAY: None

#### **MOTION CARRIED**

OLD BUSINESS None

#### **NEW BUSINESS**

Sand Point and Akutan harbor floats discussion:

The Administrator said the packet memo reviews the different float construction options for Sand Point and Akutan. AEB hired Moffatt & Nichol to write grants for Akutan and Sand Point harbor floats, which have match requirement. The Federal Port Infrastructure Development Program Grant requires 20% non-federal match and State of Alaska Municipal Harbor Facility Grants require 50% non-state match. The Sand Point harbor in its entirety would cost \$7,120,000 which includes a 20% contingency. Akutan harbor requires some design and permitting since finger floats weren't anticipated initially. The project in its entirety would cost \$12,710,000 which includes contingency fund. Options cost range from approximately \$19M to \$10M with a required match from \$3.9M to \$2.1.

Administration prefers Option 1 completing both float structures in their entirety, estimated total cost \$19,830,000 with 20% match of \$3,966,000. Proposes to fund from the Akutan Harbor funds accounts, a portion of FY21 Permanent Fund earnings and AMLIP funds.

Mayor Osterback said Trump Administration requested MARAD look at smaller projects in the country, \$25M and over. We decided to bundle the projects to make it more attractive for this type of financing, and by bundling would take some of the cost out of mobilizing and demobilizing by putting everything on one barge for both projects. He recommends completing both projects in their entirety. Both facilities are in demand right now. Sand Point short on space, and Akutan has had a big influx in fisheries, and is providing local boats a safe harbor.

#### **MOTION**

BRENDA moved to adopt Option 1, to complete both Sand Point and Akutan floats in their entirety. Second by PAUL.

#### **FURTHER DISCUSSION**

WARREN said since \$25M as low end cap for the project funding, asked if the King Cove harbor entrance channel swell project could also be added to the bundle.

Mayor Osterback said he does not believe we would have the funding for the match of 20%.

The Administrator added she is not prepared to add the King Cove harbor project to meet the May deadline.

WARREN said, for the record, we have a few things to do at the King Cove new harbor. Mayor Osterback said the City of King Cove Administrator also brought up the harbor issues.

### **ROLL CALL**

YEAS: Josephine, Carol, Warren, Chris, Denise, Brenda, Paul. Advisory: Dailey, Justin, Tom, Samantha.

NAY: None

### **MOTION CARRIED**

Budget discussions – FY20 and FY21:

The Administrator said, as of February 2020, AEB has received 72% of revenues, and after other state/federal revenues are received in June, will be at 87%. Expenditures are around 67% and terminal/helicopter around 51%. She anticipates staying within budget for FY20.

Still working on the FY21 budget. All departments will be conservative when planning their department budgets as we expect a decrease in revenues due to the changing fisheries and Covid-19 pandemic. In packet is an update on legislature passed for FY21 budget. As of today, Governor has vetoed numerous items, which include harbor bond debt reimbursements and school bond debt reimbursement. However, the Governor feels these will be covered by Covid-19 funds. As of today, we will include those vetoed items in AEB budget. The plan is to introduce the AEB budget at the May 14 Assembly meeting and second reading, May 28 Special meeting.

Airline Discussion:

The Administrator said a lot has occurred with Ravn since Thursday, April 2. Initially, Ravn said they were not going to fly to Cold Bay, Sand Point, and Unalaska, unless AEB and other communities commit to pay fuel costs; April 3, Ravn conducted flights and posted a new flight schedule; and Sunday, April 5, Ravn parked all 72 of its aircraft, stopped all operations, laid off all remaining staff; and filed bankruptcy.

Monday, April 6<sup>th</sup>, Alaska Airlines began working with partners and regulatory agencies to initiate service to Cold Bay with the intention of providing access to Unalaska/Dutch Harbor, using their own aircraft. Alaska is interested in utilizing the Cold Bay Terminal for operations and Grant Aviation confirmed they will transfer passengers to Unalaska/Dutch Harbor and Sand Point.

The Cold Bay Terminal sublease tied up in Ravn's bankruptcy filing, preventing AEB from allowing replacement carriers, such as Alaska Airlines to utilize that space. AEB attorneys are researching and have been in contact with the Debtors' Counsel.

Been in contact with Transportation Security Administration (TSA) to get service back into the region and Grant Aviation began moving into the Terminal.

Working on determining how Ravn's bankruptcy filing impacts the use of the facility and how to accommodate Alaska Airlines without violating anything related to the bankruptcy. Lobbyist, Mark Hickey is in close contact with the State to see how we can expedite the lease on State land, once a decision has been made on how to move forward.

Also in contact with the US DOT Essential Air Service (EAS) Department to discuss EAS possibilities. Have not heard back from them this week. Brad Gilman has been involved in this process.

CHRIS asked if Ravn put any money onto the lease. The Administrator said Ravn has not made any lease payments and has no property in the terminal, but is tied up in bankruptcy court.

CHRIS asked if there is a timeframe on how long it will be tied up in bankruptcy. Mayor Osterback said the timeframe will be determined by the bankruptcy trustees.

CHRIS had concern about Alaska Airlines not being able to use the terminal. Bailey said looking at options to accommodate them and not violate Ravn lease agreement.

Mayor Osterback said we are working with the attorneys on legal issues regarding Ravn sublease, but this is not going to prevent Alaska Airlines from coming in, there are options to accommodate.

PAUL said the terminal is not that big, and asked if there needs to be discussion on finding additional space.

Mayor Osterback said whatever timeframe Alaska comes up with we will be able to adapt to it. When it goes before a hearing we are confident they will release it since nothing in there belongs to Ravn. In the meantime, we will get Alaska Airlines in terminal when they are ready to come.

DAILEY voiced her concerns on where to put Alaska Airlines passengers, if weather deteriorates in Dutch Harbor. She supports getting the AEB's school building prepared to handle people. Bailey said it would take a lot more work to prepare school building to accommodate people and anything on state owned land needs State approval so can't commit to anything, at this point. CHRIS agrees with Dailey's concerns and the burden it will put on Cold Bay.

Mayor Osterback will keep everyone informed as things develop.

#### Cod Fishery, 2021:

Natural Resources Director, Ernie Weiss, said a WGOA Pacific Cod discussion paper is in the packet, behind Resolution 20-56, that reviews the cod fishery background, and a few options.

Natural Resources Assistant Director, Charlotte Levy, reviewed what AEB is currently doing, in regards to cod. Stock assessment is the number one concern to fishermen and priority to AEB.

AEB Projects:



Tagging Study: She said Alaska Fisheries Science Center (AFSC) could not come up with their part of the funding for a tagging study this year on cod migration between the Western Gulf and Bering Sea. Will work with all involved to get the funding for the study next year to gather the necessary data.

Supplementary Western Gulf of Alaska Survey:

Was not able to get funding for this year. Will work with stock assessor authors on designing a supplemental survey that can be done at low cost, on an annual basis, and using a local vessel.

Fishermen's Data Portal: Submitted a letter of interest for a grant for a "fishermen's data portal". This would build off of the Trawl EM Project. Data to be used by fishermen to make decisions and make fishery more efficient. For example, data for salmon hot spot tracking, to avoid fishing certain areas.

Pacific Cod A Season: There was a recommendation from a fisherman, to forego the B season and have A season only. B season doesn't get fully utilized and all gear types catch most in the A season, which is January-June.

PAUL said Weiss has been going to the Council meetings for a long time and knows how to work with the State and processors. He feels we are losing because of budget cuts and lack of research on the cod fishery. Fishermen are not getting what they should be getting in the cod fishery and are suffering because of it. He suggested Mayor Osterback consider a legal aspect, determining why we can't get the research necessary. Feels we need to do something and should be a high priority. The Mayor said he will work with Weiss to see where we need to go with it. Weiss will look into any avenues available.

TOM said communities are suffering, revenues are declining. He said the boats that participate in the state-water cod fishery are the ones that have to attend Board of Fisheries and he would like to submit a proposal to change the line on the State-water cod fishery. Weiss said State groundfish meeting is 2022. TOM requested an agenda change request be submitted prior to that date. Weiss said proposals are due next month, but agenda change requests can be submitted later. He will get together with Tom.

Mayor Osterback asked if biologists were ok with foregoing the B season, and have an A season only. Weiss said there might be some Steller sealion issues. Also, since different gear groups would have to come from the fishermen. The Mayor agreed, fishermen need to participate in discussions, and attend the meetings.

WARREN, said we rely on every fishery. He feels fisheries management do not listen to locals participating when making decisions. Halibut and crab IFQ's are examples of that. Cod fishery issues mentioned by Tom are a concern that need to be addressed regarding the state water fishery, on other side of Unimak. Fish migrate back and forth between Gulf and Bering Sea and he feels local issues are not being addressed on board level.

The Mayor said a lot of issues to work on. Our Resource Dept. can lay out some strategy and see what people want to do and what participation the AEB should play to help fishermen when they start working on this.

Tom noted that 50-75% of the fleet participating, doesn't live within AEB.

## REPORTS AND UPDATES

### **Administrator's Report in packet. Highlights below:**

#### Covid-19 Updates:

As of today, no confirmed positive coronavirus tests. AEB declared a disaster and all the communities in AEB have also. AEB has been hosting meetings with Eastern Aleutian Tribes, community leaders, and School District for regular updates. Staff has been attending all other meetings occurring and staying informed on the fisheries issues and all mandates. The Natural Resources Dept. will be holding a townhall meeting on April 15 regarding the salmon season.

Also, working with airlines on transportation issues.

Due to coronavirus, we have determined it necessary to pause projects. Nelson Lagoon dock repairs project, Cold Bay clinic construction, and King Cove School projects all postponed until 2021. Additional costs will need to be determined.

#### King Cove Road Update:

Filing of remainder of briefs with the plaintiffs vs. Dept of Interior by the opposition environmental groups has been completed. Court still accepted filings, three opposition filings from environmental groups, opposing land exchange. March 23, 2020, all pleadings filed their Reply Brief completing Court ordered briefing schedule. The AEB group requested an oral argument, which has been denied due to Covid-19. Timing for decision is uncertain but not likely before end of summer.

PAUL asked if the request for oral argument should have gone before the Assembly. Bailey said time was of the essence, and it also has been oral argument has been denied.

#### Cold Bay Terminal:

Grant Aviation is 90% moved in and operations began today, out of facility.

#### Legislative Priorities:

Legislature passed FY2020 supplemental and FY2021 operating/capital budget. Governor vetoed harbor bonds debt reimbursement, and school bonds debt reimbursement, which will be covered under the federal Covid-19 funds.

#### New Position-Bookkeeper:

Plan to hire a person to review audit findings and a resolution will be on the next meeting.

### **Assistant Administrator Report in packet. Highlights below:**

#### Sand Pt School Grant Project

Still moving forward and on track to submit.

#### Cold Bay Clinic:

Since postponed, bid has been pulled.

PAUL asked if there was interest prior to pulling. Tesche said posted about a week, and almost 50 people requested documents. So believe we will have a lot of interest when posted again. Will issue a new bid in January, 2021.

### **Communications Director Report in packet. Highlights below:**

News articles of interest: Monitoring news articles and posting and e-mailing as quickly they are found,

False Pass airport whitepaper:

Last draft submitted to Mayor and lobbyist, Mark Hickey, for their review.

Covid-19: Gathering information and placing in one area on AEB website.

PAUL requested a copy of the airport white paper.

Power Cost Equalization (PCE):

Working on a history timeline on PCE.

Mayor Osterback said he asked for a paper last year when the Legislature was looking at cuts throughout the State budget. PCE was put in place during the Four Dam Pool projects funding, up until present. He feels a lot of new legislatures don't know its history and consider taking the funds, which is over \$1B. He asked Tanis to put something together to be given to legislatures showing why it was put in place. Feels it is easy to lose the program, if the history of that gets lost.

Tanis said, in regards to the False Pass airport whitepaper, have been in communication with City of False Pass Mayor, Nikki Hoblet. When Mayor Osterback has an opportunity to review and feels it is appropriate to circulate, she will do that.

**Natural Resources Director Report in packet. Highlights below:**

Board of Fisheries:

Agenda change requests due August 14.

Townhall Meeting-April 15:

Flyer in packet on townhall meeting regarding the summer salmon season amid Covid-19 concerns. All organization leaders will be participating by teleconference, broadcast on radio for the public. Questions can be sent to Levy to be read at the meeting.

Ferry schedule: First Aleutian Chain run delayed until June, due to Covid-19.

**Assistant Natural Resources Director Report in packet. Highlights below:**

Fishermen's data portal:

Project would be an extension of trawl EM project, leverage data that can be used in vessel operation. Examples are salmon hot spots to avoid, and possibly tracking cod and halibut. Feels it is a good project to submit for funding.

Trawl EM Project:

Project is finished. Working on reporting and analysis. Final report will be in the next packet.

Have closed out the first season and attending the trawl EM meeting in May by teleconference. Will then hold a debrief meeting with the fleet and processors. Felt good about project.

Mariculture project:

Halted until further notice due to State travel mandate.

**Maintenance Director Report. Report not in packet:**

AEB Sand Point office building:

Will begin maintenance on the building soon.

False pass siding project delayed: Delayed due to travel mandate. When able to fly again will take care of or find someone locally in False Pass that will be able to do project.

**Mayor's Comments:**

Mayor Osterback said Sand Point offices are still working, but closed to the public; King Cove office staff currently staggering work hours; and Anchorage office staff working from homes.

ASSEMBLY COMMENTS

BRENDA extended a thank you to staff and all of our communities that our working so hard to keep everybody safe. Schools are getting kids lunches and homework, and to Eastern Aleutian Tribes (EAT) staff are working above and beyond. A very scary time for everybody and noted the importance of taking care of our elders.

CHRIS thankful for what administration is doing and keeping the AEB functioning. EAT and all the clinics have all gotten ready. Also thankful for KSDP and Laura Tanis for getting information out to the public.

DAILEY thanked AEB and all workers, all doing an excellent job and proud of communities coming together during these difficult times.

PUBLIC COMMENTS

No comments.

NEXT MEETING DATE

Thursday, May 14, 2020.

ADJOURNMENT

JOSEPHINE moved to adjourn. Hearing no more, the meeting adjourned at 4:52 p.m.

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Mayor Alvin D. Osterback

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Tina Anderson, Clerk

Date: \_\_\_\_\_

# Financial Report

**Aleutians East Borough**  
**\*Revenue Guideline©**

04/08/20 11:03 AM

Page 1

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 01 GENERAL FUND</b>						
Active	R 01-201 INTEREST REVENUE	\$35,000.00	\$19,454.61	\$0.00	\$15,545.39	55.58%
Active	R 01-203 OTHER REVENUE	\$65,000.00	\$107,002.96	\$26,208.00	-\$42,002.96	164.62%
Active	R 01-206 AEBSD Fund Balance Refun	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-218 AEB RAW FISH TAX	\$4,100,000.00	\$3,275,264.87	\$519,502.19	\$824,735.13	79.88%
Active	R 01-229 Southwest Cities LLC	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-233 STATE PERS ON-BEHALF	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-265 STATE SHARED RAW FISH	\$1,880,000.00	\$1,977,968.37	\$0.00	-\$97,968.37	105.21%
Active	R 01-266 STATE SHARED FISHFMA2	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Active	R 01-267 STATE SHARED FISHFMA3	\$35,000.00	\$0.00	\$0.00	\$35,000.00	0.00%
Active	R 01-268 State"Loss" Of Raw Fish Tax	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-270 STATE REVENUE OTHER	\$316,365.92	\$316,242.16	\$0.00	\$123.76	99.96%
Active	R 01-276 AEB SCHOOL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-277 STATE BOND REBATE	\$328,867.00	\$262,471.00	\$0.00	\$66,396.00	79.81%
Active	R 01-291 PLO-95 PAYMNT IN LIEU O	\$559,000.00	\$0.00	\$0.00	\$559,000.00	0.00%
Active	R 01-292 USFWS LANDS	\$36,256.00	\$0.00	\$0.00	\$36,256.00	0.00%
	<b>Total Fund 01 GENERAL FUND</b>	<b>\$7,455,488.92</b>	<b>\$5,958,403.97</b>	<b>\$545,710.19</b>	<b>\$1,497,084.95</b>	<b>79.92%</b>

**Aleutians East Borough**  
**\*Expenditure Guideline©**

04/08/20 11:03 AM

Page 1

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 01 GENERAL FUND</b>						
<b>DEPT 100 MAYORS OFFICE</b>						
Active	E 01-100-000-300 SALARIES	\$83,189.00	\$60,791.83	\$6,399.14	\$22,397.17	73.08%
Active	E 01-100-000-350 FRINGE BENEFITS	\$38,000.00	\$29,572.80	\$3,220.48	\$8,427.20	77.82%
Active	E 01-100-000-400 TRAVEL AND PER	\$40,000.00	\$30,922.43	\$1,757.00	\$9,077.57	77.31%
Active	E 01-100-000-425 TELEPHONE	\$1,800.00	\$494.20	\$76.19	\$1,305.80	27.46%
Active	E 01-100-000-475 SUPPLIES	\$3,800.00	\$345.00	\$0.00	\$3,455.00	9.08%
Active	E 01-100-000-554 AK LOBBIST	\$45,000.00	\$32,093.68	\$3,500.00	\$12,906.32	71.32%
Active	E 01-100-000-555 FEDERAL LOBBIS	\$75,600.00	\$50,400.00	\$0.00	\$25,200.00	66.67%
<b>SUBDEPT 000</b>		<u>\$287,389.00</u>	<u>\$204,619.94</u>	<u>\$14,952.81</u>	<u>\$82,769.06</u>	<u>71.20%</u>
<b>Total DEPT 100 MAYORS OFFICE</b>		\$287,389.00	\$204,619.94	\$14,952.81	\$82,769.06	71.20%
<b>DEPT 105 ASSEMBLY</b>						
Active	E 01-105-000-300 SALARIES	\$37,000.00	\$33,100.00	\$4,200.00	\$3,900.00	89.46%
Active	E 01-105-000-350 FRINGE BENEFITS	\$140,000.00	\$101,131.36	\$11,990.03	\$38,868.64	72.24%
Active	E 01-105-000-400 TRAVEL AND PER	\$40,000.00	\$23,759.93	\$2,578.00	\$16,240.07	59.40%
Active	E 01-105-000-475 SUPPLIES	\$4,000.00	\$1,000.00	\$0.00	\$3,000.00	25.00%
<b>SUBDEPT 000</b>		<u>\$221,000.00</u>	<u>\$158,991.29</u>	<u>\$18,768.03</u>	<u>\$62,008.71</u>	<u>71.94%</u>
<b>Total DEPT 105 ASSEMBLY</b>		\$221,000.00	\$158,991.29	\$18,768.03	\$62,008.71	71.94%
<b>DEPT 150 PLANNING/CLERKS DEPARMENT</b>						
Active	E 01-150-000-300 SALARIES	\$107,629.00	\$75,169.53	\$7,770.64	\$32,459.47	69.84%
Active	E 01-150-000-350 FRINGE BENEFITS	\$43,000.00	\$32,837.62	\$3,552.12	\$10,162.38	76.37%
Active	E 01-150-000-400 TRAVEL AND PER	\$12,500.00	\$5,044.84	\$0.00	\$7,455.16	40.36%
Active	E 01-150-000-425 TELEPHONE	\$7,500.00	\$7,820.56	\$871.65	-\$320.56	104.27%
Active	E 01-150-000-450 POSTAGE/SPEED	\$1,000.00	\$713.40	\$0.00	\$286.60	71.34%
Active	E 01-150-000-475 SUPPLIES	\$5,000.00	\$2,697.32	\$50.37	\$2,302.68	53.95%
Active	E 01-150-000-526 UTILITIES	\$20,000.00	\$13,036.74	\$3,588.74	\$6,963.26	65.18%
Active	E 01-150-000-530 DUES AND FEES	\$5,000.00	\$2,204.00	\$70.00	\$2,796.00	44.08%
Active	E 01-150-000-650 ELECTION	\$10,000.00	\$8,807.86	\$0.00	\$1,192.14	88.08%
<b>SUBDEPT 000</b>		<u>\$211,629.00</u>	<u>\$148,331.87</u>	<u>\$15,903.52</u>	<u>\$63,297.13</u>	<u>70.09%</u>
<b>Total DEPT 150 PLANNING/CLERKS DEPARMENT</b>		\$211,629.00	\$148,331.87	\$15,903.52	\$63,297.13	70.09%
<b>DEPT 151 Planning Commission</b>						
Active	E 01-151-000-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-151-000-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-151-000-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-151-000-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>SUBDEPT 000</b>		<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>0.00%</u>
<b>Total DEPT 151 Planning Commission</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>DEPT 200 ADMINISTRATION</b>						
Active	E 01-200-000-300 SALARIES	\$187,481.00	\$128,390.45	\$14,170.42	\$59,090.55	68.48%
Active	E 01-200-000-350 FRINGE BENEFITS	\$72,500.00	\$57,720.13	\$6,352.35	\$14,779.87	79.61%
Active	E 01-200-000-380 CONTRACT LABO	\$90,000.00	\$77,982.29	\$1,112.40	\$12,017.71	86.65%
Active	E 01-200-000-381 ENGINEERING	\$25,000.00	\$5,978.50	\$0.00	\$19,021.50	23.91%
Active	E 01-200-000-382 ANCHORAGE OFFI	\$0.00	\$14,228.52	(\$9,294.28)	-\$14,228.52	0.00%
Active	E 01-200-000-400 TRAVEL AND PER	\$17,500.00	\$7,799.28	\$1,533.32	\$9,700.72	44.57%
Active	E 01-200-000-425 TELEPHONE	\$6,100.00	\$4,321.11	\$315.30	\$1,778.89	70.84%
Active	E 01-200-000-450 POSTAGE/SPEED	\$2,000.00	\$159.34	\$0.00	\$1,840.66	7.97%
Active	E 01-200-000-475 SUPPLIES	\$10,000.00	\$5,519.68	\$1,093.10	\$4,480.32	55.20%
Active	E 01-200-000-525 RENTAL/LEASE	\$10,243.00	\$6,993.78	\$853.58	\$3,249.22	68.28%
Active	E 01-200-000-530 DUES AND FEES	\$2,500.00	\$1,275.00	\$0.00	\$1,225.00	51.00%
<b>SUBDEPT 000</b>		<u>\$423,324.00</u>	<u>\$310,368.08</u>	<u>\$16,136.19</u>	<u>\$112,955.92</u>	<u>73.32%</u>

**Aleutians East Borough**  
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04/08/20 11:03 AM

Page 2

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Total DEPT 200 ADMINISTRATION</b>		\$423,324.00	\$310,368.08	\$16,136.19	\$112,955.92	73.32%
<b>DEPT 201 Assistant Administrator</b>						
Active	E 01-201-000-300 SALARIES	\$93,164.00	\$68,080.99	\$7,166.42	\$25,083.01	73.08%
Active	E 01-201-000-350 FRINGE BENEFITS	\$32,000.00	\$22,237.96	\$2,453.06	\$9,762.04	69.49%
Active	E 01-201-000-400 TRAVEL AND PER	\$10,000.00	\$2,630.73	\$120.00	\$7,369.27	26.31%
Active	E 01-201-000-425 TELEPHONE	\$1,750.00	\$783.11	\$78.58	\$966.89	44.75%
Active	E 01-201-000-475 SUPPLIES	\$2,000.00	\$1,771.71	\$334.12	\$228.29	88.59%
Active	E 01-201-000-525 RENTAL/LEASE	\$10,108.00	\$6,713.78	\$842.29	\$3,394.22	66.42%
<b>SUBDEPT 000</b>		<u>\$149,022.00</u>	<u>\$102,218.28</u>	<u>\$10,994.47</u>	<u>\$46,803.72</u>	<u>68.59%</u>
<b>Total DEPT 201 Assistant Administrator</b>		\$149,022.00	\$102,218.28	\$10,994.47	\$46,803.72	68.59%
<b>DEPT 250 FINANCE DEPARTMENT</b>						
Active	E 01-250-000-300 SALARIES	\$146,594.00	\$103,151.19	\$10,520.39	\$43,442.81	70.37%
Active	E 01-250-000-350 FRINGE BENEFITS	\$70,000.00	\$51,155.52	\$5,582.92	\$18,844.48	73.08%
Active	E 01-250-000-400 TRAVEL AND PER	\$10,000.00	\$3,927.85	\$0.00	\$6,072.15	39.28%
Active	E 01-250-000-425 TELEPHONE	\$10,000.00	\$8,445.29	\$468.62	\$1,554.71	84.45%
Active	E 01-250-000-450 POSTAGE/SPEED	\$2,500.00	\$515.00	\$0.00	\$1,985.00	20.60%
Active	E 01-250-000-475 SUPPLIES	\$9,000.00	\$8,224.15	\$668.86	\$775.85	91.38%
Active	E 01-250-000-526 UTILITIES	\$5,000.00	\$2,691.34	\$127.30	\$2,308.66	53.83%
Active	E 01-250-000-550 AUDIT	\$75,000.00	\$42,229.49	\$0.00	\$32,770.51	56.31%
<b>SUBDEPT 000</b>		<u>\$328,094.00</u>	<u>\$220,339.83</u>	<u>\$17,368.09</u>	<u>\$107,754.17</u>	<u>67.16%</u>
<b>Total DEPT 250 FINANCE DEPARTMENT</b>		\$328,094.00	\$220,339.83	\$17,368.09	\$107,754.17	67.16%
<b>DEPT 650 RESOURCE DEPARTMENT</b>						
Active	E 01-650-000-300 SALARIES	\$167,926.00	\$122,714.35	\$12,917.30	\$45,211.65	73.08%
Active	E 01-650-000-350 FRINGE BENEFITS	\$65,000.00	\$52,776.61	\$5,770.54	\$12,223.39	81.19%
Active	E 01-650-000-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-650-000-400 TRAVEL AND PER	\$30,000.00	\$11,825.22	(\$1,229.10)	\$18,174.78	39.42%
Active	E 01-650-000-402 NPFMC Meetings	\$15,000.00	\$5,267.85	\$1,073.50	\$9,732.15	35.12%
Active	E 01-650-000-403 BOF Meetings	\$15,000.00	\$3,184.23	\$3.50	\$11,815.77	21.23%
Active	E 01-650-000-425 TELEPHONE	\$1,500.00	\$1,803.87	\$157.16	-\$303.87	120.26%
Active	E 01-650-000-475 SUPPLIES	\$6,000.00	\$2,621.62	\$338.25	\$3,378.38	43.69%
Active	E 01-650-000-525 RENTAL/LEASE	\$26,046.00	\$17,300.22	\$2,170.43	\$8,745.78	66.42%
<b>SUBDEPT 000</b>		<u>\$326,472.00</u>	<u>\$217,493.97</u>	<u>\$21,201.58</u>	<u>\$108,978.03</u>	<u>66.62%</u>
<b>Total DEPT 650 RESOURCE DEPARTMENT</b>		\$326,472.00	\$217,493.97	\$21,201.58	\$108,978.03	66.62%
<b>DEPT 651 COMMUNICATION DIRECTOR</b>						
Active	E 01-651-011-300 SALARIES	\$105,013.00	\$76,742.71	\$8,078.18	\$28,270.29	73.08%
Active	E 01-651-011-350 FRINGE BENEFITS	\$34,158.00	\$23,016.62	\$2,530.36	\$11,141.38	67.38%
Active	E 01-651-011-400 TRAVEL AND PER	\$9,000.00	\$190.00	\$0.00	\$8,810.00	2.11%
Active	E 01-651-011-425 TELEPHONE	\$2,400.00	\$1,867.88	\$78.58	\$532.12	77.83%
Active	E 01-651-011-475 SUPPLIES	\$2,500.00	\$1,770.55	\$4.12	\$729.45	70.82%
Active	E 01-651-011-525 RENTAL/LEASE	\$10,502.00	\$6,975.79	\$875.16	\$3,526.21	66.42%
Active	E 01-651-011-532 ADVERTISING	\$18,000.00	\$21,279.32	\$0.00	-\$3,279.32	118.22%
<b>SUBDEPT 011 PUBLIC INFORMATION</b>		<u>\$181,573.00</u>	<u>\$131,842.87</u>	<u>\$11,566.40</u>	<u>\$49,730.13</u>	<u>72.61%</u>
<b>Total DEPT 651 COMMUNICATION DIRECTOR</b>		\$181,573.00	\$131,842.87	\$11,566.40	\$49,730.13	72.61%
<b>DEPT 700 PUBLIC WORKS DEPARTMENT</b>						
Active	E 01-700-000-300 SALARIES	\$72,435.00	\$55,758.05	\$5,571.90	\$16,676.95	76.98%
Active	E 01-700-000-350 FRINGE BENEFITS	\$31,024.00	\$20,131.37	\$2,311.62	\$10,892.63	64.89%
Active	E 01-700-000-400 TRAVEL AND PER	\$20,000.00	\$14,619.99	\$0.00	\$5,380.01	73.10%
Active	E 01-700-000-425 TELEPHONE	\$1,000.00	\$0.00	\$0.00	\$1,000.00	0.00%
Active	E 01-700-000-475 SUPPLIES	\$5,000.00	\$1,955.45	\$794.27	\$3,044.55	39.11%
Active	E 01-700-000-526 UTILITIES	\$2,000.00	\$1,219.01	\$968.38	\$780.99	60.95%
<b>SUBDEPT 000</b>		<u>\$131,459.00</u>	<u>\$93,683.87</u>	<u>\$9,646.17</u>	<u>\$37,775.13</u>	<u>71.26%</u>



**Aleutians East Borough**  
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04/08/20 11:03 AM

Page 3

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Total DEPT 700 PUBLIC WORKS DEPARTMENT</b>		\$131,459.00	\$93,683.87	\$9,646.17	\$37,775.13	71.26%
<b>DEPT 844 KCAP</b>						
Active	E 01-844-000-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-844-000-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-844-000-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-844-000-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-844-000-475 SUPPLIES	\$1,500.00	\$1,188.65	\$186.93	\$311.35	79.24%
Active	E 01-844-000-603 MAINTENANCE	\$125,000.00	\$0.00	\$0.00	\$125,000.00	0.00%
<b>SUBDEPT 000</b>		\$126,500.00	\$1,188.65	\$186.93	\$125,311.35	0.94%
<b>Total DEPT 844 KCAP</b>		\$126,500.00	\$1,188.65	\$186.93	\$125,311.35	0.94%
<b>DEPT 850 EDUCATION</b>						
Active	E 01-850-000-700 LOCAL SCHOOL C	\$800,000.00	\$400,000.00	\$0.00	\$400,000.00	50.00%
Active	E 01-850-000-701 SCHOOL SCHOLA	\$35,000.00	\$0.00	\$0.00	\$35,000.00	0.00%
Active	E 01-850-000-756 STUDENT TRAVEL	\$20,000.00	\$0.00	\$0.00	\$20,000.00	0.00%
<b>SUBDEPT 000</b>		\$855,000.00	\$400,000.00	\$0.00	\$455,000.00	46.78%
<b>Total DEPT 850 EDUCATION</b>		\$855,000.00	\$400,000.00	\$0.00	\$455,000.00	46.78%
<b>DEPT 900 OTHER</b>						
Active	E 01-900-000-500 EQUIPMENT	\$35,000.00	\$26,076.21	\$4,588.04	\$8,923.79	74.50%
Active	E 01-900-000-515 AEB VEHICLES	\$500.00	\$33,953.03	\$0.00	-\$33,453.03	6790.61%
Active	E 01-900-000-526 UTILITIES	\$25,000.00	\$12,428.08	\$6,465.29	\$12,571.92	49.71%
Active	E 01-900-000-527 Aleutia Crab	\$58,522.00	\$35,013.57	\$25,179.91	\$23,508.43	59.83%
Active	E 01-900-000-551 LEGAL	\$100,000.00	\$18,453.31	\$1,400.00	\$81,546.69	18.45%
Active	E 01-900-000-552 INSURANCE	\$185,000.00	\$190,640.50	\$0.00	-\$5,640.50	103.05%
Active	E 01-900-000-600 REPAIRS	\$5,000.00	\$0.00	\$0.00	\$5,000.00	0.00%
Active	E 01-900-000-727 BANK FEES	\$15,000.00	\$8,768.18	\$1,112.64	\$6,231.82	58.45%
Active	E 01-900-000-751 OPERATING TRAN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-752 CONTRIBUTION T	\$150,000.00	\$75,000.00	\$0.00	\$75,000.00	50.00%
Active	E 01-900-000-753 MISC EXPENSE	\$40,000.00	\$8,150.55	\$1,802.05	\$31,849.45	20.38%
Active	E 01-900-000-757 DONATIONS	\$23,500.00	\$10,950.00	\$0.00	\$12,550.00	46.60%
Active	E 01-900-000-759 KSDP-Contribution	\$10,000.00	\$10,000.00	\$0.00	\$0.00	100.00%
Active	E 01-900-000-760 REVENUE SHARIN	\$16,000.00	\$15,789.00	\$0.00	\$211.00	98.68%
Active	E 01-900-000-770 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-798 PERS Prior Period	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-799 PERS Expense	\$46,000.00	\$34,900.56	\$0.00	\$11,099.44	75.87%
Active	E 01-900-000-943 WEB SERVICE	\$36,552.00	\$19,454.58	\$675.00	\$17,097.42	53.22%
<b>SUBDEPT 000</b>		\$746,074.00	\$499,577.57	\$41,222.93	\$246,496.43	66.96%
<b>Total DEPT 900 OTHER</b>		\$746,074.00	\$499,577.57	\$41,222.93	\$246,496.43	66.96%
<b>Total Fund 01 GENERAL FUND</b>		\$3,987,536.00	\$2,488,656.22	\$177,947.12	\$1,498,879.78	62.41%

**Aleutians East Borough**  
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04/08/20 11:03 AM

Page 2

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 20 GRANT PROGRAMS</b>						
Active	R 20-201 INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-203 OTHER REVENUE	\$0.00	\$124,455.90	\$0.00	-\$124,455.90	0.00%
Active	R 20-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-207 AEB Grant Revenue	\$600,000.00	\$0.00	\$0.00	\$600,000.00	0.00%
Active	R 20-209 AEB Grants	\$1,137,000.00	\$0.00	\$0.00	\$1,137,000.00	0.00%
Active	R 20-211 AEB Grant FY18	\$2,119,441.18	\$0.00	\$0.00	\$2,119,441.18	0.00%
Active	R 20-212 AEB Grants FY19	\$1,507,145.22	\$0.00	\$0.00	\$1,507,145.22	0.00%
Active	R 20-213 AEB Grants FY20	\$1,647,000.00	\$0.00	\$0.00	\$1,647,000.00	0.00%
Active	R 20-287 KCAP/09-DC-359	\$1,387,201.16	\$45,903.98	\$0.00	\$1,341,297.18	3.31%
Active	R 20-426 DCCED/Akutan Harbor Float	\$158,272.01	\$81,500.00	\$0.00	\$76,772.01	51.49%
Active	R 20-813 Akutan Airport/CIP Trident	\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
Active	R 20-876 NFWF Electronic Monitoring	\$186,983.62	\$0.00	\$0.00	\$186,983.62	0.00%
Active	R 20-877 NFWF Kelp Mariculture	\$71,456.00	\$17,940.22	\$0.00	\$53,515.78	25.11%
Active	R 20-972 TRANSPORTATION PROJE	\$3,105,382.09	\$0.00	\$0.00	\$3,105,382.09	0.00%
<b>Total Fund 20 GRANT PROGRAMS</b>		<b>\$12,577,271.28</b>	<b>\$269,800.10</b>	<b>\$0.00</b>	<b>\$12,307,471.18</b>	<b>2.15%</b>

**Aleutians East Borough**  
**\*Expenditure Guideline©**

04/08/20 11:03 AM

Page 4

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 20 GRANT PROGRAMS</b>						
<b>DEPT 426 DCCED/Akutan Harbor Floats</b>						
Active	E 20-426-000-850 CAPITAL CONSTR	\$158,272.01	\$81,500.00	\$0.00	\$76,772.01	51.49%
	<b>SUBDEPT 000</b>	\$158,272.01	\$81,500.00	\$0.00	\$76,772.01	51.49%
	<b>Total DEPT 426 DCCED/Akutan Harbor Floats</b>	\$158,272.01	\$81,500.00	\$0.00	\$76,772.01	51.49%
<b>DEPT 427 Akutan Harbor Contribution</b>						
Active	E 20-427-000-850 CAPITAL CONSTR	\$259,743.66	\$0.00	\$0.00	\$259,743.66	0.00%
	<b>SUBDEPT 000</b>	\$259,743.66	\$0.00	\$0.00	\$259,743.66	0.00%
Active	E 20-427-209-850 CAPITAL CONSTR	\$46,998.99	\$0.00	\$0.00	\$46,998.99	0.00%
	<b>SUBDEPT 209 AEB Grant</b>	\$46,998.99	\$0.00	\$0.00	\$46,998.99	0.00%
	<b>Total DEPT 427 Akutan Harbor Contribution</b>	\$306,742.65	\$0.00	\$0.00	\$306,742.65	0.00%
<b>DEPT 500 Cold Bay Airport Terminal Pro.</b>						
Active	E 20-500-209-603 MAINTENANCE	\$300,000.00	\$220,761.32	\$31,425.95	\$79,238.68	73.59%
Active	E 20-500-209-604 BRACING PROJEC	\$200,000.00	\$0.00	\$0.00	\$200,000.00	0.00%
	<b>SUBDEPT 209 AEB Grant</b>	\$500,000.00	\$220,761.32	\$31,425.95	\$279,238.68	44.15%
	<b>Total DEPT 500 Cold Bay Airport Terminal Pro.</b>	\$500,000.00	\$220,761.32	\$31,425.95	\$279,238.68	44.15%
<b>DEPT 516 Cold Bay Preschool</b>						
Active	E 20-516-209-475 SUPPLIES	\$37,164.49	\$18,261.63	\$18,261.63	\$18,902.86	49.14%
	<b>SUBDEPT 209 AEB Grant</b>	\$37,164.49	\$18,261.63	\$18,261.63	\$18,902.86	49.14%
	<b>Total DEPT 516 Cold Bay Preschool</b>	\$37,164.49	\$18,261.63	\$18,261.63	\$18,902.86	49.14%
<b>DEPT 520 Cold Bay Clinic</b>						
Active	E 20-520-000-850 CAPITAL CONSTR	\$456,649.00	\$7,240.23	\$0.00	\$449,408.77	1.59%
	<b>SUBDEPT 000</b>	\$456,649.00	\$7,240.23	\$0.00	\$449,408.77	1.59%
Active	E 20-520-206-850 CAPITAL CONSTR	\$250,000.00	\$7,896.09	\$0.00	\$242,103.91	3.16%
	<b>SUBDEPT 206 Cold Bay Clinic/EATS</b>	\$250,000.00	\$7,896.09	\$0.00	\$242,103.91	3.16%
Active	E 20-520-207-850 CAPITAL CONSTR	\$800,000.00	\$0.00	\$0.00	\$800,000.00	0.00%
	<b>SUBDEPT 207 Cold Bay Clinic</b>	\$800,000.00	\$0.00	\$0.00	\$800,000.00	0.00%
Active	E 20-520-209-850 CAPITAL CONSTR	\$3,337,000.00	\$0.00	\$0.00	\$3,337,000.00	0.00%
	<b>SUBDEPT 209 AEB Grant</b>	\$3,337,000.00	\$0.00	\$0.00	\$3,337,000.00	0.00%
	<b>Total DEPT 520 Cold Bay Clinic</b>	\$4,843,649.00	\$15,136.32	\$0.00	\$4,828,512.68	0.31%
<b>DEPT 800 CAPITAL - SCHOOL</b>						
Active	E 20-800-209-603 MAINTENANCE	\$450,000.00	\$411,911.67	\$0.00	\$38,088.33	91.54%
	<b>SUBDEPT 209 AEB Grant</b>	\$450,000.00	\$411,911.67	\$0.00	\$38,088.33	91.54%
	<b>Total DEPT 800 CAPITAL - SCHOOL</b>	\$450,000.00	\$411,911.67	\$0.00	\$38,088.33	91.54%
<b>DEPT 802 CAPITAL - COLD BAY</b>						
Active	E 20-802-000-850 CAPITAL CONSTR	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
	<b>SUBDEPT 000</b>	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Active	E 20-802-209-969 Cold Bay Dock Fea	\$50,000.00	\$0.00	\$0.00	\$50,000.00	0.00%
	<b>SUBDEPT 209 AEB Grant</b>	\$50,000.00	\$0.00	\$0.00	\$50,000.00	0.00%
	<b>Total DEPT 802 CAPITAL - COLD BAY</b>	\$150,000.00	\$0.00	\$0.00	\$150,000.00	0.00%
<b>DEPT 807 Sand Point School Grant</b>						
Active	E 20-807-209-462 Sand Point School	\$50,000.00	\$18,826.20	\$11,881.20	\$31,173.80	37.65%
	<b>SUBDEPT 209 AEB Grant</b>	\$50,000.00	\$18,826.20	\$11,881.20	\$31,173.80	37.65%
	<b>Total DEPT 807 Sand Point School Grant</b>	\$50,000.00	\$18,826.20	\$11,881.20	\$31,173.80	37.65%
<b>DEPT 813 Akutan Airport/CIP Trident</b>						
Active	E 20-813-000-850 CAPITAL CONSTR	\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
	<b>SUBDEPT 000</b>	\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
	<b>Total DEPT 813 Akutan Airport/CIP Trident</b>	\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
<b>DEPT 814 False Pass Harbor House</b>						
Active	E 20-814-209-850 CAPITAL CONSTR	\$150,000.00	\$114.58	\$0.00	\$149,885.42	0.08%
	<b>SUBDEPT 209 AEB Grant</b>	\$150,000.00	\$114.58	\$0.00	\$149,885.42	0.08%

**Aleutians East Borough**  
**\*Expenditure Guideline©**

04/08/20 11:03 AM

Page 5

Current Period: MARCH 19-20

	19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Total DEPT 814 False Pass Harbor House</b>	\$150,000.00	\$114.58	\$0.00	\$149,885.42	0.08%
<b>DEPT 815 Akutan Airport</b>					
Active E 20-815-210-972 TRANSPORTATIO	\$2,500,000.00	\$0.00	\$0.00	\$2,500,000.00	0.00%
<b>SUBDEPT 210 AEB Hovercraft Proceeds</b>	\$2,500,000.00	\$0.00	\$0.00	\$2,500,000.00	0.00%
<b>Total DEPT 815 Akutan Airport</b>	\$2,500,000.00	\$0.00	\$0.00	\$2,500,000.00	0.00%
<b>DEPT 816 False Pass Harbor</b>					
Active E 20-816-209-850 CAPITAL CONSTR	\$99,636.00	\$0.00	\$0.00	\$99,636.00	0.00%
<b>SUBDEPT 209 AEB Grant</b>	\$99,636.00	\$0.00	\$0.00	\$99,636.00	0.00%
<b>Total DEPT 816 False Pass Harbor</b>	\$99,636.00	\$0.00	\$0.00	\$99,636.00	0.00%
<b>DEPT 818 False Pass Septic Truck</b>					
Active E 20-818-209-501 Septic Vacuum Truc	\$27,222.00	\$27,222.00	\$0.00	\$0.00	100.00%
<b>SUBDEPT 209 AEB Grant</b>	\$27,222.00	\$27,222.00	\$0.00	\$0.00	100.00%
<b>Total DEPT 818 False Pass Septic Truck</b>	\$27,222.00	\$27,222.00	\$0.00	\$0.00	100.00%
<b>DEPT 819 Sand Point WAANT Task Force</b>					
Active E 20-819-209-758 Contributions	\$87,239.00	\$16,617.60	\$0.00	\$70,621.40	19.05%
<b>SUBDEPT 209 AEB Grant</b>	\$87,239.00	\$16,617.60	\$0.00	\$70,621.40	19.05%
<b>Total DEPT 819 Sand Point WAANT Task Force</b>	\$87,239.00	\$16,617.60	\$0.00	\$70,621.40	19.05%
<b>DEPT 862 NELSON LAGOON DOCK</b>					
Active E 20-862-209-600 REPAIRS	\$882,734.78	\$12,158.83	\$2,405.93	\$870,575.95	1.38%
Active E 20-862-209-850 CAPITAL CONSTR	\$300,000.00	\$0.00	\$0.00	\$300,000.00	0.00%
<b>SUBDEPT 209 AEB Grant</b>	\$1,182,734.78	\$12,158.83	\$2,405.93	\$1,170,575.95	1.03%
<b>Total DEPT 862 NELSON LAGOON DOCK</b>	\$1,182,734.78	\$12,158.83	\$2,405.93	\$1,170,575.95	1.03%
<b>DEPT 866 AEB PROJECTS</b>					
Active E 20-866-209-506 SURVEYING	\$143,554.99	\$76,982.26	\$0.00	\$66,572.73	53.63%
Active E 20-866-209-888 PROJECT CONTIN	\$501,140.58	\$66,234.76	\$2,482.40	\$434,905.82	13.22%
<b>SUBDEPT 209 AEB Grant</b>	\$644,695.57	\$143,217.02	\$2,482.40	\$501,478.55	22.21%
<b>Total DEPT 866 AEB PROJECTS</b>	\$644,695.57	\$143,217.02	\$2,482.40	\$501,478.55	22.21%
<b>DEPT 867 KCC Alternative Road</b>					
Active E 20-867-000-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-867-000-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-867-000-380 CONTRACT LABO	\$128,000.00	\$0.00	\$0.00	\$128,000.00	0.00%
Active E 20-867-000-381 ENGINEERING	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-867-000-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-867-000-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>SUBDEPT 000</b>	\$128,000.00	\$0.00	\$0.00	\$128,000.00	0.00%
Active E 20-867-168-300 SALARIES	\$5,650.00	\$0.00	\$0.00	\$5,650.00	0.00%
Active E 20-867-168-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-867-168-381 ENGINEERING	\$857,950.00	\$0.00	\$0.00	\$857,950.00	0.00%
Active E 20-867-168-400 TRAVEL AND PER	\$5,926.49	\$0.00	\$0.00	\$5,926.49	0.00%
Active E 20-867-168-850 CAPITAL CONSTR	\$517,674.67	\$63,903.98	\$0.00	\$453,770.69	12.34%
<b>SUBDEPT 168 KCAP/09-DC-359</b>	\$1,387,201.16	\$63,903.98	\$0.00	\$1,323,297.18	4.61%
Active E 20-867-210-972 TRANSPORTATIO	\$605,382.09	\$40,000.00	\$0.00	\$565,382.09	6.61%
<b>SUBDEPT 210 AEB Hovercraft Proceeds</b>	\$605,382.09	\$40,000.00	\$0.00	\$565,382.09	6.61%
<b>Total DEPT 867 KCC Alternative Road</b>	\$2,120,583.25	\$103,903.98	\$0.00	\$2,016,679.27	4.90%
<b>DEPT 876 NFWF Electronic Monitoring</b>					
Active E 20-876-000-380 CONTRACT LABO	\$153,436.74	\$37,502.82	\$897.80	\$115,933.92	24.44%
Active E 20-876-000-400 TRAVEL AND PER	\$1,272.84	\$9,400.59	\$0.00	-\$8,127.75	738.55%
Active E 20-876-000-475 SUPPLIES	-\$20,263.95	\$36,816.01	\$0.00	-\$57,079.96	-181.68%
Active E 20-876-000-753 MISC EXPENSE	\$1,993.73	\$0.00	\$0.00	\$1,993.73	0.00%
<b>SUBDEPT 000</b>	\$136,439.36	\$83,719.42	\$897.80	\$52,719.94	61.36%
<b>Total DEPT 876 NFWF Electronic Monitoring</b>	\$136,439.36	\$83,719.42	\$897.80	\$52,719.94	61.36%

**Aleutians East Borough**  
**\*Expenditure Guideline©**

04/08/20 11:03 AM

Page 6

Current Period: MARCH 19-20

	19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>DEPT 877 NFWF Kelp Mariculture</b>					
Active E 20-877-000-380 CONTRACT LABO	\$66,377.42	\$10,205.33	\$0.00	\$56,172.09	15.37%
<b>SUBDEPT 000</b>	\$66,377.42	\$10,205.33	\$0.00	\$56,172.09	15.37%
Active E 20-877-209-380 CONTRACT LABO	\$50,000.00	\$0.00	\$0.00	\$50,000.00	0.00%
<b>SUBDEPT 209 AEB Grant</b>	\$50,000.00	\$0.00	\$0.00	\$50,000.00	0.00%
<b>Total DEPT 877 NFWF Kelp Mariculture</b>	\$116,377.42	\$10,205.33	\$0.00	\$106,172.09	8.77%
<b>DEPT 878 AEB Community Grants</b>					
Active E 20-878-209-850 CAPITAL CONSTR	\$600,000.00	\$100,000.00	\$0.00	\$500,000.00	16.67%
<b>SUBDEPT 209 AEB Grant</b>	\$600,000.00	\$100,000.00	\$0.00	\$500,000.00	16.67%
<b>Total DEPT 878 AEB Community Grants</b>	\$600,000.00	\$100,000.00	\$0.00	\$500,000.00	16.67%
<b>DEPT 900 OTHER</b>					
Active E 20-900-000-753 MISC EXPENSE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-900-000-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>SUBDEPT 000</b>	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total DEPT 900 OTHER</b>	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total Fund 20 GRANT PROGRAMS</b>	\$14,818,145.53	\$1,263,555.90	\$67,354.91	\$13,554,589.63	8.53%

**Aleutians East Borough**  
**\*Revenue Guideline©**

04/08/20 11:03 AM

Page 3

Current Period: MARCH 19-20

		19-20	19-20	MARCH	19-20	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
<b>Fund 22 OPERATIONS</b>						
Active	R 22-203 OTHER REVENUE	\$0.00	\$6,399.71	\$0.00	-\$6,399.71	0.00%
Active	R 22-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-210 Helicopter Revenue	\$343,600.00	\$208,044.89	\$0.00	\$135,555.11	60.55%
Active	R 22-221 COLD BAY TERMINAL LEA	\$139,620.00	\$98,186.54	\$10,641.00	\$41,433.46	70.32%
Active	R 22-222 COLD BAY TERMINAL OTH	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-301 HELICOPTER/TICKETS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-302 HELICOPTER/FREIGHT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>Total Fund 22 OPERATIONS</b>	<b>\$483,220.00</b>	<b>\$312,631.14</b>	<b>\$10,641.00</b>	<b>\$170,588.86</b>	<b>64.70%</b>

**Aleutians East Borough**  
**\*Expenditure Guideline©**

04/08/20 11:03 AM

Page 7

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 22 OPERATIONS</b>						
<b>DEPT 802 CAPITAL - COLD BAY</b>						
Active	E 22-802-200-300 SALARIES	\$50,000.00	\$26,008.78	\$3,846.16	\$23,991.22	52.02%
Active	E 22-802-200-350 FRINGE BENEFITS	\$3,500.00	\$2,249.68	\$332.68	\$1,250.32	64.28%
Active	E 22-802-200-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-802-200-425 TELEPHONE	\$4,500.00	\$3,079.05	\$334.43	\$1,420.95	68.42%
Active	E 22-802-200-475 SUPPLIES	\$20,000.00	\$5,331.47	\$0.00	\$14,668.53	26.66%
Active	E 22-802-200-526 UTILITIES	\$30,000.00	\$5,003.83	\$1,589.78	\$24,996.17	16.68%
Active	E 22-802-200-576 GAS	\$1,500.00	\$331.25	\$0.00	\$1,168.75	22.08%
Active	E 22-802-200-577 FUEL	\$15,000.00	\$13,012.89	\$0.00	\$1,987.11	86.75%
Active	E 22-802-200-603 MAINTENANCE	\$25,000.00	\$7,720.00	\$0.00	\$17,280.00	30.88%
Active	E 22-802-200-770 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>SUBDEPT 200 COLD BAY TERMINAL</b>	<b>\$149,500.00</b>	<b>\$62,736.95</b>	<b>\$6,103.05</b>	<b>\$86,763.05</b>	<b>41.96%</b>
	<b>Total DEPT 802 CAPITAL - COLD BAY</b>	<b>\$149,500.00</b>	<b>\$62,736.95</b>	<b>\$6,103.05</b>	<b>\$86,763.05</b>	<b>41.96%</b>
<b>DEPT 845 HELICOPTER OPERATIONS</b>						
Active	E 22-845-300-300 SALARIES	\$70,000.00	\$24,573.00	\$3,012.75	\$45,427.00	35.10%
Active	E 22-845-300-350 FRINGE BENEFITS	\$26,300.00	\$2,978.62	\$260.60	\$23,321.38	11.33%
Active	E 22-845-300-380 CONTRACT LABO	\$860,816.00	\$553,830.44	\$72,902.70	\$306,985.56	64.34%
Active	E 22-845-300-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-845-300-425 TELEPHONE	\$1,000.00	\$214.38	\$35.69	\$785.62	21.44%
Active	E 22-845-300-475 SUPPLIES	\$40,000.00	\$8,562.60	\$479.35	\$31,437.40	21.41%
Active	E 22-845-300-525 RENTAL/LEASE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-845-300-526 UTILITIES	\$8,000.00	\$0.00	\$0.00	\$8,000.00	0.00%
Active	E 22-845-300-552 INSURANCE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-845-300-576 GAS	\$12,000.00	\$8,971.68	\$0.00	\$3,028.32	74.76%
Active	E 22-845-300-577 FUEL	\$130,000.00	\$90,068.14	\$0.00	\$39,931.86	69.28%
Active	E 22-845-300-770 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>SUBDEPT 300 HELICOPTER OPERATIONS</b>	<b>\$1,148,116.00</b>	<b>\$689,198.86</b>	<b>\$76,691.09</b>	<b>\$458,917.14</b>	<b>60.03%</b>
	<b>Total DEPT 845 HELICOPTER OPERATIONS</b>	<b>\$1,148,116.00</b>	<b>\$689,198.86</b>	<b>\$76,691.09</b>	<b>\$458,917.14</b>	<b>60.03%</b>
<b>DEPT 900 OTHER</b>						
Active	E 22-900-000-660 Loss On Impairment	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>SUBDEPT 000</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
	<b>Total DEPT 900 OTHER</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
	<b>Total Fund 22 OPERATIONS</b>	<b>\$1,297,616.00</b>	<b>\$751,935.81</b>	<b>\$82,794.14</b>	<b>\$545,680.19</b>	<b>57.95%</b>

**Aleutians East Borough**  
**\*Revenue Guideline©**

04/08/20 11:03 AM

Page 4

Current Period: MARCH 19-20

		19-20	19-20	MARCH	19-20	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
<b>Fund 24 BOND CONSTRUCTION</b>						
Active	R 24-201 INTEREST REVENUE	\$0.00	\$72,145.40	\$0.00	-\$72,145.40	0.00%
Active	R 24-203 OTHER REVENUE	\$0.00	\$67,159.16	\$33,633.19	-\$67,159.16	0.00%
Active	R 24-227 COE-HARBOR PROJECTS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-259 BOND PROCEEDS	\$1,006,940.00	\$0.00	\$0.00	\$1,006,940.00	0.00%
Active	R 24-270 STATE REVENUE OTHER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-277 STATE BOND REBATE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-817 Akutan Airport/FY09 AEB Ma	\$903,000.00	\$0.00	\$0.00	\$903,000.00	0.00%
	<b>Total Fund 24 BOND CONSTRUCTION</b>	<b>\$1,909,940.00</b>	<b>\$139,304.56</b>	<b>\$33,633.19</b>	<b>\$1,770,635.44</b>	<b>7.29%</b>



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04/08/20 11:03 AM

Page 8

Current Period: MARCH 19-20

	19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 24 BOND CONSTRUCTION</b>					
DEPT 809 Akutan Airport/Grant					
Active E 24-809-000-850 CAPITAL CONSTR	\$1,006,940.00	\$0.00	\$0.00	\$1,006,940.00	0.00%
SUBDEPT 000	\$1,006,940.00	\$0.00	\$0.00	\$1,006,940.00	0.00%
Total DEPT 809 Akutan Airport/Grant	\$1,006,940.00	\$0.00	\$0.00	\$1,006,940.00	0.00%
DEPT 817 Akutan Airport/FY 09 AEB Match					
Active E 24-817-000-850 CAPITAL CONSTR	\$903,000.00	\$0.00	\$0.00	\$903,000.00	0.00%
SUBDEPT 000	\$903,000.00	\$0.00	\$0.00	\$903,000.00	0.00%
Total DEPT 817 Akutan Airport/FY 09 AEB Match	\$903,000.00	\$0.00	\$0.00	\$903,000.00	0.00%
DEPT 833 FALSE PASS HARBOR					
Active E 24-833-000-850 CAPITAL CONSTR	\$331,710.39	\$0.00	\$0.00	\$331,710.39	0.00%
SUBDEPT 000	\$331,710.39	\$0.00	\$0.00	\$331,710.39	0.00%
Total DEPT 833 FALSE PASS HARBOR	\$331,710.39	\$0.00	\$0.00	\$331,710.39	0.00%
DEPT 839 AKUTAN HARBOR					
Active E 24-839-000-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 839 AKUTAN HARBOR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
DEPT 900 OTHER					
Active E 24-900-000-380 CONTRACT LABO	\$0.00	\$29,627.20	\$3,293.04	-\$29,627.20	0.00%
Active E 24-900-000-725 BOND INTEREST P	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 24-900-000-745 Bond Sale Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 24-900-000-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000	\$0.00	\$29,627.20	\$3,293.04	-\$29,627.20	0.00%
Total DEPT 900 OTHER	\$0.00	\$29,627.20	\$3,293.04	-\$29,627.20	0.00%
Total Fund 24 BOND CONSTRUCTION	\$2,241,650.39	\$29,627.20	\$3,293.04	\$2,212,023.19	1.32%

**Aleutians East Borough**  
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04/08/20 11:03 AM

Page 5

Current Period: MARCH 19-20

		19-20	19-20	MARCH	19-20	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
<b>Fund 30 BOND FUND</b>						
Active	R 30-201 INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-203 OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-259 BOND PROCEEDS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<i>Total Fund 30 BOND FUND</i>	\$0.00	\$0.00	\$0.00	\$0.00	0.00%

**Aleutians East Borough**  
**\*Expenditure Guideline©**

04/08/20 11:03 AM

Page 9

Current Period: MARCH 19-20

		19-20	19-20	MARCH	19-20	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
<b>Fund 30 BOND FUND</b>						
<b>DEPT 900 OTHER</b>						
Active	E 30-900-000-725 BOND INTEREST P	\$962,416.00	\$612,290.70	\$105,176.60	\$350,125.30	63.62%
Active	E 30-900-000-726 BOND PRINCIPAL	\$1,520,000.00	\$1,520,000.00	\$0.00	\$0.00	100.00%
	<b>SUBDEPT 000</b>	<u>\$2,482,416.00</u>	<u>\$2,132,290.70</u>	<u>\$105,176.60</u>	<u>\$350,125.30</u>	<u>85.90%</u>
	<b>Total DEPT 900 OTHER</b>	<u>\$2,482,416.00</u>	<u>\$2,132,290.70</u>	<u>\$105,176.60</u>	<u>\$350,125.30</u>	<u>85.90%</u>
	<b>Total Fund 30 BOND FUND</b>	<u>\$2,482,416.00</u>	<u>\$2,132,290.70</u>	<u>\$105,176.60</u>	<u>\$350,125.30</u>	<u>85.90%</u>

**Aleutians East Borough**  
**\*Revenue Guideline©**

04/08/20 11:03 AM

Page 6

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 40 PERMANENT FUND</b>						
Active	R 40-201 INTEREST REVENUE	\$0.00	\$895,931.79	\$0.00	-\$895,931.79	0.00%
Active	R 40-202 WIRE TRANSFER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 40-203 OTHER REVENUE	\$35,000.00	\$0.00	\$0.00	\$35,000.00	0.00%
Active	R 40-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 40-230 LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>Total Fund 40 PERMANENT FUND</b>	<b>\$35,000.00</b>	<b>\$895,931.79</b>	<b>\$0.00</b>	<b>-\$860,931.79</b>	<b>2559.81%</b>

**Aleutians East Borough**  
**\*Expenditure Guideline©**

04/08/20 11:03 AM

Page 10

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 40 PERMANENT FUND</b>						
<b>DEPT 900 OTHER</b>						
Active	E 40-900-000-380 CONTRACT LABO	\$35,000.00	\$29,627.22	\$3,293.05	\$5,372.78	84.65%
Active	E 40-900-000-751 OPERATING TRAN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>SUBDEPT 000</b>		<b>\$35,000.00</b>	<b>\$29,627.22</b>	<b>\$3,293.05</b>	<b>\$5,372.78</b>	<b>84.65%</b>
<b>Total DEPT 900 OTHER</b>		<b>\$35,000.00</b>	<b>\$29,627.22</b>	<b>\$3,293.05</b>	<b>\$5,372.78</b>	<b>84.65%</b>
<b>Total Fund 40 PERMANENT FUND</b>		<b>\$35,000.00</b>	<b>\$29,627.22</b>	<b>\$3,293.05</b>	<b>\$5,372.78</b>	<b>84.65%</b>

## Aleutians East Borough

04/08/20 11:03 AM

## \*Revenue Guideline©

Page 7

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 41 MAINTENANCE RESERVE FUND</b>						
Active	R 41-201 INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-203 OTHER REVENUE	\$250,000.00	\$0.00	\$0.00	\$250,000.00	0.00%
Active	R 41-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-207 AEB Grant Revenue	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-230 LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-276 AEB SCHOOL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total Fund 41 MAINTENANCE RESERVE FUND</b>		<b>\$250,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$250,000.00</b>	<b>0.00%</b>

**Aleutians East Borough**  
**\*Expenditure Guideline©**

04/08/20 11:03 AM

Page 11

Current Period: MARCH 19-20

		19-20 YTD Budget	19-20 YTD Amt	MARCH MTD Amt	19-20 YTD Balance	% of YTD Budget
<b>Fund 41 MAINTENANCE RESERVE FUND</b>						
<b>DEPT 800 CAPITAL - SCHOOL</b>						
Active	E 41-800-857-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-888 PROJECT CONTIN	\$10,979.00	\$0.00	\$0.00	\$10,979.00	0.00%
	<b>SUBDEPT 857 FALSE PASS SCHOOL</b>	<b>\$10,979.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,979.00</b>	<b>0.00%</b>
Active	E 41-800-865-888 PROJECT CONTIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>SUBDEPT 865 Akutan School</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
Active	E 41-800-866-888 PROJECT CONTIN	\$11,295.00	\$0.00	\$0.00	\$11,295.00	0.00%
	<b>SUBDEPT 866 NELSON LAGOON SCHOOL</b>	<b>\$11,295.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$11,295.00</b>	<b>0.00%</b>
Active	E 41-800-867-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-867-888 PROJECT CONTIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>SUBDEPT 867 Sand Point School</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
Active	E 41-800-868-888 PROJECT CONTIN	\$923.00	\$923.00	\$923.00	\$0.00	100.00%
	<b>SUBDEPT 868 King Cove School</b>	<b>\$923.00</b>	<b>\$923.00</b>	<b>\$923.00</b>	<b>\$0.00</b>	<b>100.00%</b>
Active	E 41-800-869-888 PROJECT CONTIN	\$50,000.00	\$250.00	\$0.00	\$49,750.00	0.50%
	<b>SUBDEPT 869 COLD BAY SCHOOL</b>	<b>\$50,000.00</b>	<b>\$250.00</b>	<b>\$0.00</b>	<b>\$49,750.00</b>	<b>0.50%</b>
	<b>Total DEPT 800 CAPITAL - SCHOOL</b>	<b>\$73,197.00</b>	<b>\$1,173.00</b>	<b>\$923.00</b>	<b>\$72,024.00</b>	<b>1.60%</b>
<b>DEPT 900 OTHER</b>						
Active	E 41-900-000-603 MAINTENANCE	\$250,000.00	\$248,481.27	\$0.00	\$1,518.73	99.39%
Active	E 41-900-000-753 MISC EXPENSE	\$0.00	\$8,123.87	\$782.66	-\$8,123.87	0.00%
Active	E 41-900-000-880 LAND	\$0.00	\$4,912.02	\$4,912.02	-\$4,912.02	0.00%
	<b>SUBDEPT 000</b>	<b>\$250,000.00</b>	<b>\$261,517.16</b>	<b>\$5,694.68</b>	<b>-\$11,517.16</b>	<b>104.61%</b>
	<b>Total DEPT 900 OTHER</b>	<b>\$250,000.00</b>	<b>\$261,517.16</b>	<b>\$5,694.68</b>	<b>-\$11,517.16</b>	<b>104.61%</b>
	<b>Total Fund 41 MAINTENANCE RESERVE FUND</b>	<b>\$323,197.00</b>	<b>\$262,690.16</b>	<b>\$6,617.68</b>	<b>\$60,506.84</b>	<b>81.28%</b>

# INVESTMENT REPORT



# ALEUTIANS EAST BOROUGH

Account Statement - Period Ending March 31, 2020

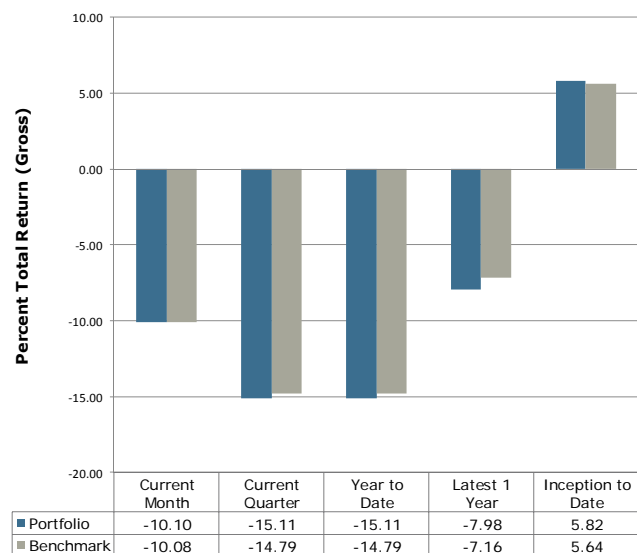


## ACCOUNT ACTIVITY

Portfolio Value on 02-29-20	39,696,138
Contributions	0
Withdrawals	-1,301
Change in Market Value	-4,110,853
Interest	20,012
Dividends	81,223
Portfolio Value on 03-31-20	35,685,218

## INVESTMENT PERFORMANCE

**Current Account Benchmark:  
Equity Blend**

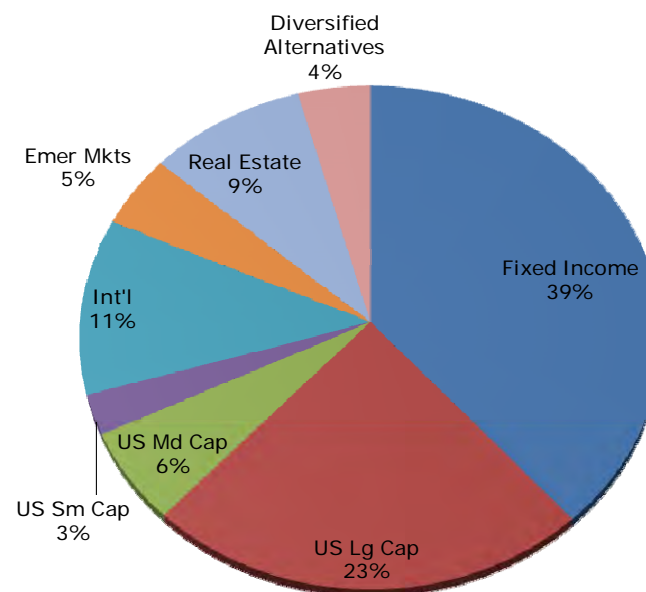


Performance is Annualized for Periods Greater than One Year

## MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Brandy Niclai, CFA®
Contact Phone Number:	907/272 -7575

## PORTFOLIO COMPOSITION



Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO SUMMARY AND TARGET**  
**ALEUTIANS EAST BOROUGH**  
*March 31, 2020*

Asset Class & Target	Market Value	% Assets	Range
<b>FIXED INCOME (34%)</b>			
US Fixed Income (19.0%)	7,885,162	22.1	10% to 30%
TIPS (10.0%)	3,614,780	10.1	0% to 15%
Cash (5.0%)	2,237,504	6.3	0% to 10%
<b>Subtotal:</b>	<b>13,737,447</b>	<b>38.5</b>	
<b>EQUITY (51%)</b>			
US Large Cap (24.0%)	8,326,828	23.3	18% to 30%
US Mid Cap (7.0%)	2,121,216	5.9	2% to 12%
US Small Cap (3.0%)	921,887	2.6	0% to 6%
Developed International Equity (12.0%)	4,040,776	11.3	6% to 18%
Emerging Markets (5.0%)	1,677,886	4.7	0% to 10%
<b>Subtotal:</b>	<b>17,088,594</b>	<b>47.9</b>	
<b>ALTERNATIVE INVESTMENTS (15%)</b>			
Real Estate (5.0%)	1,638,533	4.6	0% to 10%
Infrastructure (5.0%)	1,689,727	4.7	0% to 10%
Commodities (5.0%)	1,530,918	4.3	0% to 10%
<b>Subtotal:</b>	<b>4,859,177</b>	<b>13.6</b>	
<b>TOTAL PORTFOLIO</b>	<b>35,685,218</b>	<b>100</b>	

# AEB OPERATING FUND

Account Statement - Period Ending March 31, 2020



## ACCOUNT ACTIVITY

Portfolio Value on 02-29-20	2,662,740
Contributions	105,177
Withdrawals	-105,297
Change in Market Value	5,907
Interest	3,558
Dividends	0
Portfolio Value on 03-31-20	2,672,085

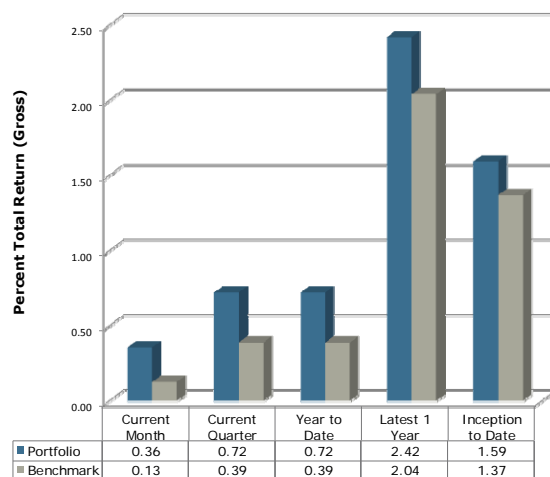
## MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Paul Hanson, CFA®
Contact Phone Number:	907/272 -7575

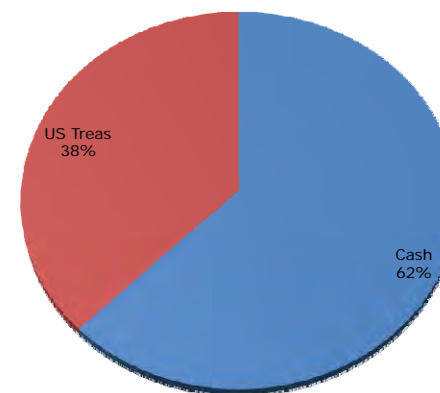
## PORTFOLIO COMPOSITION

## INVESTMENT PERFORMANCE

Current Account Benchmark:  
FTSE 3-Month TBill



Performance is Annualized for Periods Greater than One Year



### Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.08% Average Maturity: 0.20 Yrs

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**AEB OPERATING FUND**  
*March 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>U.S. TREASURY</b>									
375,000	US TREASURY NOTES 1.500% Due 07-15-20	99.52	373,198	100.42	376,582	14.09	5,625	1,190	0.05
245,000	US TREASURY NOTES 1.500% Due 08-15-20	99.75	244,378	100.59	246,436	9.22	3,675	464	-0.06
375,000	US TREASURY NOTES 1.750% Due 11-15-20	100.11	375,410	101.05	378,956	14.18	6,562	2,488	0.06
	Accrued Interest				4,142	0.16			
			992,986		1,006,117	37.65		4,142	
<b>TREASURY BILLS</b>									
385,000	US TREASURY BILLS 0.000% Due 06-25-20	99.24	382,068	99.98	384,938	14.41	NA	0	0.07
<b>CASH AND EQUIVALENTS</b>									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		1,281,029		1,281,029	47.94			
<b>TOTAL PORTFOLIO</b>			<b>2,656,084</b>		<b>2,672,085</b>	<b>100</b>	<b>15,862</b>	<b>4,142</b>	

# ALEUTIANS EAST BOROUGH SERIES E BOND

Account Statement - Period Ending March 31, 2020



## ACCOUNT ACTIVITY

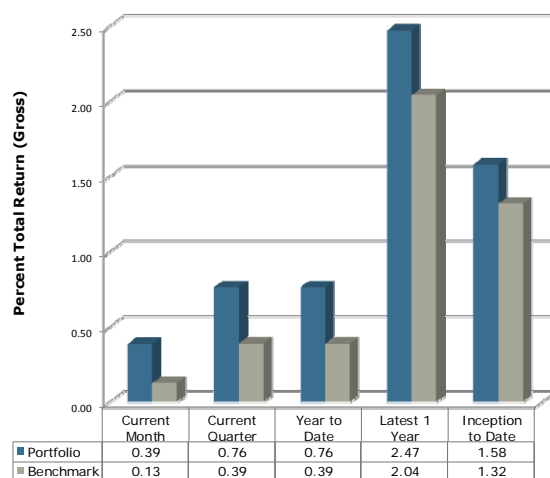
Portfolio Value on 02-29-20	2,599,279
Contributions	0
Withdrawals	0
Change in Market Value	8,061
Interest	1,977
Dividends	0
Portfolio Value on 03-31-20	2,609,317

## MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Paul Hanson, CFA®
Contact Phone Number:	907/272 -7575

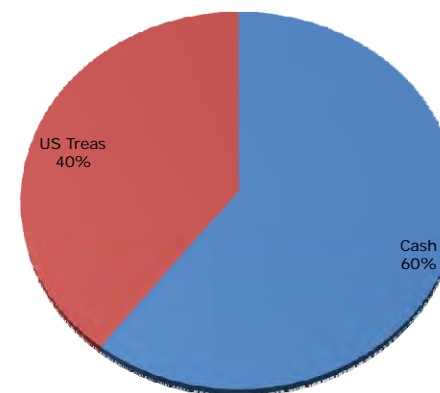
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
FTSE 3-Month TBill



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



## Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.08% Average Maturity: 0.22 Yrs

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**ALEUTIANS EAST BOROUGH SERIES E BOND**  
*March 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>U.S. TREASURY</b>									
375,000	US TREASURY NOTES 1.500% Due 07-15-20	99.52	373,198	100.42	376,582	14.43	5,625	1,190	0.05
250,000	US TREASURY NOTES 1.500% Due 08-15-20	99.75	249,365	100.59	251,465	9.64	3,750	474	-0.06
400,000	US TREASURY NOTES 1.875% Due 12-15-20	100.23	400,922	101.27	405,064	15.52	7,500	2,213	0.08
	Accrued Interest				3,877	0.15			
			1,023,485		1,036,988	39.74		3,877	
<b>TREASURY BILLS</b>									
370,000	US TREASURY BILLS 0.000% Due 06-25-20	99.24	367,183	99.98	369,941	14.18	NA	0	0.07
<b>CASH AND EQUIVALENTS</b>									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		1,202,388		1,202,388	46.08			
<b>TOTAL PORTFOLIO</b>			<b>2,593,056</b>		<b>2,609,317</b>	<b>100</b>	<b>16,875</b>	<b>3,877</b>	

\* Callable security

# AEB 2010 SERIES B BOND/AKUTAN AIR

Account Statement - Period Ending March 31, 2020



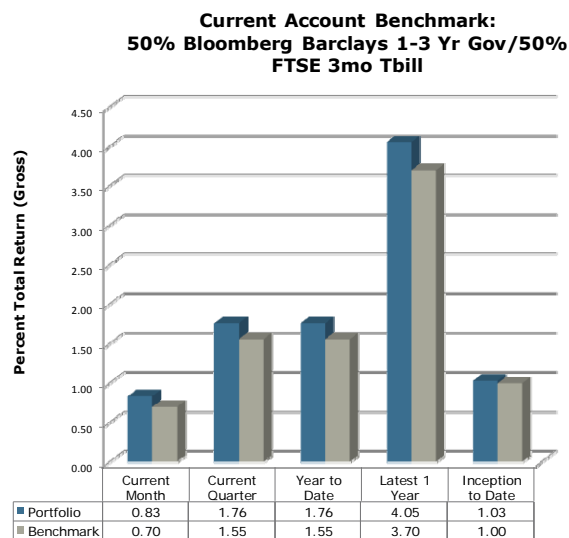
## ACCOUNT ACTIVITY

Portfolio Value on 02-29-20	1,063,912
Contributions	0
Withdrawals	-44
Change in Market Value	5,850
Interest	2,986
Dividends	0
Portfolio Value on 03-31-20	1,072,704

## MANAGEMENT TEAM

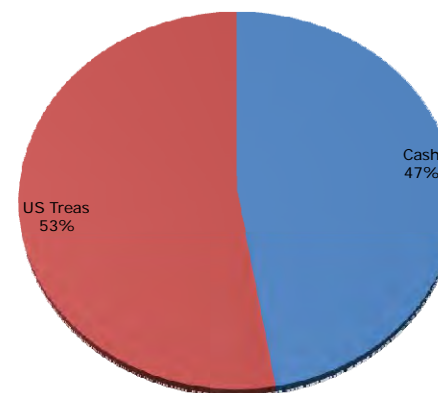
Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Paul Hanson, CFA®
Contact Phone Number:	907/272-7575

## INVESTMENT PERFORMANCE



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



## Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.15% Average Maturity: 1.06 Yrs

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**AEB 2010 SERIES B BOND/AKUTAN AIR**  
*March 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>U.S. TREASURY</b>									
80,000	US TREASURY NOTES 1.375% Due 04-30-21	98.31	78,650	101.33	81,066	7.56	1,100	462	0.14
60,000	US TREASURY NOTES 1.500% Due 08-31-21	99.80	59,883	101.86	61,118	5.70	900	78	0.18
65,000	US TREASURY NOTES 2.000% Due 02-15-22	99.10	64,413	103.34	67,171	6.26	1,300	164	0.22
75,000	U.S. TREASURY NOTE 1.875% Due 02-28-22	98.66	73,998	103.17	77,379	7.21	1,406	122	0.21
125,000	US TREASURY NOTES 2.250% Due 04-15-22	99.83	124,787	104.12	130,151	12.13	2,812	1,299	0.23
85,000	US TREASURY NOTES 1.875% Due 07-31-22	100.10	85,083	103.82	88,250	8.23	1,594	267	0.23
55,000	US TREASURY NOTES 1.750% Due 01-31-23	100.43	55,234	104.15	57,281	5.34	962	161	0.28
	Accrued Interest				2,554	0.24			
			542,048		564,971	52.67		2,554	
<b>TREASURY BILLS</b>									
100,000	US TREASURY BILLS 0.000% Due 04-23-20	99.62	99,620	100.00	99,998	9.32	NA	0	0.03
225,000	US TREASURY BILLS 0.000% Due 06-11-20	99.94	224,859	99.98	224,959	20.97	NA	0	0.09
			324,479		324,957	30.29		0	
<b>CASH AND EQUIVALENTS</b>									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		182,776		182,776	17.04			
<b>TOTAL PORTFOLIO</b>			<b>1,049,303</b>		<b>1,072,704</b>	<b>100</b>	<b>10,075</b>	<b>2,554</b>	



# Consent Agenda



## Agenda Statement

Date: April 24, 2020

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

### **Re: Resolution 20-59 Amending Section 11.01 of the Aleutians East Borough Employee Handbook**

The Aleutians East Borough Employee Handbook outlines the Borough's personnel policies. Section 11.01 outlines the business travel requirements for the Borough.

Currently, Section 11.01 A (1) of the handbook states that "the Borough will pay for the cost of travel for all elected officials, appointed officials and employees (Borough travelers) who must travel on Borough business." It also explains how items will be handled for per diem, reimbursements and other items.

Proposed Resolution 20-59 would amend Section 11.01 of the Employee Handbook to make the information for per diem, lodging, mileage reimbursement and other items current; to update the entire business travel policy so it is easier for the Borough employees to follow and for Administration and the Finance Department to process and to address audit findings.

The business travel section amendment uses numerous items from the existing handbook; however, the format has changed; therefore, pointing out all the items that remained the same and have changed will be difficult. Some of the main items to highlight can be found below:

1. The policy will only apply to Borough employees.
2. All business travel must be approved in advance in writing by the Borough Mayor, Borough Administrator or designee. An Aleutians East Borough Travel Request Form will need to be filled out prior to travel. An internal Aleutians East Borough Business Travel Reporting Policy will be provided to all Borough employees for their reference.
3. Business Travel expenses eligible for reimbursement will generally include:
  - Airfare
  - Charters, which must always be preapproved in writing in advance of the charter
  - Car Rental, which must always be preapproved in writing

- Parking
  - Fares for shuttle or airport bus service, where available; costs for other ground travel, and taxi and ride service fares, plus reasonable tip
  - Preapproved mileage costs for use of personal cars while on Borough business, at the standard IRS allowance in effect at the time of the reimbursement request.
  - The actual costs for lodging while away from the Borough on Business Travel. Incidental expenses not authorized by this section that are incurred in association with covered lodging remain the responsibility of the employee.
  - Other pre-approved expenses directly related to accomplishing official Borough business while on Borough Travel.
4. Per Diem: The current policy sets a per diem schedule that includes meals and lodging at 1. \$200.00 per day for travel within the Borough; 2. \$200.00 per day for travel outside of the Borough, unless such travel involves staying in Washington, D.C., or vicinity; 3. \$250.00 per day for travel involving a stay in Washington, D.C., or vicinity. In the event that the hotel is charged to a Borough credit card or account, the meal allowance is \$65.00 per day unless the traveler was in Washington, D.C., where the meal allowance is \$75.00 per day.

In the proposed update, the Borough will pay for:

- Lodging: The actual costs for lodging, whether it be with the Borough credit card or account or via reimbursement to the traveler.
- Per Diem: Employees on Borough Business Travel that requires an overnight stay or is for a duration of ten hours or more, including travel time, shall receive a daily rate per diem allowance (meal per diem), either before departure or upon return, as the employee requests. The rate of per diem shall be \$65/day if traveling within the Borough. If traveling outside the Borough, the employee's per diem rate will be determined according to the federal Department of Defense local meals rate for the destination(s) that are in effect at the time of travel. The website is <https://www.defensetravel.dod.mil/site/perdiemCalc.cfm>.

For example, if an employee travelled for business on April 20, 2020 to Nelson Lagoon the meal per diem would be \$65 per day, if the employee traveled to Seattle, Washington the meal per diem would be \$71 per day, if the employee travelled to Honolulu, Hawaii it would be \$119 per day and if the employee traveled to Anchorage it would be \$100 per day.

Prepayment of Per Diem can still occur, but the employee must submit a written request, per the Travel Requests & Report Form.

5. Duty to Report Business Travel Expenses: When travel is complete, employees must submit the completed Aleutians East Borough Travel Expense Form, which is attached, with supporting documentation within 15 days to the Borough Administrator.

This will bring us into compliance with our audit finding 2018-003 Segregation of Duties – Internal Control over financial Reporting.

6. Business Travel Cancellation: Outlines what is required by the Borough and the employee if business travel is cancelled or cut short.

This amendment will:

- update the entire business travel policy so it is easier for the Borough employees to follow and for Administration and the Finance Department to process; and
- change the per diem, lodging, mileage reimbursement and other items so the rates and information are current; and
- address FY18 Audit Findings.

If approved, Administration plans to implement this amendment effective immediately.

Administration will discuss with and provide a memo to employees outlining the changes to the Business Travel Policy.

Attachments:

- Travel Request Form
- Travel Expense Form
- Resolution 20-59
- Exhibit A – Business Travel

## RECOMMENDATION

---

Administration recommends approval of Resolution 20-59 amending Section 11.01 of the Aleutians East Borough Employee Handbook.

# ALEUTIANS EAST BOROUGH TRAVEL REQUEST FORM

Aleutians East Borough Travel Requests		
Date Submitted		
Employee Name		
Employee Address		
Email		
Phone		
Purpose of Travel		
Destination		
Departure Date		
Return Date		
Employee Signature		Date
Approval Signature		Date

Anticipated Expenses					
Expense	Description	Total Cost	Advance Requested	Payment Type	Account No.
Airfare					
Lodging					
Per Diem					
Rental Car					
Ground Transportation					
Parking					
Other					
Other					
Other					
Other					

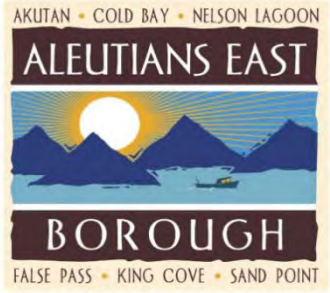
<b>Total Anticipated Travel Expenses</b>	<b>\$</b>	<b>-</b>
--	-----------	----------

<b>Total Advance Requested (if no advance, mark \$0)</b>	<b>\$</b>	<b>-</b>
--	-----------	----------

## IMPORTANT NOTICE

By signing and submitting this form you agree that the requested funds will be used for the purposes stated in this form. Failure to provide an expenses report with receipts within 15 business days of your return date can result in a payroll deduction to cover the funds advanced to you.

# ALEUTIANS EAST BOROUGH TRAVEL EXPENSE REPORT

Aleutians East Borough Travel Expense Report		
<b>Date Submitted</b>		
<b>Employee Name</b>		
<b>Employee Address</b>		
<b>Email</b>		
<b>Phone</b>		
<b>Purpose of Travel</b>		
<b>Destination</b>		
<b>Departure Date</b>		
<b>Return Date</b>		
<b>Employee Signature</b>		<b>Date</b>
<b>Approval Signature</b>		<b>Date</b>

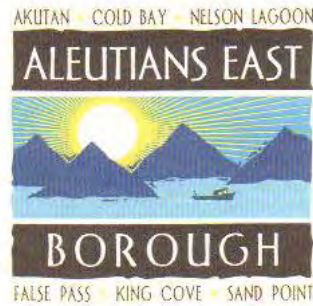
<b>Reports of Actual Expenses</b> <b>(Attach Receipts &amp; Submit to Administrator for Approval)</b>				
Expense	Description	Total Cost	Payment Type	Account No.
Airfare				
Lodging				
Per Diem				
Rental Car				
Ground Transportation				
Parking				
Other				
Other				
Other				
Other				

<b>Total Travel Expenses</b>	\$ <u>                    -</u>
<b>Total Due to Employee</b>	\$ <u>                    -</u>
<b>Total Advance Received (if no advance, mark \$0)</b>	<u>                                    </u>
<b>Total Amount Due to/from Borough</b>	\$ <u>                                    </u>

<b>Additional Information</b>	
-------------------------------	--

## IMPORTANT NOTICE

By signing and submitting this form you agree to pay any amount owed to the Borough as indicated on this form. Failure to provide an expenses report with receipts within 15 business days of your return date can result in a payroll deduction to cover the funds advanced to you.



## **RESOLUTION NO. 20-59**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AMENDING SECTION 11.01 OF THE ALEUTIANS EAST BOROUGH EMPLOYEE HANDBOOK**

**WHEREAS**, A.S. 29.20.410(a) authorizes municipalities to create and implement personnel systems to govern the terms of municipal employment; and,

**WHEREAS**, pursuant to that authority, the Aleutians East Borough enacted Section 7.10.020 of the Aleutians East Borough Code of Ordinances, which directed the Borough to adopt a personnel policy; and,

**WHEREAS**, accordingly, the Borough has adopted the Aleutians East Borough Employee Handbook; and,

**WHEREAS**, Section 11.01 of the Employee Handbook outlines the business travel requirements for the Borough; and,

**WHEREAS**, the Assembly believes it to be in the Borough's best interest to modify its business travel requirements, and wishes to amend Section 11.01 accordingly; and,

**WHEREAS**, AEBC 7.10.030 authorizes the Assembly to amend the policies set forth in the Employee Handbook by resolution.

**NOW, THEREFORE, BE IT RESOLVED** by the Aleutians East Borough as follows:

Section 1. Section 11.01 of the Aleutians East Borough Employee Handbook shall be amended as set forth in Exhibit A.

Section 2. This Resolution shall become effective immediately upon adoption.

**PASSED AND APPROVED** BY THE ALEUTIANS EAST BOROUGH ASSEMBLY  
on this 14<sup>th</sup> day of May 2020.

ALEUTIANS EAST BOROUGH, ALASKA

---

Alvin D. Osterback, Mayor

ATTEST:

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Tina Anderson, Clerk



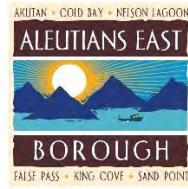
## EXHIBIT A

### 11.01 Business Travel.

- A. The Borough will pay the reasonable cost of travel for all employees who must do so for the purpose of conducting Borough business. All business travel must be approved in advance in writing by the Borough Mayor, Borough Administrator or designee. If approved, the Borough will reimburse the actual costs of travel, lodging, and other expenses directly related to accomplishing Borough objectives. Reimbursement will be limited to the reasonable costs of travel, as determined at the Borough's sole discretion. The Borough may make alternate arrangements to cover employee living expenses when the Borough, in its sole discretion, deems such arrangements appropriate. Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expenses, or any other business travel issues.
1. **General Standards and Criteria.** All Business Travel must comply with the following general standards.
    - a. Travel should begin at the day closest to the time of the meeting, conference, etc., which the person is attending.
    - b. Any expense for travel between the traveler's residence and the Borough's closest local headquarters shall not be reimbursed.
    - c. During periods of prolonged travel, either inside or outside the Borough, either the Borough Mayor or Borough Administrator, or designee may find it in the best financial interest of the Borough to waive per diem and provide other arrangements such as room and board, actual expense, etc.
  2. **Business Travel Request.** All business travel and cash advances must be approved in advance in writing by the Borough Administrator or designee, according to the Business Travel Policy currently on file in the Borough Administrator's office. All business travel requests shall be submitted to the Borough on an official Business Travel Request Form.
  3. **Business Travel Without Prior Authorization.** In the event that neither the Borough Administrator nor designee is available to authorize such expenses prior to travel, employees may apply for reimbursement after completing the period of travel for reasonable costs incurred as a result of it, subject to the requirements of this Section and the Business Travel Policy on file in the Borough Administrator's office. However, there is no guarantee that such expenses will be reimbursed unless they are approved in advance.
  4. **Business Travel Expenses Eligible for Reimbursement.** Generally, the following expenses incurred during the course of pre-approved Business Travel will be deemed eligible for reimbursement, so long as they are reasonable:
    - a. Airfare for travel in coach or economy class or the lowest available fare unless other arrangements are preapproved by the Borough Mayor or Borough Administrator. The costs for chartering an airplane or vessel must always be approved in writing by the Borough Mayor or Borough Administrator in advance of the charter of the airplane or vessel to be eligible for reimbursement.

- b. The costs for car rental and associated fees, such as for parking, are eligible for reimbursement only if they are preapproved in writing prior to the first date of rental.
  - c. Fares for shuttle or airport bus service, where available; costs of public transportation for other ground travel, and taxi and ride service fares, plus reasonable tip.
  - d. Preapproved mileage costs for use of personal cars while on Borough business, at the standard IRS allowance in effect at the time of the reimbursement request. Current rates are available at: <https://www.irs.gov/tax-professionals/standard-mileage-rates>
  - e. The actual costs for lodging while on Business Travel. Incidental expenses not authorized by this section that are incurred in association with covered lodging remain the responsibility of the employee.
  - f. Other pre-approved expenses directly related to accomplishing official Borough business while on Business Travel.
5. **Per Diem.** Employees on Borough Business Travel that requires an overnight stay or is for a duration of ten hours or more, including travel time, shall receive a daily rate per diem allowance, either before departure or upon return, as the employee requests. The rate of per diem shall be \$65/day if traveling within the Borough. If traveling outside the Borough, the employee's per diem rate will be determined according to the federal Department of Defense local meals rate for the destination(s) that are in effect at the time of travel. Rates may be accessed at <https://www.defensetravel.dod.mil/site/perdiemCalc.cfm>
6. **Duty to Report Accidents When on Business Travel.** Employees who are involved in an accident while travelling on business must promptly report the incident to their immediate supervisor.
7. **Duty to Report Business Travel Expenses.** When travel is completed, employees must submit completed Travel Expense Reports within 15 business days to the Borough Administrator. Reports must be accompanied by receipts for all individual expenses, excluding those expenses paid using per diem, such as meal costs. Both reimbursements to and required repayments from Borough employees must be processed within 10 business days of receiving approval. If an employee fails to provide an expense report with receipts within 15 business days of the employee's return date, the Borough may deduct funds from the employee's payroll to cover the expenses for the employee's travel.
8. **Cancellation of Business Travel.** If an employee's Business Travel has been cancelled, either in whole or in part, the employee is responsible for cancelling and receiving refunds for all travel arrangements.

- a. Employees are required to fill out and submit a Travel Expense Report, regardless of whether a cash advance was received or not, within 15 business days of the travel cancellation.
  - b. Cash Advances. Unless otherwise specified in writing by the Borough Administrator, the employee must remit any portion of cash advances that have not been spent on approved Business Travel to the Borough within 10 business days. If the employee fails to reimburse the cash advance payment, the Borough may deduct funds from the employee's pay to recover the amount of those unused portion of the funds advanced to the employee.
- B. **Abuse of Business Travel Policies.** Abuse of the Business Travel policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of Borough employment.



## MEMORANDUM

To: Alvin D. Osterback, Mayor and Assembly

From: Anne Bailey, Borough Administrator

Date: April 30, 2020

**Re: Resolution 20-61, Accepting the Financial Statements, Required Supplementary Information, Supplementary Information and Single Audit Reports for Year Ended June 30, 2019**

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The Aleutians East Borough hired BDO to audit the financial statements of the government activities, business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Borough as of and for the year ending June 30, 2019.

BDO has completed the audit for FY2019 and, in their opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Aleutians East Borough, Alaska, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The audit required a few journal entry adjustments and no restatements. The two material weaknesses from FY 2018 (Findings 2018-001 and 2018-007) were fully resolved this year. For FY 2019, there are really only 3 specific findings (approved pay rates, segregation of duties, and journal entry review); however, since the Borough had 3 separate audits this year (financial statement, federal single audit and state single audit), 2 of the findings are duplicated as federal and state single audit findings. Therefore, the number of findings should be viewed as 3, versus 7 in FY 2018. The findings and corrective action plan are as follows:

- Finding 2019-001 Approved Pay Rates – Internal Control over Financial Reporting – Significant Deficiency – Internal controls were not established to ensure that all employees have approved pay rates included in the personnel files.

Corrective Action: The Aleutians East Borough instituted a policy requiring all employees to have a personnel action form stating the current rate of pay included in their

personnel files. This form is required to be updated annually or whenever there is a change in the employee's rate of pay. The Borough requires the employee and the employee's immediate supervisor to sign the personnel action form annually as well as any time the form is updated. This policy was enacted in March 2019 and has been in effect since then. Administration will review the activity in the general ledger to ensure completeness and accuracy. The year-end balances will be reviewed prior to closing the books.

- Finding 2019-002 Segregation of Duties – Internal Control over Financial Reporting – Significant Deficiency – Internal controls were not established to ensure that all transactions must be reviewed and approved by an individual who did not initiate the transaction.

Corrective Action: The Aleutians East Borough is in the process of updating the employee handbook, which includes a section regarding business travel requests and reimbursements. Resolution 20-59 will be going before the Assembly at the May 14, 2020 Assembly Meeting for review and consideration. Resolution 20-59 amends Section 11.01 of the Aleutians East Borough Handbook, which outlines the business travel requirements for the Borough. These changes will require that all business travel be approved in advance in writing by the Borough Mayor, Borough Administrator, or designee via a Travel Request Form. It also will require all employees to complete and submit a Travel Expense Form to the Borough Administrator upon travel completion.

- Finding 2019-003 Journal Entry Review – Internal Control over Financial Reporting – Significant Deficiency – Internal controls were not established to ensure that all journal entries must be reviewed and approved by an individual who did not prepare the entry but who is knowledgeable of the facts and circumstances related to the entry.

Corrective Action: On April 8, 2020, the Aleutians East Borough issued a Request for Proposal for a Full-Charge Bookkeeper. The proposals are due on May 4, 2020. The Borough plans on having this contract begin on June 1, 2020.

- Finding 2019-004 Types of Services Allowed and Unallowed, Allowable Costs – Internal Control over Compliance – Significant Deficiency – Internal controls were not established to ensure that all employees have approved pay rates included in the personnel files.

Corrective Action: Same as Finding 2019-001 above.

- Finding 2019-005 Types of Services Allowed and Unallowed, Allowable Costs – Internal Control over Compliance – Significant Deficiency – Internal controls were not in place throughout the entire fiscal year to ensure that all transactions were reviewed and approved by an individual who did not initiate the transaction.

Corrective Action: Same as Finding 2019-002 above.

- Finding 2019-006 Types of Services Allowed and Unallowed – Internal Control over Compliance – Significant Deficiency – Internal controls were not in place throughout the entire fiscal year to ensure that all transactions were reviewed and approved by an individual who did not initiate the transaction.

Corrective Action: Same as Finding 2019-002 above.

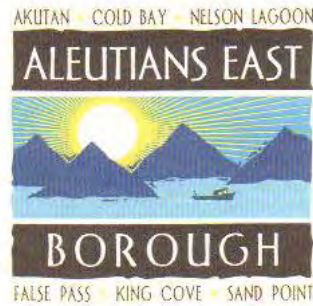
- Finding 2019-007 Types of Services Allowed and Unallowed – Internal Control over Compliance – Significant Deficiency – Internal controls were not in place throughout the entire fiscal year to ensure that all employees have approved pay rates included in the personnel file.

Corrective Action: Same as Finding 2019-001 above.

The final FY19 Audit is attached for the Assembly's review. BDO submitted the audit and representation letter to the State of Alaska on April 30, 2020.

#### RECOMMENDATION

Administration recommends approval of Resolution 20-61 approving the Financial Statements, Required Supplementary Information, Supplementary Information and Single Audit Reports for Year Ended June 30, 2019.



## **RESOLUTION NO. 20-61**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY ACCEPTING THE FINANCIAL STATEMENTS, REQUIRED SUPPLEMENTARY INFORMATION, SUPPLEMENTARY INFORMATION AND SINGLE AUDIT REPORTS FOR YEAR ENDED JUNE 30, 2019**

**WHEREAS**, the Aleutians East Borough hired BDO to audit the financial statements of the government activities, business -type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Borough as of and for the year ending June 30, 2019; and

**WHEREAS**, BDO has completed the audit for FY2019 and, in their opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Alaska East Borough, Alaska, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America; and

**WHEREAS**, the audit required a few journal entry adjustments and no restatements; and

**WHEREAS**, BDO reported a few findings, which Borough Administration is in the process of correcting; and

**WHEREAS**, Borough Administration has reviewed the FY2019 audit and submitted the Corrective Action Plan; and

**WHEREAS**, BDO submitted the audit and submission letter to meet the State of Alaska's submission deadline.

**NOW, THEREFORE, BE IT RESOLVED** by the Aleutians East Borough Assembly accepts the financial statements, required supplementary information, supplementary information and single audit reports for year ended June 30, 2019.

**PASSED AND APPROVED** BY THE ALEUTIANS EAST BOROUGH ASSEMBLY  
on this 14<sup>th</sup> day of May 2020.

ALEUTIANS EAST BOROUGH, ALASKA

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Alvin D. Osterback, Mayor

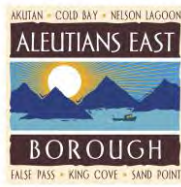
ATTEST:

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Tina Anderson, Clerk



**FY19 AUDIT  
SEPARATE FROM PACKET.**



## Agenda Statement

Date: May 5<sup>th</sup>, 2020  
To: Mayor Osterback and Assembly  
From: Mary Tesche, Assistant Administrator

**Re: Resolution 20-62 authorizing the Mayor or designee to negotiate and execute an agreement for managed Information Technology services with ICE Services, Inc. for an amount not to exceed \$33,190.**

On July 2<sup>nd</sup>, 2018, the Borough issued a Request for Proposals (RFP) from qualified information technology (IT) service providers to provide managed IT services to the Borough for two (2) years with the option to extend for one (1) additional year. ICE Services was selected to provide IT services to the Borough in FY19 and FY20 (see Resolutions 19-09 and 20-15).

Borough administration requests the Assembly's authorization for the Mayor or his designee to negotiate a service agreement with ICE to provide managed IT services in FY21, consistent with the option to extend the contract an additional year.

ICE's third year base cost estimate is \$33,190 which includes end user support, preventative maintenance, server monitoring, access to helpdesk services, and an annual visit to the King Cove and Sand Point AEB offices.

The Borough currently shares IT costs with the City of King Cove for IT services in the Anchorage office. Therefore, it is anticipated that the total out of pocket cost for the Borough for this contract agreement will be approximately \$29,440.

Attached is ICE's draft services agreement for your review.

### RECOMMENDATION

Administration recommends approval of Resolution 20-62 authorizing the Mayor or designee to negotiate and execute an agreement for managed Information Technology services with ICE Services, Inc. for an amount not to exceed \$33,190.



2606 C Street, Anchorage, AK 99503  
Phone: 907.433.6050

## HELPDESK SERVICES AGREEMENT

This Helpdesk Services Agreement is between the following:

**ICE:** ICE Services, Inc., an Alaska corporation with its principal place of business at 2606 C Street, Anchorage, Alaska 99503. Representative: Bradley Bourdon, direct: 907.644.0385, email: [bbourdon@iceservices.net](mailto:bbourdon@iceservices.net).

### Client:

Name: Aleutians East Borough

Address: 3380 C Street, Suite 205 Anchorage, Alaska 99503

Representative Name: Mary Tesche

Email and Phone: E: [mtesche@acboro.org](mailto:mtesche@acboro.org) P: 907-274-7559

### Cost:

Base price for the third year is \$2,500.00/mo. for 12 months; plus costs of one annual visit to Sand Point and King Cove which estimates to be \$3,190.00. **Total: \$33,190.00.**

### Technical Contact:

Do you want to filter all Helpdesk and Service request through a technical contact? ☐ Yes ☐ No

If you have a technical contact please provide the following:

Technical Contact Name: \_\_\_\_\_

Email and Phone: \_\_\_\_\_

### Term (choose one):

☐ Start date: 7/1/2020 End date: 6/30/2021

☐ Month-to-month

☐ Block of hours: \_\_\_\_\_

### Helpdesk Contact Information and Hours of Operation:

Phone: 907.685.0423

Voicemail: 907-685-0423

Email: [AEB@iceservices.net](mailto:AEB@iceservices.net)

Hours of Operation: Prudhoe: 7 days a week, 6am—6pm

Anchorage: Monday through Friday, 8am—5pm

State & federal holidays are subject to change with notification

ICE desires to provide Helpdesk services and Client desires to retain these services. The parties therefore agree as follows:

## 1. Services

- 1.1. *Scope:* ICE shall provide Helpdesk services to Client during the term of this agreement including those services listed in Attachment A; software and hardware support; and, limited support for proprietary equipment and software, depending on the availability of technical resources. ICE reserves the right to change the scope of the Services at any time by sending a notice of the change to the Client's Representative. ICE may not change the Services in a way that (a) reduces the level of effort ICE provides, (b) materially impacts ICE's obligation to deliver the Services, or (c) materially impacts the Client's rights under this agreement.
- 1.2. *Support Procedures.* A Support Incident is a specific, discrete problem whose origin can be isolated to a single cause. ICE, in its sole discretion, will determine what constitutes a Support Incident. A Support Incident begins when the Client contacts ICE via email or phone with a helpdesk request. The request should include a clear description of the Service needed or the problem such as a URL, error message, screen shot, and a description of how the error can be replicated. ICE then documents the request, opens a ticket in its Helpdesk system, and assigns the ticket to the appropriate support specialist (ICE may also provide limited troubleshooting during the initial contact). The support specialist then contacts the Client to help resolve the Support Incident and records all actions taken to resolve the Support Incident in the Helpdesk log.
- 1.3. *Remote Access Support Services.* ICE may provide the Services via Internet remote access, whereby it will access, and if permitted by Client, control and gather information on Client's computer through the installation and use of remote access software. Installation and use of the remote access software by Client indicates its permission for ICE to provide the Services in this way. All or portions of the remote access software files may remain on Client's computer after the Service session is finished. The title to the remote access software and all intellectual property rights included therein remains with ICE or its licensors. While remote access Services are provided, ICE will only access, control and gather information on Client's computer that it reasonably believes is necessary to analyze and provide assistance for the Support Incident. ICE recommends that Client close all files and applications that are not pertinent to the Support Incident. The remote access software or the features of Client's computer will allow Client to terminate the remote access Support Service session at any time.
- 1.4. *Closing the Support Incident.* ICE will make reasonable efforts to resolve a Support Incident but does not guarantee that Support Incidents will be resolved. ICE, in its sole discretion, will determine if the Support Incident is resolved. Generally, a Support Incident is resolved when Client receives one of the following: (a) information that resolves the problem; (b) information on how to obtain a software solution that will resolve the problem; (c) installation of that software solution if Client requests the installation; (d) notice that the problem is caused by a known, unresolved issue or an incompatibility issue with hardware; (e) installation or purchase of new hardware if the Client requests it; (f) information that identifies the problem as being resolved by upgrading to a newer release of the software or hardware; (g) notice that the problem has been identified as a hardware equipment issue; or (h) if necessary installation of the hardware equipment. ICE closes the ticket when the Support Incident is resolved.

- 1.5. *Response Times.* ICE will make reasonable efforts to respond to a Service request according to the response time schedule in Attachment B during its hours of operation or a reasonable amount of time if there is no applicable schedule. ICE uses this schedule as a guideline to prioritize requests. The response time begins when ICE receives the request. The actual time to respond to a Support Incident may be shorter or longer depending on the priority of the outstanding requests. ICE does not guarantee that its response will be provided within a specific time period.
- 1.6. *Reports.* ICE will provide monthly reports to the Client containing information on actual performance achieved in comparison to service levels agreed on. Information will be provided on both open and closed requests.
- 1.7. *Technical Contacts.* If the Client requires ICE to filter requests through a Technical Contact, then the Technical Contacts is the sole liaisons between Client and ICE for technical support. Client may change the Technical Contact with up to five days written notice of the change to ICE's representative.
- 1.8. *Client Responsibilities.* Client is responsible for all fees in establishing and maintaining email and telephone communications with ICE. Client is responsible for restoration or reconstruction of lost or altered files, data, or programs. Client will maintain and implement a complete data backup and disaster recovery plan. Client is solely responsible for security of its confidential, proprietary or classified information. Client will not disclose to ICE confidential, proprietary or any information that is subject to intellectual property rights that may expose ICE to liability. Client will have a reasonable understanding of the products served and the computer system that it is operating on. Client may not transfer the Services to a third party. ICE provides the Services for the internal use of Client only, and any unauthorized distribution of the Services will be grounds for immediate termination of this agreement. Client will take reasonable measures to prevent the unauthorized distribution and use of the Services. Client will not abuse its receipt or use of the Services.
- 1.9. *Exclusions.* The Services do not include problems related to: (a) the use of a supported product as a server-based application; (b) issues that could be resolved by upgrading a supported product unless that upgrade is requested and ICE agrees with the upgrade; (c) the use or modification of a supported product in a manner for which the supported product is not intended to be used or modified; (d) third-party products or technologies and their effects on or interactions with a supported product; (e) damage to the media on which a supported product is provided, or to the computer on which a supported product is installed; (f) use of a computer system that is incompatible with a supported product; (g) discouraged or prohibited applications; (h) personal and non-business related applications, and; (i) issues relating to Internet, email, file management, network configuration, scripting, FX scripting, programming, compiling, debugging, infrastructure design, content creation, content customization, multimedia project planning/design, resource management, budgeting, training, onsite diagnosis, or other issues not within the scope of the Services. ICE helps users perform their job functions using computer technology but does not perform those functions. ICE will not install any software without proof of purchase or a copy of a license agreement.
- 1.10. *Additional Services or Software.* Any additional services that are provided but not specified in this agreement will be governed by these Terms and Conditions. In the event that Services are provided at the Client's location, Client will ensure that ICE is granted access to the location at the arranged

time and will secure a safe working environment sufficient for ICE to perform the Services. In the event that software is provided as part of the Service, such software is the copyrighted works of its licensors. If the software is subject to the terms of a separate license agreement, the terms of the separate license agreement will govern the use of the software. Any software that is made available to the United States Government under these Terms and Conditions is classified as “restricted computer software” as defined in clause 52.227-19 of the FAR. The United States Government’s rights to the software are as provided in clause 52.227-19 of the FAR.

1.11. *Data Protection.* Client agrees and understands that it is necessary for ICE to collect, process and use Client data in order to perform the Services. This may include transferring Client data to affiliated companies or service providers in accordance with applicable privacy policies in place. ICE may record part or all of the calls between Client and ICE for training, quality assurance and reference purposes.

1.12. *Inspection and Modification – Reimbursement for Unacceptable Deliverables.* ICE is responsible for completion of all work in the contract. All work is subject to inspection, evaluation, and approval by the Administrator and the Administrator may instruct ICE to make corrections or modification if needed in order to accomplish the Contract’s intent. ICE will not unreasonably withhold such changes.

Substantial failure of ICE to perform the contract or to meet the deadlines for completion to Client as required may cause Client to terminate the contract. In this event, Client may require ICE to reimburse monies paid (based on the identified portion of unacceptable work received).

## 2. Fees

2.1. Client shall pay the fees per the fee scheduled on Attachment C and other costs related to the Services. Invoices will be sent on the 1st of the month and are due on the 30th day of each month. A late fee of \$50.00 plus interest annually at 10.5% will be charged to the account for late payments. Client shall pay all attorney’s fees and costs incurred in collecting the amounts owed. Client will not be liable for interest charges or the payment of local, state, or federal taxes.

## 3. Term & Termination

3.1. This agreement begins on the start date and ends on the end date or when a block of time has been used. If the parties continue this agreement following the end date, the agreement continues from month-to-month until either party gives written notice of termination of the agreement. The termination of this agreement shall not release either party from any obligation that has accrued as of the date of termination.

ICE may terminate the Services at any time (a) if after providing Client no less than 15 days prior written notice, Client fails to pay fees due for the Services, (b) if after providing Client no less than 30 days prior written notice, Client fails to cure a breach of this agreement, or (c) if Client breaches a term of any software license agreement governing the use of software provided under the Services. ICE may also terminate this agreement at any time for convenience with no less than 30 days written notice of cancellation.

When it is in Client’s best interest, Client may unilaterally cancel this Agreement at any time whether or not ICE is in default of any of its obligations hereunder. With any such cancellation, ICE agrees to waive any claim for damages, including loss of anticipated profit on account hereof. However,

Client agrees that ICE shall be paid for items and/or services already accepted by Client, but in no event, shall Client be liable for any loss of profits on the order or portion thereof so terminated. Either party may terminate this contract at any time for the failure of the other party to comply with any of its material terms and conditions.

ICE understands Client is a government entity and that payment obligation is subject to yearly appropriation by Client's governing body and that if funds are not appropriated, this Agreement will terminate without penalty to either party.

## 4. Miscellaneous

- 4.1. *Entire Agreement.* This agreement contains the entire agreement among the parties.
- 4.2. *Amendments.* The parties may amend this agreement in a writing signed by all parties. Client will provide ICE with a written description of the additional work requiring a contract amendment and request ICE submit a time schedule and price for the additional work. If any additional is requested, the hourly rate offered in the cost proposal must be used to calculate the cost of the amendment. ICE will not commence additional work without a written contract amendment signed by both parties.
- 4.3. *Assignments.* Client may not assign its rights or obligations. Any unauthorized assignment will be void.
- 4.4. *Delays and Omissions.* No delay or omission in the exercise of any right, power or remedy accruing to the party as a result of any breach or default by another party under this agreement impairs any such right, power or remedy and may not be construed as a waiver of or acquiescence by the party in any such breach or default or any similar breach or default occurring later.
- 4.5. *Waivers.* No waiver by a party of any single breach or default under this agreement is construed as a waiver by the party of any other breach or default occurring before or after that waiver.
- 4.6. *Severability.* If any provision of this agreement is invalid, illegal or unenforceable, then the remaining provisions remain in full force.
- 4.7. *Interpretation.* This agreement was negotiated in the spirit of mutual cooperation whereby no clause should be necessarily construed against anyone party based upon the finding that that party provided all or most of the contractual language contained within that clause.
- 4.8. *Disputes.* The parties will attempt in good faith to resolve any dispute or claim arising out of or in relation to this Agreement through negotiations between a representative of each of party with authority to settle the relevant dispute. If the dispute cannot be settled amicably within fourteen (14) days from the date on which either party has given written notice to the other of the dispute, then the parties shall resolve the dispute by arbitration.

Alaska's Revised Uniform Arbitration Act (AS §09.43.300 to .595) and all subsequent arbitration statutes govern the arbitration proceedings. The arbitration proceedings are to take place in Anchorage, Alaska and are governed by Alaska law.

A party shall initiate arbitration by sending a notice to the other party describing the controversy and remedy sought and providing a list of five arbitrators listed in the Alternative Dispute Resolution section of the most recent edition of the Alaska Directory of Attorneys published by Todd

Communications or its successor. The initiating party shall serve this notice with the list of arbitrators under the notice provision in this agreement.

The party receiving the notice shall give notice of its selection of an arbitrator from the list of arbitrators within 10 days of receiving the notice. If the receiving party fails to select an arbitrator within that timeframe, then the initiating party shall choose the arbitrator from the list. The party who does not prevail in the arbitration shall pay all of the prevailing party's actual attorney's fees and costs related to the arbitration.

- 4.9. *Notices.* The parties shall give all notices required in this agreement to the addresses specified above as follows (deemed received as specified in parentheses): by hand (upon delivery to representative stated in this agreement), via overnight FedEx or UPS (24 hours after deposit), by email (with email confirmation from representative stated in this agreement), or by first class certified or registered mail, return receipt requested, postage prepaid (48 hours after deposit in the mail).
- 4.10. *Disclaimer of Warranty.* Although ICE cannot guarantee that a support incident will be resolved, ICE will make reasonable efforts to perform support services in a professional manner. To the extent permitted by law, the express warranty and remedies set forth herein are exclusive and in lieu of all other warranties, remedies and conditions, whether oral or written, statutory, express or implied. As permitted by applicable law, ICE and its licensors specifically disclaims any and all statutory or implied warranties, related to or arising in any way out of these terms and conditions, including any implied warranty or merchantability or fitness for a particular purpose.
- 4.11. *Limitation of Liability.* To the extent permitted by law, ICE's and its licensor's liability under these terms and conditions is limited to the amounts paid by Client for the Services that Client procures under this agreement. In no event shall ICE and its licensor have any liability for any indirect, special, incidental or consequential damages, including but not limited to damages for lost profits, loss of data, loss of use or equipment or facilities, or interruption of business, arising in any way out of these terms and conditions under any theory of liability, whether or not ICE and its licensors have been advised of the possibility of such damage. ICE will not be liable for performance delays or for non-performance, due to causes beyond its reasonable control. Client shall defend, indemnify, and hold harmless ICE, its affiliates, and its subcontractors, from and against any and all third-party claims, demands, causes of action, damages, liabilities, losses, and expenses related to the Services to the extent caused by the fault of Client or its agents or employees. ICE shall defend, indemnify, and hold harmless Client, its affiliates, and its subcontractors, from and against any and all third-party claims, demands, causes of action, damages, liabilities, losses, and expenses related to the Services to the extent caused by the fault of ICE or its agents or employees.

To the fullest extent permitted by law, ICE shall defend, indemnify and hold harmless Client, its officers, and employees from and against any and all loss, expense, damage, claim, demand, judgment, fine, charge, lien, liability, action, cause of action, or proceedings of any kind whatsoever (whether arising on account of damage to or loss of property, or personal injury, emotional distress or death) arising directly or indirectly in connection with the performance or activities of ICE hereunder, whether the same arises before or after completion of ICE's operations or expiration of this Agreement, except for damage, loss, or injury resulting from Client's gross negligence or willful misconduct.



- 4.12. *Insurance.* ICE recommends that Client carry 1<sup>st</sup> and 3<sup>rd</sup> party Cyber Liability insurance with limits of not less than \$1,000,000 for each occurrence and an annual aggregate of \$3,000,000 covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security, breach of information, and a breach caused by service provider.

ICE must furnish a certificate of insurance within ten (10) days of receipt of the signed Agreement and must endorse policies to provide for thirty (30) day prior notice to Client of cancellation, non-renewal, or material change of the policies. Failure to furnish satisfactory evidence of insurance or lapse of policy is a material breach of the contract and grounds for termination of this Agreement. Each policy shall be endorsed with a waiver of subrogation in favor of Client. All other insurance policies required of ICE shall be endorsed to provide that such insurance shall apply as primary insurance and that any insurance or self-insured carried by Client will be excess only and will not contribute with the insurance required by this Agreement. All other insurance policies required of ICE and subcontractors shall be endorsed to name Client as additional insured. All insurance shall be on an occurrence form acceptable to Client and have an A.M. Best rating of “A” or better.

- i. Workers’ Compensation and Employers’ Liability Insurance as required by any applicable law or regulation. Employers’ liability insurance shall be in the amount no less than \$500,000 each accident for bodily injury, \$500,000 policy limit for bodily injury by disease and \$500,000 each employee for employee for bodily injury by disease. ICE shall be responsible for Workers’ Compensation Insurance for any subcontractor who directly or indirectly provides services under this contract. This coverage must include statutory coverage for states in which employees are engaging in work. If there is an exposure of injury to ICE’s employees under the U.S. Longshoremen’s Harbor Workers’ Compensation Act, the Jones Act, or under laws, regulations or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.
- ii. Commercial General Liability Insurance: ICE is required to provide Commercial General Liability insurance with limits not less than \$5,000,000 for any contract over \$1,000,000 and not less than \$1,000,000 for contracts under \$1,000,000 combined single limit per occurrence and \$5,000,000 for any contract over \$1,000,000 and not less than \$1,000,000 for contracts under \$1,000,000, in the aggregate not excluding premises operations, independent Contractors, products, and completed operations, broad form property damage, blanket contractual, explosion, collapse, and underground hazards. Limits may be a combination of primary and excess (umbrella) policy forms.

- 4.13. *Confidentiality.* The parties will keep each other’s information confidential except to the extent necessary to complete the work or as required by law. The parties shall hold as confidential and will use reasonable care (including both physical and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties, of the confidential information. “Reasonable care” means compliance by ICE with all applicable federal and state laws, including the Social Security Act and HIPAA. ICE must promptly notify Client in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

4.14 *Company Personnel.* Client reserves the right to request alternate ICE staff be assigned in the event of a staff member's failure to perform, inability to communicate effectively, or for other work product, at no additional cost or fee. If Client requests alternate ICE staff under these circumstances, the request must be honored by ICE.

SIGNATURES AND DATES: This agreement will become effective when both parties have signed it.

Name: Aleutians East Borough

ICE Services, Inc.

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Bradley Bourdon, Vice President

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **Attachment A**

### **Helpdesk Services**

- **Tier 1 Support:** first-line support, level 1 support, front-end support, support line 1, and various other headings denoting functions for basic level technical support.
- **Tiers 2 and 3 Support:** level 3 support, back-end support, support line 3, high-end support, and various other headings that denote expert level troubleshooting and analysis methods.
- **IT Technician Cable I:** responsible for dish alignment, basic cabling, and troubleshooting.
- **IT Technician Cable II:** responsible for fiber testing, installing, and troubleshooting.
- **Computer Network Technician:** responsible for installing and troubleshooting basic network connectivity – LAN, wireless, and Internet.
- **Computer & Information Systems Administrator:** responsible for server, SAN, NAS, virtualization, and optimization.
- **IT Technician Helpdesk I:** responsible for basic Helpdesk support.
- **IT Technician Helpdesk II:** responsible for advanced support, application, and process.
- **Telecommunications Engineer:** responsible for WAN, firewall and security, access control, content filtering, design, and advanced network troubleshooting

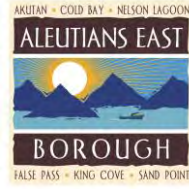
**Attachment B**  
**Response Levels**

<b>Priority Level</b>	<b>Description of the Problem or Request</b>	<b>Response Time (hours)</b>
Urgent	Issues that have significant repercussions and render the whole system unusable. An example is an application error that affects all or a large percentage of users. Urgent priority tickets are established for issues that render a system unusable, such as an error preventing access to shared drives, issues preventing access to the application by users, and security exposure.	4
High	Issues that have significant repercussions but do not render the whole system unusable. An example is an application error that is only triggered under rare circumstances or affects only a small percentage of all users.	12
Normal	Issues that affect one piece of functionality. An example is the category filter or report not working. This type of problem is a self-contained issue and does not affect the overall functionality of the software. Another example is a question about how to do something in a particular application.	24
Low	Issues that don't inhibit the functionality or main purpose of the hardware or software in its ability to support a project	48

## Attachment C Fee Schedule

Position	Description	Standard Rate per Hour
IT Technician Cable I	Dish alignment, basic cabling, and troubleshooting	\$100.00
IT Technician Cable II	Fiber testing, installing, and troubleshooting	\$125.00
Computer Network Technician	Install and troubleshoot basic network connectivity – LAN, wireless, and internet	\$115.00
Computer & Information Sys. Mgr.	Server, SAN, NAS, virtualization, and optimization	\$150.00
IT Technician I	Basic Helpdesk support	\$100.00
IT Technician II	Advanced support, application, and process	\$125.00
Telecommunication Engineer	WAN, firewall and security, Access control, content filtering, design, and advanced network troubleshooting	\$225.00

Labor rate do not include airfare or per diem rates. The minimum charge is one hour.



## **RESOLUTION 20-62**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR OR DESIGNEE TO NEGOTIATE AND EXECUTE AN AGREEMENT FOR MANAGED INFORMATION TECHNOLOGY SERVICES WITH ICE SERVICES, INC. FOR AN AMOUNT NOT TO EXCEED \$33,190**

**WHEREAS**, on July 2<sup>nd</sup>, 2018, the Aleutians East Borough (Borough) issued a Request for Proposals (RFP) from qualified Information Technology (IT) service providers to provide managed IT services to the Borough for a period of two (2) years with the option to extend for one (1) additional year; and

**WHEREAS**, ICE Services (ICE) was selected to provide IT services to the Borough in FY19 and FY20, following Assembly approval; and

**WHEREAS**, the FY20 contract period ends on June 30, 2020 and may be extended for one (1) additional year; and

**WHEREAS**, Borough Administration requests the Assembly's authorization for the Mayor or his designee to negotiate a service agreement with ICE for FY21 in an amount not to exceed \$33,190.

**NOW THEREFORE, BE IT RESOLVED**, the Aleutians East Borough Assembly authorizes the Mayor or designee to negotiate and execute an agreement for managed information technology services with ICE Services, Inc. for an amount not to exceed \$33,190.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 14<sup>th</sup> day of May, 2020.

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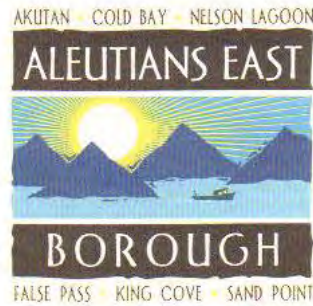
Alvin D. Osterback, Mayor

ATTEST:

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Tina Anderson, Clerk

# Ordinances



## **ORDINANCE 20-08**

### **AN EMERGENCY ORDINANCE OF THE ALEUTIANS EAST BOROUGH ASSEMBLY ISSUING A DECLARATION OF DISASTER EMERGENCY IN RESPONSE TO COVID-19**

**WHEREAS**, COVID-19 is a respiratory disease that can result in serious illness or death and is caused by the SARS-Cov-2 virus (“virus”), a new strain of the coronavirus that has not been previously identified in humans and is easily transmittable person to person; and,

**WHEREAS**, on March 11, 2020, the World Health Organization (“WHO”) declared the virus a pandemic; and,

**WHEREAS**, Alaska Governor Dunleavy issued a declaration of public health disaster emergency in response to the anticipated outbreak of COVID-19 in Alaska; and,

**WHEREAS**, on March 13, 2020, President Donald J. Trump declared a national emergency in response to the virus pandemic; and,

**WHEREAS**, positive cases of COVID-19 have been identified within the State of Alaska; and,

**WHEREAS**, Social Distancing has been recommended, to minimize the spread of the virus; and

**WHEREAS**, the State has put mandates in place restricting public use of state institutes, public and residential schools, libraries, archives and museums, restaurants and bars, as well as other restrictions; and

**WHEREAS**, on March 18, 2020 Borough Administration implemented a COVID-19 Aleutians East Borough Employee Policy to help reduce transmission among staff and to help protect people who are higher risk for adverse health complications while maintaining Borough operations; and

**WHEREAS**, on March 23, 2020 the Assembly passed an Emergency Ordinance 20-07 issuing a declaration of disaster emergency in response to COVID-19; and



WHEREAS, Emergency Ordinance 20-07 became effective on March 23, 2020 and will remain in effect until May 21, 2020, which is 60 days upon adoption; and

WHEREAS, the COVID-19 pandemic may dramatically impact the Borough communities and residents and have a substantial effect on the Borough economy if unchecked; and

WHEREAS, the full extent and effect of COVID-19 cannot yet be known, it remains vital for the Borough to be prepared and take all needed precautions throughout the entire timeframe of the emergency related to COVID-19; and

WHEREAS, the Assembly finds that a public emergency exists and deems it necessary to declare a local emergency to protect the health, safety and welfare of the residents of the Borough; and

WHEREAS, Borough Code Sec. 1.20.050 (a) authorizes emergency ordinances, reading:

(a) To meet a public emergency the assembly may adopt ordinances effective on adoption. Every emergency ordinance must contain a finding by the assembly that an emergency exists and a statement of the facts upon which the finding is based. The ordinance may be adopted, amended and adopted, or rejected at the meeting to which it is introduced. The affirmative vote of all members present, or the affirmative vote of three-fourths of the total membership, whichever is less, is required for adoption. The assembly must print and make available copies of adopted emergency ordinances.

(b) An emergency ordinance may not be used to levy taxes to grant, renew or extend a franchise, or to regulate the rate charged by a public utility for its service.

(c) Emergency ordinances are effective for sixty days.

WHEREAS, the Borough wishes to authorize the Mayor to request State assistance from the Governor of Alaska for costs associated with the Borough's response to the virus to meet the public safety and welfare needs arising from or incidental to COVID-19 and to recover from damage caused; and

WHEREAS, the Borough wishes to authorize the Mayor to request assistance from Federal agencies pursuant to the Stafford Act of 1988 and Other Federal Law; and

WHEREAS, a declaration of disaster emergency will alert the public to the seriousness of the risk, and provide direction.

**NOW, THEREFORE, BE IT RESOLVED** by the Aleutians East Borough as follows:

Section 1. The Assembly of the Aleutians East Borough hereby declares a local disaster emergency in response to COVID-19.

Section 2. The Assembly of the Aleutians East Borough authorizes the Mayor to request State and Federal Assistance to meet the ongoing emergency created by COVID-19.

Section 3. The rules requiring in-person attendance by Assembly Members under Borough Code Sec. 2.08.10(e) for regular meetings, and 2.08.020 (a) for special meetings, and all other such rules are suspended so that a quorum may be reached without gathering people at central locations.

Section 4. Alternate means of listening in and providing public comment at Assembly Meetings, as would normally be afforded under Brough Code 2.08.010(d), shall be provided for should the teleconferencing hubs be closed.

Section 5. All residents and visitors to the Borough and Borough Property are encouraged to maintain social distancing throughout the entire period of this emergency.

Section 6. This Emergency Ordinance supersedes Emergency Ordinance 20-07 and shall become effective immediately upon adoption and remain in effect until July 12, 2020 pursuant to Borough Code Sec. 1.20.050(c).

Section 7. This Emergency Ordinance may be reauthorized by telephonic quorum prior to its expiration.

**PASSED AND ADOPTED BY THE ALEUTIANS EAST BOROUGH ASSEMBLY** on this 14<sup>th</sup> day of May 2020.

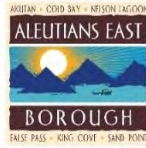
Date Introduced and Approved: \_\_\_\_\_

ALEUTIANS EAST BOROUGH, ALASKA

\_\_\_\_\_  
Alvin D. Osterback, Mayor

ATTEST:

\_\_\_\_\_  
Tina Anderson, Clerk



## AGENDA STATEMENT

To: Alvin D. Osterback, Mayor and Assembly

From: Anne Bailey, Borough Administrator

Date: May 4, 2020

### **Re: Ordinance 20-09, Adopting the Operating and Capital Budget for FY21**

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Ordinance 20-09 outlines the Aleutians East Borough's Operating and Capital Budget for Fiscal Year (FY) 2021. Administration conducted an in-depth review of the Borough's anticipated revenues and expenditures and is recommending a conservative budget for FY21.

On April 6, 2020, the Governor of Alaska signed into law the FY21 State Budget. The Governor vetoed restoring municipal school bond debt reimbursement to 100% (versus the 50% amount received in FY20) and 100% of the harbor bond debt reimbursement and stated he would replace these funds with COVID-19 money. It is unclear if the Governor can use federal funds for expenditures unrelated to the COVID-19 response. Due to the uncertainty, Administration recommends not including these funds in the Borough's FY21 budget. If it is determined that the Governor can use COVID-19 or other funds for these expenditures Administration will present a budget amendment to the Assembly for consideration at that time.

Due to changes within the fisheries and possible impacts due to COVID-19, Administration and the Natural Resources Department anticipate a decrease in FY21 fish tax revenues. In FY20, the Borough anticipated receiving \$4,100,000 in revenue. In FY21, we are estimating a decrease of \$750,000 totaling \$3,350,000. This estimate is based off the average fish tax revenue received over the last 20 years (\$3,697,590); a potential decrease in the price per pound (projected value) and a potential decrease in salmon, crab and groundfish deliveries. The FY21 budget can be amended if the fish tax revenues exceed Administrations expectations.

All of the Departments have reviewed their budgets and made adjustments to meet the anticipated needs for FY21.

The proposed FY21 Budget Summary is as follows:

Expected FY21 Revenue: \$6,269,000.00

Expected FY21 Expenditures: \$6,644,332.00  
(Funds 01, 30 and 41)

Expected FY21 Helicopter Transfer: \$766,916.00

Expected FY21 Cold Bay Terminal Transfer: (\$16,500.00)

Expected FY21 Deficit: (\$1,125,748.00)

This assumes 0% in School and Harbor Bond Debt Reimbursement, a 1.4% Cost of Living increase for employees and funding education at \$800,000.

In order to compensate for the deficit, Administration is recommending that we take funds out of the General Fund Fund Balance. Please note, this is a short-term fix which is not sustainable, since these funds are limited. Throughout the next year, Administration will be looking at long term solutions (i.e. new sources of revenue and additional cuts) for the FY22 budget cycle.

For your reference, I have included a table outlining possible budget scenarios if the State funds 100% of the School and Harbor Debt Reimbursements.

#### **State Budget Scenarios and Its Impacts on the Borough Budget**

	<b>0%</b>	<b>100%</b>
Interest Income	\$35,000.00	\$35,000.00
AEB Raw Fish Tax	\$3,350,000.00	\$3,350,000.00
Other Revenue	\$80,000.00	\$80,000.00
Shared Fishery Tax	\$1,880,000.00	\$1,880,000.00
Shared Fishery Tax FMA2	\$36,000.00	\$36,000.00
Shared Fishery Tax FMA3	\$4,000.00	\$4,000.00
Harbor Bond Debt Reimbursement	\$0.00	\$380,749.00
School Bond Debt Reimbursement	\$0.00	\$657,734.00
Community Assistance	\$300,000.00	\$300,000.00
Payment in Lieu of Taxes	\$559,000.00	\$559,000.00
USF&WS Lands	\$25,000.00	\$25,000.00
<b>TOTAL</b>	<b>\$6,269,000.00</b>	<b>\$7,307,483.00</b>
<b>AEB Deficit</b>	<b>(\$1,125,748.00)</b>	<b>(\$87,265.00)</b>

This memo includes an outline of the:

- FY21 Fund 01 General Fund Anticipated Revenues
- FY21 Fund 01 General Fund Expenditure Adjustment Recommendations
- FY21 Fund 22 Cold Bay Terminal Anticipated Revenues
- FY21 Fund 22 Cold Bay Terminal Expenditure Adjustment Recommendations
- FY21 Fund 22 Helicopter Operations Anticipated Revenues
- FY21 Fund 22 Helicopter Operation Expenditure Adjustment Recommendations

- FY21 Fund 30 Bond Fund Expenditure Adjustment Recommendations
- FY21 Fund 41 Maintenance Reserve Fund Expenditure Adjustment Recommendations
- FY21 Fund 20 Grant Program Overview

## **FY21 Fund 01 General Fund Anticipated Revenues**

### **Fund 1 General Fund Revenues**

**Interest Revenue:                    \$35,000**

This includes interest earned from the operating trust fund and the Alaska Municipal League Investment Pool. This amount varies every year; however, we anticipate receiving approximately \$35,000 in FY21.

**AEB Raw Fish Tax                    \$3,350,000**

Administration anticipates receiving \$3,350,000 in Raw Fish Tax in FY21. This was based off the average fish tax revenue received over the last 20 years (\$3,697,590); a potential decrease in the price per pound (projected value) and a potential decrease in salmon, crab and groundfish deliveries.

**Other Revenue:                    \$80,000**

This includes rent from the teachers for the Sand Point 4-Plex, land use permitting fees, lease funds for an operation in the Borough and tideland leases.

**Shared Fishery Tax                    \$1,880,000**

This is the FY21 shared fishery tax estimate for the Aleutians East Borough. DCCED is not informed of the fish tax distributions until November; therefore, DCCED recommends using the five-year average for budget projections.

**Shared Fishery Tax FMA2   \$36,000**

This is the shared fishery tax for the Aleutians Islands Area for the Aleutians East Borough. This is based off DCCED's FY20 allocation. Includes allocations from the Fisheries Business tax and Resource Landing Tax.

**Shared Fishery Tax FMA3   \$4,000**

This is the shared fishery tax for the Alaska Peninsula Area.

**Harbor Bond Debt                    \$0**

The Governor has vetoed 100% of the harbor bond debt reimbursement this from the State budget and stated he would replace these funds with COVID-19 money. Due to the uncertainty Administration does not recommend including it in the FY21 budget.

**School Bond Debt**                      **\$0**

The Governor vetoed restoring municipal school debt reimbursement to 100% (versus the 50% amount received in FY20) and stated he would replace these funds with COVID-19 money. Due to the uncertainty Administration does not recommend including it in the FY21 budget.

**Community Assistance:**        **\$300,000**

The Borough anticipates receiving \$300,000 from the State of Alaska through the Community Assistance Program.

**Payment in Lieu of Taxes:**    **\$559,000**

The Borough anticipates receiving \$559,000 in Payment in Lieu of Taxes from the Federal government in FY21.

**USFWS Lands:**                      **\$25,000**

The Borough anticipates receiving \$25,000 from USFWS in FY21.

**TOTAL Anticipated  
Revenues:**                      **\$6,269,000**

## **FY21 Fund 01 General Fund Expenditure Adjustment Recommendations**

### **Fund 01 General Fund Budget Adjustment Recommendations**

#### **Salaries: 1.4% COLA Adjustment**

The Anchorage Consumer Price Index for the preceding fiscal year is 1.4% as shown at the following link:

<http://live.laborstats.alaska.gov/cpi/index.cfm>.

According to Section 9.05 B. of the Employee Handbook, “Cost of Living adjustments funded by the Assembly will be given annually to regular employees and will be based on the Consumer Price Index for Anchorage as computed for the preceding year.”

Therefore, the Assembly can decide whether they fund a cost of living adjustment for FY21 or not.

#### **Mayor: \$84,354 Salaries Line Item**

Increase the existing Salaries Line Item (E 01-100-000-300 SALARIES) from \$83,189 to \$84,354. This incorporates the 1.4% COLA increase.

#### **\$40,500 Fringe Line Item**

Increase the existing Fringe Line Item (E 01-100-000-350 FRINGE BENEFITS) from \$38,000 to \$40,500. This reflects what we anticipate the fringe to be for FY21.

#### **\$38,000 Travel Line Item**

Decrease the existing Travel Line Item (E 01-100-000-400 TRAVEL AND PER DIEM) from \$40,000 to \$38,000. This better reflects what we anticipate the travel to be for FY21.

#### **\$1,000 Phone Line Item**

Decrease the existing Phone Line Item (E 01-100-000-425 TELEPHONE) from \$1,800 to \$1,000 to mirror the expenditures made in FY20.

#### **\$1,500 Supplies Line Item**

Decrease the existing Supplies Line Item (E 01-100-000-475 SUPPLIES) from \$3,800 to \$1,500. The dues & fees were



separated into its own line item and the \$1,500 reflects anticipated supply expenditures in FY21.

### **\$2,000 Dues & Fees**

Created a Dues & Fees Line Item. These funds were originally charged in the Mayor's supply and travel line items. These funds include registration fees for AML, SWAMC and the Harbor Masters Conference.

### **\$75,600 Lobbying, Federal**

This includes the fees for our Federal lobbyist in DC.

### **\$45,000 Lobbying, State**

This includes the fees for our State lobbyist in Juneau.

### **Mayor's Operating Budget Changes**

The Mayor's Office Operating Budget would increase in the amount of \$565.00, totaling **\$287,954**.

### **Assembly:**

### **\$40,000 Meeting Fee Line Item**

Increase the existing Meeting Fee Line Item (E01-105-300 SALARIES) from \$37,000 to \$40,000. This includes 12 regularly scheduled Assembly meetings and 2 Special meetings.

### **\$145,000 Fringe Line Item**

Increase the existing Fringe Line Item (E 01-105-000-350 FRINGE BENEFITS) from \$140,000 to \$145,000. This reflects what we anticipate the fringe to be for FY21.

### **\$35,000 Travel Line Item**

Decrease the existing Travel Line Item (E 01-105-000-400 TRAVEL AND PER DIEM) from \$40,000 to \$35,000. The dues and fees were separated into their own line item and the \$35,000 reflects anticipated travel expenditures in FY21.

### **\$1,000 Supplies Line Item**

Decrease the existing Fringe Line Item (E 01-105-000-475 SUPPLIES) from \$4,000 to \$1,000. This reflects what we anticipate the supply budget needs will be for FY21.

### **Assembly Operating Budget Changes**

The Assembly's Operating Budget would increase in the amount of \$5,000, totaling **\$226,000**.

### **Administration:**

#### **\$187,481 Salaries Line Item**

The existing Salaries Line Item (E 01-200-000-300 SALARIES) will remain at \$187,481. No changes are needed in FY21.

#### **\$75,000.00 Fringe Line Item**

Increase the existing Fringe Line Item (E 01-200-000-350 FRINGE BENEFITS) from \$72,500 to \$77,500. This reflects anticipated expenditures in FY21.

#### **\$25,000.00 Engineering Line Item**

The existing Engineering Line Item (E 01-200-000-381 ENGINEERING) will remain the same in FY21.

#### **\$80,000 Contract Labor Line Item**

Deduct \$10,000 from the Contract Labor Line Item (E 01-200-000-380 CONTRACT LABOR) leaving \$80,000 for contract labor needs. These funds may be used for any contract labor that is needed throughout the year including but not limited to: PGS, full-charge bookkeeper.

#### **\$11,000 Travel Line Item**

Deduct \$6,500 from the Travel Line Item (E 01-200-000-400 TRAVEL AND PER DIEM). This will reduce the travel line item from \$17,500 to \$11,000.

#### **\$5,350 Phone Line Item**

Deduct \$750 from the Phone Line Item (E 01-200-000-425 TELEPHONE) leaving \$5,350. This reflects anticipated expenditures in FY21.

#### **\$750 Postage Line Item**

Deduct \$1,250 from the Postage Line Item (E 01-200-000-450 POSTAGE/SPEED) leaving \$750. This reflects anticipated expenditures in FY21.

**\$4,500 Supplies Line Item**

Deduct \$5,500 from the Supplies Line Item (E 01-200-000-475 SUPPLIES) leaving \$4,500. Dues & fees that were previously charged here have been separated into the Dues & Fees Line Item and the \$4,500 reflects anticipated supply expenditures in FY21.

**\$10,560 Rent Line Item**

Increase the existing Rent Line Item (E 01-200-000-525 RENT/LEASE) from \$10,243 to \$10,560. The rent line item is for Anchorage offices and reflects the rent increase for FY21.

**\$4,500 Dues and Fees Line Item**

Increase the existing Administration Dues and Fees Line Item (E 01-200-000-530) from \$2,500 to \$4,500. This includes dues for the National Association of Counties, SWAMC contributions and fees to attend AML.

**Administration Operating Budget Changes**

Administration's Operating Budget would decrease in the amount of \$16,683, totaling **\$406,641**.

**Assistant Administrator: \$94,469 Salary Line Item**

Increase the existing Salary Line Item (E 01-201-000-300 SALARIES) from \$93,164 to \$94,469. This incorporates the 1.4% COLA increase.

**\$34,000 Fringe Line Item**

Increase the existing Fringe Line Item (E 01-201-000-350 FRINGE BENEFITS) from \$32,000 to \$34,000. This reflects what we anticipate the fringe to be for FY21.

**\$8,000 Travel Line Item**

Decrease the existing Travel Line Item (E 01-201-000-400 TRAVEL AND PER DIEM) from \$10,000 to \$8,000. The dues

and fees were separated into their own line item and the \$8,000 reflects anticipated travel expenditures in FY21.

#### **\$1,250 Phone Line Item**

Deduct \$500 from the Phone Line Item (E 01-201-000-425 TELEPHONE) leaving \$1,250. This reflects anticipated expenditures in FY21.

#### **\$900 Supplies Line Item**

Deduct \$1,100 from the Supplies Line Item (E 01-201-000-475 SUPPLIES) leaving \$900. The dues & fees were separated into its own line item and the \$900 reflects anticipated supply expenditures in FY21.

#### **\$10,411 Rent Line Item**

Increase the existing Rent Line Item (E 01-201-000-525 RENAL/LEASE) from \$10,108 to \$10,411. This reflects the fees and FY21 rent increase for the Assistant Administrator's office space in the Anchorage office.

#### **\$1,500 Dues & Fees**

Created a Dues & Fees Line Item. These funds were originally charged in the Assistant Administrator's supply and travel line items. These funds include registration fees for AML and SWAMC.

#### **Assistant Administrator Operating Budget Changes**

The Assistant Administrator's Operating Budget would increase by \$1,508, totaling **\$150,530**.

#### **Clerk/Planning:**

#### **\$106,000 Salary Line Item**

Decrease the existing Salary Line Item (E 01-150-000-300 SALARIES) from \$107,629 to \$106,000. This reflects the Clerks' salary and the custodian for the Sand Point Borough Office.

#### **\$45,500 Fringe Line Item**

Increase the existing Fringe Line Item (E 01-150-000-350 FRINGE) from \$43,000 to \$45,500. This reflects what we anticipate the fringe to be for FY21.

### **\$10,000 Travel & Per Diem Line Item**

Decrease the existing Travel & Per Diem Line Item (E 01-150-000-400 TRAVEL AND PER DIEM) from \$12,500 to \$10,000. This reflects anticipated travel expenditures in FY21.

### **\$9,000 Phone Line Item**

Increase the existing Phone Line Item (E 01-150-000-425 TELEPHONE) from \$7,500 to \$9,000. This reflects anticipated telephone expenditures in FY21.

### **\$1,000 Postage Line Item**

The existing Postage Line Item will remain the same in FY21.

### **\$3,500 Supplies Line Item**

Deduct \$1,500 from the Supplies Line Item (E 01-150-000-475 SUPPLIES) leaving \$3,500. This reflects anticipated supply expenditures in FY21.

### **\$18,000 Utilities Line Item**

Deduct \$2,000 from the Utilities Line Item (E 01-150-000-526) leaving \$18,000. This reflects anticipated utility expenditures for the Sand Point Office in FY21.

### **\$4,500 Dues & Fees Line Item**

Deduct \$500 from the Dues & Fees Line Item (E 01-150-000-530 DUES AND FEES) leaving \$4,500. This reflects anticipated dues and fees expenditures in FY21.

### **\$10,000 Elections Line Item**

The existing Elections Line Item will remain the same in FY21.

### **Clerk/Planning Department's Operating Budget Changes**

The Clerk/Planning Department's Operating Budget would decrease by \$4,129, totaling **\$207,500**.

### **Finance:**

### **\$148,520 Salary Line Item**

Increase the existing Salary Line Item (E 01-250-000-300 SALARIES) from \$146,594 to \$148,520. This incorporates the 1.4% COLA increase for the department.

**\$72,000 Fringe Line Item**

Increase the existing Fringe Line Item (E 01-250-000-250 FRINGE BENEFITS) from \$70,000 to \$72,000. This reflects what we anticipate the fringe to be for FY21.

**\$8,500 Travel and Per Diem Line Item**

Decrease the existing Travel & Per Diem Line Item (E 01-250-000-400 TRAVEL AND PER DIEM) from \$10,000 to \$8,500. This reflects anticipated travel expenditures in FY21.

**\$10,500 Phone Line Item**

Increase the existing Phone Line Item (E 01-250-000-425 TELEPHONE) from \$10,000 to \$10,500. This reflects anticipated telephone expenditures in FY21.

**\$1,250 Postage Line Item**

Decrease the existing Postage Line Item (E 01-250-000-450 POSTAGE/SPEED) from \$2,500 to \$1,250. This reflects anticipated postage expenditures in FY21.

**\$8,000 Supplies Line Item**

Decrease the existing Supplies Line Item (E 01-250-000-475 SUPPLIES) from \$9,000 to \$8,000. This reflects anticipated supply expenditures in FY21.

**\$4,500 Utilities Line Item**

Deduct \$500 from the Utilities Line Item (E 01-250-000-526) leaving \$4,500. This reflects anticipated utility expenditures for the King Cove Office in FY21.

**\$2,500 Dues & Fees**

Created a Dues & Fees Line Item. These funds include registration fees for AML and SWAMC.

**\$80,000 Audit Line Item**

Increase the existing Audit Line Item (E 01-250-000-550 AUDIT) from \$75,000 to \$80,000. This better reflects the BDO fees for FY21 and other fees associated with the audit.

### **Finance Department Operating Budget Changes**

The Finance Operating Budget would increase in the amount of \$7,426, totaling **\$335,520**.

### **Natural Resources:**

#### **\$172,705 Salaries Line Item**

Increase the existing Salaries Line Item (E 01-650-000-300 SALARIES) from \$167,926 to \$172,705. This incorporates the 1.4% COLA increase for the department.

#### **\$70,000 Fringe Line Item**

Increase the existing Fringe Line Item (E 01-650-000-350 FRINGE BENEFITS) from \$65,000 to \$70,000. This reflects what we anticipate the fringe to be for FY21.

#### **\$10,000 Contract Line Item**

Add \$10,000 for Contractual Services under the Contract Line Item (E 01-650-000-380 CONTRACT LABOR).

#### **\$20,000 Travel and Per Diem Line Item**

Decrease the existing Travel and Per Diem Line Item (E 01-650-000-400 TRAVEL AND PER DIEM) from \$30,000 to \$20,000. This reflects anticipated travel expenditures in FY21. A lot of the Natural Resource's Assistant Directors travel is covered under existing grants.

#### **\$3,000 Phone Line Item**

Increase the Phone Line Item (E 01-650-000-425 TELEPHONE) from \$1,500 to \$3,000. This reflects anticipated telephone expenditures in FY21.

#### **\$2,500 Supplies Line Item**

Decrease the existing Supplies Line Item (E 01-650-000-475 SUPPLIES) \$6,000 to \$2,500. This should be adequate to equip and accommodate the departments supply needs in FY21.

### **\$2,000 Dues & Fees Line Item**

Created a Dues & Fees Line Item. These funds were originally charged in the departments supply and travel line items. These funds include registration fees for AML and SWAMC.

### **\$12,500 NPFMC Line Item**

Decrease the NPFMC Line Item (E 01-650-000-402 NPFMC MEETINGS) from \$15,000 to \$12,500.

### **\$10,000 BOF Meeting Line Item**

Deduct \$5,000 from the BOF Meeting Line Item (E01-650-000-403 BOF Meetings. This will decrease the \$15,000 to \$10,000. This is not a BOF year for the Borough and \$10,000 should be sufficient to meet needs in FY21.

### **\$26,827 Rent Line Item**

Increase the existing Rent Line Item from \$26,046 to \$26,827. This reflects the fees and FY21 rent increase for the Departments office space in the Anchorage office.

### **Natural Resources Department Operating Budget Changes**

The Natural Resources Department Operating Budget would increase in the amount of \$3,060, totaling **\$329,532**.

### **Communications:**

### **\$106,487 Salaries Line Item**

Increase the existing Salaries Line Item (E 01-651-000-300 SALARIES) from \$105,013 to \$106,487. This incorporates the 1.4% COLA increase.

### **\$34,158 Fringe Line Item**

The existing Fringe Line Item will remain the same in FY21.

### **\$6,000 Travel and Per Diem Line Item**

Deduct \$3,000 from the Travel and Per Diem Line Item (E 01-651-011-400 TRAVEL AND PER DIEM). The travel line item changes from \$9,000 to \$6,000. This reflects anticipated expenditures for travel in FY21.



### **\$2,400 Phone Line Item**

The existing Phone Line Item will remain the same in FY21.

### **\$1,500 Supplies Line Item**

Decrease the existing Supplies Line Item (E 01-651-011-475 SUPPLIES) from \$2,500 to \$1,500. The dues & fees previously invoiced here were separated into its own line item and the \$1,500 reflects anticipated supply expenditures in FY21.

### **\$10,871 Rental Line Item**

Increase the existing Rent Line Item (E 01-651-011-525 RENTAL/LEASE) from \$10,502 to \$10,817. This reflects the fees and FY21 rent increase for the Communication Director's office space in the Anchorage office.

### **\$1,100 Dues & Fees Line Item**

Created a Dues & Fees Line Item. These funds were originally charged in the departments supply and travel line items. These funds include registration fees for AML and SWAMC.

### **\$10,750 Advertising/Promotions Line Items**

Decrease the existing Advertising/Promotions Line Items (E 01-651-011-532 ADVERTISING) from \$18,000 to \$10,750. The Borough will not be participating in the Fish Expo in November 2020, which accounts for the decrease.

### **Communication Department's Operating Budget Changes**

The Communication Department's Operating Budget would decrease in the amount of \$8,361, totaling **\$173,212**.

### **Maintenance:**

### **\$73,450 Salaries Line Item**

Increase the existing Salaries Line Item (E 01-700-000-300 SALARIES) from \$72,435 to \$73,450. This incorporates the 1.4% COLA increase.

### **\$32,000 Fringe Line Item**

Increase the existing Fringe Line Item (E 01-700-000-350 FRINGE BENEFITS) from \$31,024 to \$32,000. This reflects what we anticipate the fringe to be for FY21.

**\$15,000 Travel & Per Diem Line Item**

Decrease the existing Travel and Per Diem Line Item (E 01-700-000-400 TRAVEL AND PER DIEM) from \$20,000 to \$15,000. Many of our maintenance projects have been postponed due to COVID-19; therefore, this reflects the anticipated travel expenditures for FY21.

**\$0 Phone Line Item**

Decrease the Phone Line Item (E 01-700-000-425 TELEPHONE) from \$1,000 to \$0. The Maintenance phone costs are billed to the Clerk's Department.

**\$4,000 Supplies Line Item**

Decrease the existing Supplies Line Item (E 01-700-000-475 SUPPLIES) from \$5,000 to \$4,000. The dues & fees previously invoiced here were separated into its own line item and the \$4,000 reflects anticipated supply expenditures in FY21.

**\$1,250 Dues & Fees Line Item**

Created a Dues & Fees Line Item. These funds would include registration fees for AML, SWAMC and other conferences.

**Maintenance Department's Operating Budget Changes**

The Maintenance Department's Operating Budget would decrease in the amount of \$3,759, totaling **\$127,700**.

**KCAP:**

**\$2,000 Supplies Line Item**

Increased the Supplies Line Item (E 01-855-000-475 SUPPLIES) from \$1,500 to \$2,000. This reflects anticipated expenditures in FY21.

**\$125,000 Maintenance Line Item**

This line item will remain the same. This is for maintaining the existing road and better reflects what is needed to do the job in FY21.

### **\$100,000 Contract Line Item**

Added \$100,000 to the existing Contract Line Item (E 01-844-000-380 CONTRACT LABOR). These funds will be used to repair the King Cove Road near the Delta Creek Bridge.

### **KCAP Operating Budget Changes**

The KCAP Operating Budget would increase in the amount of \$100,500, totaling **\$227,000**.

### **Education:**

#### **\$800,000 Local School Line Item**

The existing Education Line Item will remain the same in FY21. Historically, the Borough has approved \$800,000 on an annual basis for education.

#### **\$35,000 Scholarships Line Item**

The existing Scholarships Line Item will remain the same in FY21.

#### **\$20,000 Student Travel Line Item**

The existing Student Travel Line Item will remain the same in FY21.

### **Education Department Operating Budget Changes**

The Education Department's Operating Budget would remain the same, totaling **\$855,000**.

### **Other Equipment:**

#### **\$25,000 Equipment Line Item**

Deduct \$10,000 from the existing Equipment Line Item (E 01-900-000-500 EQUIPMENT) reducing it from \$35,000 to \$25,000. This reflects anticipated expenditures in FY21.

### **Other AEB Vehicles:**

#### **\$750 AEB Vehicles Line Item**

Increase the existing AEB Vehicles Line Item (E 01-900-000-515 AEB VEHICLES) from \$500 to \$750. This reflects anticipated expenditures in FY21.

### **Other Utilities:**

#### **\$20,000 Utilities Line Item**

Deduct \$5,000 from the existing Utilities Line Item (E 01-900-526

UTILITIES) from \$25,000 to \$20,000. This includes fuel and utilities for the Sand Point 4-Plex.

**Other Aleutian Crab:           \$55,000 Aleutia Crab Line Item**

Deduct \$3,522 from the existing Aleutia Crab Line Item (E 01-900-527-527 ALEUTIA CRAB) from \$58,522 to \$55,000. This reflects the anticipated Borough tax rebate on Aleutia crab in FY21.

**Other Legal:                   \$85,000 Legal Line Item**

Deduct \$15,000 from the existing Legal Line Item (E01-900-000-551 LEGAL) from \$100,000 to \$85,000. The Borough used fewer legal services in FY20. This reflects the anticipated expenditures in legal fees in FY21.

**Other Insurance:           \$195,000 Insurance Line Item**

Increase the existing Insurance Line Item (E 01-900-000-552 INSURANCE) from \$185,000 to \$195,000. This reflects the anticipated expenditures for insurance in FY21.

**Other Repairs:           \$3,000 Repairs Line Item**

Deduct \$2,000 from the existing Repairs Line Item (E 01-900-000-600 REPAIRS) from \$5,000 to \$3,000. This reflects the anticipated expenditures for repairs in FY21.

**Other Bank Fees:           \$12,500 Bank Fee Line Item**

Deduct \$2,500 in the existing Bank Fee Line Item (E 01-900-000-727 BANK FEES) from \$15,000 to \$12,500. The Borough has consolidated bank accounts and have decreased the annual bank fees. This reflects the anticipated expenditures for bank fees in FY21.

**Other EATS:               \$150,000 EATS Contribution**

This line item remains unchanged. The Borough historically contributes \$150,000 to Eastern Aleutian Tribes for behavioral health services.

**Other Miscellaneous:       \$25,000 Miscellaneous Line Item**

Deduct \$15,000 from the existing Miscellaneous Line Item (E 01-900-000-753 MISC EXPENSE) reducing it from \$40,000 to \$25,000. \$25,000 will be enough to cover expenditures in FY21.

**Other Donations:                   \$23,500 Donations Line Item**

This line item remains the same. The Borough designates \$23,500 annually for donation requests. Requests for donations must be completed and submitted by May 1 or November 1 every year.

**Other KSDP:                       \$10,000 KSDP Line Item**

This line item remains the same. The Borough has been donating \$10,000 to KSDP for their operations.

**Other NLG Rev. Sharing       \$16,000 NLG Revenue Sharing Line Item**

This line item remains the same. The Borough receives Nelson Lagoon's Community Assistance from the State, which is then transferred to the community.

**Other Web Service/  
Tech Support:               \$39,500 Web Service Line Item**

Increase the existing Web Service Line Item (E 09-900-000-043 WEB SERVICE) from \$36,552 to \$39,500. This includes help desk fees, estimated travel to the region during the contract term and other annual and monthly licensing fees.

**PERS:                               \$40,000 PERS Line Item Addition**

Deduct \$6,000 from the existing PERS Line Item (E 01-900-000-799 PERS Expense reducing it from \$46,000 to \$40,000. In FY20, the State of Alaska indicated that the Borough's FY 2008 salary floor was not met during FY 2019, this resulted in an additional contribution amount due of approximately \$40,000, which is 22% of the shortfall.

**Other Operating Budget:   Other Operating Budget Changes**

The "Other" Operating Budget would decrease in the amount of \$45,824, totaling **\$700,250**.

**TOTAL Recommended  
Operating Budget:       \$4,026,849.00**

## **FY21 Fund 22 Cold Bay Terminal Anticipated Revenues**

### **Fund 22 Terminal Operations Revenue**

**Remaining Construction      \$0**  
**Loan:**

**Remaining FAA                      \$0**  
**Reimbursement:**

**Other Income:                      \$0**

**Cold Bay Terminal Lease: \$262,000**

This is rent payments we receive from FAA and the airline tenants of the Cold Bay Terminal.

**TOTAL Anticipated                      \$262,000**  
**Revenue:**

## **FY21 Fund 22 Cold Bay Terminal Expenditure** **Adjustment Recommendations**

### **Fund 22 Cold Bay Terminal Operations Budget Adjustment Recommendations**

#### **Department 802 Capital – Cold Bay**

**Salary:                                      \$60,000 Salary Line Item**

Increase the existing Salary Line Item (E 22-200-300 SALARIES) from \$50,000 to \$60,000. This line item will remain the same. This includes the contract fees for the manager and janitor for the facility.

**Fringe:                                      \$4,000 Fringe Benefits Line Item**

Increase the existing Fringe Benefits Line Item (E 01-22-802-200-350 FRINGE BENEFITS) from \$3,500 to \$4,000. This reflects the anticipated expenditures for FY21.

**Maintenance:                              \$56,500 Maintenance Line Item**

**Phones: \$2,000 Phone Line Item**

**Supplies: \$20,000 Supplies Line Item**

**Utilities: \$79,500 Utilities Line Item**

**Gas:** **\$1,000 Gas Line Item**

**Fuel:** **\$16,000 Fuel Line Item**

**State Land Lease: \$6,500 State Land Lease Line Item**

**Based off the Cold Bay Terminal Operation Revenues and Expenditures the Borough should anticipate receiving a \$16,500 surplus.**

### **FY21 Fund 22 Helicopter Operations Anticipated Revenues**

**Other Revenue:                      \$343,600**

This remains the same as FY20. This includes Maritime payments for services the Borough provides for the helicopter operation. A breakdown for the anticipated revenue source is:

- Hangar Space    \$48,600
- Transportation Services    \$169,000
- Fuel Usage    \$126,000
  
- TOTAL    \$343,600

**Helicopter/Tickets:                      \$0**

The Borough is no longer collecting revenues for helicopter ticket sales. This will be removed from the financials.

**Helicopter Freight:                      \$0**

The Borough is no longer collecting revenues for helicopter freight. This will be removed from the financials.

**Total Anticipated Revenue    \$343,600**

### **FY21 Fund 22 Helicopter Operations Expenditure Adjustment Recommendations**

#### **Fund 22 Helicopter Operations Budget Adjustment Recommendations**

#### **Department 845 Helicopter Operations**

**Salaries:                                      \$55,000 Salaries Line Item**

Deduct \$15,000 from the existing Salaries Line Item (E 22-845-300-300 SALARIES) leaving \$55,000.

**Fringe Benefits:                              \$15,000 Fringe Benefits Line Item**



Deduct \$11,300 from the existing Fringe Benefits Line Item (E 22-845-300-350 FRINGE BENEFITS) leaving \$15,000. This should meet the anticipated expenditures in FY21.

**Contract:                               \$887,816 Contract Line Item**

Increase the existing Contract Line Item (E 22-845-300-380 CONTRACT) \$860,816 to \$887,816. This accounts for inflation costs related to the agreement with Maritime for the helicopter.

**Phone:                                   \$700 Phone Line Item**

Deduct \$300 from the existing Phone Line Item (E 22-845-300-425) from \$1,000 to \$700. This reflects more accurately what we anticipate expending in FY21.

**Supplies:                               \$20,000 Supplies Line Item**

Deduct \$20,000 from the existing Supplies Line Item (E 22-845-300-475 SUPPLIES) leaving \$20,000. This reflects more accurately what we anticipate expending in FY21.

**Utilities:                               \$8,000 Utilities Line Item**

This line item will remain the same.

**Gas:                                     \$14,000 Gas Line Item**

Increase the existing Gas Line Item (E 22-845-300-576 GAS) from \$12,000 to \$14,000. This is the anticipated cost for gas for the skiff in FY21.

**Fuel:                                    \$110,000 Fuel Line Item**

Deduct \$20,000 from the existing Fuel Line Item (E 22-845-300-577 FUEL) leaving \$110,000. This reflects our anticipated fuel expenditures for FY21.

**Total Operating                       \$1,110,516**  
**Budget:**

**Based off the Helicopter Operation Revenues and Expenditures the Borough should anticipate operating at a deficit of \$766,916.**

## **FY21 Fund 30 Bond Fund Expenditure Adjustment Recommendations**

**Bond Interest: \$897,493**

Based on the draft FY19 Audit, the Borough owes \$897,493 in interest in FY21.

**Bond Principal: \$1,595,000**

Based on the draft FY19 Audit, the Borough owes \$1,595,000 in principal in FY21.

## **FY21 Fund 41 Maintenance Reserve Fund Expenditure Adjustment Recommendations**

**Other Maintenance Reserve: \$125,000**

Reduce the existing Maintenance Line Item ( E 41-900-000-603 MAINTENANCE) from \$250,000 to \$125,000 to conduct maintenance projects throughout the fiscal year.

## **FY21 Fund 20 Grant Program Overview**

### **Fund 20 Grant Programs**

**Permanent Fund Earnings: \$1,724,449 in Permanent Fund Earnings reflected in the budgets Revenues and Expenditure Line Item**

The \$1,724,449 is 4% of the permanent fund distribution amount and is based off APCM's reading of the Borough ordinance (5-year average market value assuming fiscal year end 6/30).

Approval of the Permanent Fund Earnings appropriations will be presented to the Assembly via resolution. This will allow the Borough to keep documentation, approved by the Assembly, on where the funds are appropriated.

**The FY21 Permanent Fund Appropriation Recommendations are as follows:**

**City of Akutan Tsunami/ Community Center \$100,000 Addition to Fund 20 for an Akutan Tsunami/ Community Center**

Propose adding a Department Line Item to Fund 20 in the amount of \$100,000 for an Akutan Tsunami/Community Center. This was requested by the City of Akutan through the budget request

process. These funds would be appropriated from the FY21 Permanent Fund Earnings.

**City of Cold Bay  
Community Education  
Support:**

**\$41,200 Addition to Sub Department 516 Cold Bay Preschool  
Line Item E 20-516-209-475 Supplies**

Propose adding \$41,200 to Line Item E 20-516-209-475 Supplies for the Cold Bay Preschool. This was requested by the City of Cold Bay through the budget request process. The funds would be appropriated from the FY21 Permanent Fund Earnings.

**City of Cold Bay  
Loader Purchase:**

**\$10,000 Addition to Fund 20 for a Cold Bay Loader**

Propose adding a Department Line Item to Fund 20 in the amount of \$10,000 for a Cold Bay Loader. This was requested by the City of Cold Bay through the budget request process. The funds would be appropriated from the FY21 Permanent Fund Earnings.

**City of False Pass  
Front End Loader:**

**\$22,152 Addition to Fund 20 for a False Pass Front End  
Loader**

Propose adding a Department Line Item to Fund 20 in the amount of \$22,152 for a Front-End Loader. This was requested by the City of False Pass through the budget request process. The funds would be appropriated from the FY21 Permanent Fund Earnings.

**City of King Cove  
Delta Creek Turbine  
Runner Replacement:**

**\$51,648 Addition to Fund 20 for the Delta Creek Turbine  
Runner Replacement**

Propose adding a Department Line Item to Fund 20 in the amount of \$51,648 for the Delta Creek Turbine Runner Replacement. This would partially fund the City of King Cove's \$225,000 request for this project through the budget request process. The funds would be appropriated from the FY21 Permanent Fund Earnings.

**Cold Bay Clinic:**

**\$75,000 Addition to Sub Department 209 AEB Grant Line  
Item E 20-520-209-850 CAPITAL CONSTRUCTION**

Propose adding \$75,000 to Line Item E 20-520-209-850 CAPITAL CONSTRUCTION for the Cold Bay Clinic. This project is on the Borough's strategic plan. Due to COVID-19, the Borough postponed the project until 2021. The \$75,000 addition would cover the cost increase due to the delay in the project. The funds would be appropriated from the FY 21 Permanent Fund Earnings.

**Deferred Maintenance:**

**\$250,000 Addition to Fund 20 for Deferred Maintenance**

Propose adding a Department Line Item to Fund 20 in the amount of \$250,000 for Deferred Maintenance Projects. This project is on the Borough's strategic plan. The funds would be appropriated from the FY21 Permanent Fund Earnings.

**Fisheries Research**

**\$150,000 Addition to Fund 20 for Fisheries Research**

Propose adding a Department Line Item to Fund 20 in the amount of \$150,000 to help with Fisheries Research. Fisheries research is on the Borough's strategic plan. The funds would be appropriated from the FY21 Permanent Fund Earnings.

**Sand Point and Akutan Harbor Floats:**

**\$800,000 Addition to Fund 20 for the Sand Point and Akutan Harbor Floats**

Propose adding \$800,000 to Fund 20 for the Sand Point and Akutan Harbor Floats. This project is on the Borough's strategic plan and can be used as a match to federal and state grants. The funds would be appropriated from the FY 21 Permanent Fund Earnings.

**Sand Point School:**

**\$100,000 Addition to Sub Department 807 Sand Point School Grant Line Item E 20-807-209-462 Sand Point School**

Propose adding \$100,000 to Fund 20 for the Sand Point School. The Borough is applying for a DEED grant for rehabilitating the Sand Point School. If the grant is approved a 35% match will be required. These funds would be applied to the match. This project is on the Borough's strategic plan. The funds would be appropriated from the FY21 Permanent Fund Earnings.

**Project Contingency:**

**\$124,449 Addition Sub Department 866 AEB Projects to Line Item E 20-866-209-888 PROJECT CONTINGENCY**

Propose adding \$124,449 to Line Item E 20-866-209-888 PROJECT CONTINGENCY. Having funds in this line item for unanticipated projects and needs has been extremely valuable. The funds would be appropriated from the FY 21 Permanent Fund Earnings.

**Other Changes:**

**Planning Commission: Remove Department 151 Planning Commission from the Borough Financials**

The Planning Commission has been inactive for numerous years. Per Borough Code, the Borough Assembly can act as the Planning Commission. Therefore, Administration proposes removing this from the FY21 budget. If the planning commission needs to be formed the Assembly can add this back into the budget at that time.

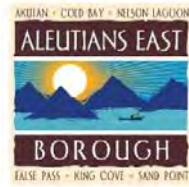
**False Pass Septic Truck: Remove Department 818 False Pass Septic Truck from the Borough Financial Statements**

The funds available in this account were from the Borough's FY20 Budget Request Process. These funds have been expended in their entirety. Propose removing this from the Borough's financial statements.

**FY 21 Permanent Fund Earnings  
Appropriation Recommendations**

<b>Project</b>	<b>Amount</b>
City of Akutan – Akutan Tsunami/Community Shelter	\$100,000.00
City of Cold Bay – Community Education Support	\$41,200.00
City of Cold Bay – Loader Purchase	\$10,000.00
City of False Pass – Front End Loader	\$22,152.00
City of King Cove – Delta Creek Turbine Runner Replacement	\$51,648.00
Cold Bay Clinic	\$75,000.00
Deferred Maintenance	\$250,000.00
Fisheries Research	\$150,000.00
Sand Point and Akutan Harbor Floats	\$800,000.00
Sand Point School	\$100,000.00
Project Contingency	\$124,449.00
<b>TOTAL</b>	<b>\$1,724,449.00</b>

\*This value is 4% of the permanent fund distribution amount and is based off APCM's reading of the Borough ordinance (5-year average market value assuming fiscal year end 6/30).



## MEMORANDUM

**DATE:** April 30, 2020

**TO:** Mayor Osterback and Assembly

**FROM:** Anne Bailey, Administrator

**RE:** Aleutians East Borough FY21 Community Budget Requests

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In January 2020, Borough Administration sent the FY21 budget request process information to the communities of Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon and Sand Point. The budget request process allows governing bodies in the Borough communities to request financial assistance from the Borough for community projects.

Based off of input received from communities last year, Borough Administration made the following adjustments to the FY21 Community Budget Request Process:

- 1) Issuing a total estimated funding cap of \$225,000 for the entire program, which is subject to Assembly approval and appropriation.
- 2) Offering guidance to applicants stating that the Borough is interested in selecting requests that will result in fully funded projects, and that requests that fully fund or fill funding deficits are ideal.

The Borough received \$398,351 worth of requests from the communities of Akutan, Cold Bay, False Pass, and King Cove. The Community Budget Requests Overview is attached.

Through the Borough budget preparation process, the Borough Mayor, Administration and the Finance Department considered these requests and recommends funding \$225,000 in requests as follows:

• City of Akutan	Akutan Community Tsunami Shelter	\$100,000.00
• City of Cold Bay	Community Education Support	\$41,200.00
• City of Cold Bay	Loader Purchase	\$10,000.00
• City of False Pass	Front End Loader	\$22,152.00

- City of King Cove     Delta Creek Turbine Runner Replacement     \$51,648.00

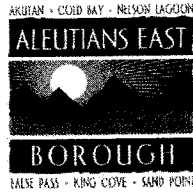
This will fully fund the projects for the communities of Akutan, Cold Bay and False Pass and partially fund the project in King Cove. As mentioned earlier the Borough is interested in selecting projects that will result in fully funded projects.

The requests for these projects are attached for your reference.



**Fiscal Year 2021  
Community Budget Requests Overview**

<b>Community</b>	<b>Request</b>	<b>Amount Requested</b>
City of Akutan	Akutan Community Tsunami Shelter	\$100,000.00
	<b>TOTAL FUNDING REQUEST</b>	<b>\$100,000.00</b>
City of Cold Bay	Community Education Support	\$41,200.00
	Loader Purchase	\$10,000.00
	<b>TOTAL FUNDING REQUEST</b>	<b>\$51,200.00</b>
City of False Pass	Front End Loader	\$22,151.26
	<b>TOTAL FUNDING REQUEST</b>	<b>\$22,151.26</b>
City of King Cove	Delta Creek Turbine Runner Replacement	\$225,000
	<b>TOTAL FUNDING REQUEST</b>	<b>\$225,000.00</b>
	<b>TOTAL AMOUNT OF COMMUNITY REQUESTS</b>	<b>\$398,351.00</b>



## Aleutians East Borough Community Budget Request Form

**Project Title:** Akutan Tsunami/Community Center

**Community Priority:** #3

**Recipient:** City of Akutan

**FY2021 Borough Funding Request:** \$100,000.00

### Brief Project Description:

Construction of a self-sustained 2,400 square foot pre-engineered metal tsunami shelter with power and water behind the Aleutian Housing Authority 4 plex as an emergency shelter in the event of natural disasters occurrences such as tsunamis, earthquakes, and volcano eruptions as well as a center for the community's social and cultural gatherings.

### Funding Plan:

Total Project Cost: \$500,000.00  
Funding Already Secured: \$400,000.00  
FY2020 Borough Funding Request: \$100,000.00  
Project Deficit: \$00.00

### Explanation of Other Funds:

\$300,000 from APICDA Community Development Assistance Program Grant, and \$100,000 from the City of Akutan match contribution for a total of \$400,000 secured for this project.

## Detailed Project Description and Justification:

The proposed planned Tsunami shelter is a 2,400 square footage pre-engineered metal tsunami / community Center facility to be built on Akutan Corporation land that the City already surveyed. It is the highest elevation point that is level enough to construct a building in reference to all other building in the community. The proposed building will be self contained with its own power source through purchasing a 50KW portable diesel generator with a 200 gal fuel tank that is all internally engineered, ready for operation when a tsunami evacuation ensued. Water storage containers, cabinets for food item storage, cots for bedding, first aid kit, fire extinguishers and other basic necessity items will be kept in the shelter.

Additionally, a conference room/cultural hall and offices will also be constructed to hold community social functions and cultural activities and gathering that will promote cultural identity and preservation of language, tradition and Aleut way of life. This building will meet all building codes for public access and use.

From the past experiences:

In Akutan, one of the most active volcanoes in the Aleutian Islands, has erupted at least 27 times since the late 1700s, when the first written accounts were recorded. In May 1992, the Alaska Volcano Observatory (AVO) recorded steam and ash plumes almost 3 miles high. Ash eruptions occurred in 1973 and 1974. In May 1977, the volcano ejected clouds of light brown ash about every fifteen minutes, with intervening emissions of steam. In September 1978, airline pilots reported seeing burning fragments, some as big as cars, ejected 325 feet above the summit. In 1988, residents in Akutan village reported ashfall and strong sulfur fumes during eruptions from March through July. Ash emission occurred intermittently from August 1988 to September 1991. Then in 1996 on a Sunday night, the entire community awoke to a rumbling of a near non-stop earthquakes shaking the island for 2 whole days measuring up to 5.1 on Richter scale. Steam were reported spewing from the 4,275 foot Akutan Volcano and fortunately there was no eruption reported.

While the volcanos and earthquakes are much talked about and have been at the forefront of the emergency evacuation planning in the community, another deadly natural disaster that had not been addressed quite as extensively now takes precedence. Tsunami had come to the fore as a more devastating natural disaster for Akutan given its proximity to the water and with the homes built adjacent from the ocean at sea level. It is foreseen that any earthquake from 6.0 going up can create a tsunami in the vicinity and could completely wipe out the whole community due to its' low lying landscape.

The City had not taken this threat lightly. In it's 2017 Community Planning, a Tsunami shelter was identified as a priority project for public safety and well being of the resident of the community. To this end, the City had worked with the Department of Homeland Security putting together a Small Community Emergency Response Plan in which a large part of the plan addressed responding to a tsunami incident, to include the Evacuation Plan. It also contains an Incident Command System Organization Chart with contact names and phone numbers, Evacuation and Sheltering protocol and maps of routes to the Tsunami Shelter.

Everything to respond and address a tsunami incident are in place. The only thing missing is a Tsunami/Community Center building.

### Breakdown of the Project Cost:

Pre-engineered steel building:	300,000.00
Shipping:	75,000.00
Labor (10 man weeks @ \$25/HR)	20,000.00
Joe Henning (Supervise Concrete pour)	15,000.00
Equipment rental:	10,000.00
Contingency (25%)	80,000.00
TOTAL	500,000.00

**Project Timeline:**

Construction completion of this project is at 5 months upon arrival of all building supplies and materials at Akutan.

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

City of Akutan will be the owner and the lead agency responsible for ongoing Operation and Maintenance of this project.

**Supporting Documentation:** Please attached any supporting documentation to this form (i.e. engineering cost estimates, resolutions of support, etc....).

**Grant Recipient Contact Information:**

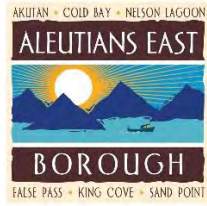
**Name:** Hermann J. Tuna Scanlan; D.P.A.

**Address:** 3380 C Street Suite 205, Anchorage AK 99503

**Phone Number:** 907-274-7565

**Email:** tuna.scanlan@akutanak.us

**This project has been through a public review process at the local level and it is a community priority.** ☒ Yes ☐ No



## **Aleutians East Borough Community Budget Request Form**

**Project Title:** Community Education & Support

**Community Priority:** High

**Recipient:** City of Cold Bay

**FY 2021 Borough Funding Request:** \$41,200

**Brief Project Description:**

The City of Cold Bay requests funding to support, develop, and maintain our Community Education and Support Program. Please see the attached memo for in depth details and description.

**Funding Plan:**

Total Project Cost: \$41,200  
Funding Already Secured: In-Kind  
FY2021 Borough Funding Request: \$41,200  
Project Deficit:  
NA

**Explanation of Other Funds:**

Please see attached community education memo.

**Detailed Project Description and Justification:**

Please see attached memo.

**Project Timeline:**

August 1, 2020 to June 30, 2021

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

City of Cold Bay

**Supporting Documentation:** Please attached any supporting documentation to this form (i.e. engineering cost estimates, resolutions of support, etc....).

**Grant Recipient Contact Information:**

**Name:** City of Cold Bay - Angela

**Address:** PO Box 41 Cold Bay, AK 99571

**Phone Number:** (907) 532 -2401

**Email:** angela@akcoldbay.org

**This project has been through a public review process at the local level and it is a community priority.**



**City of Cold Bay**  
**Box 10**  
**Cold Bay, AK 99571**  
**(907) 532-2401**

## **MEMO**

TO: Anne Bailey

FROM: City Office

DATE: March 15, 2020

RE: FY21 Funding Request Community Education & Support

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Dear Ms. Bailey,

The City of Cold Bay would like to request funding to continue our community education and support project. Last year, in the FY20 cycle, we made some significant changes that we feel have provided more substantial support for our students and parent teachers. The most notable of which was hiring a certified teacher to visit Cold Bay once a month.

Total Funding Request: \$41,200.00

Budget Detail Outline

Teacher Salary: \$11,500.00

Airline Travel Expense: \$14,300.00

Holiday Theme Activities: \$1,500.00

Art Supplies: \$1,500.00

Books: \$800.00

Student Educational Materials: \$1,000.00

Music: \$1,200.00

Misc.: \$1,500.00

STEM Learning: \$2,000.00

Teachers/Materials Items: \$1,500.00

Student Travel: \$3,900.00

Special Projects for Student Activities: \$500.00 (Examples: Engineer Week, Science Fair, Science Olympiad, Women in Science, etc.)

We believe that this project is in line with the Borough's strategic plan to develop and maintain healthy communities and families by directly addressing the educational challenges of our area.

Our community is unique in the sense that we don't have the traditional "brick and mortar" school. The make-up of our community is constantly changing, which does not allow for the school district to open a traditional school. The City is working diligently with the school district and APIA to create an alternative school setting for students of all ages in the community, however we feel that this still leaves some large gaps in education for our children. The City feels it's important to support our families with access to a certified teacher as the City, District and APIA work through the process over the next year.

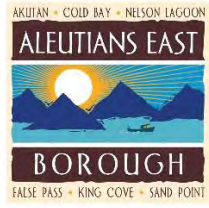
Funding of a certified teacher will provide much needed professional support to our families and enhance student participation and experiences while in remote enrollment through such activities as: AK State Battle of the Books, State Science Fair, art and music projects and help meet the challenges of developing gross and fine motor skills.

Based on the experiences observed in other communities, when more professional support is provided to youth and families it encourages families to remain in the community despite the lack of a "brick and mortar" and will encourage others to consider Cold Bay as a place to put down roots. The connection with an actual teacher helps foster stronger lessons to students, more accountability to follow through on lessons and grading, provides special group projects mentioned above, and is invaluable to parent teachers when they encounter students who struggle or may have a learning disability.

We believe that this grant will play an important part of maintaining and developing our community as we move forward. We feel your investment in us will be rewarded with a stronger and more vibrant Cold Bay, which in turn adds to the greater good of the Borough.

Thank you for your time and consideration on behalf of the children and families of Cold Bay. We are continuing to work on developing our community so that it can grow with the changing times. If you would like more specific information on any of the line items listed above, please contact the City office at 532-2401.





## Aleutians East Borough Community Budget Request Form

**Project Title:** Loader Purchase

**Community Priority:** High

**Recipient:** City of Cold Bay

**FY 2021 Borough Funding Request:** \$10,000

**Brief Project Description:**

Purchase a 908M Compact Wheel Loader to add to the Public Works Department.

**Funding Plan:**

Total Project Cost: \$129,210

Funding Already Secured: \$119,210

FY2021 Borough Funding Request: \$10,000

Project Deficit:

\$10,000

**Explanation of Other Funds:**

Funds available in our public works savings account.

**Detailed Project Description and Justification:**

Our community needs this machinery to maintain responsible landfill maintenance and limit impact of the landfill on the local environment.

**Project Timeline:**

Spring 2020

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

City of Cold Bay Public Works Department

**Supporting Documentation:** Please attached any supporting documentation to this form (i.e. engineering cost estimates, resolutions of support, etc....).

**Grant Recipient Contact Information:**

**Name:** City of Cold Bay - Angela

**Address:** PO Box 10 Cold Bay, AK 99571

**Phone Number:** (907) 532-2401

**Email:** angela@akcoldbay.org

**This project has been through a public review process at the local level and it is a community priority.**



## Aleutians East Borough Community Budget Request Form

**Project Title:** Front End Loader

**Community Priority:** 1

**Recipient:** City of False Pass

**FY 2021 Borough Funding Request:**

**Brief Project Description:**

Priority heavy equipment need for boat haul outs, landfill ops, Creek bed diversion and more.

**Funding Plan:**

Total Project Cost: 197,151.26  
Funding Already Secured: 175,000.00  
FY2021 Borough Funding Request: 22,151.26  
Project Deficit: 22,151.26

**Explanation of Other Funds:** The City of False Pass has already purchased this machine, this funding would cover the shipping costs.

**Detailed Project Description and Justification:**

The City has been in the process of upgrading/purchasing new heavy equipment to support all of our operations. Most recently acquiring a new fuel truck for our Electric Utility and with the Borough's help a new vacuum truck for septic waste. This loader has been identified as the next priority need and fulfills many duties.

**Project Timeline:**

The City purchased this loader in December 2019. We hope to have this equipment on the next available AML shipping out of Whittier.

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

City of False Pass

**Supporting Documentation:** Please attached any supporting documentation to this form (i.e. engineering cost estimates, resolutions of support, etc....).

**Grant Recipient Contact Information:**

**Name:** City of False Pass

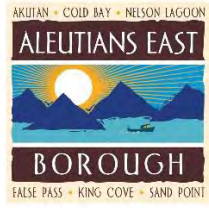
**Address:** 180 Unimak Dr., False Pass, AK 99583

**Phone Number:** (907) 548-2319

**Email:** cityoffalsepass@ak.net

**This project has been through a public review process at the local level and it is a community priority.**

Yes.



## **Aleutians East Borough Community Budget Request Form**

**Project Title:**

**Community Priority:**

**Recipient:**

**FY 2021 Borough Funding Request:**

**Brief Project Description:**

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**Funding Plan:**

Total Project Cost: Funding Already Secured: FY2021 Borough Funding Request: Project Deficit:
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<b>Explanation of Other Funds:</b>
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**Detailed Project Description and Justification:**

**Project Timeline:**

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

**Supporting Documentation:** Please attached any supporting documentation to this form (i.e. engineering cost estimates, resolutions of support, etc....).

**Grant Recipient Contact Information:**

**Name:**

**Address:**

**Phone Number:**

**Email:**

**This project has been through a public review process at the local level and it is a community priority.**

Supporting Documentation  
From  
**City of King Cove – Municipal Electric Department**  
To  
**Aleutians East Borough FY21 Community Budget Request**

- Documentation of City Support for this budget request – see following Resolution 20-14.
- The following table summarizes the cost of this project. A copy of the City's contract with Gilkes & Gordon, Inc. and HDR Alaska can be provided upon request.

**GILKES**

Turbine Runner & parts/equipment	\$ 154,745
Shipping	28,942
Taxes & Fees	17,310
Installation Labor & Travel/Per Diem	<u>34,210</u>
	\$ 235,207

**HDR Alaska**

RFP/Contract & Management Services	28,587
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**City Administration**

3% of contract value of Gilkes & HDR	<u>7,914</u>
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**TOTAL PROJECT COST                      \$271,708**

- **COST/BENEFIT ANALYSIS** for this AEB Grant Request.

Background Information

- 1) The King Cove School is the second largest annual user of electricity generated by the King Cove Municipal Electric Department. The city's two boat harbors use about 2% more annual electricity. The cost of electricity for the harbors is \$0.34/kWh. See following table:

4,544,000 kWh - average, annual city demand for electricity  
434,000 kWh (9.6%) – average, annual demand at both King Cove Harbors  
336,000 kWh (7.4%) - average annual demand at King Cove School)

Next highest users:

138,000 kWh (3.0%) – Goulds Store  
120,000 kWh (2.6%) - ACC  
119,000 kWh (2.6%) - KC Clinic



- 2) ***Starting in July 2020, the City expects to increase the cost of electricity for the King Cove School to \$0.34/kWh.*** This will have the two largest city users paying the same kWh price. This is standard utility cost pricing to have the largest electricity users pay a higher price in order for the system to have and maintain the necessary capacity to meet demand.

Based on the average annual kWh use at the King Cove School (336,000 kWh's), this cost increase will increase the annual revenue from the AEBSD/King Cove School to \$1,142,000. This will be an **additional** \$134,000 in annual electric costs to the AEBSD/AEB for the King Cove School.

- 3) If awarded this full grant request of \$225,000, the City will guarantee, via City Resolution, that there will be NO kWh rate increase to the AEBSD/AEB for FY21 & FY22. This rate guarantee will PAY BACK the value of this grant award in less than two years!
- 4) Also, note that the City's **recoverable heat system** has also been saving (i.e. displacing the need for diesel fuel for space heating) the King Cove School approximately 27,000 gallons of diesel fuel/year for the last seven years. The total cost savings to the AEBSD/AEB between FY13 and FY19 for using recoverable heat, instead of burning diesel, has been more than **\$200,000**. Similar diesel fuel cost savings between 2009 and 2012 occurred.

March 16, 2020





Resolution 20-14

**Resolution Adopting the City's 2020 Legislative and Capital Project Priorities**

**WHEREAS**, the City Administration has identified a number of legislative and capital project priorities for 2020 requiring financial and legislative assistance from the State of Alaska and/or the Aleutians East Borough;

**WHEREAS**, these capital projects and legislative priorities have been discussed, prioritized, and endorsed by the City Council;

**NOW THEREFORE BE IT RESOLVED**, the City Council hereby endorses the following capital project and legislative priorities for 2020.

Capital Projects & Priorities

- 1) Delta Creek Turbine Runner Replacement - \$250,000
- 2) Community Gasoline Facility - \$250,000
- 3) New Public Safety Facility (design) - \$250,000

Legislative & Administrative Projects

- 1) PCE Program Adjustments for Renewable Energy Communities
- 2) Approval of ADEC low-Interest Loan to Refinance Debt on Delta Creek Water Project

**BE IT FURTHER RESOLVED**, the City Council authorizes the City Administration to use its experience and discretion in determining the most appropriate funding source and strategy for submitting these capital project and legislative & administrative requests to either the State of Alaska or Aleutians East Borough.

**PASSED AND APPROVED** on the 22nd of January 2020 by a duly constituted quorum of the King Cove City Council.

Henry Mack  
Henry Mack, Mayor

ATTEST:  
Kailee R. Calver  
Kailee Calver, City Clerk

Ayes	<u>5</u>	Abstained	<u>0</u>
Nays	<u>0</u>	Absent	<u>1</u>

## ORDINANCE 20-09

### AN ORDINANCE ADOPTING THE OPERATING AND CAPITAL BUDGET FOR THE ALEUTIANS EAST BOROUGH FISCAL YEAR 2021.

Section 1. Classification	This is a non-code ordinance
Section 2. Effective Date	This ordinance becomes effective upon Adoption.
Section 3. Severability	The terms, provisions, and sections of this Ordinance are severable.
Section 4. Content	The operating and capital budget for the Aleutians East Borough for Fiscal Year 2021 is adopted as follows:

REVENUES		FY20 BUDGET
Local		
	Interest Income	\$35,000.00
	AEB Fish Tax	\$3,350,000.00
	AEBSD Refund	\$0.00
	Other Revenue	\$80,000.00
State		
	Shared Fishery Tax	1,880,000
	Shared Fishery Tax FMA2	\$36,000
	Shared Fishery Tax FMA3	\$4,000
	Harbor Bond Debt Reimbursement	\$0.00
	School Bond Debt Reimbursement	\$0.00
	Community Assistance	\$300,000
Federal		
	Payment in Lieu of Taxes	\$559,000
	USF&WS Lands	\$25,000
	<b>Total FY21 Revenues</b>	<b>\$6,269,000</b>

## OPERATING FUND EXPENDITURES

Mayor	\$287,954.00
Assembly	\$226,000.00
Administration	\$406,641.00
Assistant Administrator	\$150,530.00
Clerk/Planning	\$207,500.00
Planning Commission	\$0.00
Finance	\$335,520.00
Natural Resources	\$329,532.00
Communications Manager	\$173,212.00
Maintenance Director	\$127,700.00
Educational Support	\$855,000.00
KCAP	\$227,000.00
Dept. Total	3,326,589.00
Other General Fund	
Equipment	\$25,000.00
AEB Vehicles	\$750.00
Utilities	\$20,000.00
Aleutia Crab	\$55,000.00
Legal	\$85,000.00
Insurance	\$195,000.00
Repairs	\$3,000.00
Bank Fees	\$12,500.00
EATS	\$150,000.00
Misc.	\$25,000.00
Donations	\$23,500.00
KSDP	\$10,000.00
NLG Community Assistance	\$16,000.00
IT services	\$39,500.00
PERS	\$40,000.00
Other Gen. Fund Total	\$700,250.00
Total General Fund	\$4,026,839.00
Capital Projects	\$0.00
Bond Projects	\$0.00
Debt Services	\$2,492,493.00
Maintenance Reserve	\$125,000.00

<b>Total Expenditures</b>	<b>\$6,644,332.00</b>
Transfer to Helicopter Operation	\$766,916.00
Transfer to Terminal Operation	(\$16,500.00)
<b>AEB Deficit</b>	<b>(\$1,125,748.00)</b>
Fund 20, AEB Community Grant, Revenues	\$1,724,449.00
Fund 20, AEB Community Grant, Exp.	\$1,724,449.00
Fund 22, Helicopter, Revenues	\$343,600.00
Fund 22, Helicopter, Expenditures	\$1,110,516.00
Fund 22, Terminal Operations, Revenues	\$262,000.00
Fund 22, Terminal Operations, Expenditures	\$245,500.00
Fund 24, Bond Project, Revenues	\$0.00
Fund 24, Bond Project, Expenditures	\$0.00
Fund 30, Bond Payments, Revenues	\$0.00
Fund 30, Bond Payments, Expenditures	\$2,492,493.00
Fund 40, Permanent Fund, Revenues	\$35,000.00
Fund 40, Permanent Fund, Expenditures	\$35,000.00
Fund 41, Maintenance Reserve, Revenues	\$125,000.00
Fund 41, Maintenance Reserve, Expenditures	\$125,000.00

Passed and adopted by the Aleutians East Borough Assembly this \_\_\_\_\_ day of May, 2020.

Date Introduced: 5/14/2020

Date Adopted: \_\_\_\_\_

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Clerk

## Proposed FY21 Aleutians East Borough Budget

Increases to the budget are shown in green.

Decreases to the budget are shown in red.

REVENUES		FY20	Proposed Changes	FY21
Local	Interest Income	\$ 35,000.00	\$ -	\$ 35,000.00
	AEB Raw Fish Tax	\$ 4,100,000.00	\$ (750,000.00)	\$ 3,350,000.00
	AEBSD Refund	\$ -	\$ -	\$ -
	Other Revenue	\$ 65,000.00	\$ 15,000.00	\$ 80,000.00
State	Shared Fishery Tax	\$ 1,880,000.00	\$ -	\$ 1,880,000.00
	Shared Fishery Tax FMA2	\$ 100,000.00	\$ (64,000.00)	\$ 36,000.00
	Shared Fishery Tax FMA3	\$ 35,000.00	\$ (31,000.00)	\$ 4,000.00
	Harbor Bond Debt Reimbursement	\$ -	\$ -	\$ -
	School Bond Debt Reimbursement	\$ 328,867.00	\$ (328,867.00)	\$ -
	Community Assistance	\$ 316,365.92	\$ (16,365.92)	\$ 300,000.00
Federal	Payment in Lieu of Taxes	\$ 559,000.00	\$ -	\$ 559,000.00
	USFWS Lands	\$ 36,256.00	\$ (11,256.00)	\$ 25,000.00
Total FY Revenues		\$ 7,455,488.92	\$ (1,186,488.92)	\$ 6,269,000.00

## OPERATING FUND EXPENDITURES

### Departments

Mayor	\$ 287,389.00	\$ 565.00	\$ 287,954.00
Assembly	\$ 221,000.00	\$ 5,000.00	\$ 226,000.00
Administration	\$ 423,324.00	\$ (16,683.00)	\$ 406,641.00
Assistant Administrator	\$ 149,022.00	\$ 1,508.00	\$ 150,530.00
Clerk/Planning	\$ 211,629.00	\$ (4,129.00)	\$ 207,500.00
Planning Commission	\$ -	\$ -	\$ -

Finance	\$	328,094.00	\$	7,426.00	\$	335,520.00
Natural Resources	\$	326,472.00	\$	3,060.00	\$	329,532.00
Communication Manager	\$	181,573.00	\$	(8,361.00)	\$	173,212.00
Maintenance Director	\$	131,459.00	\$	(3,759.00)	\$	127,700.00
Educational Support	\$	855,000.00	\$	-	\$	855,000.00
KCAP	\$	126,500.00	\$	100,500.00	\$	227,000.00
<b>Department Total</b>	<b>\$</b>	<b>3,241,462.00</b>	<b>\$</b>	<b>85,127.00</b>	<b>\$</b>	<b>3,326,589.00</b>
<b>Other General Fund</b>						
Equipment	\$	35,000.00	\$	(10,000.00)	\$	25,000.00
AEB Vehicles	\$	500.00	\$	250.00	\$	750.00
Utilities	\$	25,000.00	\$	(5,000.00)	\$	20,000.00
Aleutia Crab	\$	58,522.00	\$	(3,522.00)	\$	55,000.00
Legal	\$	100,000.00	\$	(15,000.00)	\$	85,000.00
Insurance	\$	185,000.00	\$	10,000.00	\$	195,000.00
Repairs	\$	5,000.00	\$	(2,000.00)	\$	3,000.00
Bank Fees	\$	15,000.00	\$	(2,500.00)	\$	12,500.00
EATS	\$	150,000.00	\$	-	\$	150,000.00
Miscellaneous	\$	40,000.00	\$	(15,000.00)	\$	25,000.00
Donations	\$	23,500.00	\$	-	\$	23,500.00
KSDP	\$	10,000.00	\$	-	\$	10,000.00
NL Community Assistance	\$	16,000.00	\$	-	\$	16,000.00
IT Services	\$	36,552.00	\$	2,948.00	\$	39,500.00
PERS	\$	46,000.00	\$	(6,000.00)	\$	40,000.00
<b>Other General Fund Total</b>	<b>\$</b>	<b>746,074.00</b>	<b>\$</b>	<b>(45,824.00)</b>	<b>\$</b>	<b>700,250.00</b>
<b>Total General Fund</b>	<b>\$</b>	<b>3,987,536.00</b>	<b>\$</b>	<b>39,303.00</b>	<b>\$</b>	<b>4,026,839.00</b>
Capital Projects	\$	-				
Bond Projects	\$	-				
Debt Services	\$	2,482,416.00	\$	10,077.00	\$	2,492,493.00
Maintenance Reserve	\$	250,000.00	\$	(125,000.00)	\$	125,000.00
<b>Total Expenditures</b>	<b>\$</b>	<b>6,719,952.00</b>	<b>\$</b>	<b>(75,620.00)</b>	<b>\$</b>	<b>6,644,332.00</b>

Transfer to Helicopter Operation	\$	804,516.00	\$	(37,600.00)	\$	766,916.00
Transfer to Terminal Operation	\$	9,880.00	\$	(26,380.00)	\$	(16,500.00)
<b>AEB Deficit</b>	<b>\$</b>	<b>(78,859.08)</b>	<b>\$</b>	<b>(1,046,888.92)</b>	<b>\$</b>	<b>(1,125,748.00)</b>

FUND 20	Community Grant AEB, Revenues	\$	1,647,000.00	\$	77,449.00	\$	1,724,449.00
	Community Grant AEB, Expenditures	\$	1,647,000.00	\$	77,449.00	\$	1,724,449.00
FUND 22	Helicopter, Revenues	\$	343,600.00	\$	-	\$	343,600.00
	Helicopter, Expenditures	\$	1,148,116.00	\$	(37,600.00)	\$	1,110,516.00
FUND 22	Terminal Operations, Revenues	\$	139,620.00	\$	122,380.00	\$	262,000.00
	Terminal Operations, Expenditures	\$	149,500.00	\$	96,000.00	\$	245,500.00
FUND 24	Bond Project, Revenues	\$	-	\$	-	\$	-
	Bond Project, Expenditures	\$	-	\$	-	\$	-
FUND 30	Bond Payment, Revenues	\$	-	\$	-	\$	-
	Bond Payment, Expenditures	\$	2,482,416.00	\$	10,077.00	\$	2,492,493.00
FUND 40	Permanent Fund, Revenues	\$	35,000.00	\$	-	\$	35,000.00
	Permanent Fund, Expenditures	\$	35,000.00	\$	-	\$	35,000.00
FUND 41	Maintenance Reserves, Revenues	\$	250,000.00	\$	(125,000.00)	\$	125,000.00
	Maintenance Reserves, Expenditures	\$	250,000.00	\$	(125,000.00)	\$	125,000.00

## Proposed FY20 General Fund Budget (Fund 01)

Increases to the budget are shown in green.

Decreases to the budget are shown in red.

	FY20	Proposed Changes	FY21
<b>Mayor's Office</b>			
Salary	\$ 83,189.00	\$ 1,165.00	\$ 84,354.00
Fringe	\$ 38,000.00	\$ 2,500.00	\$ 40,500.00
Travel	\$ 40,000.00	\$ (2,000.00)	\$ 38,000.00
Phone	\$ 1,800.00	\$ (800.00)	\$ 1,000.00
Supplies	\$ 3,800.00	\$ (2,300.00)	\$ 1,500.00
Dues & Fees	\$ -	\$ 2,000.00	\$ 2,000.00
Lobbying, Federal	\$ 75,600.00	\$ -	\$ 75,600.00
Lobbying, State	\$ 45,000.00	\$ -	\$ 45,000.00
<b>Total Mayor's Office</b>	<b>\$ 287,389.00</b>	<b>\$ 565.00</b>	<b>\$ 287,954.00</b>
<b>Assembly</b>			
Meeting Fee	\$ 37,000.00	\$ 3,000.00	\$ 40,000.00
Fringe	\$ 140,000.00	\$ 5,000.00	\$ 145,000.00
Travel	\$ 40,000.00	\$ (5,000.00)	\$ 35,000.00
Dues & Fees	\$ -	\$ 5,000.00	\$ 5,000.00
Supplies	\$ 4,000.00	\$ (3,000.00)	\$ 1,000.00
<b>Total Assembly</b>	<b>\$ 221,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 226,000.00</b>
<b>Administration</b>			
Salary	\$ 187,481.00	\$ -	\$ 187,481.00
Fringe	\$ 72,500.00	\$ 5,000.00	\$ 77,500.00
Engineering	\$ 25,000.00	\$ -	\$ 25,000.00
Contract	\$ 90,000.00	\$ (10,000.00)	\$ 80,000.00
Travel & Per Diem	\$ 17,500.00	\$ (6,500.00)	\$ 11,000.00
Phone	\$ 6,100.00	\$ (750.00)	\$ 5,350.00
Postage	\$ 2,000.00	\$ (1,250.00)	\$ 750.00
Supplies	\$ 10,000.00	\$ (5,500.00)	\$ 4,500.00
Rent	\$ 10,243.00	\$ 317.00	\$ 10,560.00



Dues & Fees	\$	2,500.00	\$	2,000.00	\$	4,500.00
<b>Total Administration</b>	<b>\$</b>	<b>423,324.00</b>	<b>\$</b>	<b>(16,683.00)</b>	<b>\$</b>	<b>406,641.00</b>

#### Assistant Administrator

Salary	\$	93,164.00	\$	1,305.00	\$	94,469.00
Fringe	\$	32,000.00	\$	2,000.00	\$	34,000.00
Travel	\$	10,000.00	\$	(2,000.00)	\$	8,000.00
Phone	\$	1,750.00	\$	(500.00)	\$	1,250.00
Supplies	\$	2,000.00	\$	(1,100.00)	\$	900.00
Rent	\$	10,108.00	\$	303.00	\$	10,411.00
Dues & Fees	\$	-	\$	1,500.00	\$	1,500.00
<b>Total Assistant Administrator</b>	<b>\$</b>	<b>149,022.00</b>	<b>\$</b>	<b>1,508.00</b>	<b>\$</b>	<b>150,530.00</b>

#### Clerk/Planning

Salary	\$	107,629.00	\$	(1,629.00)	\$	106,000.00
Fringe	\$	43,000.00	\$	2,500.00	\$	45,500.00
Travel & Per Diem	\$	12,500.00	\$	(2,500.00)	\$	10,000.00
Phone	\$	7,500.00	\$	1,500.00	\$	9,000.00
Postage	\$	1,000.00	\$	-	\$	1,000.00
Supplies	\$	5,000.00	\$	(1,500.00)	\$	3,500.00
Utilities	\$	20,000.00	\$	(2,000.00)	\$	18,000.00
Dues & Fees	\$	5,000.00	\$	(500.00)	\$	4,500.00
Elections	\$	10,000.00	\$	-	\$	10,000.00
<b>Total Clerk/Planning</b>	<b>\$</b>	<b>211,629.00</b>	<b>\$</b>	<b>(4,129.00)</b>	<b>\$</b>	<b>207,500.00</b>

#### Planning Commission

Salary	\$	-	\$	-	\$	-
Fringe	\$	-	\$	-	\$	-
Contract	\$	-	\$	-	\$	-
Travel & Per Diem	\$	-	\$	-	\$	-
Permitting	\$	-	\$	-	\$	-
<b>Total Planning Commission</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>

#### Finance

Salary	\$	146,594.00	\$	1,926.00	\$	148,520.00
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Fringe	\$	70,000.00	\$	2,000.00	\$	72,000.00
Travel & Per Diem	\$	10,000.00	\$	(1,500.00)	\$	8,500.00
Phone	\$	10,000.00	\$	500.00	\$	10,500.00
Postage	\$	2,500.00	\$	(1,250.00)	\$	1,250.00
Supplies	\$	9,000.00	\$	(1,000.00)	\$	8,000.00
Utilities	\$	5,000.00	\$	(500.00)	\$	4,500.00
Dues & Fees	\$	-	\$	2,250.00	\$	2,250.00
Audit	\$	75,000.00	\$	5,000.00	\$	80,000.00
<b>Total Finance</b>	<b>\$</b>	<b>328,094.00</b>	<b>\$</b>	<b>7,426.00</b>	<b>\$</b>	<b>335,520.00</b>

#### Natural Resources

Salary	\$	167,926.00	\$	4,779.00	\$	172,705.00
Fringe	\$	65,000.00	\$	5,000.00	\$	70,000.00
Contract	\$	-	\$	10,000.00	\$	10,000.00
Travel & Per Diem	\$	30,000.00	\$	(10,000.00)	\$	20,000.00
Phone	\$	1,500.00	\$	1,500.00	\$	3,000.00
Supplies	\$	6,000.00	\$	(3,500.00)	\$	2,500.00
Dues & Fees	\$	-	\$	2,000.00	\$	2,000.00
NPFMC	\$	15,000.00	\$	(2,500.00)	\$	12,500.00
BOF Meeting	\$	15,000.00	\$	(5,000.00)	\$	10,000.00
Rent	\$	26,046.00	\$	781.00	\$	26,827.00
<b>Total Natural Resources</b>	<b>\$</b>	<b>326,472.00</b>	<b>\$</b>	<b>3,060.00</b>	<b>\$</b>	<b>329,532.00</b>

#### Communication Director

Salary	\$	105,013.00	\$	1,474.00	\$	106,487.00
Fringe	\$	34,158.00	\$	-	\$	34,158.00
Travel & Per Diem	\$	9,000.00	\$	(3,000.00)	\$	6,000.00
Phone	\$	2,400.00	\$	-	\$	2,400.00
Supplies	\$	2,500.00	\$	(1,000.00)	\$	1,500.00
Rent	\$	10,502.00	\$	315.00	\$	10,817.00
Dues & Fees	\$	-	\$	1,100.00	\$	1,100.00
Advertising/Promotions	\$	18,000.00	\$	(7,250.00)	\$	10,750.00
<b>Total Communications</b>	<b>\$</b>	<b>181,573.00</b>	<b>\$</b>	<b>(8,361.00)</b>	<b>\$</b>	<b>173,212.00</b>

#### Maintenance Director

Salary	\$	72,435.00	\$	1,015.00	\$	73,450.00
Fringe	\$	31,024.00	\$	976.00	\$	32,000.00
Travel & Per Diem	\$	20,000.00	\$	(5,000.00)	\$	15,000.00
Phone	\$	1,000.00	\$	(1,000.00)	\$	-
Supplies	\$	5,000.00	\$	(1,000.00)	\$	4,000.00
Dues & Fees	\$	-	\$	1,250.00	\$	1,250.00
Utilities	\$	2,000.00	\$	-	\$	2,000.00
<b>Total Maintenance Director</b>	<b>\$</b>	<b>131,459.00</b>	<b>\$</b>	<b>(3,759.00)</b>	<b>\$</b>	<b>127,700.00</b>

#### KCAP

Salary	\$	-	\$	-	\$	-
Fringe	\$	-	\$	-	\$	-
Travel & Per Diem	\$	-	\$	-	\$	-
Supplies	\$	1,500.00	\$	500.00	\$	2,000.00
Maintenance	\$	125,000.00	\$	-	\$	125,000.00
Contract	\$	-	\$	100,000.00	\$	100,000.00
<b>Total KCAP</b>	<b>\$</b>	<b>126,500.00</b>	<b>\$</b>	<b>100,500.00</b>	<b>\$</b>	<b>227,000.00</b>

#### Education

Local Contribution	\$	800,000.00	\$	-	\$	800,000.00
Scholarships	\$	35,000.00	\$	-	\$	35,000.00
Student Travel	\$	20,000.00	\$	-	\$	20,000.00
<b>Total Education</b>	<b>\$</b>	<b>855,000.00</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>855,000.00</b>

#### Other General Fund

Equipment	\$	35,000.00	\$	(10,000.00)	\$	25,000.00
AEB Vehicles	\$	500.00	\$	250.00	\$	750.00
Utilities	\$	25,000.00	\$	(5,000.00)	\$	20,000.00
Aleutia Crab	\$	58,522.00	\$	(3,522.00)	\$	55,000.00
Legal	\$	100,000.00	\$	(15,000.00)	\$	85,000.00
Insurance	\$	185,000.00	\$	10,000.00	\$	195,000.00
Repairs	\$	5,000.00	\$	(2,000.00)	\$	3,000.00
Bank Fees	\$	15,000.00	\$	(2,500.00)	\$	12,500.00
EATS	\$	150,000.00	\$	-	\$	150,000.00
Miscellaneous Expense	\$	40,000.00	\$	(15,000.00)	\$	25,000.00

Donations	\$	23,500.00	\$	-	\$	23,500.00
KSDP	\$	10,000.00	\$	-	\$	10,000.00
NL Revenue Sharing	\$	16,000.00	\$	-	\$	16,000.00
PERS	\$	46,000.00	\$	(6,000.00)	\$	40,000.00
IT Services	\$	36,552.00	\$	2,948.00	\$	39,500.00
<b>Total Other General Fund</b>	<b>\$</b>	<b>746,074.00</b>	<b>\$</b>	<b>(45,824.00)</b>	<b>\$</b>	<b>700,250.00</b>
<b>TOTAL OPERATING BUDGET</b>	<b>\$</b>	<b>3,987,536.00</b>	<b>\$</b>	<b>39,303.00</b>	<b>\$</b>	<b>4,026,839.00</b>

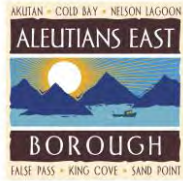
## Proposed FY21 Helicopter and Cold Bay Terminal Budgets (Fund 22)

Increases to the budget are shown in **green**.

Decreases to the budget are shown in **red**.

	FY20	Proposed Changes	FY21
<b>Fund 22 Terminal Operations</b>			
<b>REVENUES</b>			
Leases	\$ 139,620.00	\$ 122,380.00	\$ 262,000.00
Other Income	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ 139,620.00</b>	<b>\$ 122,380.00</b>	<b>\$ 262,000.00</b>
<b>EXPENSES</b>			
Salary	\$ 50,000.00	\$ 10,000.00	\$ 60,000.00
Fringe	\$ 3,500.00	\$ 500.00	\$ 4,000.00
Maintenance	\$ 25,000.00	\$ 31,500.00	\$ 56,500.00
Travel & Per Diem	\$ -	\$ -	\$ -
Phone/ Internet	\$ 4,500.00	\$ (2,500.00)	\$ 2,000.00
Supplies	\$ 20,000.00	\$ -	\$ 20,000.00
Utilities	\$ 30,000.00	\$ 49,500.00	\$ 79,500.00
Gas	\$ 1,500.00	\$ (500.00)	\$ 1,000.00
Fuel	\$ 15,000.00	\$ 1,000.00	\$ 16,000.00
State Land Lease	\$ -	\$ 6,500.00	\$ 6,500.00
<b>Total Expenditures</b>	<b>\$ 149,500.00</b>	<b>\$ 96,000.00</b>	<b>\$ 245,500.00</b>
<b>Fund 22 Helicopter Operations</b>			
<b>REVENUES</b>			
Hangar	\$ 48,600.00	\$ -	\$ 48,600.00
Transportation	\$ 169,000.00	\$ -	\$ 169,000.00
Fuel	\$ 126,000.00	\$ -	\$ 126,000.00

<b>Total Revenues</b>	\$	<b>343,600.00</b>	\$	-	\$	<b>343,600.00</b>
<b>EXPENSES</b>						
Salary	\$	70,000.00	\$	(15,000.00)	\$	55,000.00
Fringe	\$	26,300.00	\$	(11,300.00)	\$	15,000.00
Contract	\$	860,816.00	\$	27,000.00	\$	887,816.00
Travel & Per Diem	\$	-	\$	-	\$	-
Telephone	\$	1,000.00	\$	(300.00)	\$	700.00
Supplies	\$	40,000.00	\$	(20,000.00)	\$	20,000.00
Rental Lease	\$	-	\$	-	\$	-
Utilities	\$	8,000.00	\$	-	\$	8,000.00
Insurance	\$	-	\$	-	\$	-
Gas	\$	12,000.00	\$	2,000.00	\$	14,000.00
Fuel	\$	130,000.00	\$	(20,000.00)	\$	110,000.00
<b>Total Expenditures</b>	\$	<b>1,148,116.00</b>	\$	<b>(37,600.00)</b>	\$	<b>1,110,516.00</b>



## Agenda Statement

Date: May 4, 2020

To: Mayor Osterback and Assembly

From: Anne Bailey, Administrator

### **Re: Ordinance 20-10 authorizing the Mayor to negotiate and execute a sublease within the Cold Bay Terminal for air transportation services**

The Aleutians East Borough Code Section 50.10.060 provides that “[d]isposal of real property may be by sealed bids, outcry auction, lottery, first-come, first-served, negotiation, or such other method as the assembly may provide in the resolution authorizing the disposal.” Resolution 20-23 authorizing the Mayor to negotiate a sublease with airlines for a portion of the Cold Bay Terminal and adjacent apron was approved by the Assembly at the October 10, 2019 Regular Meeting. This Ordinance authorizes the Mayor to negotiate a sublease with Alaska Airlines for the use of the Terminal.

Alaska Airlines has expressed their desire to enter into a sublease with the Aleutians East Borough (“Borough”) for a portion of the Cold Bay Terminal Building (“Terminal”) and adjacent apron for the purpose of providing Air Transportation which consists of the carriage of persons, property, cargo and mail by aircraft and associated services. The Terminal and adjacent apron are located within the Cold Bay Terminal on the Cold Bay Airport, in Section 36, Township 57 South, Range 89 West, Seward Meridian, within the Aleutian Island Recording District, Third Judicial District, Alaska; Lot 1A, Block 23 consisting of approximately 66,688 square feet of land, at Cold Bay Terminal and adjacent Apron.

Ravn Air Group has filed for bankruptcy and has stopped providing air service to the communities of Cold Bay, Sand Point and Unalaska. The Borough recognizes the need and urgency to have an air carrier provide regularly scheduled service to the region and finds that the sublease is in the best interest of the Borough and will help provide air service to the region and promote economic development.

The sublease is subject to the following minimum essential terms and conditions:

1. The covenants, provisions, conditions, and base terms of the Lease Agreement ADA-08250, “Base Lease” between the State of Alaska, Department of Transportation and Public Facilities and the Borough;
2. The term of this sublease is contingent on the Borough’s Base Lease extension with the State of Alaska;
3. The leased property shall be used by Alaska Airlines for the purpose of providing Air Transportation which consists of the carriage of persons, property, cargo and mail by aircraft and associated services;
4. The sublease term will be determined during the negotiations with the airlines.
5. The sublease rents, fees, and charges will be determined by calculating the terminal area rentals and fees and will be finalized after the negotiations with the airlines. The sublease rents, fees and charges will not be less than market value.
6. Alaska Airlines shall be responsible for obtaining all necessary permits and approvals for its operations on the leased property;
7. Alaska Airlines shall, to the fullest extent of the law, indemnify, defend, and hold harmless both the Borough and the State of Alaska, their agents, elected officials, volunteers, and employees from and against any and all claims related to or arising out of Alaska Airlines’ use of the leased property.
8. The sublease shall include all provisions of Borough Code of Ordinances not in conflict with this ordinance; and any other provisions that the Borough Mayor determines to be in the public interest.

As outlined above, the term and rental rate will be finalized during negotiations. The sublease rents, fees and charges will not be less than market value.

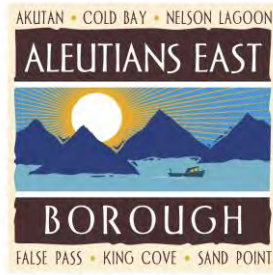
Alaska Airlines would like to begin passenger transportation on May 16, 2020. Due to the urgency, Administration is introducing an emergency ordinance, which will allow the Ordinance to become effective immediately upon adoption and remain in effect for 60 days. Mayor Osterback will be authorized to negotiate and execute a sublease with Alaska Airlines within the Cold Bay Terminal for air transportation services immediately. Within the 60 days, Administration will introduce a regular Ordinance authorizing the lease, which will go through the introduction and adoption process and supersede the Emergency Ordinance.

## RECOMMENDATION

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Administration recommends approval of Ordinance 20-10 authorizing the Mayor to negotiate and execute a sublease within the Cold Bay Terminal for air transportation services.





## **ALEUTIANS EAST BOROUGH**

### **ORDINANCE SERIAL NO. 20-10**

#### **AN EMERGENCY ORDINANCE AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A SUBLEASE WITHIN THE COLD BAY TERMINAL FOR AIR TRANSPORTATION SERVICES**

**WHEREAS**, Alaska Airlines has expressed its desire to enter into a sublease with the Aleutians East Borough (“Borough”) for a portion of the Cold Bay Terminal Building (“Terminal”) and adjacent apron for the purpose of providing Air Transportation which consists of the carriage of persons, property, cargo and mail by aircraft and associated services, as generally depicted on the attached Exhibits “A”; and

**WHEREAS**, the Borough has entered into a Lease Agreement No. ADA-08250 as Lessee with the State of Alaska, Department of Transportation and Public Facilities (DOT&PF) as the Lessor for the following described property, located on the Cold Bay Airport, in Section 36, Township 57 South, Range 89 West, Seward Meridian, within the Aleutian Island Recording District, Third Judicial District, Alaska; Lot 1A, Block 23 consisting of approximately 66,688 square feet of land, at Cold Bay Terminal and adjacent Apron; and

**WHEREAS**, AEBMC Sec. 50.10.060 provides that “[d]isposal of real property may be by sealed bids, outcry auction, lottery, first-come, first-served, negotiation, or such other method as the assembly may provide in the resolution authorizing the disposal”; and

**WHEREAS**, AEBMC 50.10.100(7) provides that ““Real Property” includes interests in real property as well as rights to real property, and includes, but is not limited to, leases, easements, security interests, licenses, permits and options.”; and

**WHEREAS**, AEBMC Sec. 50.10.050 provides for the disposal of real property owned by the Borough mandating that the disposal of real property not covered by other sections within chapter 50.10 “must be authorized by ordinance and must contain” the following:

- (1) a description of the property,
- (2) a finding and the facts that supports the finding that the property or interest is no longer required for a public purpose if the property or interest is or was used for a government purpose,
- (3) the type of interest to be disposed of if less than a fee interest,
- (4) conditions and reservations that are to be imposed upon the property,
- (5) the fair market value of the property,
- (6) the minimum disposal price of the real property,
- (7) the method of disposal, including time, place and dates when relevant,
- (8) special conditions for the disposal, including, when relevant, special qualifications of purchasers and purchase terms, and
- (9) a finding and the facts supporting the finding of the public benefits to be derived if the disposal is to be for less than market value; and

**WHEREAS**, AEBMC Sec. 50.10.070(a) provides that “[u]nless otherwise provided in the resolution authorizing the disposal, the disposal shall be at not less than the fair market value as determined by a fee appraisal, by the borough’s assessor’s valuation, or by such reasonable estimates as the mayor or assembly, as appropriate, finds to be reliable or appropriate under the circumstances; and

**WHEREAS**, the Assembly finds that the lease of the property to Alaska Airlines is in the best interest of the Borough, and will help provide air service to the region and promote economic development within the Borough; and

**WHEREAS**, Ravn Air Group has filed for bankruptcy and has stopped providing air service to the communities of Cold Bay, Sand Point and Unalaska; and

**WHEREAS**, the Assembly recognizes the need and urgency to have an air carrier provide regularly scheduled service to the region; and

**WHEREAS**, at the October 10, 2019 Assembly Meeting the Assembly approved Resolution 20-23 authorizing the disposal of the real property via negotiations with the airlines; and

**WHEREAS**, AEBMC Sec. 2.16.020 provides that “[t]he Mayor shall... (A) Direct and supervise the business of the borough to assure that all ordinances and resolutions are executed; and

**WHEREAS**, AEBMC Sec. 50.10.090 provides that “[t]he mayor may establish procedures and forms for the processing of requests, applications and disposals under this chapter.

**NOW THEREFORE, BE IT ENACTED:**

Section 1.     Classification. This is a non-code ordinance.

Section 2.     Authorization to Lease. Based upon the above findings, the Mayor is authorized to negotiate and execute a sublease with Alaska Airlines for a portion of the Cold Bay Terminal and adjacent apron located on the Cold Bay Airport, in Section 36, Township 57 South, Range 89 West, Seward Meridian, within the Aleutian Island Recording District, Third Judicial District, Alaska; Lot 1A, Block 23 consisting of approximately 66,688 square feet of land, as generally depicted on Exhibits "A."

Section 3.     Minimum Essential Terms and Conditions. The sublease is subject to the following minimum essential terms and conditions:

- (a) The sublease shall be subject to the covenants, provisions, conditions, and base terms of the Lease Agreement ADA-08250, "Base Lease" between the State of Alaska, Department of Transportation and Public Facilities and the Borough;
- (b) The term of this sublease is contingent on the Borough's Base Lease extension with the State of Alaska;
- (c) The leased property shall be used by Alaska Airlines for the purpose of providing Air Transportation which consists of the carriage of persons, property, cargo and mail by aircraft and associated services;
- (d) The sublease term will be determined during the negotiations with the airlines.
- (e) The sublease rents, fees, and charges will be determined by calculating the terminal area rentals and fees and will be finalized after the negotiations with the airlines. The sublease rents, fees and charges will not be less than market value.
- (f) Alaska Airlines shall be responsible for obtaining all necessary permits and approvals for its operations on the leased property;
- (g) Alaska Airlines shall, to the fullest extent of the law, indemnify, defend, and hold harmless both the Borough and the State of Alaska, their agents, elected officials, volunteers, and employees from and against any and all claims related to or arising out of Alaska Airlines' use of the leased property; and
- (h) The sublease shall include all provisions of Borough Code of Ordinances not in conflict with this ordinance; and any other provisions that the Borough Mayor determines to be in the public interest.

Section 4.     The Emergency Ordinance shall become effective immediately upon adoption and remain in effect for 60 days pursuant to Borough Code Sec. 1.20.050(c).

**PASSED AND ADOPTED BY THE ALEUTIANS EAST BOROUGH ASSEMBLY** on this 14<sup>th</sup> day of May 2020.

Date Introduced and Approved: \_\_\_\_\_

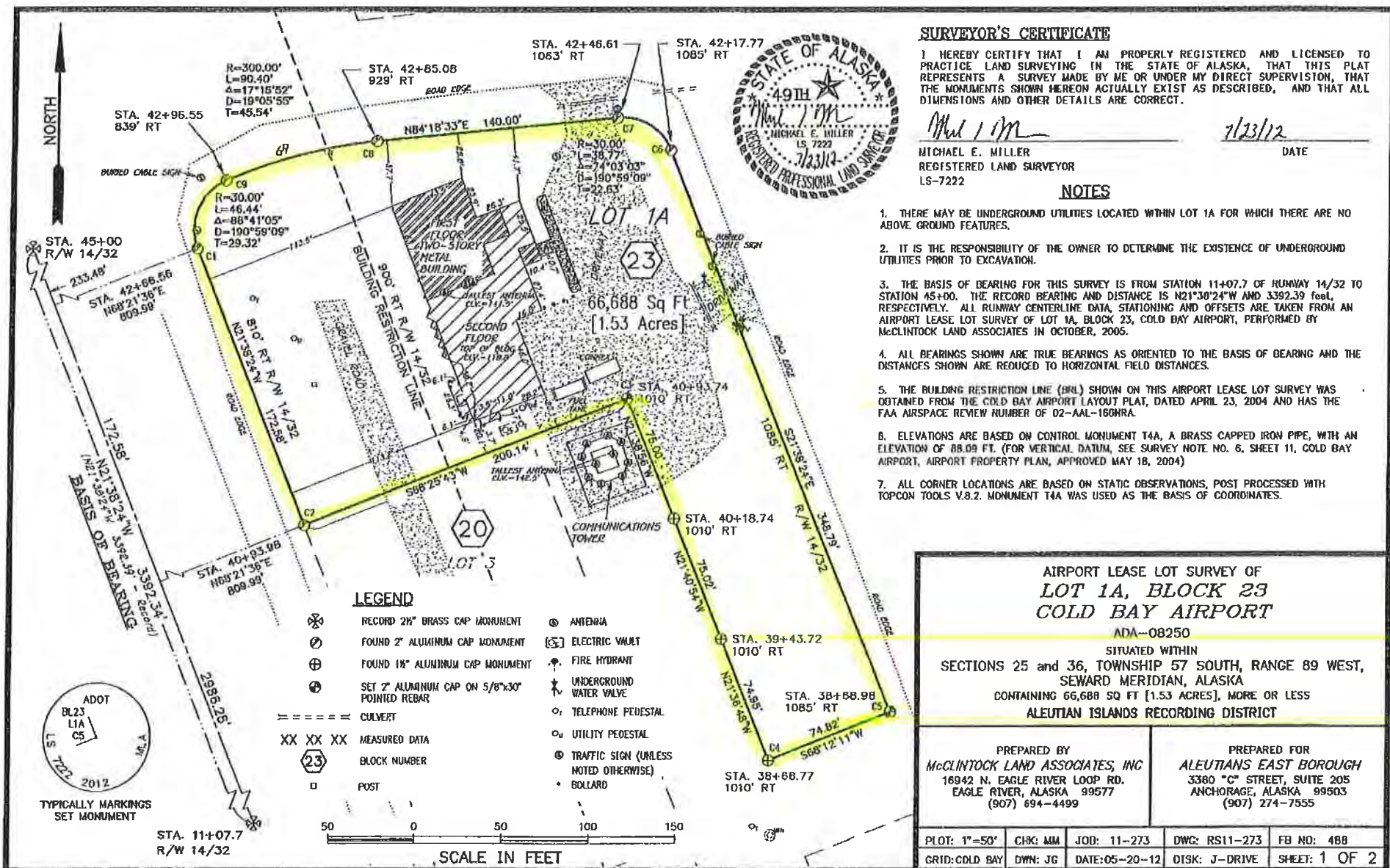
ALEUTIANS EAST BOROUGH, ALASKA

\_\_\_\_\_  
Alvin D. Osterback, Mayor

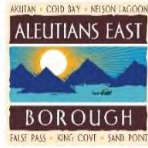
ATTEST:

\_\_\_\_\_  
Tina Anderson, Clerk

# Exhibit A



# Resolutions



## AGENDA STATEMENT

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

Date: April 29, 2020

**Re: Resolution 20-60, Authorizing the Issuance of a General Obligation Refunding Bond of the Borough to Refund All or a Portion of the Principal Installments of an Outstanding General Obligation Bond of the Borough; Authorizing the Execution of Certain Documents in Accordance Therewith; and Pledging the Full Faith and Credit of the Borough to the Payment Thereof**

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The Aleutians East Borough (Borough) issued the 2010 Series B Bond in 2010 through the Alaska Municipal Bond Bank Authority (AMBBA) for the following Borough project:

1. Akutan Airport

AMBBA is recommending that the Borough consider refunding the 2010B Series Three Bond for an estimated savings over the life of the bond of \$102,000 or 3.3% of the refunded par amount. The estimated savings are based on market conditions as of April 29, 2020. Due to market volatility and uncertainty this estimated savings amount may change between now and the execution of the bond refinance. Should the estimated savings decrease between now and the closing date of the bond issue, the Borough has the option of withdrawing from the Refunding Bond. If this happens and the Borough chooses to withdraw, the Borough will be charged nothing by Bond Counsel.

Borough Administration recommends that the Assembly approve Resolution No. 20-60 authorizing the issuance of a General Obligation Refunding Bond of the Borough to refund certain principal installments of an outstanding General Obligation Bond of the Borough; authorizing the execution of certain documents in accordance therewith; and pledging the full faith and credit of the Borough to the payment thereof.

ALEUTIANS EAST BOROUGH, ALASKA

RESOLUTION NO. 20-60

A RESOLUTION OF THE ASSEMBLY OF THE ALEUTIANS EAST BOROUGH, ALASKA, AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION REFUNDING BOND OF THE BOROUGH TO REFUND ALL OR A PORTION OF THE PRINCIPAL INSTALLMENTS OF AN OUTSTANDING GENERAL OBLIGATION BOND OF THE BOROUGH; AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN ACCORDANCE THEREWITH; AND PLEDGING THE FULL FAITH AND CREDIT OF THE BOROUGH TO THE PAYMENT THEREOF.

WHEREAS, pursuant to Resolution No. 11-02 of the Borough, passed and approved on August 24, 2010 (the "2010 Bond Resolution"), the Borough issued its Transportation Improvement General Obligation Bond, 2010 Series B (Taxable Recovery Zone Economic Development Bond – Direct Payment) (the "2010 Bond"), in the original principal amount of \$3,070,000, all of which is now outstanding; and

WHEREAS, under AS 29.47.300, if the Borough has outstanding general obligation bonds and the Assembly determines it would be financially advantageous to refund those bonds, the Borough may provide by resolution for the issuance of general obligation refunding bonds, and under AS 29.47.320, no election is required to authorize the issuance and sale of refunding bonds; and

WHEREAS, under AS 29.47.340, refunding bonds may be exchanged for the bonds being refunded; and

WHEREAS, the Borough sold the 2010 Bond to the Alaska Municipal Bond Bank Authority (the "Bond Bank"), as authorized by the 2010 Bond Resolution, on the terms and conditions set forth in, among others, the 2010 Bond Resolution and the loan agreement between the Borough and the Bond Bank dated as of September 1, 2010 (the "2010 Loan Agreement");

WHEREAS, the Bond Bank issued its General Obligation Bonds, 2010B Series Three (Taxable) (the "2010 Bond Bank Bonds"), among other purposes, to provide funds to purchase the 2010 Bond, as provided in the 2010 Loan Agreement; and

WHEREAS, the Bond Bank has expressed its intent to issue refunding bonds (the "Bond Bank Refunding Bonds") for the purpose of refunding all or a portion of the 2010 Bond Bank Bonds and achieving a debt service savings; and

WHEREAS, Section 6 of the 2010 Loan Agreement provides that payments of principal of and interest on the 2010 Bond may be adjusted to reduce debt service on the 2010 Bond if the Bond Bank is able to achieve debt service savings by refunding the 2010 Bond Bank Bonds; and



WHEREAS, the Bond Bank has offered to enter into an Amendatory Loan Agreement (the “Amendatory Loan Agreement”) to effect a reduction in debt service on all or a portion of the principal installments of the 2010 Bond (the “Refundable Principal Installments”); and

WHEREAS, the Assembly wishes to effect a reduction in debt service on all or a portion of the Refundable Principal Installments by entering into the Amendatory Loan Agreement, issuing its general obligation refunding bond (and, if necessary, a replacement 2010 Bond) in exchange for the 2010 Bond and participating in the refunding of a portion of the 2010 Bond Bank Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE ALEUTIANS EAST BOROUGH, ALASKA, that:

Section 1. Definitions. In addition to the definitions specified elsewhere in this resolution, the following terms shall have the following meanings in this resolution:

(a) “Bond” means the general obligation refunding bond of the Borough, the issuance of which is authorized herein.

(b) “Bond Register” means the registration books maintained by the Registrar, which include the name and address of the owner of the Bond or the nominee of such owner.

(c) “Code” means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.

(d) “Continuing Disclosure Certificate” means a certificate relating to the Bond executed and delivered by the Borough with respect to compliance with paragraph (b)(5) of Rule 15c2-12 of the Securities and Exchange Commission, as such certificate may be amended or supplemented from time to time in accordance with its terms.

(e) “Government Obligations” means direct obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

(f) “Registered Owner” means the person named as the registered owner of the Bond in the Bond Register.

(g) “Registrar” means the Borough Administrator of the Borough, or any successor that the Borough may appoint by resolution.

Section 2. Authorization of Bond and Purpose of Issuance. The Assembly hereby determines it would be financially advantageous to refund all or a portion of the Refundable Principal Installments by issuing the Bond (and, if necessary, a replacement 2010 Bond) on the terms and conditions provided in this resolution. For the purpose of providing the funds required to refund all or a portion of the Refundable Principal Installments and to pay all costs incidental thereto and to the issuance of the Bond, the Borough hereby authorizes and determines to issue and to sell the Bond. The Bond shall be designated “Aleutians East Borough General Obligation Refunding Bond,” with such additional series and year designation as the Borough Administrator

may fix and determine. The Borough Administrator is authorized to fix and determine which of the Refundable Principal Installments are to be refunded by issuing the Bond (and, if necessary, a replacement 2010 Bond) in exchange therefor.

The Borough has ascertained and hereby determines that each and every matter and thing as to which provision is made in this resolution is necessary in order to carry out and effectuate the purpose of the Borough in accordance with the constitution and the statutes of the State of Alaska and to incur the indebtedness and issue the Bond.

Section 3. Obligation of Bond. The Bond shall be a direct and general obligation of the Borough, and the full faith and credit of the Borough are hereby pledged to the payment of the principal of and interest on the Bond. The Borough hereby irrevocably pledges and covenants that it will levy and collect taxes upon all taxable property within the Borough without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefor, to pay the principal of and interest on the Bond as the same become due and payable.

Section 4. Description of Bond. The Bond shall be dated the date of its initial delivery, and each principal installment of the Bond shall be in the denomination of \$5,000 or any integral multiple thereof, or such other date and denominations as may be determined by the Borough Administrator, and shall be numbered in such manner and with any additional designation as the Registrar deems necessary for purposes of identification.

The Bond shall bear interest payable semi-annually on the dates and shall mature on the date and each principal installment shall be payable annually in the amount and on the dates, all as shall be set forth in the Amendatory Loan Agreement.

Interest on the Bond shall be computed on the basis of a 360-day year composed of twelve 30-day months. The Borough Administrator is authorized to fix and determine the principal amount, maturity date, principal installments and payment dates and the rate or rates of interest to be borne by such principal installments, provided that (i) no rate of interest on any principal installment shall exceed the rate of interest on the corresponding maturity of the Bond Bank Refunding Bonds; (ii) the net present value of the savings to the Borough effected by issuing the Bond (and, if necessary, a replacement 2010 Bond) and refunding the Refundable Principal Installments that are refunded shall be at least three percent (3%) of the aggregate principal amount of the Refundable Principal Installments that are refunded; and (iii) the Bond shall mature on or before six months after the date on which the last Refundable Principal Installment that is refunded is payable.

Section 5. Place and Medium of Payment. Both principal of and interest on the Bond shall be payable in lawful money of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. For so long as the Bond Bank is the Registered Owner, payments of principal thereof and interest thereon shall be made as provided in the 2010 Loan Agreement, as amended by the Amendatory Loan Agreement (the "Amended Loan Agreement"). In the event that the Bond Bank is no longer the Registered Owner, payments of principal thereof and interest thereon will be made by check or draft mailed by first class mail to the Registered Owner at the address for the Registered Owner appearing on the Bond Register on the 15th day of the month preceding the payment date,

provided that the final installment of principal of and interest on the Bond will be payable at the office of the Registrar upon surrender of the Bond to the Registrar. If any principal installment of the Bond is not paid when due, the Borough shall pay interest on such principal installment at the same rate provided in the Bond from and after its due date until such principal installment is paid in full or provision for payment thereof has been duly made.

Section 6. Optional Prepayment. The principal installments of the Bond shall be subject to prepayment, at the Borough's option, on the dates and at the prices to be set forth in the Amendatory Loan Agreement. If fewer than all of the principal installments of the Bond are to be prepaid, the principal installments to be prepaid shall be determined by the Borough. Notice of any such prepayment shall be sent by the Borough not less than 50 days prior to the date fixed for prepayment by first class mail to the Registered Owner at the Registered Owner's address as it then appears on the Bond Register. Notice of prepayment having been duly given and the prepayment having been duly effected, interest on the principal installments to be prepaid shall cease to accrue on the date fixed for prepayment.

Section 7. Form of Bond. The Bond shall be in substantially the following form, subject to the provisions of the Amended Loan Agreement, and with such changes as the Borough Administrator approves:

No. \_\_\_\_\_

\$ \_\_\_\_\_

UNITED STATES OF AMERICA

STATE OF ALASKA

ALEUTIANS EAST BOROUGH

GENERAL OBLIGATION REFUNDING BOND

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Aleutians East Borough, Alaska (the "Borough"), a municipal corporation of the State of Alaska, hereby acknowledges itself to owe and for value received promises to pay to the registered owner set forth above (the "Registered Owner"), or its registered assigns, the principal amount set forth above in the following installments on \_\_\_\_\_ 1 of each of the following years, and to pay interest on each such principal installment from the date hereof until paid or provision for payment thereof has been made, payable on \_\_\_\_\_ 1, 20\_\_\_\_ and semiannually thereafter on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year, at the following rates per annum:

<u>Year</u>	<u>Principal Installment</u>	<u>Interest Rate</u>
-------------	----------------------------------	--------------------------

For so long as the Alaska Municipal Bond Bank Authority (the "Bond Bank") is the Registered Owner, payments of principal hereof and interest hereon shall be made as provided in the loan agreement between the Bond Bank and the Borough relating to this bond, as amended. In the event that the Bond Bank is no longer the Registered Owner, payments of principal hereof and interest hereon will be made by check or draft mailed by first class mail to the Registered Owner at the address for the Registered Owner appearing on the Bond Register on the 15th day of the month preceding the payment date, provided that the final installment of principal of and interest on this bond will be payable at the office of the Borough Administrator (the "Registrar") upon surrender of this bond to the Registrar. Interest on this bond shall be computed on the basis of a 360-day year composed of twelve 30-day months.

This bond is issued for the purpose of refunding certain principal installments of an outstanding general obligation bond of the Borough under Resolution \_\_\_\_\_ of the Borough titled:

A RESOLUTION OF THE ASSEMBLY OF THE ALEUTIANS EAST BOROUGH, ALASKA, AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION REFUNDING BOND OF THE BOROUGH TO REFUND ALL OR A PORTION OF THE PRINCIPAL INSTALLMENTS OF AN OUTSTANDING GENERAL OBLIGATION BOND OF THE BOROUGH; AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN ACCORDANCE THEREWITH; AND PLEDGING THE FULL FAITH AND CREDIT OF THE BOROUGH TO THE PAYMENT THEREOF

(the "Resolution").

The principal installments of this bond due on or after \_\_\_\_\_ 1, 20\_\_\_\_, shall be subject to prepayment, at the Borough's option, on and after \_\_\_\_\_ 1, 20\_\_\_\_ in whole or in part, at a prepayment price of 100% of the principal amount to be prepaid, plus accrued interest to the date fixed for prepayment. If fewer than all of the principal installments of this bond are to be prepaid, the principal installments to be prepaid shall be determined by the Borough. Notice of any such prepayment shall be sent by the Borough not less than 50 days prior to the date fixed for prepayment by first class mail to the Registered Owner at the Registered Owner's address as it then appears on the Bond Register. Notice of prepayment having been duly given and the prepayment having been duly effected, interest on the principal installments to be prepaid shall cease to accrue on the date fixed for prepayment.

This bond is transferable as provided in the Resolution, (i) only upon the Bond Register, and (ii) upon surrender of this bond together with a written instrument of transfer duly executed by the Registered Owner or the duly authorized attorney of the Registered Owner, and thereupon a new fully registered Bond in the same unpaid principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution upon the payment of charges, if any, as therein prescribed. The Borough may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or prepayment price, if any, hereof and interest due hereon and for all other purposes whatsoever.

This bond is a direct and general obligation of the Borough, and the full faith and credit of the Borough are pledged to the payment of the principal hereof and interest hereon. The Borough has irrevocably pledged and covenanted that it will levy and collect taxes upon all taxable property within the Borough without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefor, to pay the principal of and interest on this bond as the same become due and payable.

Reference is hereby made to the Resolution and any resolution supplemental thereto for a description of the rights of the Registered Owner of this bond and of the rights and obligations of the Borough thereunder, to all of the provisions of which Resolution the Registered Owner of this bond, by acceptance hereof, assents and agrees.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts or things required by the constitution or statutes of the State of Alaska or the ordinances or resolutions of the Borough to exist, to have happened or to have been performed precedent to or in the issuance of this bond, exist, have happened and have been performed, and that this bond, together with all other indebtedness of the Borough, is within every debt and other limit prescribed by said constitution, statutes, ordinances or resolutions.

IN WITNESS WHEREOF, THE ALEUTIANS EAST BOROUGH, ALASKA, has caused this bond to be signed in its name and on its behalf by its Mayor and its corporate seal to be hereunto impressed or otherwise reproduced and attested by its Clerk, all as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

ALEUTIANS EAST BOROUGH, ALASKA

\_\_\_\_\_  
/specimen/

Mayor

ATTEST:

\_\_\_\_\_  
/specimen/

Borough Clerk

Section 8.     Execution. The Bond shall be executed in the name of the Borough by the Mayor, and its corporate seal shall be impressed or otherwise reproduced thereon and attested by the Borough Clerk. The execution of the Bond on behalf of the Borough by persons that at the time of the execution are duly authorized to hold the proper offices shall be valid and sufficient for all purposes, although any such person shall have ceased to hold office at the time of delivery of the Bond or shall not have held office on the date of the Bond.

Section 9.     Registration.

(a) The Bond shall be issued only in registered form as to both principal and interest. The Borough designates the Borough Administrator as Registrar for the Bond. The Registrar shall keep, or cause to be kept, the Bond Register at the office of the Borough.

(b) The Borough, in its discretion, may deem and treat the Registered Owner of the Bond as the absolute owner thereof for all purposes, and neither the Borough nor the Registrar shall be affected by any notice to the contrary. Each payment made as described in Section 5 shall be valid and shall satisfy and discharge the liability of the Borough on the Bond to the extent of the amount or amounts so paid.

(c) The Bond may be transferred only upon the Bond Register. Upon surrender for transfer or exchange of the Bond at the office of the Registrar, with a written instrument of transfer or authorization for exchange in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or its duly authorized attorney, the Borough shall execute and the Registrar shall deliver a Bond of equal principal amount, subject to such reasonable regulations as the Registrar may prescribe and upon payment sufficient to reimburse it for any tax, fee or other governmental charge required to be paid in connection with such transfer or exchange. If the Bond is surrendered for transfer or exchange it shall be canceled by the Registrar.

(d) The Borough covenants that, until the Bond has been surrendered and canceled, it will maintain a system for recording the ownership of the Bond that complies with the provisions of Section 149 of the Code.

Section 10. Bond Destroyed, Stolen or Lost. Upon filing with the Registrar of evidence satisfactory to the Borough that the Bond has been destroyed, stolen or lost and of the ownership thereof, and upon furnishing the Borough with indemnity satisfactory to it, the Borough shall execute and deliver a new Bond identical in all respects to the Bond destroyed, stolen or lost. The person requesting the execution and delivery of the new Bond under this section shall comply with such other reasonable regulations as the Borough may prescribe and pay such expenses as the Borough may incur in connection therewith.

Section 11. Tax Covenants. The Borough covenants to comply with any and all applicable requirements set forth in the Code in effect from time to time to the extent that such compliance shall be necessary for the exclusion of the interest on the Bond from gross income for federal income tax purposes. The Borough covenants that it will make no use of the proceeds of the Bond which will cause the Bond to be an "arbitrage bond" subject to federal income taxation by reason of Section 148 of the Code. The Borough covenants that it will not take or permit any action that would cause the Bond to be a "private activity bond" as defined in Section 141 of the Code. The Borough hereby determines and certifies that the Bond is not a "private activity bond" within the meaning of Section 141 of the Code.

Section 12. Exchange of the Bond; Amendatory Loan Agreement; Continuing Disclosure Certificate. The exchange of the Bond for all the Refundable Principal Installments that are refunded (and, if necessary, the issuance of a replacement 2010 Bond), as provided in the Amended Loan Agreement and this resolution, is hereby authorized and approved. The Amendatory Loan Agreement and the Continuing Disclosure Certificate in substantially the form filed with this resolution are hereby approved. The Mayor and the Borough Administrator are each hereby authorized to execute and deliver the Amendatory Loan Agreement and the Continuing Disclosure Certificate in such forms, together with such changes not inconsistent

herewith as may be approved by the Mayor or the Borough Administrator (such approval to be conclusively evidenced by such official's execution and delivery of such document).

Section 13. Authority of Officers. The Mayor, the Borough Administrator and the Borough Clerk are each hereby authorized and directed execute such documents, agreements and certificates and to do and perform such things and determine such matters necessary and desirable for the Borough to carry out its obligations under the Bond, the Amended Loan Agreement, the Continuing Disclosure Certificate and this resolution.

Section 14. Amendatory and Supplemental Resolutions.

(a) The Assembly from time to time and at any time may adopt a resolution or resolutions supplemental hereto, which supplement thereafter shall become a part of this resolution, for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Borough in this resolution, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the Borough; or

(ii) to make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this resolution or in regard to matters or questions arising under this resolution as the Assembly may deem necessary or desirable and not inconsistent with this resolution and which shall not materially adversely affect the interest of the Registered Owner.

Any such supplement may be adopted without the consent of the Registered Owner, notwithstanding any of the provisions of subsection (b) of this section.

(b) With the consent of the Registered Owner, the Assembly may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this resolution or of any such supplement. It shall not be necessary for the consent of the Registered Owners under this subsection to approve the particular form of any proposed supplement, but it shall be sufficient if such consent approves the substance thereof.

(c) Upon the adoption of any supplement under this section, this resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this resolution of the Borough and the Registered Owner shall thereafter be subject in all respects to such modification and amendment, and all the terms and conditions of such supplement shall be deemed to be part of the terms and conditions of this resolution for any and all purposes.

Section 15. Defeasance. Payment of any or all of the principal installments of the Bond may be provided for by the irrevocable deposit in trust of cash, noncallable Governmental Obligations or any combination thereof. The cash and the maturing principal and interest income on such Government Obligations, if any, must be sufficient and available without reinvestment to pay when due such principal, whether at maturity or upon fixed prepayment dates, together with interest thereon. The cash and Government Obligations shall be held irrevocably in trust for

the Registered Owner of the Bond solely for the purpose of paying such principal and interest as the same shall mature or become payable upon prepayment, and, if applicable, upon the giving of notice of prepayment and notification to the Registered Owner that the deposit required by this section has been made and that such principal is deemed to be paid in accordance with this resolution. Such principal shall no longer be deemed outstanding hereunder. The obligation of the Borough in respect of such principal and interest shall nevertheless continue but the Registered Owner shall thereafter be entitled to payment only from the cash and Government Obligations deposited in trust to provide for the payment of such principal and interest.

Section 16. Limitations on Recourse. No recourse shall be had for the payment of the principal of or the interest on the Bond or for any claim based thereon or on this resolution against any member of the Assembly or officer of the Borough or any person executing the Bond. The Bond is not and shall not be in any way a debt or liability of the State of Alaska or of any political subdivision thereof, except the Borough, and does not and shall not create or constitute an indebtedness or obligation, either legal, moral or otherwise, of the State of Alaska or of any political subdivision thereof, except the Borough.

Section 17. Severability. If any one or more of the provisions of this resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bond.

Section 18. Effective Date. This resolution shall take effect immediately upon its passage and adoption.

ADOPTED BY THE ASSEMBLY OF THE ALEUTIANS EAST BOROUGH, on this 18<sup>th</sup> day of May, 2020.

ALEUTIANS EAST BOROUGH, ALASKA

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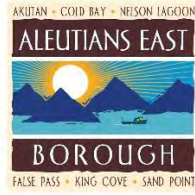
Mayor

ATTEST:

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Borough Clerk





## AGENDA STATEMENT

TO: Mayor Osterback and Assembly

FROM: Anne Bailey, Borough Administrator

DATE: May 6, 2020

RE: **Resolution 20-63 authorizing the Mayor to negotiate and execute a contract agreement between the Aleutians East Borough and Espelin & Associates, llc for Full-Charge Bookkeeping Services in an amount not to exceed \$11,545**

The Aleutians East Borough (Borough) hired BDO to audit the government activities, business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Borough as of and for the years ending June 30, 2018 and June 30, 2019. In FY18 and FY19, BDO identified findings and Borough Administration developed a corrective action plans to address them.

Finding 2018-004 and Finding 2019-03 stated that “Internal controls were not established and approved by an individual who did not prepare the entry and who is knowledgeable of the facts and circumstances related to the entry.” The Borough worked with the auditors and determined that the corrective action entailed having the Finance Director prepare all entries, which would then be batched and sent to Borough Administration or a third-party for review on a monthly basis.

Administration does not have the time nor the expertise in governmental accounting to review these entries on a monthly basis; therefore, on April 8, 2020, Administration issued a Request for Proposal (RFP) soliciting an experienced Full-Charge Bookkeeper to review and conduct an assessment of the Borough’s general ledgers and journal entries for compliance with the governmental auditing standards and legal requirements. The assessment shall be followed by the completion of a Plan of Action that defines the scope for additional required work based on the findings of the assessment.

The RFP scope of work includes the following:

1. Conducting an Assessment of the Borough General Ledgers and Journal Entries

The Bookkeeper will be required to travel to King Cove for a week to meet with the Borough Finance Department and conduct an assessment of the Borough’s general

ledgers and journal entries. Costs associated with travel to King Cove (i.e. airfare and lodging) will be arranged and paid for directly by the Borough.

## 2. Drafting a Plan of Action

The Bookkeeper will draft a Plan of Action that includes but is not limited to:

- Defining the next steps
- Outlining the Goals and Outcomes
- Drafting a schedule, that includes deadlines for tasks

## 3. Creating a Cost Estimate to Conduct the Plan of Action

- Hourly cost estimate and number of hours to complete the Plan of Action.

On May 4, 2020 the Borough received one proposal from Espelin & Associates, llc in response to the RFP. A selection committee met to review the proposals and recommends the Borough issue a contract to Espelin & Associates in the amount of \$11,545 to conduct an assessment of the Borough general ledgers and journal entries and to draft a Plan of Action. The \$11,545 does not include costs for flights or lodging as those will be direct billed to the Borough. Therefore, additional funds will be needed to cover airfare to and lodging in King Cove and for any unexpected delays. Funds are available for the contract, travel, lodging and contingencies in the Project Contingency line item (E 20-866-209-888 PROJECT CONTINGENCY).

Once Administration has received the Plan of Action and cost estimate the Borough will review and determine whether to implement the Plan of Action. A separate contract agreement would be entered into for this.

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Recommendation: Administration recommends approval of Resolution 20-63 authorizing the Mayor to negotiate and execute a contract agreement between the Aleutians East Borough and Espelin & Associates, llc for Full-Charge Bookkeeping Services in an amount not to exceed \$11,545.

## CONTRACT FOR PROFESSIONAL SERVICES

Aleutians East Borough  
P.O. Box 349  
Sand Point, AK 99661

Anchorage Office  
3380 C Street, Suite 205  
Anchorage, AK 99503

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### Contract Summary

Project Name: Full-Charge Bookkeeping Services

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Contract Ceiling: In an amount not to exceed \$11,545

Period of Performance: June 1, 2020 – December 31, 2020

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Borough Contact Person:  
Anne Bailey

Contractor Contact:  
Person: Espelin & Associates, llc  
Sarah Espelin

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Address: 3380 C Street, Suite 205  
Anchorage, AK 99503  
Phone: (907) 274-7555  
Fax: (907) 276-7569

Address: P.O. Box 13370  
Trapper Creek, AK 99683  
Phone: (907) 240-4057

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### AGREEMENT

The Aleutians East Borough (hereinafter "Borough") and Espelin & Associates, llc (hereinafter "Contractor") agree as set forth herein.

Section 1. The Borough shall pay the Contractor for the performance of the project work under the terms outlined in this Contract. Payment terms are NET 30.

Section 2. The Contractor shall perform all of the work required by the Contract.

Section 3. The work to be performed under the Contract shall be completed as requested by the Borough.

Section 4. The Contract consists of the following:

1. Contract Cover Sheet
2. Attachment A- Standard Provisions
3. Attachment B – Proposal for Full-Charge Bookkeeping Services

THIS AGREEMENT TAKES EFFECT THE LAST DATE SHOWN BELOW

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Aleutians East Borough

Contractor:

\_\_\_\_\_  
Signature of Certifying Officer

\_\_\_\_\_  
Signature of Contractor

Anne Bailey, Administrator  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## ATTACHMENT A

### Aleutians East Borough

## STANDARD PROVISIONS

Article 1. Definitions. In this contract, attachments and amendments, "Certifying Officer" means the person who signs this contract on behalf of the Borough and includes a successor or authorized representative.

Article 2. Borough Save Harmless. The Contractor shall indemnify and hold and save the Borough, its officers, agents and employees harmless from liability of any nature or kind, arising from negligence in the Contractor's performance of this contract in any way whatsoever. Such liability may include, but is not limited to, cost and expenses for or on account of any and all legal actions or claims of any person or persons arising from Contractor's negligent performance of this contract in any way whatsoever.

Article 3. Inspection and Retention of Records. The Borough may inspect, in the manner and at reasonable times it considers appropriate, all the Contractor's facilities, records and activities under this contract.

Article 4. Disputes. Any dispute concerning a question of fact arising under this contract which is not disposed of by mutual agreement, shall be decided without bias by the Certifying Officer. The decision shall be in writing and mailed or otherwise furnished to the Contractor. The decision of the Certifying Officer is final and conclusive, unless, within 30 days from the date of receipt of the decision, the Contractor mails or otherwise furnishes a written appeal addressed to the Borough Assembly. The Borough Assembly shall hear the appeal. The decision of the Borough Assembly is final and conclusive. In any proceeding under this Article, the Borough has a right to offer evidence in support of its appeal. Pending final decision of the dispute, the Contractor shall proceed with the performance of the contract in accordance with the Certifying Officer's decision. This section shall not waive the right of either party to pursue legal action.

Article 5. Equal Employment Opportunity (EEO). The Contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood. The Contractor shall post in a conspicuous place available to employees and applicants for employment, a notice setting out the provisions of this paragraph.

The Contractor shall state, in all solicitations or advertisements for employees to work on Borough funded projects, that it is an equal opportunity employer (EEO) and that all qualified applicants will receive consideration for employment without

regard to race, religion, color, national origin, age, physical handicap, sex, marital status, change in marital status, pregnancy or parenthood.

The Contractor shall include the provisions of the EEO article in every subcontract relating to this contract and shall require the inclusion of these provisions in every agreement entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor.

Article 6. Termination. The Certifying Officer, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the Borough. The Borough is liable only for payment in accordance with the provisions of this contract for services rendered before the effective date of termination.

Article 7. No Assignment or Delegation. This contract is nontransferable and the Contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Certifying Officer.

Article 8. No Additional Work or Material. No claims will be allowed for services, which are performed or furnished by the Contractor, not specifically provided for in this contract.

Article 9. Independent Contractor. The Contractor and any agents and employees of the Contractor act in an independent capacity and are not officers or employees or agents of the Borough in the performance of this contract.

Article 10. Payment of Taxes. As a condition of this contract, the Contractor shall pay all Federal, State and local taxes incurred by the Contractor and shall require their payment by a subcontractor or any other persons in the performance of this contract.

Article 11. Workers' Compensation Insurance. The Contractor shall provide and maintain workers' compensation insurance as required by AS 23.30 for all employees engaged in work under this contract.

Article 12. Insurance. The Contractor is responsible for obtaining any and all necessary liability insurance.

Article 13. Governing Law. This contract is governed by the laws of the State of Alaska and the Aleutians East Borough Code of Ordinances and the Contractor shall perform all aspects of this project in compliance with all appropriate laws and regulations. It is the responsibility of the Contractor to ensure that all permits required by the Federal, State or local governments have been obtained for the performance of the services indicated in Attachment B.

Article 14. Officials Not to Benefit. No member of or delegate to Congress or the Legislature or officials or employees of the State or Federal government may share in any part of this contract or in any profit to arise from it.

Article 15. Covenant Against Contingent Fees. The Contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, contingent fee, or brokerage, except employees or agencies maintained by the Contractor for the purpose of securing business. For the breach or violation of this warranty, the Borough may terminate this contract without liability or in its discretion, deduct from the contract price or consideration the full amount of the commission, percentage, brokerage, or contingent fee.

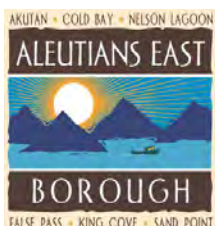
Article 16. Changes. Any changes, which have been agreed to by both parties, will be attached and made a part of this contract by use of an amendment. Any such amendment must be signed by both parties before the change is considered official and approved.

Article 17. Public Purposes. The Contractor agrees that the project to which this contract relates shall be dedicated to public purposes for its useful life. The benefits of the project shall be made available without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood.

Article 18. Reporting Requirements. The Contractor shall submit to the Borough, a report each month on the progress of the performance of this contract. Reports are due 20 days following the completion of each month and delinquent if not received by the due date. The contractor is also responsible for the completion of all appropriate reporting to the Alaska Department of Labor.

Article 19. Right to Withhold Funds. The Borough may withhold payments under this contract if reports required in Article 18 above are incomplete or delinquent. The Borough may also withhold payments under this contract for any other violation of this contract.

Article 20. Sovereign Immunity. If the Contractor is an entity which possesses sovereign immunity, it has been required as a condition of this contract to irrevocably waive its sovereign immunity with respect to this contract as well as any action arising out of the performance of the terms of this contract. The waiver of sovereign immunity, effected by a resolution of the entity's governing body, is hereby incorporated into this contract.



# Espelin & Associates, llc

## Response to:

Aleutians East Borough  
RFP for Full-Charge Bookkeeper

## Prepared by:

Sarah D. Espelin, CPA  
Managing Member

**May 1, 2020**

# Espelin & Associate, llc

P.O. Box 13370  
Trapper Creek, AK 99683

Cell: 907.240.4057  
Email: cpa@espelinllc.com

May 4, 2020

Aleutians East Borough  
Attn: Ms. Anne Bailey, Administrator  
3380 C Street, Ste. 205  
Anchorage, AK 99503

Dear Ms. Bailey:

Espelin & Associates, LLC is pleased to respond to the Aleutians East Borough's request for proposal for a full-charge bookkeeper.

The following pages address the requirements under Section X of the Request for Proposal and will provide you with an understanding of the depth of services provided by Espelin & Associates, llc, particularly in rural communities throughout Alaska. The proposal also highlights the experience of our professional team and identifies how their expertise can be applied to address the needs of the Borough today and into the future.

We understand the contract will begin on June 1, 2020 as stated in the RFP. However, due to travel restrictions resulting from the COVID pandemic, it may not be possible for our team to travel to King Cove as soon as we would both hope. In the event travel is not possible, we look forward to utilizing other remote solutions such as the telephone, email, and GoToMeetings as a means to meet the Borough's timeline and goals. Espelin & Associates, llc utilizes many of these alternative platforms to meet with clients throughout Alaska and is confident that travel restrictions will not impede progress or results.

We look forward to hearing from you and welcome the opportunity to work with you and the Aleutians East Borough to meet its financial goals.

Sincerely,

Sarah D. Espelin, CPA  
Espelin & Associates, llc



## Introduction

Espelin & Associates, llc was formed as a Corporation in the State of Alaska in 2007 and holds a license to practice public accounting, issued by the Alaska State Board of Public Accountancy, #214.

The firm consists the Managing Member, Sarah D. Espelin, CPA; Linda Lund, a full-time Staff Accountant; Jim Sharpe, a full-time Certified Public Accountant; and two part-time Certified Public Accountants, Dave and June Freswick.

## Professional Staff

**Sarah D. Espelin, CPA**  
*Managing Member*



Ms. Espelin is licensed as a Certified Public Accountant by the Alaska State Board of Public Accountancy (#1918). She is also a member of the American Institute of Certified Public Accountants and the Alaska Society of Certified Public Accountants.

Sarah earned her Bachelors of Accounting from the University of Montana in 1996. Prior to founding Espelin & Associates, llc, she gained a multitude of experience in public accounting while employed by Deloitte & Touche, LLC and KPMG in Anchorage. Later, she gained experience in the private industry

while employed with Harbor Enterprise, Inc. (dba Petro Marine Services as the Controller/CFO, Arctic Slope Regional Corporation as the Benefits Director, and ASRC Energy Services as the Controller.



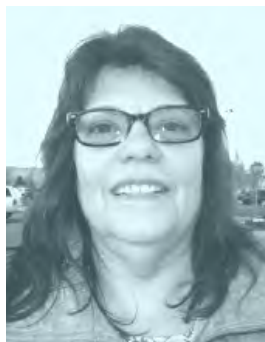
**James D. Sharpe, CPA**  
*Full-time CPA*

Mr. Sharpe is a licensed Certified Public Accountant by the State of Washington Board of Accountancy (#24904). He is also a member of the American Institute of Certified Public Accountants.

Jim earned his Bachelor of Arts in Finance with a minor in Accounting at Western Washington University in 1993. His career has included work in both the public and private sector working with Moss Adams LLP in Bellingham, WA and Skagit County in Mount Vernon, WA.

Jim's experience includes working with the City of Unalaska (currently), as well as the City of Bethel and the City of Whittier. Additionally, he specializes in providing accounting services for tribal, governmental and not-for-profit organizations, which he garnered from fourteen years of public accounting experience.

**Linda Lund**  
*Staff Accountant*



Ms. Lund joined the firm in 2008 after spending six years as the Office Manager and Bookkeeper for Afognak Construction & Excavating, Inc. Linda has extensive experience in QuickBooks as well as working knowledge of Great Plains and several other accounting software packages. She has earned her Associates Degree in Accounting, and her Bachelor's degree in Accounting since beginning her employment with the firm.

## Clients (Current & Former)

- North Slope Borough
- Northwest Arctic Borough
- Bristol Bay Borough
- City of Barrow
- Bird Treatment and Learning Center
- City of Whittier
- City of Unalaska
- ASRC Energy Services
- Alaska Teamster-Employer Service Training Trust and Center for Employment Education
- Alaska Eskimo Whaling Commission
- Tatitlek Corporation

## Services

- General ledger reconciliation
- Development and implementation of accounting policies and standard operating procedures
- Analysis and recording of complex accounting transactions
- Review and suggest improvements to accounting procedures
- Budget preparation
- Audit preparation
- Audit coordination and liaison between client and auditor
- Provide institutional knowledge and best practice practices based on experience
- Grant related reconciliations, accounting and reporting
- Monitor and provide oversight for internal functions
- Payroll processing and reporting
- Monthly/quarterly financial report preparation
- Reports to management and the governing body as requested
- Implementation of new accounting software systems
- Conversions/upgrades of existing accounting software systems
- Other accounting services as needed and/or requests
- Attest services (external audit)

## Qualifications

Ms. Espelin meets the educational qualifications and experience required to meet the needs of the Aleutians East Borough. More specifically, she is uniquely qualified with her twelve years experience

as the Audit Coordinator for the North Slope Borough (NSB). Her role with the NSB includes oversight of the audit process, which includes preparation of the reconciliations and year-end processes to the preparation of the Certified Annual Financial Report, which is submitted to the Governmental Finance Officers Association for annual review and certification, as well as the annual Single Audit, which is submitted to the Federal Audit Clearinghouse. She directly interfaces with the auditors on all aspects of the audit and manages the audit process to ensure a seamless process.

Sarah has worked closely with all NSB staff and departments, from the Administration and Finance Department to the Capital Improvements Projects Management staff, to the Grants Division. Understanding the functions and interdependencies of each of the NSB's departments is critical to the ability to manage the audit process and ensure a successful annual audit, year after year.

Additionally, she and her staff take on special projects for the NSB when they arise; projects such as improving the utility billing process, improving the internal controls over utility billing, and performing contract compliance. One such project included assessing the NSB's internal policies and procedures for compliance with the new Federal Uniform Guidance upon its effective date.

Sarah also served as the contract Finance Director for the Bristol Bay Borough for a year or so as they searched for a new full-time, on-site employee. She successfully assisted

them with their daily operations, budgeting, grant reporting, and annual audit. She participated in the recruiting process, which ultimately landed them a successful candidate.

For the past three years, Sarah has worked with the Northwest Arctic Borough (NWAB) assisting with a software conversion and annual audits for the past three years. She continues to provide services to the NWAB and works closely with the Finance Director and the Controller to ensure timely completion of tasks including monthly bank reconciliations, quarterly grant reports, internal monthly financial reports, as well as the annual audit process.

Representing her clients, Sarah is intimately involved with journal entries, reconciliations and internal controls within each organization. Each organization is unique in their needs and as such, she either prepares or reviews journal entries and reconciliations, or assists organization in implementing proper controls to guide the processes.

## **Scope of Work**

The Aleutians East Borough (Borough) wishes us to review and conduct an assessment of its general ledgers and journal entries for compliance with the government auditing standards and legal requirements. The assessment shall be followed by the completion of a Plan of Action that defines the scope for additional required work based on the findings of the assessment.

Espelin & Associates would achieve this goal by sending Sarah Espelin to the Anchorage

office or by conducting a phone interview for an initial overview of existing policies and internal controls. Sarah would conduct the assessment by asking for any existing documentation, including Borough Code and/or Official Policies, as well as any memos or written documentation about accounting policies and procedures and internal controls that the Borough currently has in place.

After an initial gathering of data and planning for the trip to King Cove, Sarah would travel to King Cove (leaving on a Monday and returning on a Friday) to meet with the Finance Director, the Accounting Clerk and any other Borough staff who may assist with the assessment. While on-site in King Cove, Sarah will gather information about the existing accounting procedures and reconciliations that are currently performed on a regular basis, including who performs them, who reviews them, and what the timing is. She will also learn what journal entries are performed on a regular basis, including who performs them and who reviews them, as well as any other pertinent processes that the finance staff perform related to the accounting process.

During and after this trip to King Cove, Sarah will draft a Plan of Action, which will identify the issues observed and give recommendations for how to correct the issues. The Plan of Action plan will also define goals for the Borough and the tasks required to meet those goals. Tasks may include what reconciliation must be performed, a schedule for completion, and who should review them to ensure accuracy.

Since the RFP and the Finding responses indicate that an outside third-party review of journal entries and reconciliations should be performed, any recommendations such as that will be included in the Plan of Action.

The Plan of Action will also include an estimate of time needed by the third-party to perform tasks and will describe (with costs) any additional trips required to complete the Plan of Action.

## References

### Northwest Arctic Borough

Angie Sturm, Finance Director  
Phone: 907-412-2103  
Asturm@nwabor.org

### Bristol Bay Borough

Gregg Brelsford, Borough Manager  
Phone: 907-246-4224  
gbrelsford@bbbak.us

### KPMG

Dan Rozema, Partner  
Phone: 907-265-1217  
drozema@kpmg.com

### City of Whittier

Jim Hunt, City Manager  
Phone: 907-202-2442  
citymanager@whittieralaska.gov

## Cost Estimate for Assessment and Plan of Action

The following cost scenario includes an estimate of the number of hours to complete the assessment and prepare the Plan of Action as requested in the Request for Proposal.

### Time spent in Anchorage or in office on initial assessment

One (1) CPA for two days (16 hours @ \$160/hr.)      \$ 2,560.00

### Trip to King Cover for the assessment

One (1) CPA for one week (32 hours @ \$175/hr.)      \$ 5,600.00

Round trip travel time for one (1) CPA (6 hrs. @ \$75/hr.)      \$ 450.00\*

5 days per diem @ \$75/day      \$ 375.00

Professional time for trip      \$ 6,425.00\*\*

### Office time to finalize Plan of Action

One (1) CPA for two days (16 hours @ \$160/hr.)      \$ 2,560.00

**Cost estimate for Assessment and Plan of Action      \$ 11,545.00**

\* Travel time begins at arrival at airport, up to one hour prior to flight time, actual flight time, including delays and ends at baggage pickup.

\*\* Per the terms noted in the RFP no costs are included for flights or lodging as those will be direct billed to the Borough.

**NOTE:** Please note that the attached fee estimate is based upon the specific requirements as stated in the RFP. Any changes to the scope of work may result in additional fees for the additional work. Any variance will be discussed and approved by both parties.

**COST ESTIMATE**

**Submitted by:** Espelin & Associates, llc



## **RESOLUTION 20-63**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A CONTRACT AGREEMENT BETWEEN THE ALEUTIANS EAST BOROUGH AND ESPELIN & ASSOCIATES, LLC FOR FULL-CHARGE BOOKKEEPING SERVICES IN AN AMOUNT NOT TO EXCEED \$11,545**

**WHEREAS**, in February 2018 the Aleutians East Borough (Borough) hired BDO to provide professional auditing services to the Borough for the fiscal years ending June 30, 2018 and June 30, 2019; and

**WHEREAS**, BDO identified findings in the FY18 and FY19 audits; and

**WHEREAS**, Findings 2018-04 and 2019-003 Journal Entry Review – Internal Control over Financial Reporting – Significant Deficiency – Internal controls were not established to ensure that all journal entries must be reviewed and approved by an individual who did not prepare the entry but who is knowledgeable of the facts and circumstances related to the entry; and

**WHEREAS**, Borough Administration and BDO developed correction action plans for findings 2018-04 and 2019-0003 that entailed having the Finance Director prepare all entries for review by a third party; and

**WHEREAS**, Borough Administration believes it would be in the Borough's best interest to solicit a Full-Charge Bookkeeper (Bookkeeper) to review and conduct an assessment of the Borough's general ledgers and journal entries for compliance with the governmental auditing standards and legal requirements; and

**WHEREAS**, on April 8, 2020 Borough administration issued a Request for Proposal (RFP) for a Bookkeeper to conduct an assessment of the Borough's general ledgers and journal entries, and draft a Plan of Action to continue to address the audit findings; and

**WHEREAS**, on May 4, 2020 the Borough received one proposal from Espelin & Associates, llc in response to the RFP; and

**WHEREAS**, on May 5, 2020 a selection committee met to review the proposal; and

**WHEREAS**, the selection committee recommends the Borough issue a contract to Espelin & Associates, llc to provide conduct an assessment of the Borough general ledgers and journal entries and to draft a Plan of Action; and

**WHEREAS**, funds are available in the Project Contingency line item (E 20-866-209-888 PROJECT CONTINGENCY) for this service.

**NOW THEREFORE, BE IT RESOLVED**, the Aleutians East Borough Assembly authorizes the mayor to negotiate and execute a contract agreement between the Aleutians East Borough and Espelin & Associates, llc for Full-Charge Bookkeeping Services in an amount not to exceed \$11,545.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 14<sup>th</sup> day of May, 2020.

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Alvin D. Osterback, Mayor

ATTEST:

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Tina Anderson, Clerk

# New Business





## Memorandum

Date: May 5, 2020

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

### Re: Donation Requests

The Aleutians East Borough has an established Donation Policy that allows entities within the Borough communities to request charitable donations. Requests for donations must be completed and submitted by May 1 or November 1.

The Borough has \$12,550 available in the FY20 budget as outlined in the Borough financials under line item E 01-900-000-757 DONATIONS. These funds can cover those requests made on May 1, 2020 for expenses and activities that will occur within the 2020 fiscal year. On May 1, 2020 the Borough received two (2) requests that qualify for FY20 funding. Borough Administration recommends funding the following:

#### Donation requests for FY20:

King Cove Fire/Rescue Fundraiser:	\$2,500
City of Sand Pt. Community Clean-up	\$1,000
<b>TOTAL</b>	<b>\$3,500.00</b>

A balance of \$9,500 will remain in the FY20 donation line item.

The recommendation for the FY21 budget donation line item is \$23,500. The FY21 budget will be introduced at the May 14, 2020 Assembly meeting and will be presented as a public hearing at the following meeting. Budget approval will dictate whether the FY21 donations approved by the Assembly occur.

On May 1, 2020, the Borough received three (3) donation requests that qualify for FY21 funding. These requests are for expenses and activities that will occur within the 2021 fiscal year. The Borough Administration recommends funding the following:

#### Donation requests for FY21:

QTT Culture Camp	\$4,000.00
Sand Point Teen Center	\$2,000.00
Sand Point Derby Fundraiser	<u>\$750.00</u>

**TOTAL**

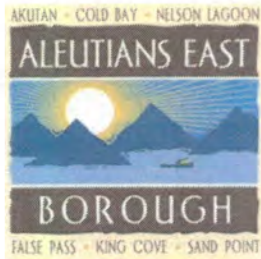
**\$6,750.00**

A remaining balance of \$16,750 will remain in the FY21 donation line item for future donation requests.

<b>Aleutians East Borough</b>					
<b>Donation Requests</b>					
<b>May 2020</b>					
	<b>FY20 Approved</b>	<b>FY20 (May 2020)</b>	<b>FY20 (May 2020)</b>	<b>FY21 (May 2020)</b>	<b>FY21 (May 2020)</b>
	<b>Amount Approved</b>	<b>Amount Requested</b>	<b>Amount Recommended</b>	<b>Amount Requested</b>	<b>Amount Recommended</b>
Qagan TayagunginTribe (QTT)-Culture Camp	\$ 3,500.00			\$ 4,000.00	\$ 4,000.00
Sand Point Teen Center	\$ 2,000.00			\$ 2,000.00	\$ 2,000.00
Sand Point Salmon Derby	\$ 750.00			\$ 750.00	\$ 750.00
Sand Point Community Clean Up		\$500.00 - \$1,000.00	\$ 1,000.00		
King Cove Fire & Rescue		\$2,500.00	\$ 2,500.00		
QTT Graveyard Clean Up	\$ 200.00				
QTT Fall Clean Up	\$ 250.00				
Cold Bay EMS Equipment	\$ 3,000.00				
City of Sand Point 4th of July	\$ 1,000.00				
EATS Cold Bay Clinic Health Fair	\$ 250.00				
<b>Total</b>	<b>\$ 10,950.00</b>	<b>\$3,000.00 - \$3,500.00</b>	<b>\$ 3,500.00</b>	<b>\$ 6,750.00</b>	<b>\$ 6,750.00</b>
<b>FY20 Donation Request Amount Appropriated</b>	<b>\$ 23,500.00</b>				
<b>FY20 May 2019 Donation Requests Approved</b>	<b>\$ (10,950.00)</b>				
<b>FY20 November 2019 Donation Requests Recommended</b>	<b>\$ -</b>				
<b>FY20 May 2020 Donation Requests Recommended</b>	<b>\$ (3,500.00)</b>				
<b>FY20 Remaining Dontation Request Funds</b>	<b>\$ 9,050.00</b>				
<b>FY21 Donation Request Amount Appropriated</b>	<b>\$ 23,500.00</b>				
<b>FY21 May 2020 Donation Requests Approved</b>	<b>\$ (6,750.00)</b>				
<b>FY21 Remaining Dontation Request Funds</b>	<b>\$ 16,750.00</b>				

# FY20 Donation Requests

# Annual Firemen Picnic and Scholarship fund raiser



## REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY, FOR FUNDING.

ORGANIZATION NAME: King Cove Fire & Rescue

PERSON COMPLETING THIS FORM: Chris Babcock

AMOUNT REQUESTED: \$ 2500.00 (An amount range is acceptable)

1. Who will benefit from this donation?

800 Estimated number of AEB Residents

300 Estimated number of Non-AEB Residents

All Ages

Is this activity open to all AEB residents? ☒ Yes / /no If not, please explain.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds?

Please limit your answer to no more than one page. The King Cove Fire & Rescue Picnic is a time for the family to get together and support the King Cove Fire Department. Alcohol and Drug Free event. No Alcohol is served.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page. \$10000.00 AEB Donation helps with Raffles and purchasing food.

4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? ☒ Yes / /No

# Annual Firemen Picnic and Scholarship fundraiser





## REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: City of Sand Point

PERSON COMPLETING THIS FORM: Krista Galvin

AMOUNT REQUESTED: \$ 500 - 1000.00 (An amount range is acceptable)

1. Who will benefit from this donation?

ALL Estimated number of AEB Residents

ALL Estimated number of Non-AEB Residents

ALL Ages Ages

Is this activity open to all AEB residents? / yes / /no If not, please explain.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

City of Sand Point Community Clean up is a annual clean up around town, it encourages our community to keep our town clean.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page. AEB contribution will help supply prizes to encourage the community members to clean. Our estimated budget is \$5,000
4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? / Yes / /No

# FY21 Donation Requests



QAGAN TAYAGUNGIN TRIBE  
P.O. BOX 447  
SAND POINT, ALASKA 99661  
PHONE (907) 383-5616

April 29<sup>th</sup>, 2020  
PO BOX 349  
Sand Point, AK 99661

Dear Mr. Osterback,

The Qagan Tayagungin Tribe is starting to prepare for our Annual Culture Camp. The camp dates for this year are Monday, July 27<sup>th</sup> through Thursday, August, 6<sup>th</sup> 2020. Classes will be held from 9 am through 5 pm for our campers K-12<sup>th</sup> grade; and from 6 pm to 8 pm for adult participants.

This year we will continue to learn the Unangax language, dance, and beaded headdresses, as well as traditional foods (i.e. gathering and preparing salmon for drying, smoking, salting for use throughout the year). We are also hoping to offer drum making, Unangax bentwood hat making, and salmon tanning as well.

We take great pride in providing a cultural education to our community every year. It takes a significant amount of money to fund camp every year. Last year's camp had 94 children from kindergarten through twelfth grade, and a few dozen adults who attended. We are hoping the Aleutians East Borough will continue to support this valuable program, and are asking for a donation of 4,000.

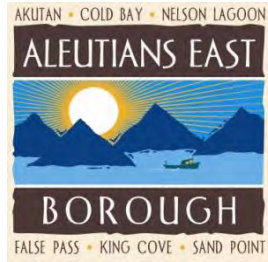
Thank you very much for your time and support for the Sand Point Culture Camp.

Sincerely,

A handwritten signature in black ink that reads 'Peyton Kuzakin'.

Peyton Kuzakin  
Culture Camp Director





## REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: \_\_\_\_\_

PERSON COMPLETING THIS FORM: \_\_\_\_\_

AMOUNT REQUESTED: \$\_\_\_\_\_ (An amount range is acceptable)

1. Who will benefit from this donation?

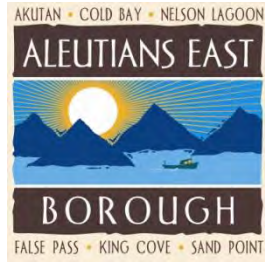
\_\_\_\_\_ Estimated number of AEB Residents

\_\_\_\_\_ Estimated number of Non-AEB Residents

\_\_\_\_\_ Ages

Is this activity open to all AEB residents? / /yes / /no If not, please explain.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.
3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page.
4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? / /Yes / /No



## REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: SAND PT SILVER SALMON DERBY

PERSON COMPLETING THIS FORM: RAYETTE MCGLASHAN

AMOUNT REQUESTED: \$ \$750 (An amount range is acceptable)

1. Who will benefit from this donation?

ALL SAND PT RESIDENTS Estimated number of AEB Residents

TRANSIENT FISHERMEN AND PROCESSOR WORKERS Estimated number of Non-AEB Residents

ALL Ages

Is this activity open to all AEB residents? / ☒ /yes / /no If not, please explain.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

**The Derby provides family fun that promote outdoor activities and community involvement. Photos of all the activities of the Sand Point Silver Salmon Derby can be found on Facebook. Like us to see all the activities, as they are posted!**

**The Derby fund raiser raises funds for Boy & Girls Club, Culture Camp, EMS and Teen Center. All of these programs are important and would not exist without donations.**

**This year we may have to do things different for the derby, and we will get creative with our activities. We may not have all the fun family activities we normally plan, however, we will raise money for the entities noted above by having raffles and the salmon derby, while social distancing.**

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page.

**Much of the funds raised are from raffles. Donations go towards purchasing raffle items. Donations also go towards necessary supplies. Below is a list of last year's donators and requests for donations will go out to most of them again.**

4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? / **X** /Yes / /No

**Donators:**

Ravn, Trident Seafoods, Coastal Transportation, Alaska Central Express (ACE), City of Sand Point, City of Sand Point Harbor Crew, Public Works and office personnel, Alaska Commercial, Aleut Corp., Shumagin Corp., Aleutians East Borough, TelAlaska, Peter Pan Seafoods, Aleutian Pribilof Islands Association, Inc., Qagan Tayagungin Tribe, Sand Point School, Pauloff Harbor Tribe, Peninsula Fishermen's Coalition, Aleutia, Eastern Aleutian Tribes, ASMI, Western Marine Construction, and halibut donated for fish dinner by commercial fisherman, Charlie Jackson!!

# Sand Point Teen Center

C/O Unga Tribal Council  
PO Box 508  
Sand Point, AK 99661

May 1, 2020

Dear Mayor Osterback and Assembly:

This is a funding request for \$2000 to the Sand Point Teen Center. Thank you so much for your continued support and \$2000 donation last year. I am hoping you consider the Teen Center an important program to continue supporting.

As we all understand the importance of following the State of Alaska mandates and keeping everyone safe, the Teen Center has been closed since March 14. However, hoping we will eventually be able to get the Center back open again some time later this year and, in the meantime, hope to come up with a creative activity, outside the teen center, to keep teens occupied while still practicing social distancing.

Sand Point Teen Center provides a safe place to socialize and participate in positive activities, which is an alternative to drugs and alcohol use. We have six new 7th graders that will be joining the Teen Center this year!

The City of Sand Point provides the building, utilities, and maintenance; Unga Tribe provides accounting and payroll services; and other local entities, including the City of Sand Point, and Unga Tribe contribute cash donations, to keep the Teen Center operating.

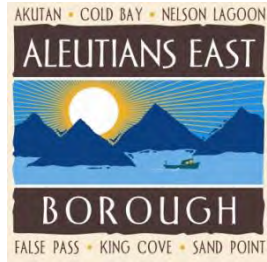
The Teen Center has been operating since 2009. In normal times, is open six evenings a week, with two employees alternating days. The program would not be successful without your support and we appreciate all the support you provide.

Once again, we are asking for a \$2,000 donation to the Sand Point Teen Center.

Sincerely,



Tina Anderson  
Volunteer Teen Center Manager



## REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: SAND POINT TEEN CENTER

PERSON COMPLETING THIS FORM: TINA ANDERSON

AMOUNT REQUESTED: \$ \$2000

1. Who will benefit from this donation?

60+ Estimated number of AEB Residents

UNKNOWN Estimated number of Non-AEB Residents

GRADE 7 THROUGH AGE 20 Ages

Is this activity open to all AEB residents? / /yes /X/no If not, please explain. ALL AEB RESIDENTS GRADE 7 THROUGH AGE 20 ONLY.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

**The Teen Center provides a safe place for our teens to socialize that is monitored by an adult employee. Teens participate in positive activities and events, which provides an alternative to drugs and alcohol.**

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page. **Funding would go towards payroll and other expenses.**

**Yearly budget costs: \$24,000**

**Other funding contributions have come from Unga Tribal Council, Qagan Tayagungin Tribal Council, City of Sand Point, Shumagin Corporation, Pauloff Harbor Tribal Council, Sand Pt. Silver Salmon Derby.**

4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? / ☒ /Yes / /No

# Sand Point Teen Center

C/O Unga Tribal Council  
PO Box 508  
Sand Point, AK 99661

May 1, 2020

Dear Mayor Osterback and Assembly:

This is a funding request for \$2000 to the Sand Point Teen Center. Thank you so much for your continued support and \$2000 donation last year. I am hoping you consider the Teen Center an important program to continue supporting.

As we all understand the importance of following the State of Alaska mandates and keeping everyone safe, the Teen Center has been closed since March 14. However, hoping we will eventually be able to get the Center back open again some time later this year and, in the meantime, hope to come up with a creative activity, outside the teen center, to keep teens occupied while still practicing social distancing.


Sand Point Teen Center provides a safe place to socialize and participate in positive activities, which is an alternative to drugs and alcohol use. We have six new 7th graders that will be joining the Teen Center this year!

The City of Sand Point provides the building, utilities, and maintenance; Unga Tribe provides accounting and payroll services; and other local entities, including the City of Sand Point, and Unga Tribe contribute cash donations, to keep the Teen Center operating.

The Teen Center has been operating since 2009. In normal times, is open six evenings a week, with two employees alternating days. The program would not be successful without your support and we appreciate all the support you provide.

Once again, we are asking for a \$2,000 donation to the Sand Point Teen Center.

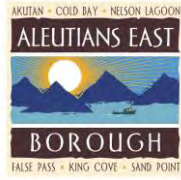
Sincerely,



Tina Anderson  
Volunteer Teen Center Manager

# REPORTS AND UPDATES





**To:** Honorable Mayor Osterback and AEB Assembly  
**From:** Anne Bailey, Borough Administrator  
**Subject:** Assembly Report  
**Date:** May 7, 2020

## COVID-19

Below are a few updates regarding COVID-19:

- The Governor and many communities are now in the process of reopening Alaska. Health Mandate 016 outlines Phase 1 of Dunleavy's *Reopen Alaska Responsibly Plan*. For the most current information on this and other mandates please go to <https://covid19.alaska.gov/>.
- The Borough continues to post COVID-19 related items on the Borough's Website and on the Borough's Facebook Page at <https://www.facebook.com/AleutiansEastBorough/>
- The Borough continues to host meetings with the Borough community leaders, Eastern Aleutian Tribes, and our school district to touch base on what is occurring during this unprecedented time.
- The Borough is also attending Alaska Municipal League Meetings, State of Alaska Emergency Manager's briefings, Alaska Municipal Managers Association Meetings, Fishery discussions and others.
- On May 1, 2020, the Governor submitted a revised plan for the distribution of the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. Based on Dunleavy's Plan the Borough could receive \$3,723,854 in total community assistance and COVID Relief. The State's Legislative Budget and Audit Committee is scheduled to meet on Monday, May 11<sup>th</sup> to discuss these funds and decide if these funds will be approved and distributed to the communities and municipalities. Even if the funds are approved it could take a couple of weeks for OMB/DCRA to follow up with the communities and work on grant agreements. So, in the meantime Borough staff are attending numerous meetings to determine what is considered a necessary and allowable expenditure under the CARES Act. We are keeping track of the hours staff has spent on COVID-19 related items and other expenditures that have resulted due to the pandemic. Please go to <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf> for more information regarding U.S. Treasury guidance regarding the Coronavirus Relief Fund.

## King Cove Road

As mentioned before, the filing of the remainder of the briefs for the pending litigation, Friends

of National Wildlife Refuges, et.al versus the Department of Interior, filed by the opposition environmental groups has been completed. Even though the Federal Courthouses in Alaska are all physically closed, the Federal Court continues to accept filing of pleadings online. By March 23, 2020, all pleadings required by the Court for this case were completed.

Timing for a decision by the Court is still uncertain. Timing is completely in the control of the Court.

## **Cold Bay Terminal**

- Alaska Airlines: Alaska Airlines is on track to make their first regularly schedule passenger flight on May 16<sup>th</sup>. The Borough, Alaska Airlines, Grant Aviation, TSA and others have been meeting to make sure the Terminal meets all of the operational requirements. The Borough has been working on the sublease and many other logistics to ensure that this can occur.
- Grant Aviation: Grant Aviation has moved to and is operating out of the Cold Bay Terminal.
- Ravn: On April 27, 2020, Ravn Air Group issued a [Proposed] Chapter 11 Plan of Liquidation or Ravn Air Group, Inc and Its Affiliated Debtors to the United State Bankruptcy Court for the District of Delaware (see attached). Ravn is proposing to wrap up its Chapter 11 bankruptcy case by establishing a trust that would liquidate its assets and pay creditors. Pursuant to section 341 of the Bankruptcy Code, the Meeting of Creditors has been scheduled for May 14, 2020 at 2:30 p.m. (ET). For more information regarding the bankruptcy case, please go to <https://cases.stretto.com/ravnair/>.

The Borough has engaged a Bankruptcy Attorney through Joe Levesque's office to help Administration navigate the bankruptcy court to get released from the Borough's sublease with Ravn and to help us determine what we are permitted to do without violating bankruptcy laws.

## **Project Management Services**

In 2015, the Borough entered into contract with DOWL to provide professional engineering, project management and construction management services for the Borough. The contract was from September 8, 2015 through June 2017 with an option to renew for an additional three (3) one-year periods. The Borough has exercised the three one-year term extensions and our contract with DOWL ends on June 30, 2020. Administration intended to issue a Request for Proposal (RFP) in March/April 2020 but due to extenuating circumstances this did not occur. Administration is now in the process of drafting the RFP and plans on issuing the RFP soon with the intent on having a contract in place by July or August. In the interim, the Borough will engage DOWL on a monthly basis until a contractor is hired.

## **Other Items**

- I have completed items for the May 14, 2020 Assembly Meeting, which includes the draft FY21 budget and associated documents.
- The Borough is still working with Moffatt & Nichol on completing the Sand Point and

Akutan Harbor Float Port Infrastructure Development Grant. The grant application is due May 18, 2020.

- I have also reviewed the FY19 Audit, worked with Bond Counsel on documents related to the Bond refinancing, addressed items relating to the Cold Bay Dock, False Pass Harbor and many others. I also attended AMLJIA Board Meeting on May 1, 2020.
- I have also been continuously conducting other day to day operations.
- Finally, I would like to thank the Borough Mayor and Staff for all their hard work over the last few months. The COVID-19 pandemic has created a lot of challenges and everyone has diligently been working and continuing Borough operations through this time of uncertainty. It truly is appreciated.

If you have any questions, comments or concerns please contact me at (907) 317-1498 or [abailey@aeboro.org](mailto:abailey@aeboro.org).

To: The Honorable Mayor Osterback, AEB Assembly  
From: Mary Tesche, Assistant Administrator  
Subject: Assembly Report  
Date: May 7<sup>th</sup>, 2020

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## **Strategic Plan Update**

Sand Point School DEED Grant – The DEED grant application is moving along as scheduled. ECI is expected to present us with the draft grant package on May 8<sup>th</sup>. The package will also be sent to the cost estimator and we expect to receive cost information back by May 22<sup>nd</sup>. The cost estimate will help us narrow down the scope and will dictate how much match money the Borough will be expected to provide if we are awarded the grant during future funding cycles. Items H.1, H.2, and H.3 on the Strategic Plan will be completed once we receive the package for our review.

False Pass Harbor House – I am continuing to work with the City of False Pass and LCG on the False Pass harbor house design process. We received a cost estimate back based on the 35% design that was higher than anticipated, so the City is looking at other design configurations that will meet their needs while bringing the cost down.

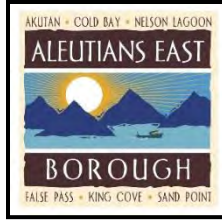
Akutan Harbor – Due to COVID-19 activities, Akutan Harbor tasks in Q1 have been moved to Q2.

## **Other Items & Announcements**

Current projects – I am assisting Anne and the Mayor with items related to the Cold Bay Terminal and the Alaska Airlines operation, including coordinating logistics with our contract employees and making sure they have everything need prior to full operation. I've also assisted with a variety of duties including preparation for the FY21 budget, preparing for the May Assembly meeting, items related to the Cold Bay Dock project, the Nelson Lagoon Dock project, and the Sand Point/Akutan floats grant application.

Meetings: I continue to attend meetings held by the Borough, AML, the State of Alaska, and Federal entities regarding COVID-19 response and recovery.

Please contact me at [mtesche@aeboro.org](mailto:mtesche@aeboro.org) with any questions or comments.



To: Honorable Mayor Alvin Osterback and Aleutians East Borough Assembly  
From: Laura Tanis, AEB Communications Director  
Through: Anne Bailey, AEB Administrator  
Subject: Communications Director's Report to the Assembly  
Date: May 7, 2020

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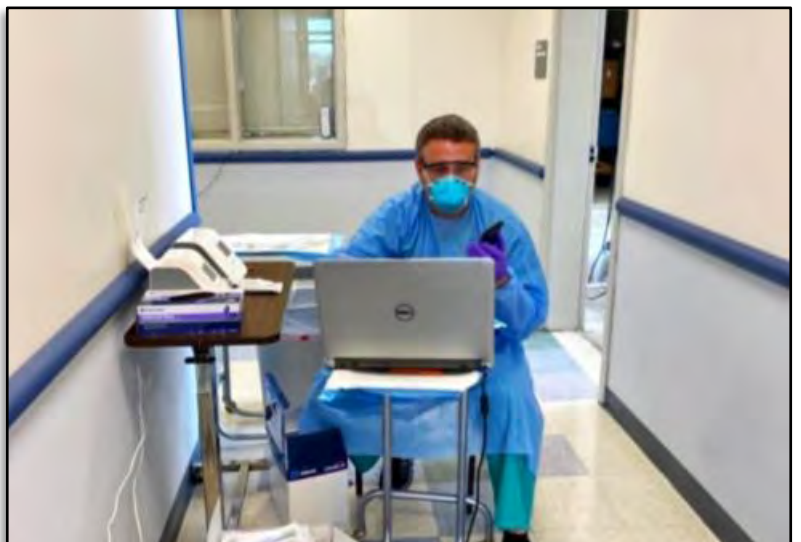
I have been busy, as many have us been, with teleconferences related to COVID-19, as well as multiple other items. More than ever, I have been monitoring news sites for stories related to the pandemic, fisheries, etc. and passing it along to the administration and staff.

### **Letter**

I've been working on a project, with direction from the AEB Administration, that will result in a letter to go out soon. It will incorporate communities (that would like to be included) in the Aleutians and Pribilofs. It will focus on the goal of expanding reliable air service opportunities in the region. The letter will also provide highlights from the McDowell Group's report on the economic value of Alaska's seafood industry to the state, nation and world, as well as the region's contribution.

### **In the Loop**

A recent In the Loop newsletter went out on April 30<sup>th</sup>. After interviewing Eastern Aleutian Tribes CEO Paul Mueller, I wrote a story about how EAT has ramped up testing within our Borough communities as well as two other clinics within its service area in response to the COVID-19 pandemic. The story explains how EAT has gone the extra mile to help elders by sending fresh fruit and vegetables, in addition to Easter baskets and supplies to them. EAT has also put together gifts for high school seniors, acknowledging their hard work up to this



Eastern Aleutian Tribes healthcare provider Joe McMillan from Sand Point with two Abbott Analyzers. Photo courtesy: Eastern Aleutian Tribes.

point and recognizing that their graduation ceremony will be different than what they had planned on.

The newsletter also included a letter from SWAMC about the Alaska Can Do COVID-19 Response Fund Application. This letter explains that the United Way of Alaska and the Alaska Community Foundation, with support from the Rasmuson Foundation, got together to form a statewide COVID-19 relief fund. United Way is granting some of these funds to SWAMC, as the provider, to distribute in the region to support folks in need of housing support, utility assistance, childcare and other things of that nature.



Community testing in Sand Point during the week of April 20th. Photo courtesy: Eastern Aleutian Tribes.

### **AEB Facebook Page:**

The items mentioned above were posted on AEB's Facebook page, as well as multiple other news stories regarding COVID-19, the fisheries, etc.

### **Fish News:**

A Fish News was sent out on April 24<sup>th</sup>, which was put together by the Natural Resources Department. It provided details about Mandate 17 (regarding protective measures for independent commercial fishing vessels). The newsletter also provided a recap of the Aleutians East Borough town hall for fishing stakeholders, called: Planning a Summer Season Fishing in the AEB Amid COVID-19 Concerns. Kudos to the Natural Resources Department for putting this together. There were numerous presentations by processors and community leaders, and it was packed full of information.

### **Website updates:**

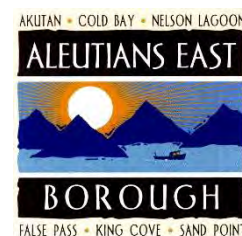
As I mentioned during the last Assembly, we have a COVID-19 tab on our website. It also has a sub tab for the State of Alaska containing mandates. We also have a sub tab for communities, which contains emergency disaster declaration and requirements for self-quarantining when traveling into communities. Some of the communities have also drafted harbor operator mutual aid agreement forms, which vessels using the harbors, are required to fill out. I will continue to add other related information to these tabs.

As always, I'm happy to help get the word out about events or issues in your community. Please call or email me any time with information.





To: The Honorable Mayor Osterback, Aleutians East Borough Assembly  
 From: Ernie Weiss, Natural Resources Director  
 Subj: Report to the Assembly  
 Date: May 7, 2020



## Salmon Season

2020 will be a summer like no other. All salmon fishermen, processors and communities are required to follow the [Health Mandates](#) issued by the State. In Alaska, fishing is considered Critical Infrastructure. Fishing businesses including processors are required to submit plans compatible with Mandates 10 & 12 to maintain protocols to handle risks associated with COVID-19. Independent fishing vessels do not need to submit a plan and only need to agree to follow **Mandate 17** as articulated in [Appendix 1](#) and sign and keep on the vessel a signed copy of [Appendix 2](#).

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
1	2	3	4	5	6

Notes:  
 All fishing periods start at 6:00 AM and end at 10:00 PM, closures between periods are 32 hours.  
 The first fishing period is 64 hours, for set gillnet gear only.  
 The remaining fishing periods are 68 hours, for all gear types.

The AEB hosted a successful [Town Hall](#) April 15<sup>th</sup> to discuss the salmon season amid COVID-19 concerns and published follow-up information in the [April 24<sup>th</sup> Fish News](#). As of this writing we are still anticipating another Mandate issuance by the State specific to setnet fishermen operations. We will also be closely watching the first salmon opening in the State May 14<sup>th</sup> in Prince William Sound/Copper River to see how they handle the fishery during the COVID-19 crisis.

The AEB with the ADFG area salmon managers will host an Area M salmon pre-season meeting May 20<sup>th</sup> at 10AM by teleconference and KSDP radio.

[North AK Pen Salmon Management Plan](#)    [South AK Pen Salmon Management Strategy](#)

## Alaska Board of Fisheries

This year's cycle of meetings are geared toward Southeast Alaska except for the March 2021 shellfish meeting in Anchorage. Agenda Change Requests (ACRs) need to be submitted by August 13 to be considered at the Work Session October 15-16 in Anchorage. Proposal books are to be published in August. Four members of the Board have yet to be confirmed by the legislature: John Wood (appointed 2019), Abe Williams, McKenzie Mitchell and John Jensen (reappointed).

## Alaska Board of Game

The Board will consider two board-generated proposals at a special meeting June 3<sup>rd</sup> to help address the loss of spring bear hunting opportunity for residents and nonresidents due to the travel restrictions this year. Proposal 1 would allow spring brown bear hunts in Alaska Peninsula Game Management Unit 9 in spring 2021. Spring bear hunts normally occur in even years. Proposal 2 would allow Spring bear hunt drawing permits, including for brown bear in Aleutian Islands Game Management Unit 10 to be transferred to future seasons, with a 2023 sunset date. Public comment deadline May 27<sup>th</sup>.

After 30 years prohibition of Emperor geese hunting, registration permits for Alaska residents were made available in the fall of 2017, bag limit one per season, federal regs limit 1000 statewide harvest. In that first season only 128 Emperor geese were taken statewide. For the 2018/2019 season non-residents were allowed to enter a drawing for 25 non-resident permits. During a teleconference initiated by Cold Bay Administrator Angela Simpson, I was informed that local area guides and lodge owners think there should be more opportunity for non-residents to take Emperor geese in Alaska. They expect to submit such a proposal to the Board of Game; Board proposals for Central and Southwest Alaska regions are due May 15<sup>th</sup>.

## Recent meetings attended

Various AEB Staff meetings	teleconference	4/10, 4/13, 4/22, 4/24, 5/7
Anch Fish & Game AC special meeting	Zoom	Apr 13
<a href="#">AEB Fishery Stakeholder COVID-19 Town Hall</a>	Teleconf/KSDP broadcast	Apr 15
Small Business Town Hall w/AK US Senators	Teletown hall (phone)	April 16
Local Leader Fishing Industry Group COVID-19, DHSEM	teleconference	4/21, 4/28, 5/5
Natl. Fisherman / DiscoveryHealth MD – Vessels COVID	webinar	Apr 22
Alaska Fishing Communities .org	teleconference	Apr 23
Fishermen information PPP relief – Maine	Zoom webinar	Apr 23
<a href="#">Sea Grant fishery business econ relief COVID-19</a>	Zoom webinar	Apr 24
UAF seminar by Bob King – 1918 salmon season	Zoom webinar	Apr 24
UFA Mandate 17 information	Zoom webinar	Apr 29
<a href="#">KDLG Bristol Bay COVID-19 Town Hall</a>	Radio	Apr 30
<a href="#">AMHS Reshaping Work Group</a>	webinar/teleconf	4/16, 4/30, 5/7
Crab Plan Team	AdobeConnect	May 4-7

## Upcoming meetings/planning to attend

NPFMC special meeting consider IFQ emergency rules	AdobeConnect	May 15
Fishery Monitoring Advisory Committee (FMAC)	teleconference	May 19
<b>ADFG / AEB Area M Salmon Pre-season meeting</b>	teleconference	May 20
Alaska Marine Policy Forum	Zoom meeting	May 20
North Pacific Fishery Management Council	AdobeConnect	June 1-10
Board of Game special meeting -bear hunts	teleconference	June 3

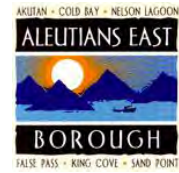
Please call if you have any questions or concerns.



Figure 10--All gear types fishing periods in the South Umiak and Shumagin Islands roo-fine fisheries, 2020.



To: Honorable Mayor Osterback, Aleutians East Borough Assembly  
From: Charlotte Levy, Natural Resources Assistant Director  
Re: Report to the Assembly  
Date: May 14th, 2020



### **Groundfish**

- I have ongoing communications with the GOA cod stock assessment author to discuss the tagging and survey projects, as well as look into other ways the AEB might be able to partner on research to support the cod stocks.

### **Projects**

#### **EM - WGOA1**

- I have submitted the final [Programmatic](#) and [Financial](#) reports to NFWF for the WGOA1 project. This project came in slightly under budget. Summary stats for this project:
  - [Participants](#): 14 CVs; 2 tenders; 2 plants
  - [Data](#): 179 trips/feedback forms, 300+ hauls, 50 tender deliveries = marked improvements from A/B to C/D submitting logbooks, discards, timeliness.
  - [Cost](#): *Adjusted Annual Cost* is roughly \$567/day compared to average \$1,400-1,800/day for partial coverage for 2018-2019.
- I am working with the observer program to obtain 2019 observer discard data for the pairwise analysis, this was delayed so it is not included in the NFWF report.

#### **EM - WGOA2**

- We are still awaiting the final grant agreement, I have been working on requested amendments to the proposal from NFWF as needed.
- After data review is finished there will be an A/B season debrief meeting among project partners and participants. I'm currently working on participant surveys, updating the FAQs sheet, shark ID/seabird handling cards, and reviewing shoreside observer debriefs. There will be an interim report that will be made available to the Assembly.
- I am working with NMFS to allow trawl EM vessels that participate in fixed-gear to opt-in to the regulated EM program this coming year.

#### **Fishermen's Data Portal**

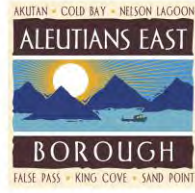
- The project team submitted a [full proposal](#) to Net Gains Alliance. We have had several follow-up meetings to work out details. The total budget came to \$128,290 with my time as in-kind for project management, outreach and communication, reporting.

#### **Mariculture:**

- Almost all work on mariculture projects has been postponed. I will revisit this project and scheduling trips out to the region once things settle down and AEB standard policies are reinstated.
- I am working with DNR to provide the information they need to make a final determination.

### **Upcoming Meetings**

TBD Trawl EM Committee Meeting



**To: Honorable Mayor Osterback and AEB Assembly**  
**From: Emil Mobeck, Maintenance Director**  
**Subject: Assembly Report**  
**Date: 05/14/2020**

### **Ongoing Maintenance Projects**

Gearing up for this summer projects around town with the school and district office, and shop. Paint, boiler, keeping things going.

### **Strategic Plan Update**

- OSHA Requirement Compliance -

### **Other Borough Related Items**

Working with the School district with their new internet system. Helping Mary with the CIP project with ECI as well. Going to be doing maintenance at our 4 plex here after teachers leave for the Summer.

### **Upcoming Projects**

Nothing much on the Horizon until COVID-19 allows for transportation again without the mandatory quarantine.

If you have any questions, comments or concerns please contact me at (907) 383-2699 or [emobeck@aeboro.org](mailto:emobeck@aeboro.org).

# Assembly Comments

# Public Comments

# Date & Location of Next Meeting

# Adjournment