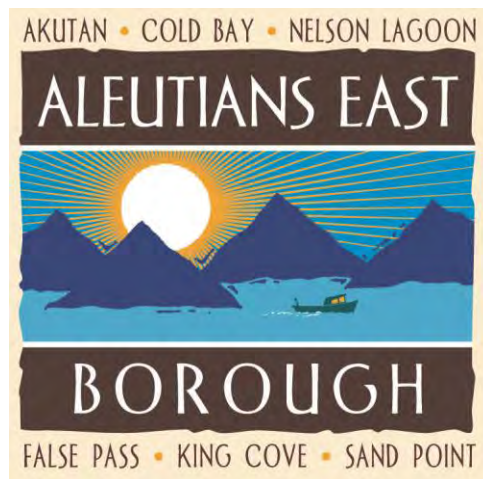


Aleutians East Borough Assembly Meeting

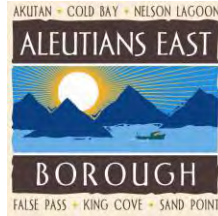


Workshop: Thursday, February 9, 2017 – 1:30 p.m.

Meeting: Thursday, February 9, 2017 – 3:00 p.m.

Roll Call & Establishment of a Quorum

Adoption of Agenda



Agenda

Assembly Meeting

(packet available on website www.aleutianseast.org)

Date: Thursday, February 9, 2017
Time Workshop: 1:30 p.m. Meeting: 3:00 p.m.

Location: By teleconference in each community location below:
King Cove AEB office False Pass-city office
Sand Point – AEB office Akutan -city office
Nelson Lagoon Corp. office Cold Bay-city library
AEB Anchorage office (3380 C St.)

All communities will be provided with conference calling information for the designated location in your community. Public comments on agenda items will take place immediately after the adoption of the agenda. Additional public comments can be made at the end of the meeting.

ASSEMBLY MEETING AGENDA

1. Roll Call & Establishment of Quorum.
2. Adoption of the Agenda.
3. Community Roll Call and Public Comment on Agenda Items.
4. Minutes.
 - January 12, 2017 Assembly Meeting Minutes.
5. Financial Reports.
 - Financial Reports, January 2016.
 - Investment Report, December 2016.
6. Consent Agenda
 - Resolution 17-15, FMA2, adopting an alternative allocation method for the FY17 Shared Fisheries Business Tax Program for FMA 2.
 - Resolution 17-16, FMA3, adopting an alternative allocation method for the FY17 Shared Fisheries Business Tax Program for FMA 3.
 - Resolution 17-19, A Resolution of the Aleutians East Borough Assembly in support of Congressional appropriation to address the 2016 fishery disaster determination by the Secretary of Commerce.
7. Ordinances.
 - Introduction Ordinance 17-04, Amending the Operating and Capital Budget for FY17.

8. Resolutions.
 - Resolution 17-17, A Resolution by the Aleutians East Borough Assembly authorizing the transfer of the Robert E. “Babe” Newman Harbor from the Aleutians East Borough to the City of King Cove.
 - Resolution 17-18, A Resolution of the Aleutians East Borough authorizing the Borough Mayor to enter into a Memorandum of Agreement with the City of King Cove for the King Cove Access Project.
9. Old Business. *None*
10. New Business *None*
11. Reports and Updates.
12. Assembly Comments.
13. Public Comments.
14. Next Meeting Date.
15. Adjournment.

Community Roll Call & Public Comment on Agenda Items

Minutes

Aleutians East Borough Assembly Meeting
January 12, 2017

CALL TO ORDER

Mayor Mack called the Regular Assembly meeting to order by teleconference in each community on January 12, 2017 at 1:00 p.m.

ROLL CALL

Mayor Stanley Mack	Present
Chris Babcock	Present
Carol Foster	Present
Warren Wilson	Present
Alvin D. Osterback	Present
Ken McHugh	Present
Paul Gronholdt	Present
Brenda Wilson	Present

Advisory Members:

Chris Emrich, False Pass	Present
Angela Simpson, Cold Bay	Present
Justine Gundersen, Nelson Lagoon	Present

A quorum was present.

Staff Present:

Rick Gifford, Administrator
Roxann Newman, Finance Director
Tina Anderson, Clerk
Anne Bailey, Administrator Assistant
Laura Tanis, Communications Director
Don Eubank, Maintenance Director

Adoption of the Agenda:

MOTION

Ken moved to approve and second by Alvin. Hearing no objections MOTION PASSED.

Community Roll Call and Public Comments on Agenda Items:

The communities of King Cove, False Pass, Sand Point, Akutan, Nelson Lagoon and the Anchorage office were participating. No public comments.

Alvin noted a potential conflict of interest under New Business, AMMC donation request. He explained that he started the program and currently serves as technical advisory.

Minutes, December 8, 2016:

MOTION

Alvin moved to approve the December 8, 2016 Assembly Meeting Minutes and second by Ken. Hearing no more MOTION PASSED.

Financial Reports, December, 2016:

MOTION

Brenda moved to approve the December Financial Report and second by Alvin.

DISCUSSION

The Administrator said we are 50% through the fiscal year and everything is tracking along good.

Paul asked about our state extraterritorial shared fisheries tax, revenues. The Finance Director said we have not received that revenue yet.

ROLL CALL

Ken-yes, Warren-yes, Alvin-yes, Paul-yes, Chris B.-yes, Carol-yes, Brenda-yes. Advisory: Chris E.-yes, Angela-yes, Justine-yes. MOTION PASSED.

Investment Report, November 2016:

In packet.

Public Hearing Ordinance 17-02, Amending Title 1 to provide for a general penalty, a minor offense fine schedule allowing for the disposition of certain offenses without a court appearance, providing for the applicable state surcharge, and amending Title 60 to identify those offenses punishable by the fine listed on the fine schedule:

MOTION

Chris moved to approve Ordinance 17-02 and second by Warren.

Mayor Mack opened for Public Hearing. Hearing none, Public Hearing closed.

DISCUSSION

Paul asked if staff had anything new. The Administrator said we had not heard anything new. AEB Attorney, Joe Levesque, is here to answer any questions. Levesque developed the ordinance draft and recommends approval of changes.

ROLL CALL

Carol-yes, Brenda-yes, Paul-yes, Chris-yes, Ken-yes, Alvin-yes, Warren-yes. Advisory: Justine-yes, Angela-yes, Chris E.-yes. MOTION PASSED.

Public Hearing Ordinance 17-03, amending Title 6, Chapter 6.04, Subsection (F) of the Aleutians East Borough Code of Ordinances:

MOTION

Alvin moved to approve Ordinance 17-03 and second by Warren.

Mayor Mack opened for Public Hearing. Hearing none Public Hearing closed.

DISCUSSION

The Administrator said this is an AEB investment code change recommendation by APCM. It adjusts some language for the remaining of our assets classes similar to the last changes done. It doesn't change the asset allocation just allows them to use other indexes. Staff has reviewed and recommends adoption.

ROLL CALL

Warren-yes, Alvin-yes, Ken-yes, Brenda-yes, Carol-yes, Chris B.-yes, Paul-yes. Advisory: Angela-yes, Justine-yes, Chris E.-yes. MOTION PASSED.

Resolution 17-14, Recognizing Joe Bereskin, Sr. for his dedicated service to the Aleutians East Borough communities:

MOTION

Alvin moved to approve Resolution 17-14 and second by Brenda.

Mayor Mack read the resolution to the public.

Joe thanked the Assembly and Mayor saying he appreciated the time spent on the Assembly.

ROLL CALL

Alvin-yes, Brenda-yes, Paul-yes, Chris B.-yes, Warren-yes, Carol-yes, Ken-yes. Advisory: Justine-yes, Chris-yes, Angela-yes. MOTION PASSED.

OLD BUSINESS None

NEW BUSINESS None

REPORTS AND UPDATES

Reports in packet.

King Cove Access Project:

Paul requested a refresher on what authority the King Cove Road Project operates adding that all land is within AEB boundaries and hopefully the road will get completed, however, not quite clear on how the decision making is done.

City of King Cove Administrator, Gary Hennigh, said the King Cove Access Project group grew out of the various organizations involved with things happening on the King Cove Access Project in Juneau

and Washington D.C. starting in 2006, then the group continued through the Environmental Impact Statement process, the lawsuit and also to advocate for the new legislation that Senator Murkowski has been dedicated to during the last 6-7 years. The group also grows out of the previous Administrator, Bob Juettner, putting the project into City of King Cove hands in 2009 in order to continue forward, saying that there was nothing more formal than that. Previous Assembly packets have the costs involved and all done in good faith.

The Administrator said we have support of Congressional delegation. Representative Young introduced a bill last week. Senators Murkowski and Sullivan introduced a bill for land exchange yesterday. We are working with the State and Senators on the issue and hopefully Congress and the President will sign this legislation this year.

Alvin asked what acreage is in the proposed land exchange and whether it has changed. Gary Hennigh said in 2009, it was 61,000 acres of State of Alaska and King Cove Corporation land in exchange for 206 acres. President Obama signed it into law, but the law allowed Secretary of Interior to stop the exchange, which occurred on Dec. 23, 2013. Senator Murkowski resubmitted a bill with a land exchange of equal value with state land only in the exchange. The law says the value of 206 acres needed for the proposed road equals state land in or adjacent to Izembek Refuge. State supports and will offer any of the 41,000 acres they have in or adjacent to Izembek. He feels it is worth 5-10,000 acres of state land, but the official appraisal process will determine what is of equal value within 180 days timeframe once legislation is passed.

Paul said, regarding question on King Cove group, he understands the Borough and Assembly has a certain authority and responsibility on the King Cove Access Project that has never been put into writing. He requested AEB Administration submit something in writing on how the decision making is going on the project. He is not saying bad decisions are being made, but the Borough has a big role in this. Mayor Mack agreed an agreement should be put in place. Paul added he wants to see how the Borough and King Cove group interacts and under what authority the Assembly operates. The Administrator will work on agreement for the next Assembly meeting.

ASSEMBLY COMMENTS

PUBLIC COMMENTS

City of King Cove Mayor, Henry Mack, thanked Assembly for reimbursement of \$625,000 on Izembek road expenses. We continue to request a response on the \$825,000 reimbursement request submitted to the Borough. He supports an Agreement be brought back to the Assembly.

City of Sand Point Administrator, Andy Varner, provided an update to the Assembly saying the City of Sand Point filed petition to expand city boundaries. The city is responding to public comments and waiting for preliminary report, which is due in April.

NEXT MEETING DATE

February, 9, 2017.

ADJOURNMENT

MOTION

Ken moved to adjourn and second by Alvin. Hearing no objections the meeting adjourned at 1:47 p.m.

Mayor

Date

Clerk

Date

Unapproved

Financial Report

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*Revenue Guideline©

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 01 GENERAL FUND						
Active	R 01-201 INTEREST REVENUE	\$35,000.00	\$2,889.53	\$1,731.87	\$32,110.47	8.26%
Active	R 01-203 OTHER REVENUE	\$35,000.00	\$35,213.44	\$22,600.00	-\$213.44	100.61%
Active	R 01-206 AEBSD Fund Balance Refun	\$0.00	\$307,065.00	\$0.00	-\$307,065.00	0.00%
Active	R 01-218 AEB RAW FISH TAX	\$3,200,779.00	\$2,257,593.55	\$113,001.37	\$943,185.45	70.53%
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 RAW FISH TAX	\$2,067,181.00	\$1,606,522.61	\$0.00	\$460,658.39	77.72%
Active	R 01-266 STATE EXTRATERRITORIA	\$101,299.00	\$0.00	\$0.00	\$101,299.00	0.00%
Active	R 01-267 STATE FISH LANDING TAX	\$35,218.00	\$35,222.13	\$0.00	-\$4.13	100.01%
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	\$321,526.00	\$258,921.00	\$0.00	\$62,605.00	80.53%
Active	R 01-276 AEB SCHOOL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-277 STATE BOND REBATE	\$1,311,650.00	\$361,437.00	\$0.00	\$950,213.00	27.56%
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%
Total Fund 01 GENERAL FUND		\$7,702,909.00	\$4,864,864.26	\$137,333.24	\$2,838,044.74	63.16%

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02/03/17 10:13 AM

***Expenditure Guideline©**

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 01 GENERAL FUND						
DEPT 100 MAYORS OFFICE						
Active	E 01-100-000-300 SALARIES	\$80,044.00	\$46,692.24	\$6,670.32	\$33,351.76	58.33%
Active	E 01-100-000-350 FRINGE BENEFITS	\$28,592.00	\$20,958.96	\$3,001.56	\$7,633.04	73.30%
Active	E 01-100-000-400 TRAVEL AND PER	\$36,000.00	\$14,427.12	\$3,253.50	\$21,572.88	40.08%
Active	E 01-100-000-425 TELEPHONE	\$1,500.00	\$1,130.92	\$114.34	\$369.08	75.39%
Active	E 01-100-000-475 SUPPLIES	\$1,000.00	\$878.77	\$200.00	\$121.23	87.88%
Active	E 01-100-000-554 AK LOBBIST	\$45,000.00	\$24,500.00	\$7,000.00	\$20,500.00	54.44%
Active	E 01-100-000-555 FEDERAL LOBBIS	\$75,600.00	\$37,800.00	\$0.00	\$37,800.00	50.00%
SUBDEPT 000		<u>\$267,736.00</u>	<u>\$146,388.01</u>	<u>\$20,239.72</u>	<u>\$115,047.99</u>	<u>54.68%</u>
Total DEPT 100 MAYORS OFFICE		\$267,736.00	\$146,388.01	\$20,239.72	\$115,047.99	54.68%
DEPT 105 ASSEMBLY						
Active	E 01-105-000-300 SALARIES	\$25,000.00	\$11,700.00	\$3,000.00	\$13,300.00	46.80%
Active	E 01-105-000-350 FRINGE BENEFITS	\$80,000.00	\$74,863.50	\$13,355.25	\$5,136.50	93.58%
Active	E 01-105-000-400 TRAVEL AND PER	\$40,000.00	\$22,729.00	\$85.00	\$17,271.00	56.82%
Active	E 01-105-000-475 SUPPLIES	\$3,000.00	\$2,305.38	\$5.38	\$694.62	76.85%
SUBDEPT 000		<u>\$148,000.00</u>	<u>\$111,597.88</u>	<u>\$16,445.63</u>	<u>\$36,402.12</u>	<u>75.40%</u>
Total DEPT 105 ASSEMBLY		\$148,000.00	\$111,597.88	\$16,445.63	\$36,402.12	75.40%
DEPT 150 PLANNING/CLERKS DEPARMENT						
Active	E 01-150-000-300 SALARIES	\$93,600.00	\$52,295.17	\$7,467.00	\$41,304.83	55.87%
Active	E 01-150-000-350 FRINGE BENEFITS	\$34,306.00	\$22,515.50	\$3,223.60	\$11,790.50	65.63%
Active	E 01-150-000-400 TRAVEL AND PER	\$12,500.00	\$9,436.50	\$0.00	\$3,063.50	75.49%
Active	E 01-150-000-425 TELEPHONE	\$7,500.00	\$2,966.96	\$402.63	\$4,533.04	39.56%
Active	E 01-150-000-450 POSTAGE/SPEED	\$500.00	\$727.20	\$339.37	-\$227.20	145.44%
Active	E 01-150-000-475 SUPPLIES	\$5,000.00	\$1,063.64	\$42.36	\$3,936.36	21.27%
Active	E 01-150-000-526 UTILITIES	\$20,000.00	\$8,064.05	\$2,137.21	\$11,935.95	40.32%
Active	E 01-150-000-530 DUES AND FEES	\$5,000.00	\$2,617.00	\$0.00	\$2,383.00	52.34%
Active	E 01-150-000-650 ELECTION	\$8,000.00	\$9,313.88	\$0.00	-\$1,313.88	116.42%
SUBDEPT 000		<u>\$186,406.00</u>	<u>\$108,999.90</u>	<u>\$13,612.17</u>	<u>\$76,647.60</u>	<u>58.47%</u>
Total DEPT 150 PLANNING/CLERKS DEPARMENT		\$186,406.00	\$108,999.90	\$13,612.17	\$76,647.60	58.47%
DEPT 151 Planning Commission						
Active	E 01-151-000-300 SALARIES	\$10,000.00	\$0.00	\$0.00	\$10,000.00	0.00%
Active	E 01-151-000-350 FRINGE BENEFITS	\$500.00	\$0.00	\$0.00	\$500.00	0.00%
Active	E 01-151-000-380 CONTRACT LABO	\$25,000.00	\$0.00	\$0.00	\$25,000.00	0.00%
Active	E 01-151-000-400 TRAVEL AND PER	\$20,000.00	\$0.00	\$0.00	\$20,000.00	0.00%
Active	E 01-151-000-406 Permitting	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-151-000-450 POSTAGE/SPEED	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000		<u>\$55,500.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$55,500.00</u>	<u>0.00%</u>
Total DEPT 151 Planning Commission		\$55,500.00	\$0.00	\$0.00	\$55,500.00	0.00%
DEPT 200 ADMINISTRATION						
Active	E 01-200-000-300 SALARIES	\$193,155.00	\$120,902.72	\$17,404.96	\$72,252.28	62.59%
Active	E 01-200-000-350 FRINGE BENEFITS	\$65,798.00	\$59,259.42	\$8,498.77	\$6,538.58	90.06%
Active	E 01-200-000-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-200-000-381 ENGINEERING	\$25,000.00	\$165.00	\$0.00	\$24,835.00	0.66%
Active	E 01-200-000-382 ANCHORAGE OFFI	\$0.00	\$14,113.71	\$2,066.46	-\$14,113.71	0.00%
Active	E 01-200-000-400 TRAVEL AND PER	\$25,500.00	\$8,700.89	\$580.00	\$16,799.11	34.12%
Active	E 01-200-000-425 TELEPHONE	\$7,100.00	\$2,328.29	\$115.56	\$4,771.71	32.79%
Active	E 01-200-000-450 POSTAGE/SPEED	\$2,500.00	\$207.91	\$207.91	\$2,292.09	8.32%
Active	E 01-200-000-475 SUPPLIES	\$15,000.00	\$4,828.51	\$1,606.32	\$10,171.49	32.19%
Active	E 01-200-000-525 RENTAL/LEASE	\$23,404.00	\$12,595.37	\$2,107.21	\$10,808.63	53.82%
Active	E 01-200-000-530 DUES AND FEES	\$2,500.00	\$2,397.00	\$1,477.00	\$103.00	95.88%

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*Expenditure Guideline©

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
SUBDEPT 000		\$359,957.00	\$225,498.82	\$34,064.19	\$124,446.83	62.65%
Total DEPT 200 ADMINISTRATION		\$359,957.00	\$225,498.82	\$34,064.19	\$124,446.83	62.65%
DEPT 201 Assistant Administrator						
Active	E 01-201-000-300 SALARIES	\$95,481.00	\$55,697.32	\$7,956.76	\$39,783.68	58.33%
Active	E 01-201-000-350 FRINGE BENEFITS	\$30,782.00	\$23,564.00	\$3,377.42	\$7,218.00	76.55%
Active	E 01-201-000-400 TRAVEL AND PER	\$10,000.00	\$6,135.28	\$130.00	\$3,864.72	61.35%
Active	E 01-201-000-425 TELEPHONE	\$1,000.00	\$615.31	\$0.00	\$384.69	61.53%
Active	E 01-201-000-450 POSTAGE/SPEED	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-201-000-475 SUPPLIES	\$2,500.00	\$1,521.72	\$500.22	\$978.28	60.87%
Active	E 01-201-000-525 RENTAL/LEASE	\$8,903.00	\$4,887.92	\$817.75	\$4,015.08	54.90%
SUBDEPT 000		\$148,666.00	\$92,421.55	\$12,782.15	\$56,244.45	62.17%
Total DEPT 201 Assistant Administrator		\$148,666.00	\$92,421.55	\$12,782.15	\$56,244.45	62.17%
DEPT 250 FINANCE DEPARTMENT						
Active	E 01-250-000-300 SALARIES	\$134,511.00	\$89,163.02	\$12,020.90	\$45,347.98	66.29%
Active	E 01-250-000-350 FRINGE BENEFITS	\$52,725.00	\$36,601.80	\$5,157.89	\$16,123.20	69.42%
Active	E 01-250-000-400 TRAVEL AND PER	\$7,000.00	\$4,533.00	\$0.00	\$2,467.00	64.76%
Active	E 01-250-000-425 TELEPHONE	\$5,000.00	\$5,540.14	\$774.35	-\$540.14	110.80%
Active	E 01-250-000-450 POSTAGE/SPEED	\$1,000.00	\$528.45	\$0.00	\$471.55	52.85%
Active	E 01-250-000-475 SUPPLIES	\$7,500.00	\$7,347.39	\$87.40	\$152.61	97.97%
Active	E 01-250-000-526 UTILITIES	\$5,000.00	\$1,277.38	\$533.98	\$3,722.62	25.55%
Active	E 01-250-000-550 AUDIT	\$40,000.00	\$42,477.08	\$12,440.00	-\$2,477.08	106.19%
SUBDEPT 000		\$252,736.00	\$187,468.26	\$31,014.52	\$65,193.55	74.18%
Total DEPT 250 FINANCE DEPARTMENT		\$252,736.00	\$187,468.26	\$31,014.52	\$65,193.55	74.18%
DEPT 650 RESOURCE DEPARTMENT						
Active	E 01-650-000-300 SALARIES	\$92,202.00	\$53,784.64	\$7,683.52	\$38,417.36	58.33%
Active	E 01-650-000-350 FRINGE BENEFITS	\$30,822.00	\$23,123.64	\$3,310.80	\$7,698.36	75.02%
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	\$20,000.00	\$6,223.23	\$681.50	\$13,776.77	31.12%
Active	E 01-650-000-402 NPFMC Meetings	\$15,000.00	\$3,880.00	\$2,280.00	\$11,120.00	25.87%
Active	E 01-650-000-403 BOF Meetings	\$30,000.00	\$0.00	\$0.00	\$30,000.00	0.00%
Active	E 01-650-000-425 TELEPHONE	\$1,500.00	\$144.06	\$0.00	\$1,355.94	9.60%
Active	E 01-650-000-475 SUPPLIES	\$2,500.00	\$310.95	\$105.34	\$2,189.05	12.44%
Active	E 01-650-000-525 RENTAL/LEASE	\$8,903.00	\$4,953.49	\$828.72	\$3,949.51	55.64%
SUBDEPT 000		\$200,927.00	\$92,420.01	\$14,889.88	\$108,506.99	46.00%
Total DEPT 650 RESOURCE DEPARTMENT		\$200,927.00	\$92,420.01	\$14,889.88	\$108,506.99	46.00%
DEPT 651 COMMUNICATION DIRECTOR						
Active	E 01-651-011-300 SALARIES	\$98,579.00	\$59,557.90	\$8,214.90	\$39,021.10	60.42%
Active	E 01-651-011-350 FRINGE BENEFITS	\$33,518.00	\$16,594.52	\$2,370.88	\$16,923.48	49.51%
Active	E 01-651-011-400 TRAVEL AND PER	\$15,000.00	\$3,826.03	\$450.00	\$11,173.97	25.51%
Active	E 01-651-011-425 TELEPHONE	\$2,400.00	\$1,067.18	\$140.98	\$1,332.82	44.47%
Active	E 01-651-011-475 SUPPLIES	\$2,500.00	\$312.91	\$5.34	\$2,187.09	12.52%
Active	E 01-651-011-525 RENTAL/LEASE	\$10,016.00	\$5,078.70	\$849.67	\$4,937.30	50.71%
Active	E 01-651-011-532 ADVERTISING	\$15,000.00	\$9,304.33	\$799.75	\$5,695.67	62.03%
SUBDEPT 011 PUBLIC INFORMATION		\$177,013.00	\$95,741.57	\$12,831.52	\$81,271.43	54.09%
Total DEPT 651 COMMUNICATION DIRECTOR		\$177,013.00	\$95,741.57	\$12,831.52	\$81,271.43	54.09%
DEPT 700 PUBLIC WORKS DEPARTMENT						
Active	E 01-700-000-300 SALARIES	\$64,375.00	\$47,925.57	\$5,634.58	\$16,449.43	74.45%
Active	E 01-700-000-350 FRINGE BENEFITS	\$30,384.00	\$15,505.88	\$2,128.25	\$14,878.12	51.03%
Active	E 01-700-000-400 TRAVEL AND PER	\$11,000.00	\$13,448.00	\$0.00	-\$2,448.00	122.25%
Active	E 01-700-000-425 TELEPHONE	\$1,000.00	\$576.21	\$65.61	\$423.79	57.62%
Active	E 01-700-000-475 SUPPLIES	\$3,000.00	\$9,687.03	\$441.09	-\$6,687.03	322.90%

ALEUTIANS EAST BOROUGH

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Active	E 01-700-000-526 UTILITIES	\$2,000.00	\$586.59	\$485.92	\$1,413.41	29.33%
SUBDEPT 000		\$111,759.00	\$87,729.28	\$8,755.45	\$24,029.72	78.50%
Total DEPT 700 PUBLIC WORKS DEPARTMENT		\$111,759.00	\$87,729.28	\$8,755.45	\$24,029.72	78.50%
DEPT 844 KCAP						
Active	E 01-844-000-300 SALARIES	\$2,500.00	\$0.00	\$0.00	\$2,500.00	0.00%
Active	E 01-844-000-350 FRINGE BENEFITS	\$5,000.00	\$9,738.50	\$0.00	-\$4,738.50	194.77%
Active	E 01-844-000-400 TRAVEL AND PER	\$4,000.00	\$0.00	\$0.00	\$4,000.00	0.00%
Active	E 01-844-000-475 SUPPLIES	\$1,000.00	\$690.58	\$0.00	\$309.42	69.06%
Active	E 01-844-000-603 MAINTENANCE	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
SUBDEPT 000		\$112,500.00	\$10,429.08	\$0.00	\$102,070.92	9.27%
Total DEPT 844 KCAP		\$112,500.00	\$10,429.08	\$0.00	\$102,070.92	9.27%
DEPT 850 EDUCATION						
Active	E 01-850-000-700 LOCAL SCHOOL C	\$940,000.00	\$470,000.00	\$0.00	\$470,000.00	50.00%
Active	E 01-850-000-701 SCHOOL SCHOLA	\$25,000.00	\$0.00	\$0.00	\$25,000.00	0.00%
Active	E 01-850-000-756 STUDENT TRAVEL	\$20,000.00	\$0.00	\$0.00	\$20,000.00	0.00%
SUBDEPT 000		\$985,000.00	\$470,000.00	\$0.00	\$515,000.00	47.72%
Total DEPT 850 EDUCATION		\$985,000.00	\$470,000.00	\$0.00	\$515,000.00	47.72%
DEPT 900 OTHER						
Active	E 01-900-000-500 EQUIPMENT	\$35,000.00	\$8,460.29	\$2,525.60	\$26,539.71	24.17%
Active	E 01-900-000-526 UTILITIES	\$25,000.00	\$7,879.13	\$2,587.72	\$17,120.87	31.52%
Active	E 01-900-000-527 Aleutia Crab	\$58,522.00	\$93,718.88	\$0.00	-\$35,196.88	160.14%
Active	E 01-900-000-551 LEGAL	\$100,000.00	\$28,045.60	\$828.90	\$71,954.40	28.05%
Active	E 01-900-000-552 INSURANCE	\$150,000.00	\$159,984.23	\$0.00	-\$9,984.23	106.66%
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	\$7,500.00	\$9,092.08	\$1,278.33	-\$1,592.08	121.23%
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	\$96,000.00	\$36,409.29	\$50.32	\$59,590.71	37.93%
Active	E 01-900-000-757 DONATIONS	\$23,500.00	\$8,800.00	\$0.00	\$14,700.00	37.45%
Active	E 01-900-000-760 REVENUE SHARIN	\$32,000.00	\$12,900.00	\$0.00	\$19,100.00	40.31%
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 01-900-000-943 WEB SERVICE	\$30,000.00	\$12,000.00	\$1,900.00	\$18,000.00	40.00%
SUBDEPT 000		\$712,522.00	\$452,289.50	\$9,170.87	\$258,678.60	63.48%
Total DEPT 900 OTHER		\$712,522.00	\$452,289.50	\$9,170.87	\$258,678.60	63.48%
Total Fund 01 GENERAL FUND		\$3,718,722.00	\$2,080,983.86	\$173,806.10	\$1,619,040.20	55.96%

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 20 GRANT PROGRAMS						
Active	R 20-201 INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-203 OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-207 AEB Grant Revenue	\$1,368,000.00	\$0.00	\$0.00	\$1,368,000.00	0.00%
Active	R 20-209 AEB Grants	\$1,207,000.00	\$0.00	\$0.00	\$1,207,000.00	0.00%
Active	R 20-287 KCAP/09-DC-359	\$1,665,957.58	\$73,119.70	\$0.00	\$1,592,837.88	4.39%
Active	R 20-426 DCCED/Akutan Harbor Float	\$234,045.03	\$66,249.12	\$28,460.75	\$167,795.91	28.31%
Active	R 20-428 APICDA/Akutan Harbor Floa	\$750,000.00	\$750,000.00	\$0.00	\$0.00	100.00%
Active	R 20-499 Cold Bay Airport-Apron&Taxi	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
Active	R 20-503 CDBG-Nelson Lagoon Erosi	\$687,958.43	\$74,606.68	\$6,544.28	\$613,351.75	10.84%
Total Fund 20 GRANT PROGRAMS		\$7,912,961.04	\$963,975.50	\$35,005.03	\$6,948,985.54	12.18%

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***Expenditure Guideline©**

Current Period: JANUARY 16-17

	16-17 YTD Budget	16-17 YTD Amt	JANUARY MTD Amt	16-17 YTD Balance	% of YTD Budget
Fund 20 GRANT PROGRAMS					
DEPT 426 DCCED/Akutan Harbor Floats					
Active E 20-426-000-850 CAPITAL CONSTR	\$234,045.03	\$66,249.12	\$0.00	\$167,795.91	28.31%
SUBDEPT 000	\$234,045.03	\$66,249.12	\$0.00	\$167,795.91	28.31%
Total DEPT 426 DCCED/Akutan Harbor Floats	\$234,045.03	\$66,249.12	\$0.00	\$167,795.91	28.31%
DEPT 427 Akutan Harbor Contribution					
Active E 20-427-000-850 CAPITAL CONSTR	\$291,231.90	\$31,488.24	\$0.00	\$259,743.66	10.81%
SUBDEPT 000	\$291,231.90	\$31,488.24	\$0.00	\$259,743.66	10.81%
Active E 20-427-209-850 CAPITAL CONSTR	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
SUBDEPT 209 AEB Grant	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Total DEPT 427 Akutan Harbor Contribution	\$391,231.90	\$31,488.24	\$0.00	\$359,743.66	8.05%
DEPT 428 APICDA/Akutan Harbor Floats					
Active E 20-428-000-850 CAPITAL CONSTR	\$750,000.00	\$750,000.00	\$0.00	\$0.00	100.00%
SUBDEPT 000	\$750,000.00	\$750,000.00	\$0.00	\$0.00	100.00%
Total DEPT 428 APICDA/Akutan Harbor Floats	\$750,000.00	\$750,000.00	\$0.00	\$0.00	100.00%
DEPT 499 Cold Bay Airport-Apron&Taxiway					
Active E 20-499-049-850 CAPITAL CONSTR	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
SUBDEPT 049 DCCED-13-DC-501	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
Total DEPT 499 Cold Bay Airport-Apron&Taxiway	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
DEPT 504 Nelson Lagoon Erosion					
Active E 20-504-208-300 SALARIES	\$441,000.00	\$40,780.29	\$0.00	\$400,219.71	9.25%
Active E 20-504-208-380 CONTRACT LABO	\$27,361.00	\$11,290.59	\$0.00	\$16,070.41	41.27%
Active E 20-504-208-475 SUPPLIES	\$8,597.43	\$842.94	\$32.16	\$7,754.49	9.80%
Active E 20-504-208-500 EQUIPMENT	\$211,000.00	\$19,755.64	\$0.00	\$191,244.36	9.36%
SUBDEPT 208 CDBG /Nelson Lagoon Erosion	\$687,958.43	\$72,669.46	\$32.16	\$615,105.62	10.56%
Active E 20-504-209-850 CAPITAL CONSTR	\$35,456.58	\$260.00	\$0.00	\$35,196.58	0.73%
SUBDEPT 209 AEB Grant	\$35,456.58	\$260.00	\$0.00	\$35,196.58	0.73%
Total DEPT 504 Nelson Lagoon Erosion	\$723,415.01	\$72,929.46	\$32.16	\$650,302.20	10.08%
DEPT 513 COLD BAY APRON PROJECT					
Active E 20-513-000-850 CAPITAL CONSTR	\$225,000.00	\$0.00	\$0.00	\$225,000.00	0.00%
SUBDEPT 000	\$225,000.00	\$0.00	\$0.00	\$225,000.00	0.00%
Total DEPT 513 COLD BAY APRON PROJECT	\$225,000.00	\$0.00	\$0.00	\$225,000.00	0.00%
DEPT 520 Cold Bay Clinic					
Active E 20-520-000-850 CAPITAL CONSTR	\$490,941.00	\$4,032.00	\$0.00	\$486,909.00	0.82%
SUBDEPT 000	\$490,941.00	\$4,032.00	\$0.00	\$481,139.00	0.82%
Active E 20-520-209-850 CAPITAL CONSTR	\$1,137,000.00	\$0.00	\$0.00	\$1,137,000.00	0.00%
SUBDEPT 209 AEB Grant	\$1,137,000.00	\$0.00	\$0.00	\$1,137,000.00	0.00%
Total DEPT 520 Cold Bay Clinic	\$1,627,941.00	\$4,032.00	\$0.00	\$1,618,139.00	0.25%
DEPT 802 CAPITAL - COLD BAY					
Active E 20-802-000-850 CAPITAL CONSTR	\$60,000.00	\$0.00	\$0.00	\$60,000.00	0.00%
SUBDEPT 000	\$60,000.00	\$0.00	\$0.00	\$60,000.00	0.00%
Total DEPT 802 CAPITAL - COLD BAY	\$60,000.00	\$0.00	\$0.00	\$60,000.00	0.00%
DEPT 813 Akutan Airport/CIP Trident					
Active E 20-813-000-850 CAPITAL CONSTR	\$313,738.96	\$0.00	\$0.00	\$313,738.96	0.00%
SUBDEPT 000	\$313,738.96	\$0.00	\$0.00	\$313,738.96	0.00%
Total DEPT 813 Akutan Airport/CIP Trident	\$313,738.96	\$0.00	\$0.00	\$313,738.96	0.00%
DEPT 831 SAND POINT HARBOR					
Active E 20-831-209-850 CAPITAL CONSTR	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
SUBDEPT 209 AEB Grant	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%

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	16-17 YTD Budget	16-17 YTD Amt	JANUARY MTD Amt	16-17 YTD Balance	% of YTD Budget
Total DEPT 831 SAND POINT HARBOR	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
DEPT 862 NELSON LAGOON DOCK					
Active E 20-862-209-600 REPAIRS	\$25,000.00	\$109,754.00	\$87,450.00	-\$84,754.00	439.02%
SUBDEPT 209 AEB Grant	\$25,000.00	\$109,754.00	\$87,450.00	-\$84,754.00	439.02%
Total DEPT 862 NELSON LAGOON DOCK	\$25,000.00	\$109,754.00	\$87,450.00	-\$84,754.00	439.02%
DEPT 866 AEB PROJECTS					
Active E 20-866-209-506 SURVEYING	\$85,000.00	\$0.00	\$0.00	\$85,000.00	0.00%
Active E 20-866-209-888 PROJECT CONTIN	\$958,000.00	\$0.00	\$0.00	\$958,000.00	0.00%
SUBDEPT 209 AEB Grant	\$1,043,000.00	\$0.00	\$0.00	\$1,043,000.00	0.00%
Total DEPT 866 AEB PROJECTS	\$1,043,000.00	\$0.00	\$0.00	\$1,043,000.00	0.00%
DEPT 867 KCC Alternative Road					
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	\$100,000.00	\$17,500.00	\$0.00	\$82,500.00	17.50%
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%
SUBDEPT 000	\$100,000.00	\$17,500.00	\$0.00	\$82,500.00	17.50%
Active E 20-867-168-300 SALARIES	\$11,200.00	\$1,275.00	\$375.00	\$9,925.00	11.38%
Active E 20-867-168-350 FRINGE BENEFITS	\$197.62	\$5,044.69	\$3,319.48	-\$4,847.07	2552.72%
Active E 20-867-168-381 ENGINEERING	\$859,624.99	\$0.00	\$0.00	\$859,624.99	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	\$786,608.48	\$66,951.06	\$0.00	\$719,657.42	8.51%
SUBDEPT 168 KCAP/09-DC-359	\$1,663,557.58	\$73,270.75	\$3,694.48	\$1,590,286.83	4.40%
Active E 20-867-209-850 CAPITAL CONSTR	\$477,617.78	\$468,750.00	\$0.00	\$8,867.78	98.14%
SUBDEPT 209 AEB Grant	\$477,617.78	\$468,750.00	\$0.00	\$8,867.78	98.14%
Total DEPT 867 KCC Alternative Road	\$2,241,175.36	\$559,520.75	\$3,694.48	\$1,681,654.61	24.97%
DEPT 900 OTHER					
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%
SUBDEPT 000	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 900 OTHER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 20 GRANT PROGRAMS	\$9,734,547.26	\$1,593,973.57	\$91,176.64	\$8,134,620.34	16.37%

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 22 OPERATIONS						
Active	R 22-203 OTHER REVENUE	\$0.00	\$26,500.00	\$0.00	-\$26,500.00	0.00%
Active	R 22-221 COLD BAY TERMINAL LEA	\$139,620.00	\$82,545.54	\$11,792.22	\$57,074.46	59.12%
Active	R 22-222 COLD BAY TERMINAL OTH	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-301 HELICOPTER/TICKETS	\$350,000.00	\$110,480.48	\$8,466.98	\$239,519.52	31.57%
Active	R 22-302 HELICOPTER/FREIGHT	\$80,000.00	\$74,701.84	\$0.00	\$5,298.16	93.38%
Total Fund 22 OPERATIONS		\$569,620.00	\$294,227.86	\$20,259.20	\$275,392.14	51.65%

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 22 OPERATIONS						
DEPT 802 CAPITAL - COLD BAY						
Active	E 22-802-200-300 SALARIES	\$27,847.00	\$16,244.34	\$2,320.62	\$11,602.66	58.33%
Active	E 22-802-200-350 FRINGE BENEFITS	\$3,617.00	\$1,405.04	\$200.72	\$2,211.96	38.85%
Active	E 22-802-200-380 CONTRACT LABO	\$0.00	\$578.34	\$0.00	-\$578.34	0.00%
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	\$2,553.13	\$363.80	\$1,946.87	56.74%
Active	E 22-802-200-475 SUPPLIES	\$7,500.00	\$3,398.85	\$35.00	\$4,101.15	45.32%
Active	E 22-802-200-525 RENTAL/LEASE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-802-200-526 UTILITIES	\$24,000.00	\$9,748.53	\$995.95	\$14,251.47	40.62%
Active	E 22-802-200-576 GAS	\$1,500.00	\$214.18	\$0.00	\$1,285.82	14.28%
Active	E 22-802-200-577 FUEL	\$15,000.00	\$10,382.93	\$0.00	\$4,617.07	69.22%
Active	E 22-802-200-770 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 200 COLD BAY TERMINAL		\$83,964.00	\$44,525.34	\$3,916.09	\$38,956.61	53.03%
Total DEPT 802 CAPITAL - COLD BAY		\$83,964.00	\$44,525.34	\$3,916.09	\$38,956.61	53.03%
DEPT 845 HELICOPTER OPERATIONS						
Active	E 22-845-300-300 SALARIES	\$120,000.00	\$75,346.01	\$9,499.65	\$44,653.99	62.79%
Active	E 22-845-300-350 FRINGE BENEFITS	\$31,500.00	\$18,915.40	\$2,557.41	\$12,584.60	60.05%
Active	E 22-845-300-380 CONTRACT LABO	\$1,400,000.00	\$759,219.70	\$169,534.45	\$640,780.30	54.23%
Active	E 22-845-300-400 TRAVEL AND PER	\$5,000.00	\$200.00	\$200.00	\$4,800.00	4.00%
Active	E 22-845-300-425 TELEPHONE	\$2,000.00	\$1,126.16	\$189.10	\$873.84	56.31%
Active	E 22-845-300-475 SUPPLIES	\$20,000.00	\$49,125.55	\$6,205.37	-\$29,125.55	245.63%
Active	E 22-845-300-525 RENTAL/LEASE	\$18,000.00	\$14,003.00	\$1,983.00	\$3,997.00	77.79%
Active	E 22-845-300-526 UTILITIES	\$8,000.00	-\$5,242.85	\$150.00	\$13,242.85	-65.54%
Active	E 22-845-300-552 INSURANCE	\$18,200.00	\$0.00	\$0.00	\$18,200.00	0.00%
Active	E 22-845-300-576 GAS	\$10,000.00	\$5,595.18	\$654.16	\$4,404.82	55.95%
Active	E 22-845-300-577 FUEL	\$150,000.00	\$49,328.61	\$4,768.15	\$100,671.39	32.89%
Active	E 22-845-300-770 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 300 HELICOPTER OPERATIONS		\$1,782,700.00	\$967,616.76	\$195,741.29	\$626,187.14	54.28%
Total DEPT 845 HELICOPTER OPERATIONS		\$1,782,700.00	\$967,616.76	\$195,741.29	\$626,187.14	54.28%
Total Fund 22 OPERATIONS		\$1,866,664.00	\$1,012,142.10	\$199,657.38	\$665,143.75	54.22%

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 24 BOND CONSTRUCTION						
Active	R 24-201 INTEREST REVENUE	\$0.00	\$3,103.96	\$1,040.28	-\$3,103.96	0.00%
Active	R 24-203 OTHER REVENUE	\$0.00	\$33,311.52	\$0.00	-\$33,311.52	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	\$0.00	\$0.00	\$0.00	\$0.00	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%
Total Fund 24 BOND CONSTRUCTION		\$0.00	\$36,415.48	\$1,040.28	-\$36,415.48	0.00%

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Current Period: JANUARY 16-17

	16-17 YTD Budget	16-17 YTD Amt	JANUARY MTD Amt	16-17 YTD Balance	% of YTD Budget
Fund 24 BOND CONSTRUCTION					
DEPT 809 Akutan Airport/Grant					
Active E 24-809-000-850 CAPITAL CONSTR	\$525,177.42	\$0.00	\$0.00	\$525,177.42	0.00%
SUBDEPT 000	\$525,177.42	\$0.00	\$0.00	\$525,177.42	0.00%
Total DEPT 809 Akutan Airport/Grant	\$525,177.42	\$0.00	\$0.00	\$525,177.42	0.00%
DEPT 833 FALSE PASS HARBOR					
Active E 24-833-000-850 CAPITAL CONSTR	\$339,073.39	\$332.20	\$195.60	\$338,741.19	0.10%
SUBDEPT 000	\$339,073.39	\$332.20	\$195.60	\$338,741.19	0.10%
Total DEPT 833 FALSE PASS HARBOR	\$339,073.39	\$332.20	\$195.60	\$338,741.19	0.10%
DEPT 839 AKUTAN HARBOR					
Active E 24-839-000-850 CAPITAL CONSTR	\$10,344.77	\$7,685.78	\$0.00	\$2,658.99	74.30%
SUBDEPT 000	\$10,344.77	\$7,685.78	\$0.00	\$2,658.99	74.30%
Total DEPT 839 AKUTAN HARBOR	\$10,344.77	\$7,685.78	\$0.00	\$2,658.99	74.30%
DEPT 900 OTHER					
Active E 24-900-000-380 CONTRACT LABO	\$0.00	\$21,260.43	\$3,559.20	-\$21,260.43	0.00%
Active E 24-900-000-725 BOND INTEREST	\$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	\$21,260.43	\$3,559.20	-\$21,260.43	0.00%
Total DEPT 900 OTHER	\$0.00	\$21,260.43	\$3,559.20	-\$21,260.43	0.00%
Total Fund 24 BOND CONSTRUCTION	\$874,595.58	\$29,278.41	\$3,754.80	\$845,317.17	3.35%

ALEUTIANS EAST BOROUGH
***Revenue Guideline©**

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 30 BOND FUND						
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	\$419,148.27	\$0.00	-\$419,148.27	0.00%
Total Fund 30 BOND FUND		\$0.00	\$419,148.27	\$0.00	-\$419,148.27	0.00%

ALEUTIANS EAST BOROUGH
***Expenditure Guideline©**

Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 30 BOND FUND						
DEPT 900 OTHER						
Active	E 30-900-000-725 BOND INTEREST	\$0.00	\$248,020.21	\$0.00	-\$248,020.21	0.00%
Active	E 30-900-000-726 BOND PRINCIPAL	\$0.00	\$1,710,000.00	\$0.00	-\$1,710,000.00	0.00%
Active	E 30-900-000-745 Bond Sale Expense	\$0.00	\$23,926.62	\$0.00	-\$23,926.62	0.00%
SUBDEPT 000		<u>\$0.00</u>	<u>\$1,981,946.83</u>	<u>\$0.00</u>	<u>-\$1,981,946.83</u>	<u>0.00%</u>
Total DEPT 900 OTHER		<u>\$0.00</u>	<u>\$1,981,946.83</u>	<u>\$0.00</u>	<u>-\$1,981,946.83</u>	<u>0.00%</u>
Total Fund 30 BOND FUND		<u>\$0.00</u>	<u>\$1,981,946.83</u>	<u>\$0.00</u>	<u>-\$1,981,946.83</u>	<u>0.00%</u>

ALEUTIANS EAST BOROUGH
***Revenue Guideline©**

Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 40 PERMANENT FUND						
Active	R 40-201 INTEREST REVENUE	\$0.00	\$559,660.12	(\$439,140.05)	-\$559,660.12	0.00%
Active	R 40-203 OTHER REVENUE	\$35,000.00	\$0.00	\$0.00	\$35,000.00	0.00%
Active	R 40-230 LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 40 PERMANENT FUND		\$35,000.00	\$559,660.12	-\$439,140.05	-\$524,660.12	1599.03%

ALEUTIANS EAST BOROUGH
***Expenditure Guideline©**

Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 40 PERMANENT FUND						
DEPT 900 OTHER						
Active	E 40-900-000-380 CONTRACT LABO	\$35,000.00	\$21,260.44	\$3,559.19	\$13,739.56	60.74%
Active	E 40-900-000-751 OPERATING TRAN	\$0.00	\$1,355,411.11	\$0.00	-\$1,355,411.11	0.00%
SUBDEPT 000		\$35,000.00	\$1,376,671.55	\$3,559.19	-\$1,341,671.55	3933.35%
Total DEPT 900 OTHER		\$35,000.00	\$1,376,671.55	\$3,559.19	-\$1,341,671.55	3933.35%
Total Fund 40 PERMANENT FUND		\$35,000.00	\$1,376,671.55	\$3,559.19	-\$1,341,671.55	3933.35%

ALEUTIANS EAST BOROUGH

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***Revenue Guideline©**

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Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 41 MAINTENANCE RESERVE FUND						
Active	R 41-201 INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-203 OTHER REVENUE	\$2,785,000.00	\$0.00	\$0.00	\$2,785,000.00	0.00%
Active	R 41-230 LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-276 AEB SCHOOL	\$2,812,800.00	\$1,355,411.11	\$0.00	\$1,457,388.89	48.19%
Total Fund 41 MAINTENANCE RESERVE FUND		\$5,597,800.00	\$1,355,411.11	\$0.00	\$4,242,388.89	24.21%

ALEUTIANS EAST BOROUGH
***Expenditure Guideline©**

Current Period: JANUARY 16-17

		16-17	16-17	JANUARY	16-17	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 41 MAINTENANCE RESERVE FUND						
DEPT 800 CAPITAL - SCHOOL						
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 41-800-857-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-475 SUPPLIES	\$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%
SUBDEPT 857 FALSE PASS SCHOOL		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-865-300 SALARIES	\$0.00	\$7,740.00	\$0.00	-\$7,740.00	0.00%
Active	E 41-800-865-350 FRINGE BENEFITS	\$0.00	\$669.51	\$0.00	-\$669.51	0.00%
Active	E 41-800-865-400 TRAVEL AND PER	\$0.00	\$1,538.00	\$0.00	-\$1,538.00	0.00%
Active	E 41-800-865-475 SUPPLIES	\$0.00	\$49.98	\$0.00	-\$49.98	0.00%
SUBDEPT 865 Akutan School		\$0.00	\$9,997.49	\$0.00	-\$9,997.49	0.00%
Active	E 41-800-867-300 SALARIES	\$0.00	\$6,003.00	\$4,720.00	-\$6,003.00	0.00%
Active	E 41-800-867-350 FRINGE BENEFITS	\$0.00	\$519.29	\$408.30	-\$519.29	0.00%
Active	E 41-800-867-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-867-400 TRAVEL AND PER	\$0.00	\$2,290.00	\$330.00	-\$2,290.00	0.00%
Active	E 41-800-867-475 SUPPLIES	\$0.00	\$17,140.21	\$9,909.69	-\$17,140.21	0.00%
Active	E 41-800-867-850 CAPITAL CONSTR	\$0.00	\$56,302.80	\$0.00	-\$56,302.80	0.00%
SUBDEPT 867 Sand Point School		\$0.00	\$82,255.30	\$15,367.99	-\$87,814.41	0.00%
Active	E 41-800-868-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-551 LEGAL	\$0.00	\$10,525.21	\$0.00	-\$10,525.21	0.00%
Active	E 41-800-868-577 FUEL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-850 CAPITAL CONSTR	\$1,180,928.84	\$1,196,727.62	\$0.00	-\$15,798.78	101.34%
Active	E 41-800-868-852 ASPHALT PAVING	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 868 King Cove School		\$1,180,928.84	\$1,207,252.83	\$0.00	-\$26,323.99	102.23%
Total DEPT 800 CAPITAL - SCHOOL		\$1,180,928.84	\$1,299,505.62	\$15,367.99	-\$124,135.89	110.04%
DEPT 900 OTHER						
Active	E 41-900-000-753 MISC EXPENSE	\$0.00	\$5,240.85	\$1,398.86	-\$5,240.85	0.00%
Active	E 41-900-000-880 LAND	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000		\$0.00	\$5,240.85	\$1,398.86	-\$5,240.85	0.00%
Total DEPT 900 OTHER		\$0.00	\$5,240.85	\$1,398.86	-\$5,240.85	0.00%
Total Fund 41 MAINTENANCE RESERVE FUND		\$1,180,928.84	\$1,304,746.47	\$16,766.85	-\$129,376.74	110.48%

ALEUTIANS EAST BOROUGH
***Expenditure Guideline©**

Current Period: JANUARY 16-17

	16-17 YTD Budget	16-17 YTD Amt	JANUARY MTD Amt	16-17 YTD Balance	% of YTD Budget
Report Total	\$17,410,457.68	\$9,379,742.79	\$488,720.96	\$7,811,126.34	53.87%

INVESTMENT REPORT

ALEUTIANS EAST BOROUGH

Account Statement - Period Ending December 31, 2016

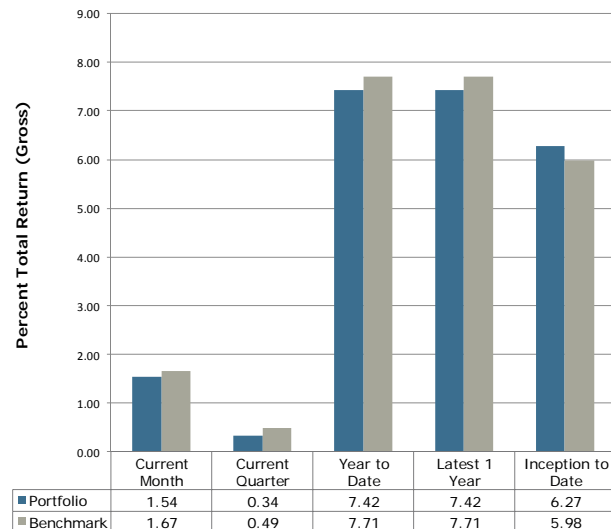


ACCOUNT ACTIVITY

Portfolio Value on 11-30-16	40,100,810
Contributions	0
Withdrawals	-917
Change in Market Value	294,715
Interest	28,046
Dividends	294,582
Portfolio Value on 12-31-16	40,717,236

INVESTMENT PERFORMANCE

Current Account Benchmark:
Equity Blend

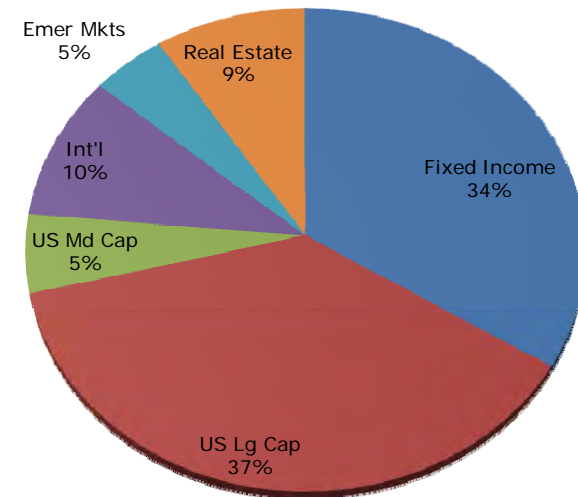


Performance is Annualized for Periods Greater than One Year

MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Jason Roth
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
December 31, 2016

Asset Class & Target	Market Value	% Assets	Range
FIXED INCOME (34%)			
US Fixed Income (34.0%)	13,547,314	33.3	25% to 60%
Cash (0.0%)	221,163	0.5	na
Subtotal:	13,768,476	33.8	
EQUITY (66%)			
US Large Cap (36.0%)	15,215,512	37.4	30% to 50%
US Mid Cap (5.0%)	2,137,019	5.2	0% to 10%
Developed International Equity (10.0%)	3,944,486	9.7	5% to 15%
Emerging Markets (5.0%)	1,865,677	4.6	0% to 10%
Real Estate (10.0%)	3,786,064	9.3	5% to 15%
Subtotal:	26,948,759	66.2	
TOTAL PORTFOLIO	40,717,236	100	

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
December 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
300,000	US TREASURY NOTES 0.625% Due 05-31-17	99.68	299,032	100.01	300,024	0.74	1,875	165	0.61
250,000	US TREASURY NOTES 1.875% Due 09-30-17	103.03	257,568	100.77	251,925	0.62	4,687	1,198	0.84
500,000	US TREASURY NOTES 0.750% Due 10-31-17	99.79	498,945	99.91	499,550	1.23	3,750	642	0.86
750,000	US TREASURY NOTES 1.125% Due 06-15-18	100.01	750,084	100.10	750,735	1.84	8,437	394	1.06
700,000	US TREASURY NOTES 0.875% Due 10-15-18	100.06	700,437	99.52	696,612	1.71	6,125	1,312	1.15
525,000	US TREASURY NOTES 3.500% Due 05-15-20	108.96	572,046	106.29	558,038	1.37	18,375	2,386	1.58
950,000	US TREASURY NOTES 1.375% Due 05-31-20	98.87	939,262	99.37	943,986	2.32	13,062	1,148	1.57
700,000	US TREASURY NOTES 1.625% Due 06-30-20	101.20	708,434	100.05	700,329	1.72	11,375	31	1.61
1,225,000	US TREASURY NOTES 2.125% Due 08-15-21	99.13	1,214,287	100.95	1,236,625	3.04	26,031	9,832	1.91
625,000	US TREASURY NOTES 2.000% Due 10-31-21	101.35	633,457	100.29	626,806	1.54	12,500	2,141	1.94
700,000	US TREASURY NOTES 1.750% Due 03-31-22	100.32	702,242	98.67	690,676	1.70	12,250	3,130	2.02
400,000	US TREASURY NOTES 2.500% Due 08-15-23	99.00	395,982	101.77	407,092	1.00	10,000	3,777	2.21
250,000	US TREASURY NOTES 2.125% Due 11-30-23	98.54	246,357	99.34	248,340	0.61	5,312	470	2.23
450,000	US TREASURY NOTES 2.375% Due 08-15-24	100.23	451,020	100.46	452,092	1.11	10,687	4,037	2.31
300,000	US TREASURY NOTES 2.000% Due 08-15-25	97.09	291,258	96.87	290,601	0.71	6,000	2,266	2.40
500,000	US TREASURY NOTES 1.625% Due 02-15-26	102.28	511,387	93.44	467,190	1.15	8,125	3,069	2.43
250,000	US TREASURY NOTES 1.500% Due 08-15-26	99.48	248,691	91.97	229,932	0.56	3,750	1,416	2.44
	Accrued Interest				37,415	0.09			
			9,420,489		9,387,971	23.06		37,415	
FNMA & FHLMC									
30,469	FHLMC POOL G14203 4.000% Due 04-01-26	104.56	31,859	105.06	32,012	0.08	1,219	102	1.43

* Callable security

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
December 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
283,445	FNCI POOL AS6305 3.000% Due 12-01-30	103.77	294,118	102.71	291,121	0.71	8,503	709	NA
283,349	FNCI POOL BC2737 2.500% Due 05-01-31 Accrued Interest	103.04	291,949	100.24	284,044	0.70	7,084	590	NA
			617,927		608,576	1.49		1,400	
CORPORATE BONDS									
150,000	STATOIL ASA 3.125% Due 08-17-17	107.07	160,599	101.14	151,708	0.37	4,687	1,745	1.29
150,000	EXELON GENERATION CO LLC 6.200% Due 10-01-17	117.17	175,749	103.36	155,037	0.38	9,300	2,325	1.67
250,000	UNITED PARCEL SERVICE 5.500% Due 01-15-18	118.60	296,495	104.22	260,550	0.64	13,750	6,340	1.39
150,000	WACHOVIA CORP 5.750% Due 02-01-18	99.57	149,358	104.26	156,390	0.38	8,625	3,594	1.76
150,000	CHEVRON CORP 1.365% Due 03-02-18	99.86	149,784	99.90	149,853	0.37	2,047	677	1.45
150,000	COMMONWEALTH EDISON 6.950% Due 07-15-18	123.20	184,800	107.40	161,103	0.40	10,425	4,807	2.03
150,000	TOYOTA MOTOR CREDIT CORP 2.100% Due 01-17-19	100.48	150,718	100.55	150,823	0.37	3,150	1,435	1.82
150,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	116.51	174,771	110.86	166,287	0.41	11,250	4,250	2.23
150,000	MICROSOFT CORP 4.200% Due 06-01-19	117.24	175,854	106.26	159,393	0.39	6,300	525	1.55
200,000	TORONTO-DOMINION BANK 2.250% Due 09-25-19	101.89	203,782	100.80	201,592	0.50	4,500	1,200	1.95
150,000	HSBC USA INC 2.375% Due 11-13-19	99.61	149,412	100.26	150,387	0.37	3,562	475	2.28
200,000	ENTERPRISE PRODUCTS OPER 5.200% Due 06-01-20	112.75	225,494	109.19	218,372	0.54	10,400	3,467	2.38
250,000	PNC BANK NA 2.450% Due 11-05-20	99.72	249,300	100.18	250,460	0.62	6,125	953	2.40
150,000	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	109.20	163,806	108.03	162,048	0.40	6,562	1,641	2.37
150,000	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	99.92	149,887	98.81	148,212	0.36	3,375	525	2.54
100,000	MORGAN STANLEY 5.500% Due 07-28-21	114.98	114,982	110.81	110,814	0.27	5,500	2,337	2.95
132,877	SOUTHWEST AIRLS 2007-1 PASS 6.150% Due 08-01-22	102.36	136,015	111.00	147,493	0.36	8,172	3,405	3.93

* Callable security

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
December 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
150,000	BANK AMER CORP 3.300% Due 01-11-23	99.34	149,014	100.33	150,501	0.37	4,950	2,337	3.24
150,000	Waste Management Inc 2.400% Due 05-15-23	100.24	150,358	96.96	145,447	0.36	3,600	450	2.92
150,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	157,771	103.64	155,457	0.38	5,812	2,422	3.29
150,000	PRUDENTIAL FINANCIAL INC 3.500% Due 05-15-24	103.15	154,719	102.17	153,258	0.38	5,250	671	3.17
	Accrued Interest				45,580	0.11			
			3,622,671		3,550,767	8.72		45,580	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
74,648	VANGUARD INST'L S&P500 INDEX FUND	108.32	8,086,083	203.83	15,215,512	37.37	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
12,925	ISHARES CORE S&P MIDCAP 400 ETF	84.71	1,094,899	165.34	2,137,019	5.25	NA		
INTERNATIONAL EQUITY FUNDS/ETF									
73,550	ISHARES ETF CORE MSCI EAFE	49.31	3,626,882	53.63	3,944,486	9.69	NA		
EMERGING MARKET FUNDS/ETF									
43,950	ISHARES ETF CORE MSCI EMERGING MKTS	34.96	1,536,492	42.45	1,865,677	4.58	NA		
REAL ESTATE									
45,875	VANGUARD REIT ETF	56.71	2,601,536	82.53	3,786,064	9.30	NA		
CASH AND EQUIVALENTS									
	CASH RECEIVABLE		5,687		5,687	0.01			
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		215,475		215,475	0.53			
			221,163		221,163	0.54			
TOTAL PORTFOLIO			30,828,141		40,717,236	100	316,494	84,396	

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
12-27-16	12-27-16	VANGUARD INST'L S&P500 INDEX FUND	212.3180	43,745.90
12-27-16	12-27-16	VANGUARD INST'L S&P500 INDEX FUND	453.1450	93,366.03
				137,111.93
U.S. TREASURY				
12-28-16	12-29-16	US TREASURY NOTES 2.125% Due 11-30-23	250,000	246,357.42
				383,469.35
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
12-31-16	12-31-16	MANAGEMENT FEES		5,764.49
				5,764.49
DIVIDEND				
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
12-27-16	12-27-16	VANGUARD INST'L S&P500 INDEX FUND		93,366.03
12-27-16	12-27-16	VANGUARD INST'L S&P500 INDEX FUND		43,745.90
				137,111.93
DOMESTIC MID CAP EQUITY FUNDS/ETF				
12-28-16	12-29-16	ISHARES CORE S&P MIDCAP 400 ETF		10,282.23

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
EMERGING MARKET FUNDS/ETF				
12-28-16	12-28-16	ISHARES ETF CORE MSCI EMERGING MKTS		25,736.90
INTERNATIONAL EQUITY FUNDS/ETF				
12-28-16	12-28-16	ISHARES ETF CORE MSCI EAFE		43,692.82
REAL ESTATE				
12-29-16	12-29-16	VANGUARD REIT ETF		77,758.13
				294,582.01
INTEREST				
CASH AND EQUIVALENTS				
12-01-16	12-01-16	FEDERATED TREASURY OBLIGATIONS INSTITUTION		44.25
CORPORATE BONDS				
12-01-16	12-01-16	MICROSOFT CORP 4.200% Due 06-01-19		3,150.00
12-05-16	12-05-16	HSBC USA INC 2.375% Due 11-13-19		1,791.15
				<hr/> 4,941.15
FNMA & FHLMC				
12-15-16	12-15-16	FHLMC POOL G14203 4.000% Due 04-01-26		104.71
12-27-16	12-27-16	FNCI POOL AS6305 3.000% Due 12-01-30		724.31
12-27-16	12-27-16	FNCI POOL BC2737 2.500% Due 05-01-31		600.66
				<hr/> 1,429.68

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
U.S. TREASURY				
12-15-16	12-15-16	US TREASURY NOTES 1.125% Due 06-15-18		4,218.75
12-31-16	01-03-17	US TREASURY NOTES 1.625% Due 06-30-20		5,687.50
				9,906.25
				16,321.33
PRINCIPAL PAYDOWNS				
FNMA & FHLMC				
12-15-16	12-15-16	FHLMC POOL G14203 4.000% Due 04-01-26	945.11	945.11
12-27-16	12-27-16	FNCI POOL AS6305 3.000% Due 12-01-30	6,279.35	6,279.35
12-27-16	12-27-16	FNCI POOL BC2737 2.500% Due 05-01-31	4,966.90	4,966.90
				12,191.36
				12,191.36
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
12-28-16	12-29-16	US TREASURY NOTES 2.125% Due 11-30-23		423.25
				423.25
WITHDRAW				
CASH AND EQUIVALENTS				
12-14-16	12-14-16	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		917.18
				917.18

* Callable security

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
ALEUTIANS EAST BOROUGH
From 12-01-16 Through 12-31-16

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
12-15-16	945.11	FHLMC POOL G14203 4.000% Due 04-01-26	988.23	945.11	-43.12
12-27-16	6,279.35	FNCI POOL AS6305 3.000% Due 12-01-30	6,515.81	6,279.35	-236.46
12-27-16	4,966.90	FNCI POOL BC2737 2.500% Due 05-01-31	5,117.65	4,966.90	-150.75
TOTAL GAINS					0.00
TOTAL LOSSES					-430.33
			12,621.69	12,191.36	-430.33

Alaska Permanent Capital Management Co.

CASH LEDGER

ALEUTIANS EAST BOROUGH

From 12-01-16 To 12-31-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
12-01-16			Beginning Balance		282,877.65
12-01-16	12-01-16	dp	Interest	MICROSOFT CORP 4.200% Due 06-01-19	3,150.00
12-01-16	12-01-16	dp	Interest	FEDERATED TREASURY OBLIGATIONS INSTITUTION	44.25
12-05-16	12-05-16	dp	Interest	HSBC USA INC 2.375% Due 11-13-19	1,791.15
12-14-16	12-14-16	wd	Withdrawal	from Portfolio	-917.18
12-15-16	12-15-16	dp	Interest	FHLMC POOL G14203 4.000% Due 04-01-26	104.71
12-15-16	12-15-16	dp	Paydown	FHLMC POOL G14203 4.000% Due 04-01-26	945.11
12-15-16	12-15-16	dp	Interest	US TREASURY NOTES 1.125% Due 06-15-18	4,218.75
12-27-16	12-27-16	dp	Interest	FNCI POOL AS6305 3.000% Due 12-01-30	724.31
12-27-16	12-27-16	dp	Paydown	FNCI POOL AS6305 3.000% Due 12-01-30	6,279.35
12-27-16	12-27-16	dp	Interest	FNCI POOL BC2737 2.500% Due 05-01-31	600.66
12-27-16	12-27-16	dp	Paydown	FNCI POOL BC2737 2.500% Due 05-01-31	4,966.90
12-27-16	12-27-16	dp	Dividend	VANGUARD INST'L S&P500 INDEX FUND	93,366.03
12-27-16	12-27-16	dp	Dividend	VANGUARD INST'L S&P500 INDEX FUND	43,745.90

* Callable security

Alaska Permanent Capital Management Co.

CASH LEDGER

ALEUTIANS EAST BOROUGH

From 12-01-16 To 12-31-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
12-27-16	12-27-16	wd	Purchase	VANGUARD INST'L S&P500 INDEX FUND	-43,745.90
12-27-16	12-27-16	wd	Purchase	VANGUARD INST'L S&P500 INDEX FUND	-93,366.03
12-28-16	12-29-16	wd	Purchase	US TREASURY NOTES 2.125% Due 11-30-23	-246,357.42
12-28-16	12-29-16	wd	Accrued Interest	US TREASURY NOTES 2.125% Due 11-30-23	-423.25
12-28-16	12-28-16	dp	Dividend	ISHARES ETF CORE MSCI EMERGING MKTS	25,736.90
12-28-16	12-28-16	dp	Dividend	ISHARES ETF CORE MSCI EAFE	43,692.82
12-28-16	12-29-16	dp	Dividend	ISHARES CORE S&P MIDCAP 400 ETF	10,282.23
12-29-16	12-29-16	dp	Dividend	VANGUARD REIT ETF	77,758.13
12-31-16			Ending Balance		215,475.07
CASH RECEIVABLE					
12-01-16			Beginning Balance		0.00
12-31-16	01-03-17	dp	Interest	US TREASURY NOTES 1.625% Due 06-30-20	5,687.50
12-31-16			Ending Balance		5,687.50

* Callable security

AEB/AKUTAN HARBOR - 2006 A

Account Statement - Period Ending December 31, 2016



ACCOUNT ACTIVITY

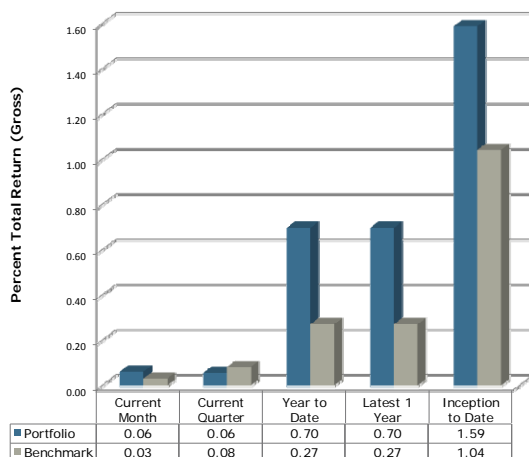
Portfolio Value on 11-30-16	1,512,785
Contributions	0
Withdrawals	-78
Change in Market Value	85
Interest	845
Dividends	0
Portfolio Value on 12-31-16	1,513,638

MANAGEMENT TEAM

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

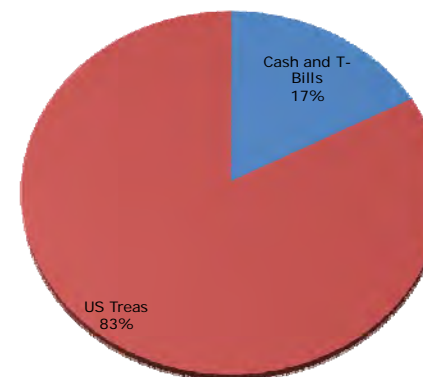
INVESTMENT PERFORMANCE

Current Account Benchmark:
Citi 90 Day Tbill



Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.59% Average Maturity: 0.57 Yrs

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

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
AEB/AKUTAN HARBOR - 2006 A
December 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
250,000	US TREASURY NOTES 0.500% Due 02-28-17	100.04	250,088	100.01	250,022	16.52	1,250	425	0.44
200,000	US TREASURY NOTES 0.875% Due 04-15-17	100.28	200,555	100.10	200,210	13.23	1,750	375	0.51
200,000	US TREASURY NOTES 0.625% Due 06-30-17	99.75	199,492	99.98	199,968	13.21	1,250	3	0.66
200,000	US TREASURY NOTES 0.625% Due 08-31-17	99.65	199,297	99.92	199,844	13.20	1,250	425	0.74
200,000	US TREASURY NOTES 0.875% Due 10-15-17	100.22	200,437	100.02	200,032	13.22	1,750	375	0.85
200,000	US TREASURY NOTES 1.000% Due 02-15-18	100.35	200,695	100.03	200,070	13.22	2,000	755	0.97
	Accrued Interest				2,358	0.16			
			1,250,564		1,252,505	82.75		2,358	
CASH AND EQUIVALENTS									
	CASH RECEIVABLE		625		625	0.04			
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		260,508		260,508	17.21			
			261,133		261,133	17.25			
TOTAL PORTFOLIO			1,511,697		1,513,638	100	9,250	2,358	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB/AKUTAN HARBOR - 2006 A
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
12-31-16	12-31-16	MANAGEMENT FEES		214.29
				214.29
INTEREST				
CASH AND EQUIVALENTS				
12-01-16	12-01-16	FEDERATED TREASURY OBLIGATIONS INSTITUTION		23.17
U.S. TREASURY				
12-15-16	12-15-16	US TREASURY NOTES 0.625% Due 12-15-16		468.75
12-31-16	01-03-17	US TREASURY NOTES 0.625% Due 06-30-17		625.00
				1,093.75
				1,116.92
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
12-15-16	12-15-16	US TREASURY NOTES 0.625% Due 12-15-16	150,000	150,000.00
				150,000.00
WITHDRAW				
CASH AND EQUIVALENTS				
12-14-16	12-14-16	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		77.93
				77.93

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB/AKUTAN HARBOR - 2006 A
From 12-01-16 Through 12-31-16

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
12-15-16	150,000	US TREASURY NOTES 0.625% Due 12-15-16	150,421.88	150,000.00	-421.88
TOTAL GAINS					0.00
TOTAL LOSSES					-421.88
			150,421.88	150,000.00	-421.88

Alaska Permanent Capital Management Co.

CASH LEDGER***AEB/AKUTAN HARBOR - 2006 A****From 12-01-16 To 12-31-16*

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
12-01-16			Beginning Balance		110,093.98
12-01-16	12-01-16	dp	Interest	FEDERATED TREASURY OBLIGATIONS INSTITUTION	23.17
12-14-16	12-14-16	wd	Withdrawal	from Portfolio	-77.93
12-15-16	12-15-16	dp	Interest	US TREASURY NOTES 0.625% Due 12-15-16	468.75
12-15-16	12-15-16	dp	Sale	US TREASURY NOTES 0.625% Due 12-15-16	150,000.00
12-31-16			Ending Balance		260,507.97
CASH RECEIVABLE					
12-01-16			Beginning Balance		0.00
12-31-16	01-03-17	dp	Interest	US TREASURY NOTES 0.625% Due 06-30-17	625.00
12-31-16			Ending Balance		625.00

AEB OPERATING FUND

Account Statement - Period Ending December 31, 2016



ACCOUNT ACTIVITY

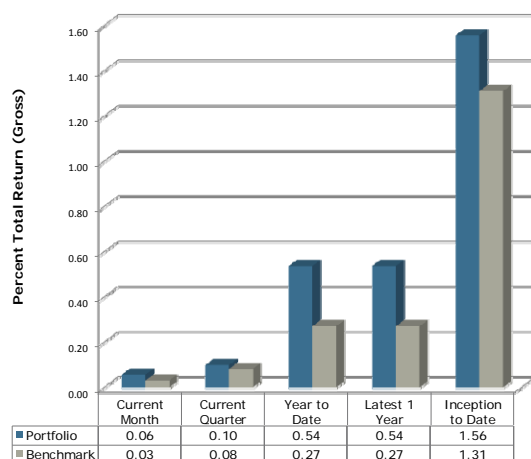
Portfolio Value on 11-30-16	2,529,162
Contributions	0
Withdrawals	-165
Change in Market Value	-223
Interest	1,672
Dividends	0
Portfolio Value on 12-31-16	2,530,446

MANAGEMENT TEAM

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

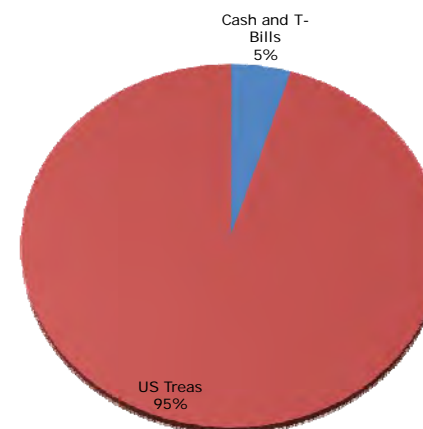
INVESTMENT PERFORMANCE

Current Account Benchmark:
Citi 90 Day Tbill



Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.61% Average Maturity: 0.34 Yrs

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

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
AEB OPERATING FUND
December 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
300,000	US TREASURY NOTES 0.750% Due 01-15-17	100.20	300,598	100.01	300,042	11.86	2,250	1,039	0.41
250,000	US TREASURY NOTES 0.625% Due 02-15-17	100.07	250,186	100.02	250,060	9.88	1,562	590	0.43
450,000	US TREASURY NOTES 0.750% Due 03-15-17	100.11	450,498	100.06	450,256	17.79	3,375	1,007	0.47
250,000	US TREASURY NOTES 0.875% Due 04-15-17	100.24	250,588	100.10	250,262	9.89	2,187	469	0.51
250,000	US TREASURY NOTES 0.875% Due 05-15-17	100.24	250,590	100.10	250,255	9.89	2,187	284	0.60
250,000	US TREASURY NOTES 0.875% Due 06-15-17	100.19	250,475	100.12	250,292	9.89	2,187	102	0.62
250,000	US TREASURY NOTES 0.875% Due 07-15-17	100.19	250,479	100.09	250,225	9.89	2,187	1,011	0.71
200,000	US TREASURY NOTES 0.875% Due 08-15-17	100.17	200,340	100.09	200,188	7.91	1,750	661	0.72
100,000	US TREASURY NOTES 1.000% Due 09-15-17	100.35	100,352	100.16	100,156	3.96	1,000	298	0.78
100,000	US TREASURY NOTES 0.875% Due 10-15-17	100.22	100,223	100.02	100,016	3.95	875	187	0.85
	Accrued Interest				5,649	0.22			
			2,404,326		2,407,402	95.14		5,649	
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		123,044		123,044	4.86			
TOTAL PORTFOLIO			2,527,370		2,530,446	100	19,562	5,649	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB OPERATING FUND
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
12-16-16	12-19-16	US TREASURY NOTES 0.750% Due 03-15-17	200,000	200,117.19
				200,117.19
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
12-31-16	12-31-16	MANAGEMENT FEES		358.24
				358.24
INTEREST				
CASH AND EQUIVALENTS				
12-01-16	12-01-16	FEDERATED TREASURY OBLIGATIONS INSTITUTION		37.03
U.S. TREASURY				
12-15-16	12-15-16	US TREASURY NOTES 0.625% Due 12-15-16		625.00
12-15-16	12-15-16	US TREASURY NOTES 0.875% Due 06-15-17		1,093.75
				1,718.75
				1,755.78
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
12-16-16	12-19-16	US TREASURY NOTES 0.750% Due 03-15-17		393.65
				393.65

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB OPERATING FUND
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
12-15-16	12-15-16	US TREASURY NOTES 0.625% Due 12-15-16	200,000	200,000.00
				200,000.00
WITHDRAW				
CASH AND EQUIVALENTS				
12-14-16	12-14-16	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		165.16
				165.16

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB OPERATING FUND
From 12-01-16 Through 12-31-16

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
12-15-16	200,000	US TREASURY NOTES 0.625% Due 12-15-16	200,023.44	200,000.00	-23.44
TOTAL GAINS					0.00
TOTAL LOSSES					-23.44
			200,023.44	200,000.00	-23.44

Alaska Permanent Capital Management Co.

CASH LEDGER***AEB OPERATING FUND****From 12-01-16 To 12-31-16*

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
12-01-16			Beginning Balance		121,964.04
12-01-16	12-01-16	dp	Interest	FEDERATED TREASURY OBLIGATIONS INSTITUTION	37.03
12-14-16	12-14-16	wd	Withdrawal	from Portfolio	-165.16
12-15-16	12-15-16	dp	Interest	US TREASURY NOTES 0.625% Due 12-15-16	625.00
12-15-16	12-15-16	dp	Interest	US TREASURY NOTES 0.875% Due 06-15-17	1,093.75
12-15-16	12-15-16	dp	Sale	US TREASURY NOTES 0.625% Due 12-15-16	200,000.00
12-16-16	12-19-16	wd	Purchase	US TREASURY NOTES 0.750% Due 03-15-17	-200,117.19
12-16-16	12-19-16	wd	Accrued Interest	US TREASURY NOTES 0.750% Due 03-15-17	-393.65
12-31-16			Ending Balance		123,043.82

ALEUTIANS EAST BOROUGH SERIES E BOND

Account Statement - Period Ending December 31, 2016



ACCOUNT ACTIVITY

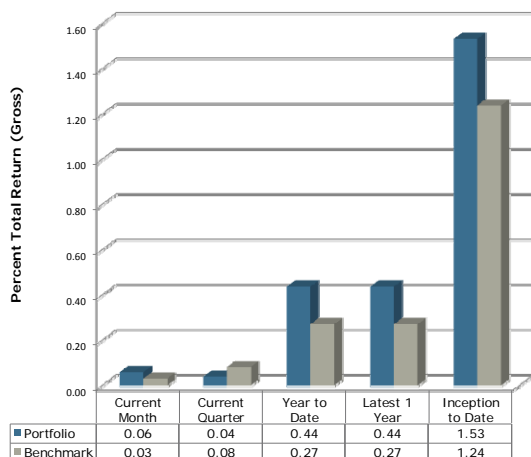
Portfolio Value on 11-30-16	2,468,376
Contributions	0
Withdrawals	0
Change in Market Value	-159
Interest	1,629
Dividends	0
Portfolio Value on 12-31-16	2,469,846

MANAGEMENT TEAM

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

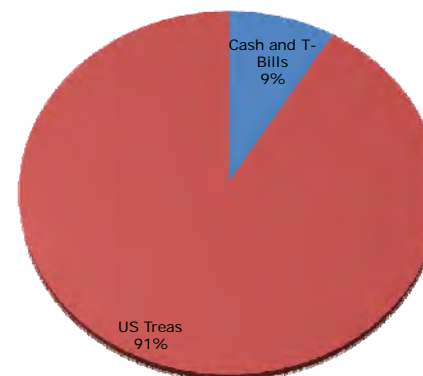
INVESTMENT PERFORMANCE

Current Account Benchmark:
Citi 90 Day Tbill



Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.67% Average Maturity: 0.61 Yrs

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

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH SERIES E BOND
December 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
250,000	US TREASURY NOTES 0.750% Due 01-15-17	100.20	250,498	100.01	250,035	10.12	1,875	866	0.41
300,000	US TREASURY NOTES 0.625% Due 02-15-17	100.07	300,223	100.02	300,072	12.15	1,875	708	0.43
250,000	US TREASURY NOTES 0.750% Due 03-15-17	100.15	250,381	100.06	250,142	10.13	1,875	559	0.47
200,000	US TREASURY NOTES 0.875% Due 04-15-17	100.26	200,523	100.10	200,210	8.11	1,750	375	0.51
200,000	US TREASURY NOTES 0.875% Due 05-15-17	100.26	200,516	100.10	200,204	8.11	1,750	227	0.60
250,000	US TREASURY NOTES 0.875% Due 06-15-17	100.24	250,605	100.12	250,292	10.13	2,187	102	0.62
150,000	US TREASURY NOTES 0.875% Due 07-15-17	100.11	150,164	100.09	150,135	6.08	1,312	606	0.71
100,000	US TREASURY NOTES 0.875% Due 08-15-17	100.11	100,105	100.09	100,094	4.05	875	331	0.72
150,000	US TREASURY NOTES 0.750% Due 04-15-18	99.53	149,297	99.69	149,536	6.05	1,125	241	0.99
100,000	US TREASURY NOTES 1.000% Due 08-15-18	100.46	100,457	99.87	99,867	4.04	1,000	378	1.08
100,000	US TREASURY NOTES 1.000% Due 09-15-18	100.43	100,434	99.79	99,789	4.04	1,000	298	1.13
100,000	US TREASURY NOTES 0.875% Due 10-15-18	100.05	100,047	99.52	99,516	4.03	875	187	1.15
100,000	US TREASURY NOTES 1.250% Due 11-15-18	100.77	100,770	100.15	100,152	4.05	1,250	162	1.17
	Accrued Interest				5,042	0.20			
			2,254,020		2,255,087	91.30		5,042	
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		214,758		214,758	8.70			
TOTAL PORTFOLIO			2,468,778		2,469,846	100	18,750	5,042	

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH SERIES E BOND
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
12-16-16	12-19-16	US TREASURY NOTES 0.750% Due 04-15-18	150,000	149,296.88
				149,296.88
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
12-31-16	12-31-16	MANAGEMENT FEES		349.66
				349.66
INTEREST				
CASH AND EQUIVALENTS				
12-01-16	12-01-16	FEDERATED TREASURY OBLIGATIONS INSTITUTION		32.38
U.S. TREASURY				
12-15-16	12-15-16	US TREASURY NOTES 0.625% Due 12-15-16		781.25
12-15-16	12-15-16	US TREASURY NOTES 0.875% Due 06-15-17		1,093.75
				1,875.00
				1,907.38
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
12-16-16	12-19-16	US TREASURY NOTES 0.750% Due 04-15-18		200.89
				200.89

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH SERIES E BOND
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
12-15-16	12-15-16	US TREASURY NOTES 0.625% Due 12-15-16	250,000	250,000.00
				250,000.00

* Callable security

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
ALEUTIANS EAST BOROUGH SERIES E BOND
From 12-01-16 Through 12-31-16

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
12-15-16	250,000	US TREASURY NOTES 0.625% Due 12-15-16	250,029.30	250,000.00	-29.30
TOTAL GAINS					0.00
TOTAL LOSSES					-29.30
			250,029.30	250,000.00	-29.30

Alaska Permanent Capital Management Co.
CASH LEDGER
ALEUTIANS EAST BOROUGH SERIES E BOND
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
12-01-16			Beginning Balance		112,348.89
12-01-16	12-01-16	dp	Interest	FEDERATED TREASURY OBLIGATIONS INSTITUTION	32.38
12-15-16	12-15-16	dp	Interest	US TREASURY NOTES 0.625% Due 12-15-16	781.25
12-15-16	12-15-16	dp	Interest	US TREASURY NOTES 0.875% Due 06-15-17	1,093.75
12-15-16	12-15-16	dp	Sale	US TREASURY NOTES 0.625% Due 12-15-16	250,000.00
12-16-16	12-19-16	wd	Purchase	US TREASURY NOTES 0.750% Due 04-15-18	-149,296.88
12-16-16	12-19-16	wd	Accrued Interest	US TREASURY NOTES 0.750% Due 04-15-18	-200.89
12-31-16			Ending Balance		214,758.50

* Callable security

AEB 2010 SERIES A GO BOND/KCAP

Account Statement - Period Ending December 31, 2016



ACCOUNT ACTIVITY

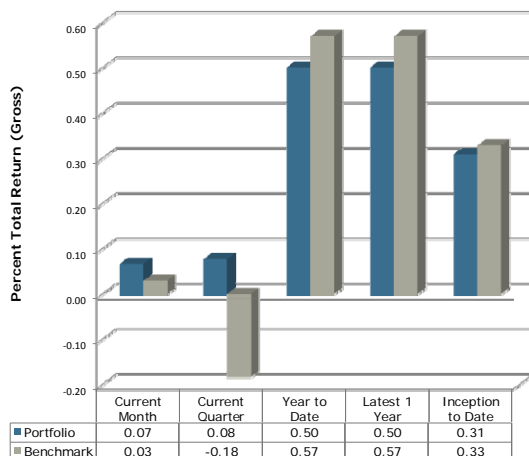
Portfolio Value on 11-30-16	1,019,161
Contributions	0
Withdrawals	-42
Change in Market Value	46
Interest	636
Dividends	0
Portfolio Value on 12-31-16	1,019,801

MANAGEMENT TEAM

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

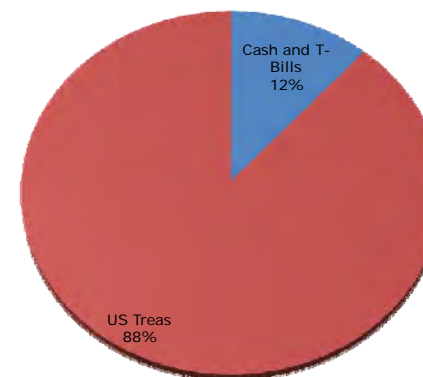
INVESTMENT PERFORMANCE

Current Account Benchmark:
50% Barclays 1-3 Yr Gov/50% 90 Day Tbill



Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.65% Average Maturity: 0.59 Yrs

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

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
AEB 2010 SERIES A GO BOND/KCAP
December 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
150,000	US TREASURY NOTES 0.625% Due 02-15-17	100.07	150,111	100.02	150,036	14.71	937	354	0.43
100,000	US TREASURY NOTES 0.875% Due 04-30-17	100.28	100,281	100.11	100,114	9.82	875	150	0.53
150,000	US TREASURY NOTES 0.625% Due 06-30-17	99.75	149,619	99.98	149,976	14.71	937	3	0.66
100,000	US TREASURY NOTES 0.875% Due 08-15-17	100.31	100,309	100.09	100,094	9.82	875	331	0.72
100,000	US TREASURY NOTES 1.000% Due 09-15-17	100.42	100,418	100.16	100,156	9.82	1,000	298	0.78
100,000	US TREASURY NOTES 0.875% Due 10-15-17	100.30	100,301	100.02	100,016	9.81	875	187	0.85
100,000	US TREASURY NOTES 0.875% Due 11-15-17	100.28	100,277	100.00	100,004	9.81	875	114	0.87
100,000	US TREASURY NOTES 0.875% Due 01-15-18	100.21	100,211	99.95	99,953	9.80	875	404	0.92
	Accrued Interest				1,841	0.18			
			901,527		902,190	88.47		1,841	
CASH AND EQUIVALENTS									
	CASH RECEIVABLE		469		469	0.05			
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		117,142		117,142	11.49			
			117,611		117,611	11.53			
TOTAL PORTFOLIO			1,019,138		1,019,801	100	7,250	1,841	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB 2010 SERIES A GO BOND/KCAP
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
12-31-16	12-31-16	MANAGEMENT FEES		144.38
				144.38
INTEREST				
CASH AND EQUIVALENTS				
12-01-16	12-01-16	FEDERATED TREASURY OBLIGATIONS INSTITUTION		21.03
U.S. TREASURY				
12-31-16	01-03-17	US TREASURY NOTES 0.625% Due 06-30-17		468.75
				489.78
WITHDRAW				
CASH AND EQUIVALENTS				
12-14-16	12-14-16	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		42.39
				42.39

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB 2010 SERIES A GO BOND/KCAP
From 12-01-16 Through 12-31-16

<u>Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Avg. Cost Basis</u>	<u>Proceeds</u>	<u>Gain Or Loss</u>
TOTAL GAINS					0.00
TOTAL LOSSES					0.00
			0.00	0.00	0.00

Alaska Permanent Capital Management Co.
CASH LEDGER
AEB 2010 SERIES A GO BOND/KCAP
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
12-01-16			Beginning Balance		117,163.53
12-01-16	12-01-16	dp	Interest	FEDERATED TREASURY OBLIGATIONS INSTITUTION	21.03
12-14-16	12-14-16	wd	Withdrawal	from Portfolio	-42.39
12-31-16			Ending Balance		117,142.17
CASH RECEIVABLE					
12-01-16			Beginning Balance		0.00
12-31-16	01-03-17	dp	Interest	US TREASURY NOTES 0.625% Due 06-30-17	468.75
12-31-16			Ending Balance		468.75

AEB 2010 SERIES B BOND/AKUTAN AIR

Account Statement - Period Ending December 31, 2016



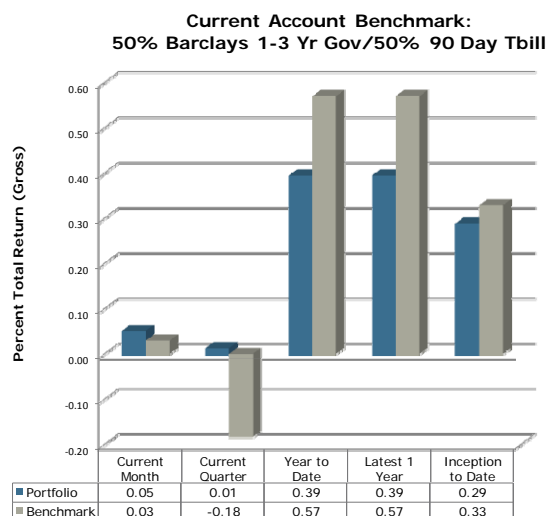
ACCOUNT ACTIVITY

Portfolio Value on 11-30-16	2,028,611
Contributions	0
Withdrawals	-129
Change in Market Value	-393
Interest	1,431
Dividends	0
Portfolio Value on 12-31-16	2,029,521

MANAGEMENT TEAM

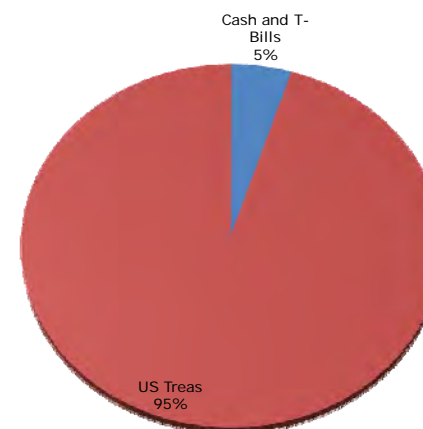
Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Jason Roth
Contact Phone Number:	907/272-7575

INVESTMENT PERFORMANCE



Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.77% Average Maturity: 0.83 Yrs

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

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
AEB 2010 SERIES B BOND/AKUTAN AIR
December 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
200,000	US TREASURY NOTES 0.750% Due 01-15-17	100.20	200,398	100.01	200,028	9.86	1,500	693	0.41
200,000	US TREASURY NOTES 0.625% Due 02-15-17	100.09	200,187	100.02	200,048	9.86	1,250	472	0.43
200,000	US TREASURY NOTES 0.750% Due 03-15-17	100.15	200,305	100.06	200,114	9.86	1,500	448	0.47
200,000	US TREASURY NOTES 0.875% Due 04-15-17	100.26	200,523	100.10	200,210	9.86	1,750	375	0.51
150,000	US TREASURY NOTES 0.875% Due 05-15-17	100.24	150,363	100.10	150,153	7.40	1,312	170	0.60
125,000	US TREASURY NOTES 0.875% Due 06-15-17	100.24	125,298	100.12	125,146	6.17	1,094	51	0.62
250,000	US TREASURY NOTES 0.875% Due 01-15-18	99.89	249,717	99.95	249,882	12.31	2,187	1,011	0.92
100,000	US TREASURY NOTES 1.000% Due 08-15-18	100.46	100,457	99.87	99,867	4.92	1,000	378	1.08
100,000	US TREASURY NOTES 1.000% Due 09-15-18	100.43	100,434	99.79	99,789	4.92	1,000	298	1.13
100,000	US TREASURY NOTES 0.875% Due 10-15-18	100.05	100,047	99.52	99,516	4.90	875	187	1.15
100,000	US TREASURY NOTES 1.250% Due 11-15-18	100.77	100,770	100.15	100,152	4.93	1,250	162	1.17
100,000	US TREASURY NOTES 1.250% Due 12-15-18	100.25	100,250	100.11	100,109	4.93	1,250	58	1.19
100,000	US TREASURY NOTES 1.125% Due 01-15-19	99.95	99,953	99.81	99,809	4.92	1,125	520	1.22
	Accrued Interest				4,824	0.24			
			1,928,702		1,929,647	95.08		4,824	
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		99,873		99,873	4.92			
TOTAL PORTFOLIO			2,028,575		2,029,521	100	17,094	4,824	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB 2010 SERIES B BOND/AKUTAN AIR
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
12-16-16	12-19-16	US TREASURY NOTES 0.875% Due 01-15-18	250,000	249,716.80
				249,716.80
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
12-31-16	12-31-16	MANAGEMENT FEES		287.33
				287.33
INTEREST				
CASH AND EQUIVALENTS				
12-01-16	12-01-16	FEDERATED TREASURY OBLIGATIONS INSTITUTION		27.48
U.S. TREASURY				
12-15-16	12-15-16	US TREASURY NOTES 0.625% Due 12-15-16		781.25
12-15-16	12-15-16	US TREASURY NOTES 0.875% Due 06-15-17		546.88
12-15-16	12-15-16	US TREASURY NOTES 1.250% Due 12-15-18		625.00
				1,953.13
				1,980.61
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
12-16-16	12-19-16	US TREASURY NOTES 0.875% Due 01-15-18		933.25
				933.25

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB 2010 SERIES B BOND/AKUTAN AIR
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
12-15-16	12-15-16	US TREASURY NOTES 0.625% Due 12-15-16	250,000	250,000.00
				250,000.00
WITHDRAW				
CASH AND EQUIVALENTS				
12-14-16	12-14-16	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		129.34
				129.34

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB 2010 SERIES B BOND/AKUTAN AIR
From 12-01-16 Through 12-31-16

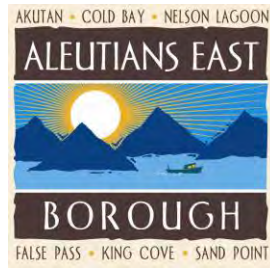
Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
12-15-16	250,000	US TREASURY NOTES 0.625% Due 12-15-16	250,263.67	250,000.00	-263.67
TOTAL GAINS					0.00
TOTAL LOSSES					-263.67
			250,263.67	250,000.00	-263.67

Alaska Permanent Capital Management Co.
CASH LEDGER
AEB 2010 SERIES B BOND/AKUTAN AIR
From 12-01-16 To 12-31-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
12-01-16			Beginning Balance		98,672.11
12-01-16	12-01-16	dp	Interest	FEDERATED TREASURY OBLIGATIONS INSTITUTION	27.48
12-14-16	12-14-16	wd	Withdrawal	from Portfolio	-129.34
12-15-16	12-15-16	dp	Interest	US TREASURY NOTES 0.625% Due 12-15-16	781.25
12-15-16	12-15-16	dp	Interest	US TREASURY NOTES 0.875% Due 06-15-17	546.88
12-15-16	12-15-16	dp	Interest	US TREASURY NOTES 1.250% Due 12-15-18	625.00
12-15-16	12-15-16	dp	Sale	US TREASURY NOTES 0.625% Due 12-15-16	250,000.00
12-16-16	12-19-16	wd	Purchase	US TREASURY NOTES 0.875% Due 01-15-18	-249,716.80
12-16-16	12-19-16	wd	Accrued Interest	US TREASURY NOTES 0.875% Due 01-15-18	-933.25
12-31-16			Ending Balance		99,873.33

Consent Agenda

MEMO



To: Assembly and Mayor
From: Tina Anderson, Clerk
Date: February 9, 2017
Re: FY17 Shared Fisheries Business Tax Program for FMA2 and FMA3.

Resolution 17-15, a resolution adopting an alternative method for the Shared Fisheries Business Tax Allocation for FMA 2. This is the same distribution scheme that was agreed upon since the inception of the program. All of the municipalities within FMA 2 (west of Unimak) receive an equal share of 60% of the program receipts. The eligible cities will share the remaining 40% of the funding allocation on a per capita basis. The FY17 program allocation to AEB should be \$71,299.70.

Resolution 17-16, a resolution adopting an alternative method for the Shared Fisheries Business Tax Allocation for FMA 3. This also is the same distribution scheme that was agreed upon since the inception of the program. All the municipalities within FMA 3 (east of Unimak), will share equally 40%. The remaining 60% will be divided among the eligible cities based on a per capita basis. The FY17 program allocation to AEB should be \$8,272.76.

CLERK/PLANNER
P.O. BOX 349
SAND POINT, ALASKA 99661
(907) 383-2699
(907) 383-3496 FAX
e-mail: AEBCLERK@aol.com

BOROUGH ADMINISTRATOR
3380 "C" STREET, SUITE 205
ANCHORAGE, ALASKA 99503
(907) 274-7555
(907) 276-7569 FAX
e-mail: RJuett0869@aol.com

FINANCE DIRECTOR
P.O. BOX 49
KING COVE, ALASKA 99612
(907) 497-2588
(907) 497-2386 FAX
e-mail: AEBFINANCE@aol.com



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

RECEIVED

FEB 03 2017

P.O. Box 110309
Juneau, AK 99811-0309
Phone: 907.465.5541
Fax: 907.465.5867

January 30, 2017

Dear Municipal Official,

Aleutians East Borough

Attached please find the 2017 Shared Fisheries Business Tax Program application. I am sorry for the delay in getting this distributed to you. There have been many changes in DCRA over the past year, and so along with the changes come learning challenges. Having said that, next year should be smooth sailing!

The purpose of the *Shared Fisheries Business Tax Program (SFBT)* is to provide for a sharing of state fish tax collected outside municipal boundaries with municipalities that have been affected by fishing industry activities. Municipalities around the state will share approximately \$2.60 million based on 2015 fisheries activity as reported by fish processors on their fish tax returns.

The law that created this program requires that program funding be first allocated to fisheries management areas around the state based on the level of fish processing in each area compared to the total fish processing for the whole state. Then the funding is further allocated among the municipalities located within each fisheries management area based on the relative level of impacts experienced by each municipality. Details of how the program works are presented in the application under *Program Description*.

Your municipality is located in the Aleutians Island Fisheries Management Area (FMA 2). The municipalities located in this area include Adak, Akutan, Atka, Unalaska and the Aleutians East Borough. The FY 17 program allocation to be shared within this area is estimated to be \$1,739,460.59.

The fisheries management areas where the program allocation is greater than \$4,000 multiplied by the number of municipalities in the area, program regulations provide for a "long-form" application. In your area, the threshold value equals \$20,000, (5 municipalities x \$4,000) and you are therefore receiving the attached Long-Form Application. The long-form application provides for a "standard" and an "alternative" method of funding allocation. We encourage your municipality to complete the FY 17 SFBT application as soon as possible. Due to the delay in sending these applications out, the **deadline to return them has been extended to March 17, 2017**.

If you have any questions about the program or require assistance in completing the application, please call me at 465-5541.

Sincerely,

A handwritten signature in blue ink that reads "Debi Kruse".

Debi Kruse
Community Aid and Accountability Manager

FMA 2: Aleutians Islands Area		Business Tax		Landing Tax	
Alternative Method*	Total allocation:	60% Divided	40% per capita	Total allocation	TOTAL
Community	Population	60% divided share	40% per capita share	Calculated Allocation	Estimated Payment
Adak	275	\$71,299.70	\$11,113.43	\$82,413.12	\$241,270.67
AEB	2,036	\$71,299.70	\$0.00	\$71,299.70	\$208,735.27
Akutan	933	\$71,299.70	\$37,704.82	\$109,004.52	\$319,119.00
Atka	68	\$71,299.70	\$2,748.05	\$74,047.75	\$216,780.39
Unalaska	4,605	\$71,299.70	\$186,099.37	\$257,399.07	\$753,555.27
Totals	7,917	\$356,498.49	\$237,665.66	\$594,164.16	\$1,145,296.43
Community Count:		5			

*All municipalities share equally 60% of allocation, all but Aleutians East Borough share remaining 40% on a per capita basis.
AEB population = Borough (2,969) - Akutan

RESOLUTION 17-15

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY 17 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT THIS ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN THE ALEUTIAN ISLANDS FISHERIES MANAGEMENT AREA 2.

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY16 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2015 from fisheries business activities; and

WHEREAS, 3AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and

WHEREAS, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community, and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and

WHEREAS, the Aleutians East Borough proposes to use an alternative method for allocation of FY17 funding available within the Aleutian Islands Fisheries Management Area in agreement with all other municipalities in this area participating in the FY17 Shared Fisheries Business Tax Program;

BE IT RESOLVED BY THE ALEUTIANS EAST BOROUGH ASSEMBLY THAT:

SECTION 1. The Aleutians East Borough by this resolution certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2015 of fisheries business activity in the Aleutian Island Region Fisheries Management Area 2.

ALTERNATIVE ALLOCATION METHOD:

1. Each municipality (including the Aleutians East Borough) will split 60 percent of the total funding allocation for the fisheries management area;
2. Each city (excluding the Aleutians East Borough) will split 40 percent of the funding allocation on a per capita basis.

Approved this _____ day of February, 2017.

Mayor

ATTEST: _____

Clerk



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

RECEIVED

FEB 02 2017

P.O. Box 110809
Juneau, AK 99811-0809
Phone: 907.465.5541
Fax: 907.465.5367

January 30, 2017

Aleutians East Borough

Dear Municipal Official,

Attached please find the 2017 Shared Fisheries Business Tax Program application. I am sorry for the delay in getting this distributed to you. There have been many changes in DCRA over the past year, and so along with the changes come learning challenges. Having said that, next year should be smooth sailing!

The purpose of the *Shared Fisheries Business Tax Program (SFBT)* is to provide for a sharing of state fish tax collected outside municipal boundaries with municipalities that have been affected by fishing industry activities. Municipalities around the state will share approximately \$2.60 million based on 2015 fisheries activity as reported by fish processors on their fish tax returns.

The law that created this program requires that program funding be first allocated to fisheries management areas around the state based on the level of fish processing in each area compared to the total fish processing for the whole state. Then the funding is further allocated among the municipalities located within each fisheries management area based on the relative level of impacts experienced by each municipality. Details of how the program works are presented in the application under *Program Description*.

Your municipality is located in the Alaska Peninsula Fisheries Management Area (FMA 3). The municipalities located in this area include Aleutians East Borough, Cold Bay, False Pass, King Cove, Lake and Peninsula Borough, Port Heiden, and Sand Point. The FY 17 program allocation to be shared within this area is estimated to be \$124,948.15.

The fisheries management areas where the program allocation is greater than \$4,000 multiplied by the number of municipalities in the area, program regulations provide for a "long-form" application. In your area, the threshold value equals \$28,000, (7 municipalities x \$4,000) and you are therefore receiving the attached Long-Form Application. The long-form application provides for a "standard" and an "alternative" method of funding allocation. We encourage your municipality to complete the FY 17 SFBT application as soon as possible. Due to the delay in sending these applications out, the **deadline to return them has been extended to March 17, 2017.**

If you have any questions about the program or require assistance in completing the application, please call me at 465-5541.

Sincerely,

A handwritten signature in blue ink that reads "Debi Kruse".

Debi Kruse

Community Aid and Accountability Manager

FMA 3: Alaska Peninsula Area									
Alternative Method*	Business Tax		40% Divided		60% per capita		Landing Tax		
	Total allocation:	Population	40% divided share	60% per capita share	Calculated Allocation	Total allocation	Estimated Payment		
	\$114,788.15		\$45,915.26	\$68,872.89		\$10,160.00			
Community									
AEB		34	\$6,559.32	\$1,040.75	\$7,600.07		\$672.69	\$8,272.76	
Cold Bay		78	\$6,559.32	\$2,387.59	\$8,946.92		\$791.90	\$9,738.82	
False Pass		73	\$6,559.32	\$2,234.54	\$8,793.87		\$778.35	\$9,572.22	
King Cove		900	\$6,559.32	\$27,549.16	\$34,108.48		\$3,018.97	\$37,127.45	
LPB		100	\$6,559.32	\$3,061.02	\$9,620.34		\$851.50	\$10,471.84	
Port Heiden		114	\$6,559.32	\$3,489.56	\$10,048.88		\$889.44	\$10,938.32	
Sand Point		951	\$6,559.32	\$29,110.27	\$35,669.60		\$3,157.15	\$38,826.75	
Totals		2,250	\$45,915.26	\$68,872.89	\$114,788.15		\$10,160.00	\$124,948.15	
Community Count		7							
<p>*All municipalities share equally 40% of allocation, all but Aleutians East Borough share remaining 60% on a per capita basis. **AEB population = Borough (2,969) - Cities of Cold Bay, False Pass, King Cove, Sand Point and Akutan ***Lake and Peninsula Borough population = 100 as per resolution</p>									

RESOLUTION 17-16

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY 17 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT THIS ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN THE ALASKA PENINSULA FISHERIES MANAGEMENT AREA 3.

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY17 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2015 from fisheries business activities; and

WHEREAS, 3AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and

WHEREAS, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community, and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and

WHEREAS, the Aleutians East Borough proposes to use an alternative method for allocation of FY17 funding available within the Aleutian Islands Fisheries Management Area in agreement with all other municipalities in this area participating in the FY17 Shared Fisheries Business Tax Program;

BE IT RESOLVED BY THE ALEUTIANS EAST BOROUGH ASSEMBLY THAT:

SECTION 1. The Aleutians East Borough by this resolution certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2015 of fisheries business activity in the Alaska Peninsula Fisheries Management Area 3.

ALTERNATIVE ALLOCATION METHOD: It is proposed that 40% of the FY15 funding available for FMA3 be distributed equally among the eligible municipalities located within FMA3, and that the remaining 60% of the funding be divided among the same eligible communities based upon revenue sharing

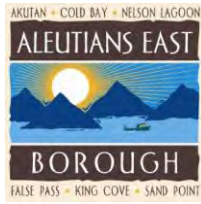
population estimated as determined for 2015 by DCCED, with exception of mutually agreed upon population counts for the Aleutians East Borough and Lake and Peninsula Borough.

Approved this _____ day of February, 2017.

Mayor

ATTEST: _____

Clerk



RESOLUTION 17-19

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY IN SUPPORT OF CONGRESSIONAL APPROPRIATION TO ADDRESS THE 2016 FISHERY DISASTER DETERMINATION BY THE SECRETARY OF COMMERCE.

WHEREAS, the 2016 pink salmon fishery collapse in the South Alaska Peninsula area was a huge blow to Aleutians East Borough fishermen, processors and communities that rely on that season, a season that resulted in just 12.24% of the previous *even year* 5-year average of local post-June pink salmon harvest and only 6.59 % of the previous 10 year average harvest including all years; and,

WHEREAS, Governor Bill Walker demonstrated his acute understanding of the severity of the poor pink salmon season by requesting the US Secretary of Commerce declare a disaster for the 2016 pink salmon season throughout the Gulf of Alaska, including the areas of Kodiak, Prince William Sound, Lower Cook Inlet, Chignik, South Peninsula, Yakutat and Southeast Alaska; and,

WHEREAS, on January 18, 2017, US Secretary of Commerce Penny Pritzker determined that nine US West Coast fisheries in 2016, including the Gulf of Alaska pink salmon season, meet the requirements of a commercial fishery failure due to a fishery resource disaster set out under MSA Section 312(a); and,

WHEREAS, Secretary Pritzker noted that the poor Gulf of Alaska pink salmon returns were ‘due to a variety of factors outside the control of fishery managers to mitigate, including unfavorable ocean conditions, freshwater environmental factors, and disease.’; and

WHEREAS, Congressional appropriation will be required before any disaster relief can be administered and the National Marine Fisheries Service can provide assistance to affected communities.

NOW THEREFORE BE IT RESOLVED, the Aleutians East Borough Assembly urges Congress to appropriate sufficient funding for the purpose of accommodating 2016 fisheries disaster relief; and

BE IT FURTHER RESOLVED, the Aleutians East Borough stands ready to work with the State of Alaska, members of Congress, the National Marine Fisheries Service, local tribes and other organizations to help develop a spending plan and engage in supporting activities that would restore the fishery, prevent a similar failure, and create more resilient communities.

PASSED AND APPROVED by the Aleutians East Borough on this ___ day of February, 2017.

Stanley Mack, Mayor

ATTEST: _____
Tina Anderson, Clerk

Ordinances

ORDINANCE 17-04

AN ORDINANCE AMENDING THE OPERATING AND CAPITAL BUDGET FOR THE ALEUTIANS EAST BOROUGH FISCAL YEAR 2017.

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 and the Aleutians East Borough School District for Fiscal Year 2017 is amended as follows:

REVENUES	FY17 BUDGET
Local	
Interest Income	\$35,000.00
AEB Fish Tax	\$3,200,779.00
AEBSD Refund	
Other Revenue	\$35,000.00
State	
Shared Fishery Tax	\$2,067,181
Extraterritorial Fish Tax	\$101,299
Landing Tax	\$35,218
Debt Reimbursement	\$1,311,650
State Aid to Local Government	\$321,526
Federal	
Payment in Lieu of Taxes	\$559,000
USF&WS Lands	\$36,256
Total FY16 Revenues	\$7,702,909
AEBSD Revenue	\$8,128,388

OPERATING FUND EXPENDITURES

Mayor	\$267,736
Assembly	\$148,000
Administration	\$359,957
Assistant Administrator	\$148,666
Clerk/Planning	\$186,406
Planning Commission	\$55,500
Finance	\$252,736
Natural Resources	\$200,927
Communications Manager	\$177,013
Maintenance Director	\$115,759
Educational Support	\$985,000
KCAP	\$112,500
Other	
Gen.Fund	
Equipment	\$35,000
AEB Vehicles	\$0
Repairs	\$5,000
Utilities	\$25,000
Aleutia Crab	\$93,719
Legal	\$100,000
Insurance	\$150,000
Bank Fees	\$7,500
EATS	\$150,000
Misc.	\$96,000
Donations	\$23,500
NLG Rev. Sharing	12,900
Web Service/Tech	\$30,000
Total Other	\$728,619
Total General Fund	\$3,738,819
Capital Projects	\$0
Bond Projects	\$0
Debt Services	\$2,170,000
Maintenance Reserve	\$100,000
Total Expenditure	6,008,819
Transfer to Helicopter Operation	\$1,352,700

AEB Surplus	\$341,390
AEBSD Expenses	\$8,128,388
Fund 20, AEB Community Grant, Revenues	\$1,368,000
Fund 20, AEB Community Grant, Exp.	\$1,368,000
Fund 22, Helicopter, Revenues	\$430,000
Fund 22, Helicopter, Expenditures	\$1,831,700
Fund 22, Terminal Operations, Revenues	\$139,620
Fund 22, Terminal Operations, Expenditures	\$83,964
Fund 24, Bond Project, Revenues	0
Fund 24, Bond Project, Expenditures	0
Fund 30, Bond Payments, Revenues	0
Fund 30, Bond Payments, Expenditures	0
Fund 40, Permanent Fund, Revenues	\$35,000
Fund 40, Permanent Fund, Expenditures	\$35,000
Fund 41, Maintenance Reserve, Revenues	\$2,785,000
Fund 41, Maintenance Reserve, Expenditures	\$2,785,000

Passed and adopted by the Aleutians East Borough Assembly this _____ day of February, 2017.

Date Introduced: _____

Date Adopted: _____

Mayor

ATTEST:

Clerk

REVENUES		FY17 Budget		FY17 Budget
	AEBSD Revenues	\$ 8,128,388.00		\$ 8,128,388.00
	Interest Income	\$ 35,000.00		\$ 35,000.00
Local	AEB Fish Tax	\$ 3,200,779.00		\$ 3,200,779.00
	AEBSD Refund			
	Other Revenue	\$ 35,000.00		\$ 35,000.00
State	Shared Fishery Tax	\$ 2,067,181.00		\$ 2,067,181.00
	Extraterritorial Fish Tax	\$ 101,299.00		\$ 101,299.00
	Landing Tax	\$ 35,218.00		\$ 35,218.00
	Debt Reimbursement	\$ 1,311,650.00		\$ 1,311,650.00
	State Aid to Local Governments	\$ 321,526.00		\$ 321,526.00
Federal	Payment in Lieu of Taxes	\$ 559,000.00		\$ 559,000.00
	USF&WS Lands	\$ 36,256.00		\$ 36,256.00
	Total FY Revenues	\$ 7,702,909.00		\$ 7,702,909.00
Operating Fund Expenditures				
	Mayor	\$ 267,736.00		\$ 267,736.00
	Assembly	\$ 148,000.00		\$ 148,000.00
	Administration	\$ 359,957.00		\$ 359,957.00
	Assistant Administrator	\$ 148,666.00		\$ 148,666.00
	Clerk/Planning	\$ 186,406.00		\$ 186,406.00
	Planning Commission	\$ 55,500.00		\$ 55,500.00
	Finance	\$ 252,736.00		\$ 252,736.00
	Natural Resources	\$ 200,927.00		\$ 200,927.00
	Communication Manager	\$ 177,013.00		\$ 177,013.00
	Maintenance Director	\$ 111,759.00	*increase \$4,000	\$ 115,759.00
	Educational Support	\$ 985,000.00		\$ 985,000.00
	KCAP	\$ 112,500.00		\$ 112,500.00
	Other GF			
	Equipment	\$ 35,000.00		\$ 35,000.00
	AEB Vehicles	\$ -		\$ -
	Repairs	\$ 5,000.00		\$ 5,000.00
	Utilities	\$ 25,000.00		\$ 25,000.00
	Aleutia Crab	\$ 58,522.00	*increase \$35,197	\$ 93,719.00
	Legal	\$ 100,000.00		\$ 100,000.00
	Insurance	\$ 150,000.00		\$ 150,000.00
	Bank Fees	\$ 7,500.00		\$ 7,500.00
	EATS	\$ 150,000.00		\$ 150,000.00
	Misc.	\$ 96,000.00		\$ 96,000.00
	Donations	\$ 23,500.00		\$ 23,500.00
	NLG Rev. Sharing	\$ 32,000.00	*decrease \$19,100	\$ 12,900.00
	Web Service/Tech Support	\$ 30,000.00		\$ 30,000.00
		\$ 712,522.00		\$ 728,619.00
	Total General Fund	\$ 3,718,722.00		\$ 3,738,819.00
	Capital Projects			
	Bond Projects			
	Debt Services	\$ 2,170,000.00		\$ 2,170,000.00
	Maintenance Reserve	\$ 100,000.00		\$ 100,000.00
	Total Expenditure	\$ 5,988,722.00		\$ 6,008,819.00
	Transfer to Helicopter Operation	\$ 1,352,700.00		\$ 1,352,700.00

	AEB Surplus	\$ 361,487.00		\$ 341,390.00
	AEBSD Expenditures	\$ 8,128,388.00		\$ 8,128,388.00
Fund 20	Community Grants AEB, Revenues	\$ 1,368,000.00		\$ 1,368,000.00
	Community Grants AEB, Expenditures	\$ 1,368,000.00		\$ 1,368,000.00
	Community Grants AEB, Revenues			
	Community Grants AEB, Expenditures			
	Community Grants AEB, Revenues			
	Community Grants AEB, Expenditures			
	Community Grants AEB, Revenues			
	Community Grants AEB, Expenditures	\$ 512,500.00		\$ 512,500.00
Fund 22, Helicopter, Revenues		\$ 430,000.00		\$ 430,000.00
Fund 22, Helicopter, Expenditures		\$ 1,782,700.00	*increase \$49,000	\$ 1,831,700.00
Fund 22, Terminal Operations, Revenues		\$ 139,620.00		\$ 139,620.00
Fund 22, Terminal Operations, Expenditures		\$ 83,964.00		\$ 83,964.00
Fund 24, Bond Project, Revenues		\$ -		\$ -
Fund 24, Bond Project, Expenditures		\$ -		\$ -
Fund 30, Bond Payments, Revenues		\$ -		\$ -
Fund 30, Bond Payments, Expenditures		\$ -		\$ -
Fund 40, Permanent Fund, Revenues		\$ 35,000.00		\$ 35,000.00
Fund 40, Permanent Fund, Expenditures		\$ 35,000.00		\$ 35,000.00
Fund 41 Maintenance Reserve, Revenues		\$ 2,785,000.00		\$ 2,785,000.00
Fund 41 Maintenance Reserve, Expenditures		\$ 2,785,000.00		\$ 2,785,000.00

				FY17 Budget		FY17 Mid Year Budget
Mayor's Office			3% COLA			
	Salary	\$ 77,712.35	\$ 2,331.37	\$ 80,044.00		\$ 80,044.00
	Fringe			\$ 28,592.00		\$ 28,592.00
	Travel			\$ 36,000.00		\$ 36,000.00
	Phone			\$ 1,500.00		\$ 1,500.00
	Supplies			\$ 1,000.00		\$ 1,000.00
	Lobbying, federal			\$ 75,600.00		\$ 75,600.00
	Lobbying, state			\$ 45,000.00		\$ 45,000.00
	Total Mayor's Office			\$ 267,736.00		\$ 267,736.00
Assembly						
	Meeting Fee			\$ 25,000.00		\$ 25,000.00
	Fringe			\$ 80,000.00		\$ 80,000.00
	Travel			\$ 40,000.00		\$ 40,000.00
	Supplies			\$ 3,000.00		\$ 3,000.00
	Total Assembly			\$ 148,000.00		\$ 148,000.00
Administration						
	Salary	\$ 187,152.72	\$ 6,002.00	\$ 193,155.00		\$ 193,155.00
	Fringe			\$ 65,798.00		\$ 65,798.00
	Engineering			\$ 25,000.00		\$ 25,000.00
	Travel & per diem			\$ 25,500.00		\$ 25,500.00
	Phone			\$ 7,100.00		\$ 7,100.00
	Postage			\$ 2,500.00		\$ 2,500.00
	Supplies			\$ 15,000.00		\$ 15,000.00
	Rent			\$ 23,404.00		\$ 23,404.00
	Dues & fees			\$ 2,500.00		\$ 2,500.00
	Total Administration			\$ 359,957.00		\$ 359,957.00
Assistant Administrator						
	Salary	\$ 92,700.00	\$ 2,781.00	\$ 95,481.00		\$ 95,481.00
	Fringe			\$ 30,782.00		\$ 30,782.00
	Travel			\$ 10,000.00		\$ 10,000.00
	Phone			\$ 1,000.00		\$ 1,000.00
	Supplies			\$ 2,500.00		\$ 2,500.00
	Rent			\$ 8,903.00		\$ 8,903.00
	Total Assistant Administrator			\$ 148,666.00		\$ 148,666.00
Clerk/Planning						
	Salary	\$ 91,059.00	\$ 2,540.07	\$ 93,600.00		\$ 93,600.00
	Fringe			\$ 34,306.00		\$ 34,306.00
	Travel & per diem			\$ 12,500.00		\$ 12,500.00
	Phone			\$ 7,500.00		\$ 7,500.00
	Postage			\$ 500.00		\$ 500.00
	Supplies			\$ 5,000.00		\$ 5,000.00
	Utilities			\$ 20,000.00		\$ 20,000.00
	Dues & fees			\$ 5,000.00		\$ 5,000.00
	Elections			\$ 8,000.00		\$ 8,000.00
	Total Clerk/Planning			\$ 186,406.00		\$ 186,406.00
Planning Commission						
	Salary			\$ 10,000.00		\$ 10,000.00
	Fringe			\$ 500.00		\$ 500.00
	Contract			\$ 25,000.00		\$ 25,000.00
	Travel/Per diem			\$ 20,000.00		\$ 20,000.00
	Permitting			\$ -		\$ -

	Total Planning Commission			\$ 55,500.00		\$ 55,500.00
Finance						
	Salary	\$ 130,848.09	\$ 3,663.27	\$ 134,511.00		\$ 134,511.00
	Fringe			\$ 52,725.00		\$ 52,725.00
	Travel & per diem			\$ 7,000.00		\$ 7,000.00
	Phone			\$ 5,000.00		\$ 5,000.00
	Postage			\$ 1,000.00		\$ 1,000.00
	Supplies			\$ 7,500.00		\$ 7,500.00
	Utilities			\$ 5,000.00		\$ 5,000.00
	Audit			\$ 40,000.00		\$ 40,000.00
	Total Finance			\$ 252,736.00		\$ 252,736.00
Natural Resources						
	Salary	\$ 89,516.28	\$ 2,685.50	\$ 92,202.00		\$ 92,202.00
	Fringe			\$ 30,822.00		\$ 30,822.00
	Travel & per diem			\$ 20,000.00		\$ 20,000.00
	Phone			\$ 1,500.00		\$ 1,500.00
	Supplies			\$ 2,500.00		\$ 2,500.00
	NPFMC			\$ 15,000.00		\$ 15,000.00
	BOF Meeting			\$ 30,000.00		\$ 30,000.00
	Rent			\$ 8,903.00		\$ 8,903.00
	Total			\$ 200,927.00		\$ 200,927.00
Communication Ma						
	Salary	\$ 95,707.50	\$ 2,871.22	\$ 98,579.00		\$ 98,579.00
	Fringe			\$ 33,518.00		\$ 33,518.00
	Travel & per diem			\$ 15,000.00		\$ 15,000.00
	Phone			\$ 2,400.00		\$ 2,400.00
	Supplies			\$ 2,500.00		\$ 2,500.00
	Rent			\$ 10,016.00		\$ 10,016.00
	Advertising/promotions			\$ 15,000.00		\$ 15,000.00
	Total			\$ 177,013.00		\$ 177,013.00
Other						
	Equipment			\$ 35,000.00		\$ 35,000.00
	AEB Vehicles			\$ -		\$ -
	Repairs			\$ 5,000.00		\$ 5,000.00
	Utilities			\$ 25,000.00		\$ 25,000.00
	Aleutia Crab			\$ 58,522.00	*increase \$35,197	\$ 93,719.00
	Legal			\$ 100,000.00		\$ 100,000.00
	Insurance			\$ 150,000.00		\$ 150,000.00
	Bank Fees			\$ 7,500.00		\$ 7,500.00
	EATS			\$ 150,000.00		\$ 150,000.00
	Misc.			\$ 96,000.00		\$ 96,000.00
	Donations			\$ 23,500.00		\$ 23,500.00
	NLG Rev. Sharing			\$ 32,000.00	*decrease \$19,100	\$ 12,900.00
	Web Service/Tech Support			\$ 30,000.00		\$ 30,000.00
	Total Other			\$ 712,522.00		\$ 728,619.00
Maintenance Director						
	Salary	\$ 62,500.00	\$ 1,875.00	\$ 64,375.00		\$ 64,375.00
	Fringe			\$ 30,384.00		\$ 30,384.00
	Travel & per diem			\$ 11,000.00	*increase \$4,000	\$ 15,000.00
	Phone			\$ 1,000.00		\$ 1,000.00
	Supplies			\$ 3,000.00		\$ 3,000.00
	Utilities			\$ 2,000.00		\$ 2,000.00
	Total Public Works			\$ 111,759.00		\$ 115,759.00

Education						
	Local Contribution	\$ 800,000.00	\$ 140,000.00	\$ 940,000.00		\$ 940,000.00
	Scholarships			\$ 25,000.00		\$ 25,000.00
	Student travel			\$ 20,000.00		\$ 20,000.00
	Total Educational Support			\$ 985,000.00		\$ 985,000.00
KCAP						
	Salary			\$ 2,500.00		\$ 2,500.00
	Fringe			\$ 5,000.00		\$ 5,000.00
	Travel & per diem			\$ 4,000.00		\$ 4,000.00
	Supplies			\$ 1,000.00		\$ 1,000.00
	Maintenance			\$ 100,000.00		\$ 100,000.00
				\$ 112,500.00		\$ 112,500.00
	TOTAL OPERATING BUDGET			\$ 3,718,722.00	\$ 20,097.00	\$ 3,738,819.00

				FY17		FY17 Mid Year
Fund 22 Terminal Operations						
Revenues						
	Remaining construction Loan/ Remaining FAA reimbursement					
	Other Income					
	Leases			\$ 139,620.00		\$ 139,620.00
				\$ 139,620.00		\$ 139,620.00
Expenses						
	Salary			\$ 27,847.00		\$ 27,847.00
	Fringe			\$ 3,617.00		\$ 3,617.00
	Contract					
	Travel & Perdiem					
	Phone, Internet			\$ 4,500.00		\$ 4,500.00
	Supplies			\$ 7,500.00		\$ 7,500.00
	Rental/Lease					
	Utilities			\$ 24,000.00		\$ 24,000.00
	Fuel/Gas			\$ 1,500.00		\$ 1,500.00
	Fuel/diesel			\$ 15,000.00		\$ 15,000.00
				\$ 83,964.00		\$ 83,964.00
Fund 22 Helicopter Operations						
Revenues						
	Medivacs			\$ 5,000.00		\$ 5,000.00
	Freight			\$ 75,000.00		\$ 75,000.00
	Other Income					
	Tickets, fees, etc.			\$ 350,000.00		\$ 350,000.00
				\$ 430,000.00		\$ 430,000.00
Expenses						
	Salary			\$ 120,000.00		\$ 120,000.00
	Fringe			\$ 31,500.00		\$ 31,500.00
	Travel			\$ 5,000.00		\$ 5,000.00
	Phone/Internet			\$ 2,000.00		\$ 2,000.00
	Supplies			\$ 20,000.00	\$ 40,000.00	\$ 60,000.00
	Contract			\$ 1,400,000.00		\$ 1,400,000.00
	Fuel/gas			\$ 10,000.00		\$ 10,000.00
	Fuel/diesel			\$ 150,000.00		\$ 150,000.00
	Insurance			\$ 18,200.00		\$ 18,200.00
	Utilities			\$ 8,000.00	\$ 9,000.00	\$ 17,000.00
	Rent/Lease			\$ 18,000.00		\$ 18,000.00
				\$ 1,782,700.00		\$ 1,831,700.00

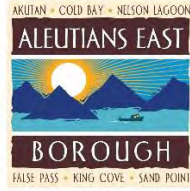
Aleutians East Borough--Capital Project List
 Approved FY17 Capital Project Funding-PFE Allocation

Project	Possible Funding Source(s)	Current Funding	Approved FY17 PFE Allocation	Mid-Year FY17 Budget Amendment
False Pass Harbor	Bonds/Leg	\$ 339,265		
Akutan Harbor	Bonds/Leg	\$ -	\$ 100,000	
Akutan Harbor Floats	Various	\$ 3,400,000		
King Cove Access Road	Leg	*	\$ 100,000	\$ 412,500
King Cove School Repairs		\$ 2,785,000		
Nelson Lagoon Erosion	Leg/PFE	\$ 903,000		
Cold Bay Clinic	Leg/Bonds/PFE	\$ 1,637,000		
Akutan Airport Transportation Link	CSA/Leg/Bonds	**		
King Cove Harbor-Stub Breakwater	Leg/Bonds	\$ -		
Sand Point Harbor Floats				
-Design/Eng/Mgmt.	PFE	\$ -	\$ 100,000	
-Construction	Leg/Bonds	\$ -		
Cold Bay Dock/Harbor	Leg/Bonds	\$ -		
Nelson Lagoon Dock Repairs				
-Design/Eng	PFE	\$ -	\$ 25,000	\$ 100,000
False Pass Harbor House				
-Design/Eng	Other	\$ -		
Borough Property Surveys		\$ -	\$ 85,000	
AEB Capital Project Contingency Fund			\$ 958,000	(512,500)
Total			\$ 1,368,000	\$ -

*This project has funding from the following sources: \$2 million State grant; FY16-\$100,000; \$2 million ADOT for construction

**This project includes approx. \$6 million in funding from Borough bonds, State funds and a State grant to the City of Akutan

Resolutions



AGENDA STATEMENT

TO: Mayor Mack and Assembly

FROM: Anne Bailey, Assistant Borough Administrator

DATE: February 3, 2017

RE: Robert E “Babe” Newman Harbor Transfer of Ownership

The Borough encourages economic development throughout the region, especially those related with the fishing industry. Due to the high cost of building harbors, docks, and other large projects the Borough uses its bonding capacity to build the infrastructure and enters into an agreement with the local community to operate and maintain the facility. Under this arrangement, the Borough does not have to manage the operation and the community gains a sense of ownership in the facility and is able to enhance their economies by collecting the revenues from the facility. Once the facility is paid for the Borough intends to transfer ownership of the facility to the local community.

The Robert E “Newman” Harbor was built in the late 1990’s and the Borough and City of King Cove entered into a Harbor Management Agreement for the facility on March 9, 1998. The Borough entered into a 1998 General Obligation Bond authorizing \$2.3 million toward the Harbor project and entered into a 2007 refunding bond which included portions of the 1998 bond and the 2002 Series E Bonds. The refunding bond does not expire until 2029; however, as of last day of February, 2015 the 1998 bond has been paid off and the Borough has the capability of transferring harbor ownership to the City.

Borough Resolution No. 17-17 would allow either the Mayor or the Administrator to issue the necessary documents to transfer to the City of King Cove the harbor and the tidelands used by the harbor. This would be accomplished by issuing two quit claim deeds for the tidelands. One for property that was previously owned by the City of King Cove and the other with the State of Alaska Tidelands Lease, which is subject to the Public Trust Doctrine.

Recommendation: AEB Staff recommends transferring the ownership of the Robert E “Babe” Newman Harbor to City of King Cove and the approval of Resolution No. 17-17.

QUITCLAIM DEED

The Aleutians East Borough, whose address is 3380 C Street, Suite 205, Anchorage, Alaska, 99503 (hereinafter “Grantor”), for and in consideration of one dollar, in hand paid, and other valuable consideration, hereby conveys and quitclaims unto the City of King Cove, Alaska, whose address is PO Box 37, King Cove, Alaska, 99612 , (hereinafter “Grantee”) the following described real property situated in the Aleutian Island Recording District, Third Judicial District, State of Alaska, and more particularly described as follows:

Alaska Tideland Survey No. 1556, Containing 69.466 Acres, More or Less,
According to the Survey Plat Recorded in the Aleutian Islands Recording District
on May 1, 1998, as Plat 98-11.

Together with all and singular, the tenements, hereditiments and appurtenances thereunto belonging or in any way appertaining, and including any title or interest acquired by, or released to, Grantee after the date hereof, subject to any easements, reservations of third party rights of record, if any.

Grantee may not enjoin any member of the public from using the Property for public trust purposes under the Public Trust Doctrine.

Title to land conveyed under this authority reverts to the Grantor upon dissolution of the Grantee.

TO HAVE AND TO HOLD the same premises unto the grantee, its representatives and assigns forever.

IN WITNESS WHEREOF the Grantor has hereunto set its seal and caused this Quitclaim Deed to be executed by its Administrator this ____ day of ____, 2017.

ALEUTIANS EAST BOROUGH

By: _____
Rick Gifford
Its: Administrator

QUITCLAIM DEED

The Aleutians East Borough, whose address is 3380 C Street, Suite 205, Anchorage, Alaska, 99503 (hereinafter “Grantor”), for and in consideration of one dollar, in hand paid, and other valuable consideration, does hereby convey and quitclaim unto the City of King Cove, Alaska, whose address is P.O. Box 37, King Cove, Alaska, 99612, (hereinafter “Grantee”) that part of ATS No. 316 as more particularly described as:

Tract A of Alaska Tidelands Survey No. 316, a subdivision of a remainder of Alaska Tideland Survey No. 316 situated in Sec. 21, T59S, R86W, SM, in the Aleutian Islands Recording District, Alaska, as shown on the subdivision plat thereof approved by the King Cove City Council acting as the King Cove Planning Commission on April 7, 1998 and signed on by the Mayor for the Planning Commission on April 9, 1998, filed as Plat no. 98-7 in the Aleutian Islands Recording District, containing 9.453 acres, more or less,...

Together with all and singular, the tenements, hereditiments and appurtenances thereunto belonging or in any way appertaining, and including any title or interest acquired by, or released to, Grantee after the date hereof, subject to any easements, reservations or other third party rights of record, if any.

TO HAVE AND TO HOLD the same premises unto the grantee, its representatives and assigns forever.

IN WITNESS WHEREOF the Grantor has hereunto set its seal and caused this Quitclaim Deed to be executed by its Administrator this ____ day of _____, 2017.

ALEUTIANS EAST BOROUGH, ALASKA

Rick Gifford, Administrator

The Quitclaim Deed is executed pursuant to Aleutians East Borough Resolution No. ____ adopted by the Assembly on _____, 2017.

Aleutians East Borough Clerk

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

This is to certify that before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared Rick Gifford, known to me as the Administrator of the Aleutians East Borough, and known to me to be the person who executed this instrument on behalf of the Borough.

WITNESSSS by had and official seal this ____ day of _____, 2016.

Notary Public for the State of Alaska
My Commission expires: _____

For recording in the Aleutians Islands Recording District
Third Judicial District, State of Alaska.

Upon recording, return to:
Joseph N. Levesque
Levesque Law Group
3380 C Street, Suite 202
Anchorage, AK 99503

City of King Cove

Special City Council Meeting

Wednesday – October 21, 2015 @ 6:30 PM

Alex & Mattie Samuelson Office Building

Agenda

Meeting called to order at 6:30 PM.

Roll Call:

Present: Alvin Newman (telephonically), Grant Newton (telephonically), David Bash, Warren Wilson, Brenda Wilson, Dean Gould, Mayor Henry Mack.

Also Present: Gary Hennigh (telephonically), Bonnie Folz (telephonically), Robert Gould, Charles Mack, Joe Calver, Cheryl Berntsen, Bailey Johnston, Brian Byler.

Motion to Introduce and Approve Minutes – May 28, 2015 & July 2, 2015

Motion made by Brenda Wilson and seconded by Warren Wilson. Roll Call: Grant Newton – Yes, David Bash – Yes, Warren Wilson – Yes, Brenda Wilson – Yes, Dean Gould – Yes, Alvin Newman – Yes. Motion Passed 6 – Yes.

Motion to Introduce and Approve Financials – September, 2015

Motion made by Brenda Wilson and seconded by Dean Gould. Warren asked if these are the first financials. Henry stated that these are for the month of September. Gary then stated that this is the first quarter of FY16. Bonnie stated that because we are still working on the FY15 audit there are still some FY15 expenditures and revenues in the financials that will be taken out after the audit is completed. No expenditures are out of line that we need to be concerned about. Supplies in all departments are in line and where they should be. The fuel fund will be looked at since most is internal we want to make sure that the figures are all being put in the appropriate places. Henry called for questions or comments. Roll Call: David Bash – Yes, Warren Wilson – Yes, Brenda Wilson – Yes, Dean Gould – Yes, Alvin Newman – Yes, Grant Newton – Yes. Motion Passed 6 – Yes.

Motion to Approve the Agenda (Amended)

Agenda was amended because minute dates were changed and Waterfall Creek Hydro update was moved to first item under New Business, City Landfill second item and public works roof third, this was due to visitor's reports. Motion made by David Bash and seconded by Brenda Wilson. Henry asked for questions or comments on the agenda. None. Roll Call: Warren Wilson

– Yes, Brenda Wilson – Yes, Dean Gould – Yes, Alvin Newman – Yes, Grant Newton – Yes, David Bash – Yes. Motion Passes 6 – Yes.

New Business

1.) Waterfall Creek Hydro Update

Bryan from Sunland Construction was introduced to the council. Bryan said that the Company has made a lot of progress since they started. The road is about 80% complete and while it is only 80%, it is connected from the powerhouse to the intake. They are starting to pour the concrete for platform. It can be a challenge whenever you are working with concrete in rural Alaska. As far as the overall schedule we are right where they are supposed to be. We are going to try and have the road complete and the powerhouse pad finished along with all parts ordered and prepared to ship before they break for the winter.

Henry asked if the new building was going to be done before they leave. Bryan replied; they will have that fabricated over the break. We want to be sure that it ties in correctly with the other building.

Henry then asked about the stockpile in the gravel pits. Bryan said that what they have stock piled will be for the bedding of the pipes. There is almost a mile of pipe and this pipe will go down the middle of road and then bedding rock on top. Conduits and the electrical will go right along with the pipe.

Henry asked about the geotextile fabric that they usually put on the roads before covering. Bailey (HDR engineer) replied; they have made modifications on the roads to protect the fabric and will not damage it when putting in the pipes. We want the gravel to be 6 to 12 inches above the geotextile fabric when the road is done for stability of the road. The work has gone fairly smoothly, they have hit some rock pockets and knobs that they have worked through, and have laid some French pipe for runoff from all the streams that converge in places. Bryan invited all council members to stop by anytime and they would show them around. He also stated that trucks can go up the road but they need 4 wheel drive. Warren asked what the highest grade is on the road; Bryan answered 20% at the last switchback.

Bryan stated that this road is not for everyday driving but mainly for access to the hydro. They have been doing tests on the concrete and other things and they all have been coming back within specification.

Dean asked if the gravel pits will be reclaimed and cleaned up at the end of the project. Bryan replied that they have already started and they will be all cleaned up after the project. He also stated that before the equipment leaves it will be left better than it is now.

Gary just wanted everyone to know that Bailey Johnston is the inspector for the engineers who designed the project. Gary is getting the City some media coverage on this project as Hydro power is pretty unique for rural Alaska.

3. Public Works Building Roof Replacement

Gary told the council that Dan Campbell just came in to speak about the landfill project and also wanted to let the council know that Dan is also doing some designs for the Public Works building roof. There has been a decision made for Sunland to look at the plans and specs for the roof of the Public Works building. Dan said that what they have designed is a panel system type roof and is very similar to what is out at the hydro plant. This would just be the roof not the sides of the building and this design is long lasting and we are confident that this is the way to go for the roof replacement.

Warren commented that the school is this way and they have a lot of leaks. He also said they have a roof at the airport of this design also. Warren asked if this type of roof would be strong enough with the winds. Dan assured him that the design and the specs had all been designed with the winds of King Cove in mind. These panels are not just screwed but all panels will be interlocked into the next panel.

Bryan (Sunland) commented that he had spoken to Joe regarding looking at the roof.

2. City Landfill & Incinerator Project Update

Gary and Bonnie were hoping to get to King Cove but weather prevented them from coming. Dan was going to come with them along with a wetlands scientist who was going to officially do the wetlands evaluation that was needed for the permit process. Gary said that when they come for a work session they will time it so Dan and the wetlands scientist can also come. Dan will show a video to the council at the work session that shows the incinerator unit that we are considering. At that time they will be having a public meeting to keep everyone apprised about what they are doing with the landfill project.

DEC has some regulations on these incinerators like air permitting, how heavy they are loaded, and also the burn times. They have figured now that in an 8 hour day you could burn off waste that was collected in 2 to 3 days, this takes into account collection, sorting and burn time. When we came out to King Cove last time we explored a lot of areas, we also looked at where we could put a new land fill. We have found a spot just north of the existing landfill. Right now we are working on the grant application and we need to get the wetland evaluation done and the jurisdictional determination report to turn into the corps of engineers.

Gary stated that the King Cove Corporation has said they would be donating the additional 5 to 6 acres needed for the landfill.

Henry questioned where the land was. Joe has marked the old boundary of the dump and you can tell where the new portion would start.

Warren questioned whether the building is still the same size as on the original plans by Round Hill; Dan told him yes. Warren also asked if the gravel there would be enough or

did they have to bring gravel in. Dan answered that there should be sufficient gravel there for the project.

Dave said he would like to see a bigger building to incorporate a recycle center along with the incinerators. Gary stated that recycling in rural Alaska is quite spendy and might not be a good fit. Dan answered that maybe down the road some they might be able to tie it in with recycling but that it would have to be cost effective.

Grant questioned the sorting of garbage, what is sorted? Dan answered that it would be items propane bottles, batteries, and metal.

Warren questioned the burning of plastic. Dan answered that plastic is being burned now, but said that there is no air going into the incinerators so pollution from the plastic is not a big issue.

Brenda questioned if more people needed to be hired for this. Joe told her no.

Warren questioned what equipment will be used for this job. Dan said a bobcat with a clam shell bucket, which will used to put garbage in the incinerator and then used after to clean out the ash. Liquid runoff from the garbage will go into a buried double walled tank, not sure of size at this point.

Gary stated that this should be a 2 to 3 million dollar project. We have 1 million in grant money now and should be able to get another 1 to 1.5 million in a grants. We may have to borrow money for the remainder.

Henry thanked Bryan, Bailey, and Dan for their time and all of their answers.

Resolutions

1. 16-06 – Expressing the City’s Expectations (Fall 2015) for the Izembek Road Project

Motion to introduce and approve Resolution 16-06 made by Dean Gould and seconded by David Bash. This resolution was made to give to the borough, to acknowledge the agreement between the borough and the City for reimbursement from the borough for costs associated with the Izembek Road project. The City should be getting the first of this money (\$625,000), after all documentation is signed by Mayor Henry Mack and by borough Mayor Stanley Mack. Then the City will get the second payment of \$825,000 after the sale of the hovercraft or within a reasonable time frame. This resolution also shows a formal MOA (memorandum of agreement) between the City and the borough for the City to continue as the lead organization responsible for leading and managing the Izembek road project. It will better serve the City of King Cove to have all this in Resolution form and signed by both parties and with the support and endorsement of the City Council.

Warren stated that he wondered how much longer Gary would be willing to put the time in for the Izembek Road project. Would the Council have to hire somebody else? He doesn’t want Gary to get overwhelmed with this project and all the other projects that the City is working on.

Henry stated that he has talked to Gary regarding this and Gary has told him that the Izembek Road project is Gary's project and he will not quit on this.

Roll Call: Brenda Wilson – Yes, Dean Gould – Yes, Alvin Newman – Yes, Grant Newton – Yes, David Bash – Yes, Warren Wilson – Yes. Motion Passed 6 – Yes

Gary shared some other things about Izembek; applauding Lisa Murkowski's new legislature going through Congress. The King Cove Corporation will not have to give up any of their lands for this. The tide lands and submerged lands of Kinzarof Lagoon (4700 acres) is more than adequate in terms of fair value exchange for the 206 acres that we want for the road right away.

The other thing is the lawsuit, where the judge told us we need to go back and fix this through the legislative arm and not the judicial arm of the law. We need to appeal the law suit, which means there is another cost involved. If Senator Murkowski gets this law passed we will not have to worry about the lawsuit. To file the appeal will be about \$5,000 in legal costs which must be filed by November 7th. The borough will not have an executive meeting until December and they need to be kept involved.

New Business

Henry stated that the next two items will be short as he thinks these would be better dealt with in a work session.

3. City Budget and Financial Outlook

Gary feels that budget wise he is more optimistic about the budget now than he was a couple of months ago or even a year ago (mostly because we are finally getting some of the Izembek expenditures paid back). Also we have been working on the pay back deficit plan.

4. Harbor and Port Department.

a. Robert E. "Babe" Newman Harbor Management Agreement with AEB

AEB has been waiting to transfer the new boat harbor to us. Gary feels that we need to tell AEB to transfer the new boat harbor to the City; this will not involve any cost to us. There are still some problems with the new boat harbor but that should be something that the corps of engineers, who built this, should fix. The new harbor should be fixed by the borough and the corps of engineers, as one of the conditions before we take over the harbor. Henry as if a yea or nay was needed from the Council.

Gary replied yes, it would have to be formal. We need to be able to show them in the minutes that there was a motion made to accept the transfer offer from AEB for the harbor to King Cove.

Henry then asked for a motion. Motion made by Dean Gould and seconded by Alvin Newman Jr. Henry asked for any questions or comments. Roll Call:

Dean Gould – Yes, Alvin Newman – Yes, Grant Newton – Yes, David Bash – Yes, Warren Wilson – Yes, Brenda Wilson – Yes. Motion passed – 6 Yes.

b. Status of the Harbor and Port Fund

Gary states that he feels the City can figure out how to solve this deficit issue. We will probably have to increase basic rates at the harbor and adjust (increase) the subsidy from the general fund that goes to the harbor. The troublesome part is not paying back just the deficits in the past but also looking at the future of the harbor and port fund. Last year the City had to subsidize the harbor by \$140,000 and this year looks like about \$200,000.

Gary has included the \$85,400 current subsidy for bond payments.

Bonnie says that we have been working on all the deficit paybacks and our biggest concern is the harbor; mainly because it is continuing to run in a deficit every year, over and above the \$85,400 that we put in for the bond payback. The City cannot afford to let it get any larger. She also feels that a rate increase and a bigger subsidy will be a start in the right direction. It is a work in progress. So the goal for the work session is to see what the deficits will be for this year and then projected out for about three years.

Henry stated that this is a good topic for a two day work session.

Warren asked if it would be prudent to just change the port and harbor to just the harbor.

Henry said that Port is mainly used for salary and fringe for barge unloading. He would like to see numbers; how much is earned from Coastal and how much we pay out for labor.

Grant stated that maybe we need to go like Sand Point and tell Coastal that we will only unload 8 to 5. We could have three harbor employees and they only work a 40 hour week and close up for the weekends.

Henry stated that they would look into that and try and have some information at the work session.

AJ said he likes the way our harbor is now. He says it might not affect everyone but it would affect the bigger boats. Sand Point guys miss fishing days because they cannot get their gear switched over on weekends and at night. They are not very happy with the harbor there and he would hate for our harbor to be like theirs.

Henry then asked if the 10th and 11th of November would work for everyone. Most council members said yes.

Gary asked that at this time he would like a consensus of the Council for using some of the first money from the Izembek payback for doing the roof on the public works building. The engineer's preliminary estimate is around \$225,000. All council members voted Yea to replacing the roof.

Public Comments and Reports

1. Public Comments

2. City Department Head Reports

Charles Mack (Harbormaster) says that they have gotten things cleaned up from salmon season and are getting ready for winter. They have hired Paul Dushkin for the position that was open at the harbor.

Henry asked if there are two people at work all the time at the harbor including weekends. Charles answered yes.

Dave asked if this was staggering the employees so there was no overtime and each employee only worked 40 hours per week. Charles told him yes.

Joe Calver (Public Works Department Head) said that they were jetting all the sewer lines downtown so hopefully there will be no issues this winter. We have just finished the dog kennel; there is a little more work around the perimeter. Next week they will be digging up the hydrant at the small boat harbor to plumb in the valve for the wash down. They then will be working on the drainage in front of the warehouse at the harbor. After Peter Pan employees leave we are going to drain the dam at the Rams and clean it all out. They have the D6 in the shop fixing the idler.

Dean asked how they are doing without a mechanic. Joe stated that everyone works on stuff. Major stuff we use NC machinery if in town. Dave commented that some places might need some gravel under the edges of the asphalt before they get undermined too much. Joe commented he would look at that.

Robert Gould Chief of Police says that they are just gearing up for starting the animal control. We have about 30 to 40 dogs registered so far and hopefully more will come in. The vet will be in on the October 23rd. and they have quite a list of animals to be seen. They are also looking at lighted traffic signs with Joe. These will be for downtown and up by the school.

Warren asked about the animal control position. Robert told him they had someone in mind and the police department would be doing the enforcement part.

Grant asked about unwanted dogs and what will happen to them. He said a new shelter was opening in Anchorage to help out with unwanted dogs. What are we going to do?

Bonnie spoke up and said that her along with Charlotte from the Borough have already had a rescue group commit to taking dogs out of King Cove.

Mayor and City Councils Comments

Henry brought up the topic of Essential Air Subsidy. Grant Air is asking for \$666,000 for the first year and \$600,000 for the next year to keep them flying. Henry wants to put in letter his concerns. If Grant gets this subsidy they will force Eider Air out of service. Henry would like to state that it is a concern for the community because since Grant has been here there have been issues with mail and passenger service.

Brenda commented that she has had issues with Grant Air herself. Bookings made on her behalf have had to been moved since Grant Air only claims 6 seats per day on their flights.

Warren commented that he didn't think - based on Grants struggles that the City had anything to worry about.

Gary then commented that Pen Air never did get the subsidy between King Cove and Cold Bay. It was there if they wanted it but they never used it. Gary did say that any company that applies for this must show their financial records to the federal government. They would have to show they need this money to survive.

Henry asked about asking for a stipulation that Grant could not drop their prices below what they are now. Gary feels that is fine to put in there.

Administrators Report

Gary just wanted to tell the Council that they have not exceeded the \$85,000 subsidy for senior electric when they add in the PCE they are getting for the seniors. He just wanted to let everyone know that the senior program is still intact. This will be revisited in two years as per City code. At some point the PCE might go away due to the state's budget but Gary feels this will not be soon.

Rich Stromberg was out in King Cove last week. We have been asking him about getting some more wind towers up and at least another years' worth of data on wind power. We did learn King Cove has Class 5 winds and these are commercially viable winds. Gary says that being able to add wind will make King Cove more of a unique renewable energy community. Gary says they should be out in King Cove November 10 and 11th.

Adjournment

Motion to adjourn made by Dean Gould and seconded by Dave Bash.

Meeting Adjourned 9:00 PM

RESOLUTION 17-17

A RESOLUTION BY THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE TRANSFER OF THE ROBERT E “BABE” NEWMAN HARBOR FROM THE ALEUTIANS EAST BOROUGH TO THE CITY OF KING COVE

WHEREAS, the Aleutians East Borough (Borough) exercises certain powers on a non-areawide basis, as well as certain powers on an areawide basis pursuant to the Aleutians East Borough Municipal Code (AEBMC) Chapters 45.05 and 45.10; and

WHEREAS, pursuant to AEBMC 45.10.020 the Borough exercises its economic development power to: “construct, improve, operate and maintain facilities such as docks, wharfs, harbors, transportation facilities and industrial development sites that will encourage or accommodate the needs of the fishing industry within the borough”; and

WHEREAS, pursuant to AEBMC 45.05.060 the Borough is mandated to exercise its power to construct, maintain, and regulate public docks, ports, and harbors, including the power to acquire and own such facilities; and

WHEREAS, the Borough used its powers to build the Robert E “Babe” Newman Harbor (Harbor) in King Cove and is presently the owner of the Harbor; and

WHEREAS, the Borough was required to maintain its ownership interest in the Harbor until it discharged the underling bond debt; and

WHEREAS, the Borough has now paid off the bond indebtedness for the Harbor; and

WHEREAS, the City of King Cove has requested that the Harbor be transferred to the City of King Cove to be used for a public purpose, operated and maintained by the City of King Cove; and

WHEREAS, the Assembly has determined that the public will benefit from the transfer of ownership; and

WHEREAS, AEBMC Chapter 50.10 contemplates government to government transfers, leases and conveyances of land owned or in possession of the Borough.

NOW THEREFORE BE IT RESOLVED by the Aleutians East Borough Assembly that the Mayor and/or Administrator of the Borough are hereby authorized to execute any and all documents to transfer, lease or otherwise convey ownership of the Harbor to the City of King Cove.

PASSED AND APPROVED by the Aleutians East Borough on this 9th day of February, 2017.

Stanley Mack, Mayor

ATTEST:

Tina Anderson, Clerk



Agenda Statement

Meeting Date: February 9, 2017

To: The Honorable Mayor Mack and Borough Assembly

From: Rick Gifford, Administrator

Re: **Memorandum of Agreement between the Aleutians East Borough and the City of King Cove for the King Cove Access Project**

The Aleutians East Borough (“Borough”) and the City of King Cove (“City”) have been working together for many years to build a safe, reliable road from the City of King Cove to the Cold Bay Airport for the community of King Cove. With the help of the State of Alaska, approximately 20 miles of the road has been constructed. Approximately 11 miles of road through the Izembek Wildlife Refuge still needs to be constructed.

The US Congress approved the land exchange to construct the road through the Izembek Wildlife Refuge and the President signed the bill in 2009, subject to an Environmental Impact Statement (EIS) and a finding from the Secretary of Interior that the road was in the public interest. The EIS was completed in 2013 and Secretary Jewel made a decision on December 23, 2013 that the road was not in the public’s interest.

Since the denial by Secretary Jewel, the Alaska Delegation introduced legislation to authorize the exchange to construct the road. Most recently, new legislation has been introduced in both houses of the 115th Congress (1st Session) with support from the Aleutians East Borough, City of King Cove, the State of Alaska through Governor Bill Walker and support from the Alaska Legislature.

The King Cove Group (KCG), representing the collective efforts of the Agdaagux and Belkofski Tribes, King Cove Corporation, Aleutians East Borough, and the City of King Cove have been actively working towards the approval of this road through the Izembek Wildlife Refuge from King Cove to the Cold Bay Airport.

The Borough Code, 45.05.060, provides that the Borough, pursuant to Alaska Statute 29.35.210(b)(1), the power to acquire, construct, maintain, regulate and operate roads, vessels, and vehicles, including passenger, marine, and vehicle terminals and all related equipment and facilities that are necessary or appropriate for the construction, maintenance, regulation and operation of roads, vessels and vehicles that comprise a transportation system that interconnects cities and communities within the Borough. Based on this authority, the Borough with the assistance of the City have been working diligently to provide safe, reliable transportation for the residents in King Cove to access the airport in Cold Bay. Funding from several sources was provided to construct approximately 20 miles of the road with the hope that a hovercraft, funded by the federal government, would provide the additional transportation from the Northeast Corner to Cold Bay. However, the hovercraft proved to be not only very expensive to operate, but did not provide the reliable safe transportation needed on a 24 hour, 365 day basis. While the Borough worked on the first twenty miles of road and the hovercraft, the City continued to pursue legislation that would provide the remaining 11 miles of road through the Izembek Wildlife Refuge.

MEMORANDUM

MOA for King Cove Access Project

Page 2

The attached MOA and associated documents show that the Borough and the City have been working together to construct the existing road and to obtain the additional 11 miles of road through the Izembek Wildlife Refuge to complete the transportation system from the City of King Cove to the Cold Bay Airport. The MOA provides for reimbursement to the City for prior expenditures and current expenditures related to the road project known as the King Cove Access Project. The MOA has been reviewed by Borough Attorney, Shane Levesque.

Recommendation

Staff recommends that the Borough Assembly approve Resolution No. 17-18 authorizing the Borough Mayor to enter into a Memorandum of Agreement with the City of King Cove for the King Cove Access Project.

Memorandum of Agreement
between
Aleutians East Borough and City of King Cove
for the
King Cove Access Project

1.0 Purpose – This Memorandum of Agreement (“MOA”) documents the mutual understanding between the Aleutians East Borough (“AEB”) and the City of King Cove (“City”), collectively referred to as the “Parties”, with respect to the King Cove Access Project (“KCAP”), which has since 2006 also been commonly referred to as the Izembek Land Exchange and Road Project. Both project titles represent the same project objective, which is the creation of a road to connect the City of King Cove to the Cold Bay Airport.

This MOA sets out the Parties’ understanding regarding program oversight, management responsibilities, and terms of partial reimbursement for KCAP, and includes two major sections:

- A. Project oversight and management responsibilities and authorities for FY17 (July 1, 2016 through June 30, 2017); and,
- B. Cost reimbursement provisions, which are allocated into two funding categories/sources, and which address the periods between: 1) FY07 through FY15, which is specifically defined from January 1, 2007 through June 30, 2015; and, 2) FY17, which is specifically defined as July 1, 2016 through June 30, 2017.

2.0 Background Information – Four documents serve as the primary sources of the Parties’ assumptions and expectations for this MOA. These documents include:

- City Resolution 16-06, dated October 21, 2015;
- Letter to the AEB Assembly from Mayor Henry Mack, dated August 17, 2015;
- Letter to the AEB Assembly from Mayor Stanley Mack, dated June 9, 2015; and,
- City Resolution 15-14, dated February 20, 2015.

The Parties acknowledge that various statements and expectations set forth in the two City resolutions have not been officially endorsed by AEB in writing. However, there have been numerous verbal discussions between AEB and City regarding these statements and expectations and there are no known significant conflicting opinions.

Both Parties acknowledge that the City has continued to responsibly and timely function as the lead local government organization managing and directing the KCAP.

3.0 Project Oversight and Management Responsibilities and Authorities

The Parties' respective oversight and management responsibilities and authority pursuant to this MOA shall be as follows:

- A. The City, represented by Gary Hennigh (Administrator), through Mayor Henry Mack, will continue be the lead, local government organization responsible for managing and coordinating the KCAP through June 30, 2017. This includes all major KCAP actions and responses to ongoing or new federal and state government legislative requests, procedures, cost decisions, and miscellaneous technical issues, including external communications and media activities
- B. The City shall provide AEB, represented by Rick Gifford (Administrator), through Mayor Stanley Mack, with timely information about any prospective actions regarding the KCAP, so that it may discuss, review, submit comments, and make recommendations with respect to such actions before they are taken by the City in fulfilling the responsibilities set forth in paragraph A.
- C. In the unlikely event of any significant unresolved legislative, political, procedural, or otherwise technical disagreements between the City and AEB regarding project oversight and management activities in furtherance of the KCAP, both Parties agree that the City has authority to make final decisions regarding the actions taken in furtherance of the project. However, the Parties agree and acknowledge that, where AEB has advised the City of its disagreement with any proposed project oversight and management activity, AEB may refuse to reimburse the City for the costs related to such activity, pursuant to sections 4.2 and 4.4 of this MOA.

4.0 Cost Reimbursement

The Parties acknowledge that the City has expended substantial funds in pursuit of the KCAP. The Parties intend for this MOA to confirm their mutual understandings regarding AEB's reimbursement of a portion of the expenses incurred by the City in advancing the KCAP, up to the limits and according to the terms set out below.

Accordingly, this MOA has four Cost Provisions, which include:

4.1 - Cost Provision #1 –AEB has already reimbursed the City \$625,000 for documented KCAP project costs incurred by the City between FY07 and FY15 (included in the FY16 budget). Additional payments (cost reimbursements) of KCAP project costs of up to \$825,000 for FY07 and FY15 will also be paid at a later time as documented in following Section 4.3.

4.2 - Cost Provision #2 - AEB’s approved FY16 budget allocated \$100,000 for “ongoing expenditures for FY16 that would be incurred by the Borough and/or the City of King Cove” (see above Section 2.0 – Letter to the AEB Assembly from Mayor Stanley Mack, dated June 9, 2015).

AEB and City acknowledge that all or most KCAP expenditures incurred in FY16 in fulfilling the project oversight and management responsibilities defined in above section 3.0 of this Agreement have been paid and/or reimbursed with this funding, including the continuing: federal lobbyist and legal representation; technical consulting; media and communication costs; and selected travel costs. To the extent the City incurred KCAP costs in excess of \$100,000 for FY16 KCAP activities, including any deduction for FY16 KCAP directly paid by AEB costs and concurred with by the City, the City acknowledges and agrees that AEB is not responsible for reimbursing such costs.

The Parties also acknowledge and agree that no FY16 personnel or travel costs for any AEB or City elected officials or employees are eligible for reimbursement.

4.3 - Cost Provision #3 – The Parties acknowledge that the reimbursements made to the City for KCAP costs under Section 4.1 will not fully reimburse the City for all of its FY07 through FY15 KCAP costs. A second payment for reimbursement of KCAP project costs of up to \$412,500 for substantiated FY07 and FY15 will also be paid after the FY17 mid-year budget amendment has been approved by the Borough Assembly. AEB shall make a third and final cost reimbursement payment to the City of up to \$412,500 of substantiated FY07 through FY15 costs when AEB has completed its sale of the hovercraft SUNA-X, or adopted its FY18 budget, whichever occurs first.

The parties understand that these cost reimbursements will fully or partially cover costs previously paid by the City to federal lobbyists for project advocacy, KCAP legal advice in developing legislative and political strategies, technical & scientific consultants, State of Alaska costs, media consultants & communications, and selected travel costs, including field trips to Washington, DC and National Congress of American Indian meetings for non-City employees.

No City personnel or travel costs shall be included in any reimbursement pursuant to this section.

4.4 - Cost Provision #4 – AEB’s approved FY17 operating budget has allocated \$100,000 for ongoing expenditures for FY17 to continue KCAP. FY17 costs eligible for reimbursements shall be limited in scope to those items listed in Section 4.2, including the continuing federal lobbyist & legal representation, technical consultants, media & communication costs, and selected travel costs.

The Parties agree that the City must discuss all KCAP costs totaling or expected to total more than \$5,000 for which reimbursement is or may be sought under this Cost Provision #4 with AEB, and the Parties must deem such costs mutually agreeable, in order to be eligible for reimbursement.

It is also acknowledged and agreed to by both Parties that no FY17 personnel or travel costs for any AEB or City elected officials or employees are eligible cost reimbursements under Cost Provision #4.

5.0 Dispute Resolution – In the event of any disputes per this MOA, both parties agree to a reasonable dispute resolution process to be determined and agreed upon in consultation with either, or both, legal counsel representing AEB and City. Each party will be responsible for their own dispute resolution costs.

6.0 Entire Agreement – This MOA represents the entire agreement of the Parties with respect to its subject matter. Amendments to this MOA shall be agreed upon by the Parties in writing.

7.0 Time Period – The effective date of this MOA will commence upon final execution of this Agreement, and shall end on June 30, 2017. Any extension of the terms of this MOA beyond June 30, 2017 shall be agreed upon by the Parties in writing.

Signed by:

City of King Cove

_____	Mayor _____	_____
Henry Mack	Title	Date

Aleutians East Borough

_____	Mayor _____	_____
Stanley Mack	Title	Date

CITY OF KING COVE

Resolution 16-06

A Resolution Expressing the City's Expectations (Fall 2015) for the Izembek Land Exchange and Road Project

WHEREAS, the City wishes to further document its understanding and expectations for the Izembek Land Exchange and Road Project (also referred to as the King Cove Access Project); and,

WHEREAS, on behalf of Aleutians East Borough (AEB) starting in 2006, the City accepted the responsibility and commitment to organize and lead another attempt to seek Congressional approval for the Project;

WHEREAS, after nine years, the City's commitment in accepting this responsibility has greatly exceeded its initial financial and personnel expectations;

WHEREAS, the City informed AEB of these concerns and AEB has now responded in a positive manner to address this situation;

WHEREAS, the City will now submit an initial \$625,000 payment reimbursement request to AEB for the Project with the expectation it will be quickly reimbursed with approved funding in AEB's FY16 budget; and,

WHEREAS, the City will then submit, at a later date, a second/final payment reimbursement request to AEB for up to \$825,000 for the Project; and,

WHEREAS, this second reimbursement request will ideally not be submitted to AEB prior to the sale of the hovercraft, however, if the sale and revenue from the hovercraft does not occur in a reasonable time frame, then the City will expect AEB to pay this request through other budget means; and,

WHEREAS, the above amounts are consistent with the costs identified in City Resolution 15-14, which was then forwarded to AEB; and

WHEREAS, these total costs of \$1.45 million will fully satisfying the City's reimbursement expectations for the Project for the past six years; and,

WHEREAS, the City also understands that for FY16 that AEB can reimburse the City for up to \$100,000 in FY16 costs directly related and documented for the for Project; and,

WHEREAS, the City acknowledges and accepts without hesitation that no City personnel costs have been included in any of the above stated Project costs for reimbursement; and,

WHEREAS, the City understands and will fully cooperate with AEB to strategize and maximize these reimbursements coming from either AEB grant sources, AEB general funding sources, including the eventual revenue from the sale of the hovercraft; and,

WHEREAS, commencing immediately the City desires to enter into a formal Memorandum of Agreement (MOA) with AEB for the City to continue as the lead organization responsible for managing and coordinating the Project.

NOW THEREFORE BE IT FURTHER RESOLVED, that the City Council endorses these financial reimbursement expectations;

BE IT FURTHER RESOLVED, the City Council hereby authorizes the City Administration to prepare the MOA and then authorizes City Mayor Henry Mack, upon his approval, to sign the MOA and officially forward the MOA to AEB Mayor Stanley Mack for his approval and acceptance; and,

FINALLY, BE IT FURTHER RESOLVED, that the final approval and acceptance of the MOA will be official upon the signatures of both Mayors.

PASSED AND APPROVED BY THE KING COVE CITY COUNCIL on this 21 day of October, 2015.


Henry Mack
Henry Mack, Mayor

ATTEST:

Cheryl Berntsen
Cheryl Berntsen, City Clerk

Ayes 6
Nays 0

Abstained 0
Absent 0



P.O. Box 37
King Cove, AK 99612
hmackmayor@gmail.com

Office of the Mayor

August 17, 2015

Re: King Cove Access Project – Financial Reimbursement to the City

Dear Aleutians East Borough Assembly Members,

After Thursday's Assembly meeting, I feel compelled to write this letter. I strongly believe the Aleutians East Borough Assembly has a responsibility to the residents of King Cove to quickly and amicably resolve the financial issues surrounding the King Cove Access project.

The first, four bullet points in Mayor Mack's June 9th letter are the HEART of this issue. As Mayor Stanley points out in his letter, this issue is not about politics. Nor, is it about personalities. It is all about helping the residents of King Cove obtain road access to the Cold Bay Airport.

Furthermore, all of this information was further documented in my January 15, 2015 letter to Mayor Mack and all Assembly members. Then, the City adopted Resolution 15-14, on February 20, 2015, entitled "*A Resolution of Expressing the City's Financial and Project Responsibility Concerns for the Izembek Land Exchange Project to the Aleutians East Borough.*" This resolution was forwarded to the AEB Administration.

One of my frustrations is the apparent reluctance for some of you to read and understand this information in order to have a factual and informed discussion on this matter. I respectfully urge you to do this.

I was the Mayor of King Cove when Bob Juettner initially informed our City Administrator in 2006 that if the City wanted to pursue another attempt to get approval for the road, the City would need to take the lead. Our City Administrator explained this in great detail to the City Council - as with everything he does - and the Council and I agreed. At that point, we authorized him to hire Steve Silver as our team's lobbyist to develop and execute a plan to seek new federal authorization to obtain road approval. At that time, when we thought the cost to accomplish this would be no more than a couple hundred thousands of dollars, the city was prepared to deal with those anticipated costs.

Subsequent to this understanding and commitment, the City Administrator has spent the majority of his time for the past 6+ years dealing with all of the technical, procedural, financial, and political issues surrounding this topic. In particular, the EIS process was a four year ordeal involving many consultants, many government agencies, the public, and our DC and Juneau lobbyists. He has coordinated EVERY aspect of the EIS and related issues with AEB, King Cove Corporation, and the Agdaagux and Belkofski tribes.

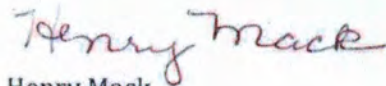
Additionally, part of his professional responsibility was writing and educating the King Cove City Council and me on five different resolutions and memos concerning how and who should be paying for all of the costs, which became extensive starting in 2009 (2009 was the point where the city had spent \$200,000 and determined it must request financial support from AEB to continue).

Four of these memos/requests, including the 2006 directive from Bob Juettner, have been during my terms as Mayor. Now, it seems to me that some members of the AEB Assembly are apparently in opposition to this history, process and financial requests from the City. As Mayor, I am personally taking this opposition as a "statement" against the residents of King Cove and me. This is simply not fair. Nor, is it a reflection on how well the AEB and city have worked together on many past issues. I also cannot explain why all of these previous requests to AEB for funding were not responded to in a timely manner, but the City has moved beyond this concern. Instead, we simply need a timely and fair resolution of these financial matters.

I respectfully ask each of you to support the AEB Administration on their FY16 budget request. AEB and the City have come too far and have gone through a lot of political and procedural controversies on this issue to now go sideways on these financial requests and responsibilities.

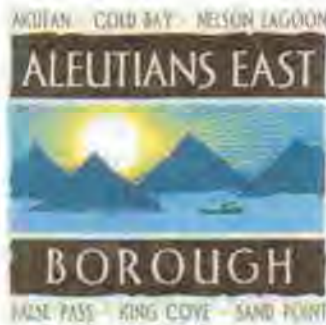
Please feel free to call me (497-2340/office or 947-6468/cell) to discuss any of my statements and concerns in this letter. Thank you.

Sincerely,

A handwritten signature in red ink that reads "Henry Mack". The signature is written in a cursive style with a large, stylized "H" and "M".

Henry Mack
Mayor

Cc: AEB Mayor Stanley Mack
Rick Gifford, AEB Administrator



June 9, 2015

Honorable Members
Aleutians East Borough Assembly
P. O. Box 349
Sand Point, AK 99661

Re: FY 2016 Proposed Budget – Fund 20

Dear Assembly Members:

On May 28, 2015, the Borough Assembly adopted an amendment zeroing out \$725,000 in funding Fund 20. The FY16 proposed budget included \$725,000 in Fund 20 for AEB Community Grants for funding the road from King Cove to the Airport at Cold Bay. Of the \$725,000, approximately \$625,000 was to partially reimburse the City of King Cove for expenditures the City incurred for the Izembek Land Exchange portion of the project and \$100,000 was for ongoing expenditures for FY16 that would be incurred by the Borough and/or the City of King Cove. After careful consideration, in order to protect the Borough from unacceptable risks and liabilities concerning this project, and further in order safeguard the public interest, I hereby veto this amendment.

A veto is a serious act. Such an action calls for careful analysis and full transparency to both you and the public. As Mayor, it is my duty to safeguard the public interest. It is my responsibility, along with the Borough Assembly, to protect the Borough from unacceptable risks and liabilities. This is not about politics. Accordingly I veto the motion to amend the budget for the following reasons:

- In 1997, AEB accepted the financial and institutional responsibility for the King Cove Access Project (KCAP) as a regional transportation project per AEB Code Section 45.05.060 which allows the Borough to provide for transportation systems on an area wide basis. AEB has entered into an agreement with the State to maintain the road between King Cove and the NE Corner and provide a

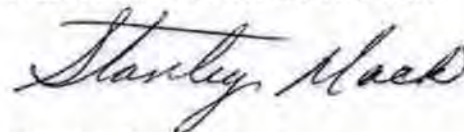
marine link from the NE Corner to Cold Bay for a minimum of twenty years in exchange for the State constructing the road to the NE Corner.

- AEB has accepted and performed similar technical and financial project responsibilities for other regional transportation projects, including the Sand Point Airport Realignment and Extension and the new Akutan Airport and transportation link to the community of Akutan from the new airport on Akun Island.
- At the request of AEB, the City of King Cove was the primary technical and political advocate as the lead, local government organization responsible for continuing the KCAP process to complete the road through the Izembek Wildlife Refuge, which included a land exchange, and has spent City funds for a Borough project doing so.
- The City of King Cove has requested reimbursement of funds spent for a Borough regional transportation project.
- Funds for the FY16 budget are being provided by the General Fund, which has sufficient funds, with plans to reimburse the General Fund from proceeds from the sale of the hovercraft, SUNA X.
- Funds from the sale of the hovercraft need to be used on regional transportation projects that have had federal funding, which currently includes the KCAP and the Akutan Airport Transportation Link.

For the reasons outlined above, and to fulfill my responsibilities to the people of the Aleutians East Borough, I have decided to veto the motion to amend the budget. I remain committed to working with you to find ways to improve transportation throughout the Borough.

Sincerely,

ALEUTIANS EAST BOROUGH

A handwritten signature in cursive script that reads "Stanley Mack".

Stanley Mack, Mayor

cc: Joseph N. Levesque, Borough Attorney
Tina Anderson, Borough Clerk

CITY OF KING COVE

Resolution 15-14

A Resolution Expressing the City's Financial and Project Responsibility Concerns for the Izembek Land Exchange Project to the Aleutians East Borough (AEB)

WHEREAS, the City of King Cove wishes to further document its understanding and expectations of the Izembek Land Exchange Project; and,

WHEREAS, the presentation and request of these issues as expressed in a January 15, 2015, letter to AEB Mayor Stanley Mack & AEB Assembly Members from City of King Cove Mayor Henry Mack remain as the general basis for this resolution, however, a number of subsequent clarifications and recommendations are now deemed necessary and relevant, including;

- 1) In 1997, AEB accepted the financial and institutional responsibility for the King Cove Access Project (KCAP) as a regional transportation project following the City's political and project advocacy commencing many decades earlier; and,
- 2) AEB has also accepted and performed similar technical and financial project responsibilities for other regional transportation projects, including the Sand Point Airport Realignment & Extension and the new Akun Island Airport and transportation link to the community of Akutan from this new airport; and,
- 3) At the request of AEB, the City was willing and able to accept the primary technical and political advocacy role as the lead, local government organization responsible for continuing the KCAP process.

WHEREAS, the City, on behalf of AEB, accepted this responsibility and commitment to organize and lead another attempt to seek Congressional approval for completing the King Cove Access Project (which eventually became known as the Izembek Land Exchange Project);

WHEREAS, now after nine years the City's commitment in accepting this responsibility has greatly exceeded its initial financial and personnel expectations; and,

WHEREAS, subsequent to the January 15, 2015, letter to AEB Mayor Stanley Mack, the City Administration and City Council had a number of additional discussions and reviews of other AEB transportation project responsibilities, which lead to the City determining it was necessary and appropriate to modify its earlier requests in the January 15th letter.

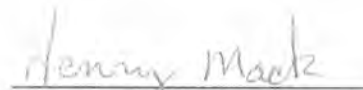
NOW THEREFORE BE IT FURTHER RESOLVED, the city requests a formal AEB Agreement to continue as the lead entity responsibility for managing and coordinating the continuation of the Izembek Project;

BE IT FURTHER RESOLVED, this Agreement needs to include the provisions and timeframes for AEB reimbursing the city for past, present, and future costs to continue the Izembek Project;

BE IT FURTHER RESOLVED, attached Tables A and B document the city's requests and funding "ideas" to support AEB's financial commitment for the Izembek Project, as well as, suggesting future funding considerations for being prepared to move on to completing the road construction phase and for maintaining the Project; and,

FINALLY, BE IT FURTHER RESOLVED, that if the City and AEB can not arrive at a timely and mutually acceptable agreement, then the City must consider the following actions: 1) discontinuing its formal participation in managing and coordinating the Izembek Project, and 2) seek other alternative approaches for dealing with the financial dilemma that the City has acquired in its good-faith willingness and performance to manage the Izembek Project on behalf of AEB for the last 9 years.

PASSED AND APPROVED BY THE KING COVE CITY COUNCIL on this 20 day of Feb, 2015.


Henry Mack, Mayor

ATTEST:


Cheryl Berntsen, Acting City Clerk

Ayes	<u>5</u>	Abstained	<u>0</u>
Nays	<u>0</u>	Absent	<u>1</u>

TABLE A

IZEMBEK PROJECT COSTS & CONTRIBUTION SUMMARY

PROJECT COST SUMMARY

	<u>City</u>	<u>State</u>	<u>Cumulative Total</u>
FY07 – FY13	878,153	600,000	1,478,153
FY14	193,364	-	1,671,517
FY15 (est.)	100,000	-	1,771,517

COST CONTRIBUTIONS TO DATE

City of King Cove	1,538,517
King Cove Corporation	210,000
Aleutians East Borough	<u>23,000</u>
	1,771,517
City Contribution (Prior Commitment)	<u>- 250,000</u>
AEB Reimbursement Request	1,521,517

CITY'S RECOMMENDATIONS

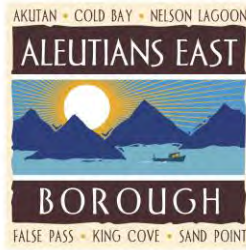
- \$750,000 – AEB FY16 Budget (50% of the reimbursement).
- \$772,000 – AEB transfers to the City this amount upon sale of the hovercraft per a time specific agreement and/or other AEB funding sources and assurances.
- FY16 costs and funding sources to be identified at a later date.
- Upon the sale of the hovercraft use \$1.0 million to establish a M&O Capitalization Fund (see footnote below)

M&O Capitalization Fund – capitalizing an M&O fund at this amount now could provide for up to at least 20 years of M&O funding for the road to the NE Corner. Providing for this funding is consistent with the actions that AEB has recently accepted for the transportation link between Akun Island and Akutan. Also, having an M&O fund, which could potentially be transferred to the State, may potentially help AEB in convincing the AK Dept. of Transportation to take over the long-term M&O of the entire road.

TABLE B

Recommended Priorities for AEB Izembek State Grant

1)	\$150,000	Current/Approved Lawsuit Cost Estimate.
2)	\$150,000	Reimbursement (partial) to City for FY07 - FY15 costs
3)	\$100,000	Reserve for ongoing Project expenses for 2016
4)	<u>\$1,550,000</u>	"Earmark" Funding for Permitting & Engineering for Last 9 miles (see memo)
	\$1,950,000	TOTAL



RESOLUTION No. 17-18

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH AUTHORIZING THE BOROUGH MAYOR TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH THE CITY OF KING COVE FOR THE KING COVE ACCESS PROJECT.

WHEREAS, the Aleutians East Borough (“Borough”) and the City of King Cove (“City”) have been working together for many years to build a safe, reliable road from the City of King Cove to the Cold Bay Airport for the community of King Cove; and

WHEREAS, with the help of the State of Alaska, approximately 20 miles of the road has been constructed and approximately 11 miles of road through the Izembek Wildlife Refuge still needs to be constructed; and

WHEREAS, the US Congress approved the land exchange and the President signed the bill in 2009, subject to an Environmental Impact Statement (EIS) and a finding from the Secretary of Interior that the road was in the public interest. The EIS was completed in 2013 and Secretary Jewel made a decision on December 23, 2013 that the road was not in the public’s interest; and

WHEREAS, since the denial by Secretary Jewel, the Alaska Delegation introduced legislation to authorize the exchange and road construction; and

WHEREAS, most recently, new legislation has been introduced in both houses of the 115th Congress (1st Session) with support from the Aleutians East Borough, City of King Cove, the State of Alaska through Governor Bill Walker and support from the Alaska Legislature; and

WHEREAS, the King Cove Group (KCG), representing the collective efforts of the Agdaagux and Belkofski Tribes, King Cove Corporation, Aleutians East Borough, and the City of King Cove have been actively working towards the approval of this road through the Izembek Wildlife Refuge from King Cove to the Cold Bay Airport; and

WHEREAS, the Borough Code, 45.05.060 allows the Borough pursuant to Alaska Statute 29.35.210(b)(1) the power to acquire, construct, maintain, regulate and operate roads, vessels, and vehicles, including passenger, marine, and vehicle terminals and all related equipment and facilities that are necessary or appropriate for the construction, maintenance, regulation and operation of roads, vessels and vehicles that comprise a transportation system that interconnects cities and communities within the Borough; and

WHEREAS, the Borough and the City have been working diligently to provide safe, reliable transportation for the residents in King Cove to access the airport in Cold Bay; and

WHEREAS, the attached MOA and associated documents show that the Borough and the City have been working together to construct the existing road and to obtain the additional 11 miles of road through the Izembek Wildlife Refuge to complete the transportation system from the City of King Cove to the Cold Bay Airport; and

WHEREAS, the MOA provides for reimbursement to the City for prior expenditures and current expenditures related to the road project known as the King Cove Access Project.

NOW, THEREFORE, BE IT RESOLVED THAT the Aleutians East Borough hereby authorizes the Borough Mayor to enter into a Memorandum of Agreement with the City of King Cove for the King Cove Access Project.

PASSED AND APPROVED BY THE ASSEMBLY OF THE ALEUTIANS EAST BOROUGH on this 9th day of February, 2017.

IN WITNESS THERETO:

By: _____
Stanley Mack, Mayor

ATTEST: _____
Tina Anderson, Borough Clerk

OLD BUSINESS

None

New Business

None

REPORTS AND UPDATES



Memorandum

Date: February 6, 2017

To: The Honorable Mayor Mack and Borough Assembly

From: Rick Gifford, Administrator

Re: **Administrator's Report**

King Cove Access Road

In January 2017, Senators Lisa Murkowski, Dan Sullivan and Congressman Don Young introduced bills in both houses of the 115th Congress which includes an equal value land transfer in exchange for construction of a short, single-lane, non-commercial road linking remote King Cove to the nearby all-weather Cold Bay airport.

In addition, Speaker of the State House, Bryce Edgmon introduced HJR 6 supporting the Federal legislation for the King Cove to Cold Bay Airport road which was unanimously approved by the House on Wednesday, February 1st. A hearing on the bill was scheduled for the State Senate Resource Committee on Monday, February 6th. The City of King Cove and the Aleutians East Borough met with Governor Walker on Wednesday, January 25 and he continues to express his full support for the road.

The King Cove Group (Agdaagux and Belkofski Tribes, King Cove Corporation, Aleutians East Borough, and the City of King Cove) traveled to Washington DC the week of January 30th and met with the Alaska delegation concerning the legislation for the life-saving road. We also met with staff of approximately 24 other US Senators, representatives with the Department of Interior and representatives for the National Congress of American Indians (NCAI). The DC trip was probably one of the most positive trips about the possibility of getting the land exchange and road that I have attended.

We continue to work with Senator Murkowski and the other Alaska delegation to get approval of a land exchange for the road from Congress.

Sale of Hovercraft

We continue to work with Keith Whittemore to market and sell the hovercraft. There continues to be interest in the hovercraft and Keith is providing information about the hovercraft to each party as requested. One of the interested parties traveled to Akutan the second week of February, 2016 to inspect and take the hovercraft for a test ride. This party is still interested in the hovercraft and has indicated that they are working on financing and an offer. They are in the process of reviewing issues such as, moving the craft, USCG certifications, potential class certification, MCA approvals, engine emissions, etc. We also understand that another entity from the lower 48 is working on an offer. In addition, a Russian oil company service company sent a representative to

MEMORANDUM

Borough Administrator's Report

Page 2

see the hovercraft the first part of December, 2016. We are told that they are very interested and are working with Vigor to determine the costs to acquire and transport the vessel.

State Legislative Trip

The Mayor, Anne Bailey and I traveled to Juneau with the City Administrator of King Cove, Gary Hennigh and the City Administrator/Clerk, Angela Simpson on January 23, 24 and 25, 2017. We met with Representative Edgmon, Senator Hoffman and Governor Walker concerning the road from King Cove to the Cold Bay Airport. We also discussed the Borough's legislative capital project priority list, primarily the Akutan Airport Transportation, with them. We continue to work with them and the Department of Transportation to find a funding solution. We were also able to meet with the Coast Guard, the Department of Commerce, Community and Economic Development.

Rick L. Gifford
5864 Kenai Fjords Loop
Anchorage, AK 99502

February 6, 2017

Mayor Stanley Mack
Aleutians East Borough
P.O. Box 349
Sand Point, AK 99661

Dear Mayor Mack:

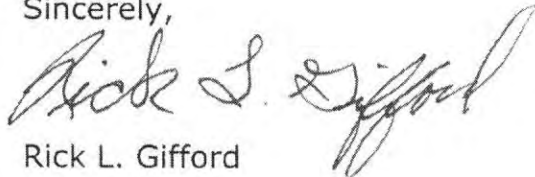
It is with regret that I submit this letter of resignation. My last day of employment will be on Friday, April 28, 2017. I have decided to retire and end my 32 year municipal career. This has not been an easy decision, however retirement will allow me to spend more time with my family.

It has been my pleasure to work for the Aleutians East Borough during the last almost five years. I have enjoyed working with you, your staff of professionals, and the AEB's elected officials. I have enjoyed my time here and will miss the many friends I have made.

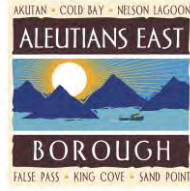
If I may be of any assistance in the hiring process for my replacement, please know that I will be happy to provide that assistance.

Thank you for allowing me to serve the Aleutians East Borough.

Sincerely,

A handwritten signature in black ink that reads "Rick L. Gifford". The signature is written in a cursive style with a large, sweeping initial "R".

Rick L. Gifford



To: Honorable Mayor Mack and AEB Assembly
From: Anne Bailey, Assistant Borough Administrator
Subject: Assembly Report
Date: February 3, 2017

Akutan Harbor

- **Akutan Harbor Float B Project:** President Trump is looking for specific information on Shovel Ready Projects. On Friday, February 3, 2017, I submitted information to EDA for the Akutan Harbor B Float. The project is at 95% complete level and can be made ready to advertise approximately one week after request. The project entails the construction of a heavy duty timber float, an access platform, and gangway. All work is new construction. Float b is 12' wide by 560' long with provisions for ten 6'x50' and 8'x100' future finger piers. It includes an access platform and 6'x60' aluminum gangway. The project will necessitate remote fabrication of floats and gangways by qualified fabricators, the delivery and installation.
- **Akutan Conservation Easement:** The Borough is in the process of updating the Conservation Easement Agreement and will present it to the Akutan Corporation for their review.
- **Akutan Mitigation Measures.** The Borough, Corps and City of Akutan are working on completing the mitigation measures required to close out the Akutan Harbor project.

Akutan Helicopter Operations

Charlotte, Roxann and I are working on collecting outstanding balances for helicopter services. On February 6, 2017, certified letters and emails were sent to entities and individuals who owe money for helicopter services.

King Cove Harbor Transfer

The Borough built the Robert E Newman Harbor in King Cove. The Bonds have been paid and transfer of ownership can occur. A resolution and agenda statement are before the Assembly at the February 9, 2017 meeting authorizing the transfer of the harbor from the Borough to the City of King Cove. If approved this transaction will occur via two quit claim deeds.

Contract Information

A list of active contracts that I am involved in are listed below:

- Harvey Consulting
Planning Commission Contract Labor \$20,000
- HDR, Alaska
Nelson Lagoon Erosion Engineering and Support Services \$80,520.85

Other Items

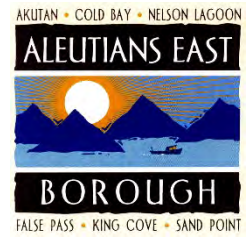
- I am working with Kate Young, AMLJIA’s Human Resources Director, on updating the Aleutians East Borough Employee Handbook.
- I am continuously working with Joe Levesque and Rick on drafting a lease agreement with Frosty Fuels for having their fuel line on the Cold Bay Dock. This will be presented to Frosty Fuels for review and discussion soon.
- On January 23-15, 2017, I travelled to Juneau with Rick Gifford, Mayor Mack, Gary Hennigh and Angela Simpson. It was a productive trip with tons of support on the King Cove Road.
- I am continuously conducting other day to day operations.

If you have any questions, comments or concerns please contact me at (907) 274-7580 or abailey@aeboro.org.



Gary Hennigh, Anne Bailey, Mayor Mack, Speaker of the House Edgmon,
Angela Simpson and Rick Gifford
Photo Courtesy of Tim Clark

To: The Honorable Mayor Mack, AEB Assembly
 From: Ernie Weiss, Natural Resources Director
 Subj: Report to the Assembly
 Date: February 3, 2017



North Pacific Fishery Management Council

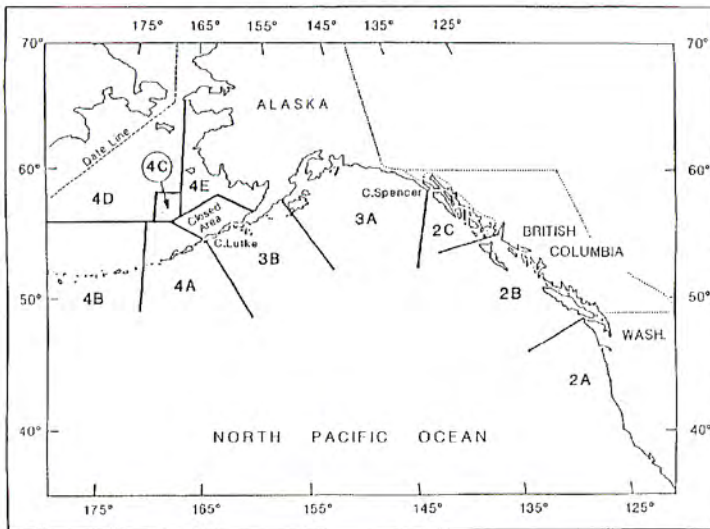
As of this writing, the NPFMC meeting is ongoing at the Renaissance Hotel in Seattle. Items on the agenda include the 10-year review of the AFA program that rationalized BSAI pollock, several halibut items, initial review of an action to rationalize the BSAI yellowfin sole fishery and a report on the Navy training exercises in the Gulf of Alaska. UCIDA case update: the Council will begin the process to develop a new amendment for the Salmon FMP in April, while some version of status quo will stand in the interim.

The NPFMC Advisory Panel began the week with the election of officers, which are held each February. The AP voted unanimously for co-vice chairs Angel Drobnic of APICDA & Matt Upton of US Seafoods, and I'll serve as AP Chair for a second year.

International Pacific Halibut Commission

The IPHC held their annual meeting in Victoria January 23-27 with the final decisions made on the 2017 catch limits for Pacific halibut on the last day. Areas 4A & 4B stayed even; all other areas saw limits go up. The overall catch limit increased 5% over 2016.

Halibut Catch Limit (millions of lbs)		
IPHC Regulatory Area	2016	2017
2A	1.14	1.33
2B	7.30	7.45
2C	4.95	5.25
3A	9.60	10.00
3B	2.71	3.14
4A	1.39	1.39
4B	1.14	1.14
4CDE	1.66	1.70
Total	29.89	31.40



AEB Fishermen's meeting
 Area salmon fishery manager Lisa Fox requested a venue to dialogue with fishermen about in-season salmon fishery management and ways to improve and address some challenges. We agreed to a **teleconference 10am February 8th**. We will also provide updates and discuss other fisheries issues of interest.

Pink Salmon Disaster Declaration

On January 18 2017, outgoing Secretary of Commerce Penny Pritzker declared fishery disasters for nine west coast areas, including the 2016 pink salmon fisheries in seven areas in the Gulf of Alaska: Prince William Sound, the Kodiak Management Area, the Chignik Management Area, the Lower Cook Inlet Management Area, the Yakutat Area, *South Alaska Peninsula*, and Southeastern Alaska. Pritzker noted that the Alaska poor pink salmon returns in 2016 were 'due to a variety of factors outside the control of fishery managers to mitigate, including unfavorable ocean conditions, freshwater environmental factors, and disease.'

If Congress appropriates disaster relief funding, NOAA pledges to 'work closely with members of Congress and affected states and tribes to develop a spending plan to support activities that would restore the fishery, prevent a similar failure, and assist affected communities.' According to the Magnuson-Stevens Act, the federal share cannot exceed 75% of the cost of those activities.

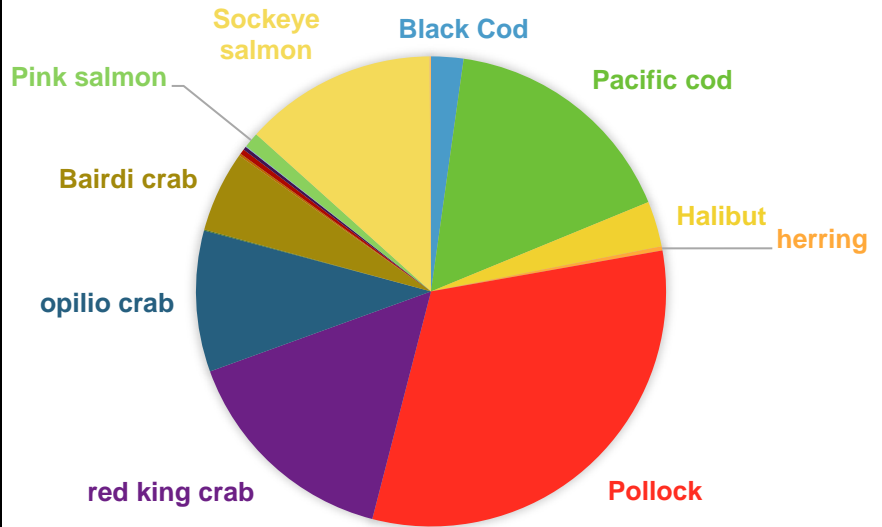
Thanks to ADF&G Commissioner Cotten for his attention to this issue and ensuring a fair process at both the State and Federal levels.

Alaska Board of Fisheries

The Alaska Board of Fisheries met January 10-13 in Kodiak. The Board failed Proposal 278 for a modified BSAI bairdi crab harvest strategy, and failed all the Cape Igvak proposals. The Board will address Statewide Tanner and King crab and other issues at the March meeting in Anchorage, including Proposal 249 submitted by local fishermen that would limit pots in future South Peninsula Tanner crab fisheries, and Proposal 274 to ‘reduce waters closed for the protection of Steller sea lions during the parallel Pacific cod fishery in the Chignik area’.

Species	2016 average price per lb
Black Cod	\$ 4.85
Pacific Cod	\$ 0.27
Halibut	\$ 6.17
Herring	\$ 0.85
Pollock	\$ 0.12
Red King Crab	\$ 9.46
Opilio Crab	\$ 2.76
Golden King Crab	\$ 3.45
Bairdi Crab	\$ 3.08
Dungeness Crab	\$ 3.00
Chum Salmon	\$ 0.23
Coho Salmon	\$ 0.32
King Salmon	\$ 0.95
Pink Salmon	\$ 0.27
Sockeye Salmon	\$ 0.90

AEB raw fish tax composition by species for calendar year 2016



Alaska Marine Science Symposium

Administrative assistant Charlotte Levy and I attended the Alaska Marine Science Symposium last week. Charlotte will soon graduate with a BA in Fisheries & Wildlife Sciences from OSU and she presented her under-grad research work at an evening session of the Symposium.

Fran Ulmer, former Lt. Governor and current Chair of the US Arctic Research Commission was one of the keynote speakers. She presented this map of the Arctic boundary as defined by the Arctic Research and Policy Act, showing 3 of our communities, Akutan, False Pass & Nelson Lagoon included in the Arctic for research purposes.



Marine research is generally presented in three main sections on different days of the Symposium:
 Gulf of Alaska,
 Bering Sea/Aleutian Isl
 and the Arctic Ocean.

<u>Upcoming meetings/planning to attend</u>	
AEB Fishermen meeting	
Board of Fisheries Upper Cook Inlet Finfish	Teleconference 2/8/17
Southwest Alaska Municipal Conference	Anchorage 2/23-3/8/17
Board of Fisheries Statewide Tanner/King crab & suppl.	Anchorage 3/2-3/3/17
	Anchorage 3/20-3/24/17
<u>Recent meetings attended</u>	
Anchorage ADFG Advisory Committee	Anchorage 1/17/17
Alaska Marine Science Symposium	Anchorage 1/23-1/27/17
North Pacific Fishery Management Council	Seattle 1/30-2/7/17

Please call if you have any questions or concerns.

Assembly Comments

Public Comments

Date & Location of Next Meeting

Adjournment