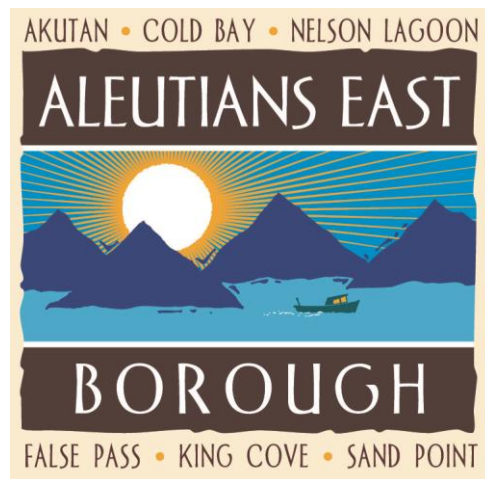


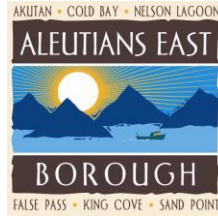
Aleutians East Borough Assembly Meeting



Meeting: Wednesday March 1, 2017, 2017 – 1:30 p.m.

Roll Call & Establishment of a Quorum

Adoption of Agenda



Agenda

Assembly Meeting

(packet available on website www.aleutianseast.org)

Date: Wednesday, March 1, 2017

Time: Meeting: 1:30 p.m.

Location: Anchorage office – 3380 C St. and 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

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.
 - February 9, 2017 Assembly Meeting Minutes.
5. Financial Reports.
 - Investment Report, January, 2017.
6. Consent Agenda
7. Public Hearings.
 - Public Hearing Ordinance 17-04, Amending the Operating and Capital Budget for FY17.
8. Ordinances *None*
9. Resolutions *None*
10. Old Business. *None*
11. New Business *None*
12. Reports and Updates.
13. Assembly Comments.
14. Public Comments.
15. Next Meeting Date.
16. Adjournment.

Community Roll Call & Public Comment on Agenda Items

Minutes

CALL TO ORDER

Mayor Mack called the Regular Assembly meeting to order by teleconference in each community on February 9, 2017 at 3:00 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	Absent

A quorum was present.

Staff Present:

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

Adoption of the Agenda:

MOTION

Brenda moved to amend the agenda to include Paul's additional agenda requests below:

- New Business, Discussion of Role of King Cove workgroup with AEB.
- New Business, Discussion of Administrator resignation.

Second by Paul.

DISCUSSION

Paul said he wanted clarification on the work group, specifically on how it is made up and the AEB role.

ROLL CALL

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

City of King Cove Mayor, Henry Mack, recommended the Assembly support Resolution 17-18 regarding the Memorandum of Agreement (MOA) between AEB and City of King Cove adding that King Cove has a significant financial investment to the King Cove Road project. Cost has incurred at about \$2.5M and the MOA is to recover some of that cost. We received \$675,000 from AEB so far, \$412,000 is requested for this fiscal year and \$412,000 to be requested next fiscal year to recover our finances back in the city of King Cove.

Minutes, January 12, 2017:

MOTION

Brenda moved to approve the January 12, 2017 Minutes and second by Ken. Hearing no more MOTION PASSED.

Financial Reports, January, 2017:

MOTION

Brenda moved to approve the January Financial Report and second by Chris B.

DISCUSISON

The Finance Director said everything is tracking along well. She pointed out the difference under Dept. 900, Other, saying that Aleutia crab tax reimbursement increased.

Carol asked about the Assembly expenditures being higher. The Finance Director said the health insurance increase is the cause for fringe benefits to be at 93% expended.

ROLL CALL

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

Investment Report, December 2016:

In packet.

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.

MOTION

Paul moved to approve the Consent Agenda and second by Brenda.

ROLL CALL

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

ORDINANCES

Introduction Ordinance 17-04, Amending the Operating and Capital Budget for FY17:

MOTION

Brenda moved to accept and set for Public Hearing. Second by Alvin.

ROLL CALL

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

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.

MOTION

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

DISCUSSION

Paul said, as discussed at the workshop, it is part of the normal operation to transfer from the Borough to the city once the Borough has paid off the infrastructure.

During the break, the Administrator Assistant, Anne Bailey, e-mailed the Assembly the two plats of harbor boundaries to be transferred, as requested by Paul. Bailey said one plat is 69.45 acres, state tideland lease and other plat is a smaller portion, 9.453 acres, that had been transferred from the City of King Cove to the Borough.

ROLL CALL

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

Resolution 17-18, A Resolution of the Aleutians East Borough authorizing the Borough Mayor to enter into a Memorandum of Agreement (MOA) with the City of King Cove for the King Cove Access Project.

MOTION

Alvin moved to adopt and second by Brenda.

DISCUSSION

Paul expressed his concern that the Borough is ceding too much responsibility to the City of King Cove. Both have a role but he feels the way MOA is worded we virtually cede all to the City of King Cove. He felt the budget items related to this MOA makes it complicated as far

as conflict of interest and should clarify how the Conflict of Interest would apply or not apply. Because of ceding too much on the MOA, he finds it difficult to support at this time.

Mayor Mack said he and the Administrator have a good handle on what is going on. Before revenues go out, expenditures are reviewed by management. As far as conflict of interest, he does not feel anyone has anything to gain, and as Mayor he does not feel there is a conflict of interest.

ROLL CALL

Carol-yes, Warren-yes, Alvin-yes, Paul-no, Ken-yes, Brenda-yes, Chris B.-yes. Advisory: Chris E.-yes, Angela-yes. MOTION PASSED.

OLD BUSINESS *None*

(Brenda left approximately 3:25 p.m.)

NEW BUSINESS

Discussion of Role of King Cove workgroup with AEB:

Paul asked what the Borough's role is in King Cove Road Workgroup and how group operates.

The Administrator said the King Cove group is the entities that have an interest in the road between King Cove and Cold Bay Airport, which includes the Agdaadux Tribe, Belkofski Tribe, King Cove Corporation, City of King Cove and AEB. All have been cooperating and working together and many of the members of those organizations have gone and testified on the hazards of flying and vessel transportation. The Borough Code authorizes the power to build roads. The Borough has built approximately 20 miles of road to the NE Corner that is AEB owned and operated and trying to get the last 11 miles of that road built.

Mayor Mack pointed out that King Cove Corporation owns the land that was included in the Izembek National Wildlife Refuge land exchange for road corridor. He said the tribes have been influential in bringing the indigenous people of King Cove to the forefront in Washington D.C. The City of King Cove has spent their money to enhance the project for a better mode of transportation for the King Cove community and the Borough has been the sponsor of the project.

Paul requested a better understanding on how the group works. He asked if there are meetings and whether they vote on anything. Secondly, Paul felt that the Assembly hears everything after the fact. The Assembly sets the budget and helps finance projects connecting communities but lacks Assembly involvement.

The Administrator reminded the Assembly that last year's budget and this year's budget includes \$100,000 working toward the road, so the Assembly has been involved and approved that piece. As far as budget items, the Mayor has the final

say and he works closely with the City of King Cove and other groups trying to make this effort a success.

City of King Cove Administrator, Gary Hennigh, suggested the Assembly review the letter (*Letter in the April 16, 2015 Assembly packet, dated January 15, 2015*) from the City of King Cove Mayor, Henry Mack, explaining most of the questions by Assemblyman Gronholdt about how the group got started in 2009 in order to move forward with the King Cove Access Road Project. The City of King Cove has done what is necessary, doing 95% of the work, so King Cove can gain a safe, predictable and dependable access to the Cold Bay Airport.

Mayor Mack said the passage of Resolution 17-18 demonstrates the intent of the Assembly.

Alvin responded to Hennigh comments saying it is a good thing to bring some of this back up to discuss so people understand where we are and how we got here, not just for the Assembly, but for the public, since meeting is broadcast on KSDP public radio. The Assembly does get a lot of questions on where we are on the road and what we're doing.

Letter of Resignation of Administrator:

Paul asked for clarification of resignation of the Administrator, Rick Gifford, and how we will proceed from here. Gifford said resigning has been a very tough decision, he has enjoyed working for Aleutians East Borough and would have liked to have seen some of these projects get completed. He chose the date because summer is coming and plans to spend time with his family. The Administrator position works for the mayor and it is up to Mayor Mack on how he wants to go forward and fill position.

Alvin said the Administrator resignation is April 28, six months before the mayoral election. He suggested looking into hiring an interim manager until after election. Mayor Mack said he will start the process of looking for applicants. When he got elected he worked with the present Administrator prior to hiring a new administrator. Mayor Mack added that Administrator Gifford will assist in reviewing the applicants.

REPORTS AND UPDATES

Reports in packet.

King Cove Access Project:

Mayor Mack said the incoming Washington D.C. administration is encouraging in regards to the King Cove Access Project. The State of Alaska is still involved and the National Congress of American Indians, Alaska Federation of Natives and the CEO of the Alaska Native Corporations are in support of the road project.

Akutan/Akun link:

Mayor Mack said they are working with state and federal governments to get transportation operation subsidized.

ASSEMBLY COMMENTS *None*

PUBLIC COMMENTS *None*

NEXT MEETING DATE

March 1, in Anchorage, prior to the SWAMC Conference March 2-3, 2017.

ADJOURNMENT

Paul moved to adjourn and second by Ken. Hearing no more the meeting adjourned at 3:51 p.m.

Mayor

Clerk

Date

Unapproved

Financial Report

No February Financial Report available at this time.

INVESTMENT REPORT

ALEUTIANS EAST BOROUGH

Account Statement - Period Ending January 31, 2017

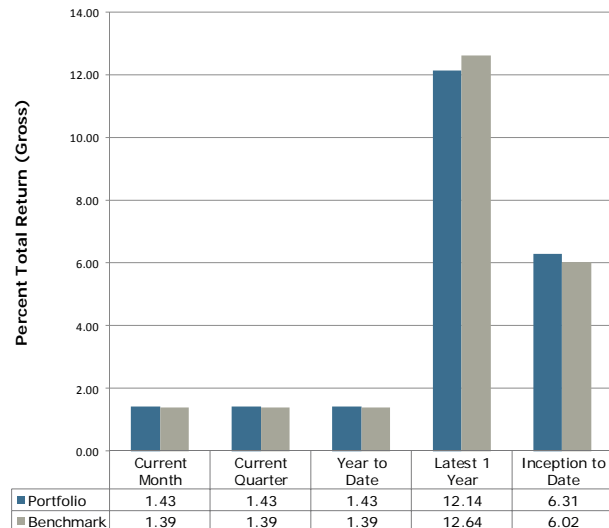


ACCOUNT ACTIVITY

Portfolio Value on 12-31-16	40,717,236
Contributions	0
Withdrawals	-942
Change in Market Value	556,824
Interest	26,334
Dividends	0
Portfolio Value on 01-31-17	41,299,452

INVESTMENT PERFORMANCE

Current Account Benchmark:
Equity Blend

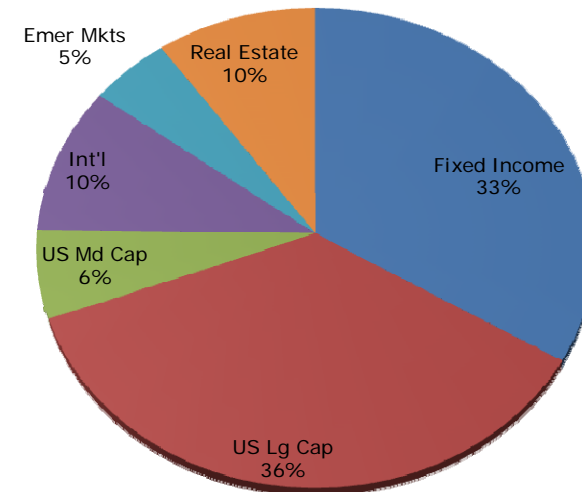


Performance is Annualized for Periods Greater than One Year

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
January 31, 2017

Asset Class & Target	Market Value	% Assets	Range
FIXED INCOME (34%)			
US Fixed Income (34.0%)	13,529,252	32.8	25% to 60%
Cash (0.0%)	363,445	0.9	na
Subtotal:	13,892,698	33.6	
EQUITY (66%)			
US Large Cap (36.0%)	14,734,381	35.7	30% to 50%
US Mid Cap (5.0%)	2,446,873	5.9	0% to 10%
Developed International Equity (10.0%)	4,077,612	9.9	5% to 15%
Emerging Markets (5.0%)	2,056,158	5.0	0% to 10%
Real Estate (10.0%)	4,091,730	9.9	5% to 15%
Subtotal:	27,406,755	66.4	
TOTAL PORTFOLIO	41,299,452	100	

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
January 31, 2017

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	0.73	1,875	325	0.60
250,000	US TREASURY NOTES 1.875% Due 09-30-17	103.03	257,568	100.73	251,817	0.61	4,687	1,597	0.77
500,000	US TREASURY NOTES 0.750% Due 10-31-17	99.79	498,945	99.98	499,920	1.21	3,750	963	0.77
750,000	US TREASURY NOTES 1.125% Due 06-15-18	100.01	750,084	100.16	751,200	1.82	8,437	1,113	1.01
700,000	US TREASURY NOTES 0.875% Due 10-15-18	100.06	700,437	99.58	697,074	1.69	6,125	1,834	1.12
525,000	US TREASURY NOTES 3.500% Due 05-15-20	108.96	572,046	106.15	557,298	1.35	18,375	3,959	1.57
950,000	US TREASURY NOTES 1.375% Due 05-31-20	98.87	939,262	99.33	943,654	2.28	13,062	2,261	1.58
700,000	US TREASURY NOTES 1.625% Due 06-30-20	101.20	708,434	100.08	700,574	1.70	11,375	1,006	1.60
1,225,000	US TREASURY NOTES 2.125% Due 08-15-21	99.13	1,214,287	101.10	1,238,499	3.00	26,031	12,025	1.87
625,000	US TREASURY NOTES 2.000% Due 10-31-21	101.35	633,457	100.41	627,587	1.52	12,500	3,211	1.91
700,000	US TREASURY NOTES 1.750% Due 03-31-22	100.32	702,242	98.93	692,482	1.68	12,250	4,173	1.97
400,000	US TREASURY NOTES 2.500% Due 08-15-23	99.00	395,982	101.82	407,264	0.99	10,000	4,620	2.20
250,000	US TREASURY NOTES 2.125% Due 11-30-23	98.54	246,357	99.37	248,427	0.60	5,312	925	2.22
450,000	US TREASURY NOTES 2.375% Due 08-15-24	100.23	451,020	100.48	452,164	1.09	10,687	4,937	2.31
300,000	US TREASURY NOTES 2.000% Due 08-15-25	97.09	291,258	96.84	290,532	0.70	6,000	2,772	2.41
500,000	US TREASURY NOTES 1.625% Due 02-15-26	102.28	511,387	93.40	466,990	1.13	8,125	3,753	2.44
250,000	US TREASURY NOTES 1.500% Due 08-15-26	99.48	248,691	91.94	229,845	0.56	3,750	1,732	2.45
	Accrued Interest				51,206	0.12			
			9,420,489		9,406,559	22.78		51,206	
FNMA & FHLMC									
29,692	FHLMC POOL G14203 4.000% Due 04-01-26	104.56	31,047	104.95	31,161	0.08	1,188	99	1.43

* Callable security

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
January 31, 2017

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
282,018	FNCI POOL AS6305 3.000% Due 12-01-30	103.77	292,638	102.67	289,560	0.70	8,461	705	NA
281,940	FNCI POOL BC2737 2.500% Due 05-01-31 Accrued Interest	103.04	290,497	100.07	282,146	0.68	7,048	587	NA
			614,182		604,257	1.46		1,391	
CORPORATE BONDS									
150,000	STATOIL ASA 3.125% Due 08-17-17	107.07	160,599	101.04	151,558	0.37	4,687	2,135	1.20
250,000	UNITED PARCEL SERVICE 5.500% Due 01-15-18	118.60	296,495	103.90	259,752	0.63	13,750	611	1.37
150,000	CHEVRON CORP 1.365% Due 03-02-18	99.86	149,784	99.93	149,899	0.36	2,047	847	1.42
150,000	COMMONWEALTH EDISON 6.950% Due 07-15-18	123.20	184,800	106.89	160,339	0.39	10,425	463	2.11
150,000	TOYOTA MOTOR CREDIT CORP 2.100% Due 01-17-19	100.48	150,718	100.77	151,158	0.37	3,150	122	1.70
150,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	116.51	174,771	110.58	165,865	0.40	11,250	5,187	2.16
150,000	MICROSOFT CORP 4.200% Due 06-01-19	117.24	175,854	106.16	159,240	0.39	6,300	1,050	1.50
200,000	TORONTO-DOMINION BANK 2.250% Due 09-25-19	101.89	203,782	100.76	201,522	0.49	4,500	1,575	1.95
150,000	HSBC USA INC 2.375% Due 11-13-19	99.61	149,412	100.38	150,573	0.36	3,562	772	2.23
200,000	ENTERPRISE PRODUCTS OPER 5.200% Due 09-01-20	112.75	225,494	109.22	218,436	0.53	10,400	4,333	2.49
250,000	PNC BANK NA 2.450% Due 11-05-20	99.72	249,300	100.45	251,115	0.61	6,125	1,463	2.32
150,000	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	109.20	163,806	107.46	161,193	0.39	6,562	2,187	2.48
150,000	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	99.92	149,887	98.75	148,129	0.36	3,375	806	2.56
100,000	MORGAN STANLEY 5.500% Due 07-28-21	114.98	114,982	110.84	110,836	0.27	5,500	46	2.91
150,000	GILEAD SCIENCES INC 1.950% Due 03-01-22	96.28	144,423	96.63	144,939	0.35	2,925	1,064	2.66
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	4,086	3.91
150,000	BANK AMER CORP 3.300% Due 01-11-23	99.34	149,014	100.18	150,270	0.36	4,950	275	3.26

* Callable security

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
January 31, 2017

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
150,000	Waste Management Inc 2.400% Due 05-15-23	100.24	150,358	97.44	146,160	0.35	3,600	750	2.85
150,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	157,771	103.38	155,073	0.38	5,812	2,906	3.33
150,000	PRUDENTIAL FINANCIAL INC 3.500% Due 05-15-24	103.15	154,719	101.61	152,415	0.37	5,250	1,108	3.25
150,000	WELLS FARGO & COMPANY 3.300% Due 09-09-24	99.88	149,823	99.15	148,725	0.36	4,950	1,952	3.43
	Accrued Interest				33,743	0.08			
			3,591,810		3,518,436	8.52		33,743	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
93,000	FLEXSHARES QUAL DIV ETF	39.75	3,696,629	39.59	3,681,870	8.92	NA		
53,216	VANGUARD INST'L S&P500 INDEX FUND	108.32	5,764,546	207.69	11,052,511	26.76	NA		
			9,461,175		14,734,381	35.68			
DOMESTIC MID CAP EQUITY FUNDS/ETF									
14,550	ISHARES CORE S&P MIDCAP 400 ETF	94.22	1,370,849	168.17	2,446,873	5.92	NA		
INTERNATIONAL EQUITY FUNDS/ETF									
73,550	ISHARES ETF CORE MSCI EAFE	49.31	3,626,882	55.44	4,077,612	9.87	NA		
EMERGING MARKET FUNDS/ETF									
45,450	ISHARES ETF CORE MSCI EMERGING MKTS	35.30	1,604,543	45.24	2,056,158	4.98	NA		
REAL ESTATE									
49,675	VANGUARD REIT ETF	58.73	2,917,458	82.37	4,091,730	9.91	NA		
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		363,445		363,445	0.88			
TOTAL PORTFOLIO			32,970,833		41,299,452	100	306,335	86,340	

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
CORPORATE BONDS				
01-17-17	01-20-17	WELLS FARGO & COMPANY 3.300% Due 09-09-24	150,000	149,823.00
01-25-17	01-30-17	GILEAD SCIENCES INC 1.950% Due 03-01-22	150,000	144,423.00
				294,246.00
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
01-26-17	01-31-17	FLEXSHARES QUAL DIV ETF	45,810.0000	1,830,453.07
01-30-17	01-31-17	FLEXSHARES QUAL DIV ETF	47,190.0000	1,866,175.74
				3,696,628.81
DOMESTIC MID CAP EQUITY FUNDS/ETF				
01-26-17	01-31-17	ISHARES CORE S&P MIDCAP 400 ETF	1,625.0000	275,950.03
EMERGING MARKET FUNDS/ETF				
01-26-17	01-31-17	ISHARES ETF CORE MSCI EMERGING MKTS	1,500.0000	68,051.25
REAL ESTATE				
01-26-17	01-31-17	VANGUARD REIT ETF	3,800.0000	315,922.12
				4,650,798.21
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
01-31-17	01-31-17	MANAGEMENT FEES		5,839.00
				5,839.00

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
INTEREST				
CASH AND EQUIVALENTS				
01-01-17	01-03-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		81.88
CORPORATE BONDS				
01-06-17	01-06-17	WACHOVIA CORP 5.750% Due 02-01-18		63.53
01-11-17	01-11-17	BANK AMER CORP 3.300% Due 01-11-23		2,475.00
01-15-17	01-17-17	COMMONWEALTH EDISON 6.950% Due 07-15-18		5,212.50
01-15-17	01-17-17	UNITED PARCEL SERVICE 5.500% Due 01-15-18		6,875.00
01-17-17	01-17-17	TOYOTA MOTOR CREDIT CORP 2.100% Due 01-17-19		1,575.00
01-28-17	01-30-17	MORGAN STANLEY 5.500% Due 07-28-21		2,750.00
				18,951.03
FNMA & FHLMC				
01-17-17	01-17-17	FHLMC POOL G14203 4.000% Due 04-01-26		101.56
01-25-17	01-25-17	FNCI POOL AS6305 3.000% Due 12-01-30		708.61
01-25-17	01-25-17	FNCI POOL BC2737 2.500% Due 05-01-31		590.31
				1,400.48
				20,433.39

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
PRINCIPAL PAYDOWNS				
FNMA & FHLMC				
01-17-17	01-17-17	FHLMC POOL G14203 4.000% Due 04-01-26	777.20	777.20
01-25-17	01-25-17	FNCI POOL AS6305 3.000% Due 12-01-30	1,426.52	1,426.52
01-25-17	01-25-17	FNCI POOL BC2737 2.500% Due 05-01-31	1,409.51	1,409.51
				3,613.23
				3,613.23
PURCHASED ACCRUED INTEREST				
CORPORATE BONDS				
01-17-17	01-20-17	WELLS FARGO & COMPANY 3.300% Due 09-09-24		1,801.25
01-25-17	01-30-17	GILEAD SCIENCES INC 1.950% Due 03-01-22		1,056.25
				2,857.50
				2,857.50
SALES, MATURITIES, AND CALLS				
CORPORATE BONDS				
01-13-17	01-19-17	WACHOVIA CORP 5.750% Due 02-01-18	150,000	156,133.50
01-13-17	01-19-17	EXELON GENERATION CO LLC 6.200% Due 10-01-17	150,000	154,885.50
				311,019.00

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
01-30-17	01-30-17	VANGUARD INST'L S&P500 INDEX FUND	21,431.6640	4,455,000.00
				4,766,019.00
SOLD ACCRUED INTEREST				
CORPORATE BONDS				
01-13-17	01-19-17	WACHOVIA CORP 5.750% Due 02-01-18		4,025.00
01-13-17	01-19-17	EXELON GENERATION CO LLC 6.200% Due 10-01-17		2,790.00
				6,815.00
				6,815.00
WITHDRAW				
CASH AND EQUIVALENTS				
01-03-17	01-03-17	CASH RECEIVABLE		5,687.50
01-17-17	01-17-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		942.12
				6,629.62
				6,629.62

* Callable security

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
ALEUTIANS EAST BOROUGH
From 01-01-17 Through 01-31-17

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
01-13-17	150,000	WACHOVIA CORP 5.750% Due 02-01-18	149,358.00	156,133.50	6,775.50
01-13-17	150,000	EXELON GENERATION CO LLC 6.200% Due 10-01-17	175,749.00	154,885.50	-20,863.50
01-17-17	777.20	FHLMC POOL G14203 4.000% Due 04-01-26	812.66	777.20	-35.46
01-25-17	1,426.52	FNCI POOL AS6305 3.000% Due 12-01-30	1,480.24	1,426.52	-53.72
01-25-17	1,409.51	FNCI POOL BC2737 2.500% Due 05-01-31	1,452.29	1,409.51	-42.78
01-30-17	21,431.6640	VANGUARD INST'L S&P500 INDEX FUND	2,321,536.92	4,455,000.00	2,133,463.08
TOTAL GAINS					2,140,238.58
TOTAL LOSSES					-20,995.46
			2,650,389.11	4,769,632.23	2,119,243.12

Alaska Permanent Capital Management Co.

CASH LEDGER

ALEUTIANS EAST BOROUGH

From 01-01-17 To 01-31-17

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
01-01-17			Beginning Balance		215,475.07
01-01-17	01-03-17	dp	Interest	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI	81.88
01-03-17	01-03-17	dp	Transfer from	CASH RECEIVABLE	5,687.50
01-06-17	01-06-17	dp	Interest	WACHOVIA CORP 5.750% Due 02-01-18	63.53
01-11-17	01-11-17	dp	Interest	BANK AMER CORP 3.300% Due 01-11-23	2,475.00
01-13-17	01-19-17	dp	Sale	WACHOVIA CORP 5.750% Due 02-01-18	156,133.50
01-13-17	01-19-17	dp	Accrued Interest	WACHOVIA CORP 5.750% Due 02-01-18	4,025.00
01-13-17	01-19-17	dp	Sale	EXELON GENERATION CO LLC 6.200% Due 10-01-17	154,885.50
01-13-17	01-19-17	dp	Accrued Interest	EXELON GENERATION CO LLC 6.200% Due 10-01-17	2,790.00
01-15-17	01-17-17	dp	Interest	COMMONWEALTH EDISON 6.950% Due 07-15-18	5,212.50
01-15-17	01-17-17	dp	Interest	UNITED PARCEL SERVICE 5.500% Due 01-15-18	6,875.00
01-17-17	01-20-17	wd	Purchase	WELLS FARGO & COMPANY 3.300% Due 09-09-24	-149,823.00
01-17-17	01-20-17	wd	Accrued Interest	WELLS FARGO & COMPANY 3.300% Due 09-09-24	-1,801.25
01-17-17	01-17-17	wd	Withdrawal	from Portfolio	-942.12
01-17-17	01-17-17	dp	Interest	FHLMC POOL G14203 4.000% Due 04-01-26	101.56

* Callable security

Alaska Permanent Capital Management Co.

CASH LEDGER***ALEUTIANS EAST BOROUGH****From 01-01-17 To 01-31-17*

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
01-17-17	01-17-17	dp	Paydown	FHLMC POOL G14203 4.000% Due 04-01-26	777.20
01-17-17	01-17-17	dp	Interest	TOYOTA MOTOR CREDIT CORP 2.100% Due 01-17-19	1,575.00
01-25-17	01-30-17	wd	Purchase	GILEAD SCIENCES INC 1.950% Due 03-01-22	-144,423.00
01-25-17	01-30-17	wd	Accrued Interest	GILEAD SCIENCES INC 1.950% Due 03-01-22	-1,056.25
01-25-17	01-25-17	dp	Interest	FNCI POOL AS6305 3.000% Due 12-01-30	708.61
01-25-17	01-25-17	dp	Paydown	FNCI POOL AS6305 3.000% Due 12-01-30	1,426.52
01-25-17	01-25-17	dp	Interest	FNCI POOL BC2737 2.500% Due 05-01-31	590.31
01-25-17	01-25-17	dp	Paydown	FNCI POOL BC2737 2.500% Due 05-01-31	1,409.51
01-26-17	01-31-17	wd	Purchase	ISHARES CORE S&P MIDCAP 400 ETF	-275,950.03
01-26-17	01-31-17	wd	Purchase	VANGUARD REIT ETF	-315,922.12
01-26-17	01-31-17	wd	Purchase	ISHARES ETF CORE MSCI EMERGING MKTS	-68,051.25
01-26-17	01-31-17	wd	Purchase	FLEXSHARES QUAL DIV ETF	-1,830,453.07
01-28-17	01-30-17	dp	Interest	MORGAN STANLEY 5.500% Due 07-28-21	2,750.00
01-30-17	01-31-17	wd	Purchase	FLEXSHARES QUAL DIV ETF	-1,866,175.74

* Callable security

Alaska Permanent Capital Management Co.

CASH LEDGER

ALEUTIANS EAST BOROUGH

From 01-01-17 To 01-31-17

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
01-30-17	01-30-17	dp	Sale	VANGUARD INST'L S&P500 INDEX FUND	4,455,000.00
01-31-17			Ending Balance		363,445.36
CASH RECEIVABLE					
01-01-17			Beginning Balance		5,687.50
01-03-17	01-03-17	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI	-5,687.50
01-31-17			Ending Balance		0.00

* Callable security

AEB/AKUTAN HARBOR - 2006 A

Account Statement - Period Ending January 31, 2017



ACCOUNT ACTIVITY

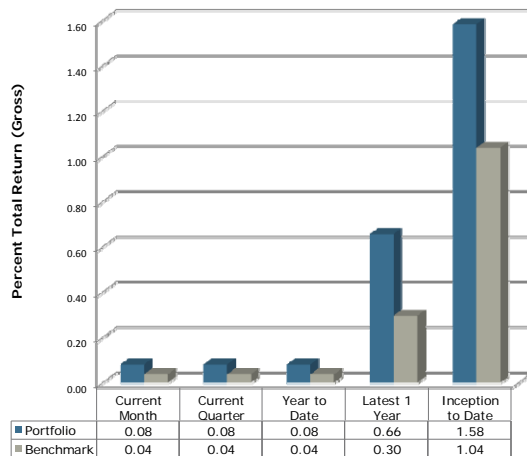
Portfolio Value on 12-31-16	1,513,638
Contributions	0
Withdrawals	-78
Change in Market Value	296
Interest	923
Dividends	0
Portfolio Value on 01-31-17	1,514,779

MANAGEMENT TEAM

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

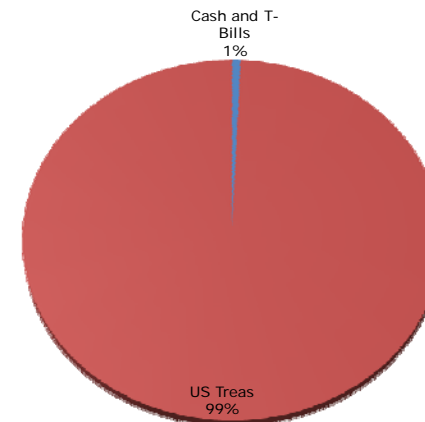
INVESTMENT PERFORMANCE

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: 0.64% Average Maturity: 0.44 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
January 31, 2017

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	100.00	250,010	16.50	1,250	532	0.45
450,000	US TREASURY NOTES 0.875% Due 04-15-17	100.17	450,760	100.08	450,355	29.73	3,937	1,179	0.48
200,000	US TREASURY NOTES 0.625% Due 06-30-17	99.75	199,492	100.00	200,000	13.20	1,250	110	0.62
200,000	US TREASURY NOTES 0.625% Due 08-31-17	99.65	199,297	99.97	199,938	13.20	1,250	532	0.68
200,000	US TREASURY NOTES 0.875% Due 10-15-17	100.22	200,437	100.08	200,156	13.21	1,750	524	0.76
200,000	US TREASURY NOTES 1.000% Due 02-15-18	100.35	200,695	100.09	200,188	13.22	2,000	924	0.91
	Accrued Interest				3,801	0.25			
			1,500,770		1,504,449	99.32		3,801	
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		10,330		10,330	0.68			
TOTAL PORTFOLIO			1,511,100		1,514,779	100	11,437	3,801	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB/AKUTAN HARBOR - 2006 A
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
01-18-17	01-19-17	US TREASURY NOTES 0.875% Due 04-15-17	250,000	250,205.08
				250,205.08
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
01-31-17	01-31-17	MANAGEMENT FEES		214.16
				214.16
INTEREST				
CASH AND EQUIVALENTS				
01-01-17	01-03-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		57.35
				57.35
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
01-18-17	01-19-17	US TREASURY NOTES 0.875% Due 04-15-17		576.92
				576.92
WITHDRAW				
CASH AND EQUIVALENTS				
01-03-17	01-03-17	CASH RECEIVABLE		625.00
01-17-17	01-17-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		77.94
				702.94
				702.94

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB/AKUTAN HARBOR - 2006 A
From 01-01-17 Through 01-31-17

<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/AKUTAN HARBOR - 2006 A****From 01-01-17 To 01-31-17*

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
01-01-17			Beginning Balance		260,507.97
01-01-17	01-03-17	dp	Interest	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI	57.35
01-03-17	01-03-17	dp	Transfer from	CASH RECEIVABLE	625.00
01-17-17	01-17-17	wd	Withdrawal	from Portfolio	-77.94
01-18-17	01-19-17	wd	Purchase	US TREASURY NOTES 0.875% Due 04-15-17	-250,205.08
01-18-17	01-19-17	wd	Accrued Interest	US TREASURY NOTES 0.875% Due 04-15-17	-576.92
01-31-17			Ending Balance		10,330.38
CASH RECEIVABLE					
01-01-17			Beginning Balance		625.00
01-03-17	01-03-17	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI	-625.00
01-31-17			Ending Balance		0.00

AEB OPERATING FUND

Account Statement - Period Ending January 31, 2017



ACCOUNT ACTIVITY

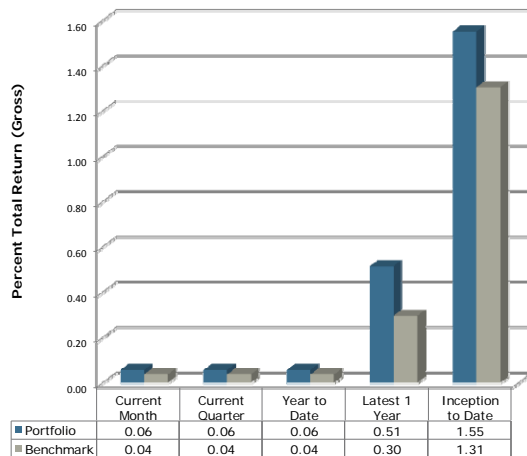
Portfolio Value on 12-31-16	2,530,446
Contributions	0
Withdrawals	-135
Change in Market Value	-267
Interest	1,697
Dividends	0
Portfolio Value on 01-31-17	2,531,741

MANAGEMENT TEAM

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

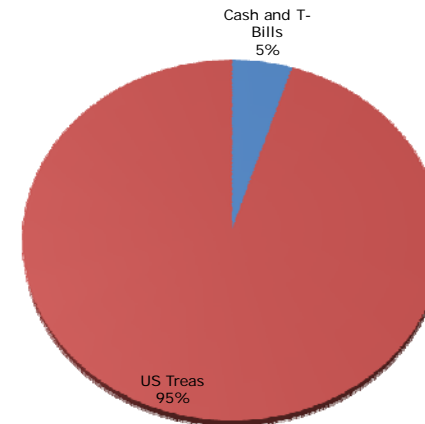
INVESTMENT PERFORMANCE

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: 0.56% Average Maturity: 0.29 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
January 31, 2017

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 0.625% Due 02-15-17	100.07	250,186	100.01	250,020	9.88	1,562	722	0.43
450,000	US TREASURY NOTES 0.750% Due 03-15-17	100.11	450,498	100.03	450,157	17.78	3,375	1,296	0.45
450,000	US TREASURY NOTES 0.875% Due 04-15-17	100.17	450,752	100.08	450,355	17.79	3,937	1,179	0.48
350,000	US TREASURY NOTES 0.875% Due 05-15-17	100.20	350,691	100.08	350,273	13.84	3,062	660	0.60
250,000	US TREASURY NOTES 0.875% Due 06-15-17	100.19	250,475	100.10	250,255	9.88	2,187	288	0.60
250,000	US TREASURY NOTES 0.875% Due 07-15-17	100.19	250,479	100.10	250,245	9.88	2,187	103	0.66
200,000	US TREASURY NOTES 0.875% Due 08-15-17	100.17	200,340	100.10	200,196	7.91	1,750	808	0.69
100,000	US TREASURY NOTES 1.000% Due 09-15-17	100.35	100,352	100.17	100,172	3.96	1,000	384	0.72
100,000	US TREASURY NOTES 0.875% Due 10-15-17	100.22	100,223	100.08	100,078	3.95	875	262	0.76
	Accrued Interest				5,702	0.23			
			2,403,994		2,407,454	95.09		5,702	
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		124,286		124,286	4.91			
TOTAL PORTFOLIO			2,528,281		2,531,741	100	19,937	5,702	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB OPERATING FUND
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
01-18-17	01-19-17	US TREASURY NOTES 0.875% Due 04-15-17	200,000	200,164.06
01-18-17	01-19-17	US TREASURY NOTES 0.875% Due 05-15-17	100,000	100,101.56
				300,265.62
				300,265.62
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
01-31-17	01-31-17	MANAGEMENT FEES		357.94
				357.94
INTEREST				
CASH AND EQUIVALENTS				
01-01-17	01-03-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		43.35
U.S. TREASURY				
01-15-17	01-17-17	US TREASURY NOTES 0.750% Due 01-15-17		1,125.00
01-15-17	01-17-17	US TREASURY NOTES 0.875% Due 07-15-17		1,093.75
				2,218.75
				2,262.10
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
01-18-17	01-19-17	US TREASURY NOTES 0.875% Due 04-15-17		461.54

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB OPERATING FUND
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
01-18-17	01-19-17	US TREASURY NOTES 0.875% Due 05-15-17		157.11
				618.65
				618.65
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
01-17-17	01-17-17	US TREASURY NOTES 0.750% Due 01-15-17	300,000	300,000.00
				300,000.00
WITHDRAW				
CASH AND EQUIVALENTS				
01-17-17	01-17-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		135.20
				135.20

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB OPERATING FUND
From 01-01-17 Through 01-31-17

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
01-17-17	300,000	US TREASURY NOTES 0.750% Due 01-15-17	300,597.66	300,000.00	-597.66
TOTAL GAINS					0.00
TOTAL LOSSES					-597.66
			300,597.66	300,000.00	-597.66

Alaska Permanent Capital Management Co.

CASH LEDGER***AEB OPERATING FUND****From 01-01-17 To 01-31-17*

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
01-01-17			Beginning Balance		123,043.82
01-01-17	01-03-17	dp	Interest	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI	43.35
01-15-17	01-17-17	dp	Interest	US TREASURY NOTES 0.750% Due 01-15-17	1,125.00
01-15-17	01-17-17	dp	Interest	US TREASURY NOTES 0.875% Due 07-15-17	1,093.75
01-17-17	01-17-17	wd	Withdrawal	from Portfolio	-135.20
01-17-17	01-17-17	dp	Sale	US TREASURY NOTES 0.750% Due 01-15-17	300,000.00
01-18-17	01-19-17	wd	Purchase	US TREASURY NOTES 0.875% Due 04-15-17	-200,164.06
01-18-17	01-19-17	wd	Accrued Interest	US TREASURY NOTES 0.875% Due 04-15-17	-461.54
01-18-17	01-19-17	wd	Purchase	US TREASURY NOTES 0.875% Due 05-15-17	-100,101.56
01-18-17	01-19-17	wd	Accrued Interest	US TREASURY NOTES 0.875% Due 05-15-17	-157.11
01-31-17			Ending Balance		124,286.45

ALEUTIANS EAST BOROUGH SERIES E BOND

Account Statement - Period Ending January 31, 2017



ACCOUNT ACTIVITY

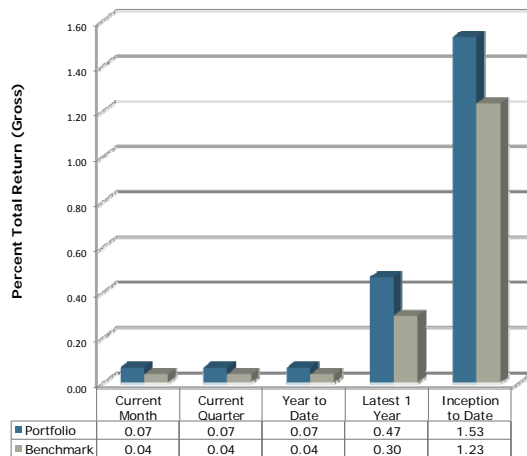
Portfolio Value on 12-31-16	2,469,846
Contributions	0
Withdrawals	-428
Change in Market Value	10
Interest	1,673
Dividends	0
Portfolio Value on 01-31-17	2,471,101

MANAGEMENT TEAM

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

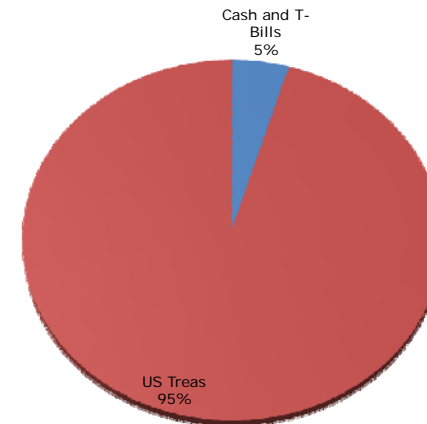
INVESTMENT PERFORMANCE

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: 0.65% Average Maturity: 0.54 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
January 31, 2017

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 02-15-17	100.07	300,223	100.01	300,024	12.14	1,875	866	0.43
250,000	US TREASURY NOTES 0.750% Due 03-15-17	100.15	250,381	100.03	250,087	10.12	1,875	720	0.45
550,000	US TREASURY NOTES 0.875% Due 04-15-17	100.15	550,811	100.08	550,434	22.27	4,812	1,441	0.48
200,000	US TREASURY NOTES 0.875% Due 05-15-17	100.26	200,516	100.08	200,156	8.10	1,750	377	0.60
250,000	US TREASURY NOTES 0.875% Due 06-15-17	100.24	250,605	100.10	250,255	10.13	2,187	288	0.60
150,000	US TREASURY NOTES 0.875% Due 07-15-17	100.11	150,164	100.10	150,147	6.08	1,312	62	0.66
100,000	US TREASURY NOTES 0.875% Due 08-15-17	100.11	100,105	100.10	100,098	4.05	875	404	0.69
150,000	US TREASURY NOTES 0.750% Due 04-15-18	99.53	149,297	99.76	149,637	6.06	1,125	337	0.95
100,000	US TREASURY NOTES 1.000% Due 08-15-18	100.46	100,457	99.92	99,922	4.04	1,000	462	1.05
100,000	US TREASURY NOTES 1.000% Due 09-15-18	100.43	100,434	99.84	99,844	4.04	1,000	384	1.10
100,000	US TREASURY NOTES 0.875% Due 10-15-18	100.05	100,047	99.58	99,582	4.03	875	262	1.12
100,000	US TREASURY NOTES 1.250% Due 11-15-18	100.77	100,770	100.16	100,156	4.05	1,250	269	1.16
	Accrued Interest				5,873	0.24			
			2,353,809		2,356,216	95.35		5,873	
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		114,885		114,885	4.65			
TOTAL PORTFOLIO			2,468,694		2,471,101	100	19,937	5,873	

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH SERIES E BOND
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
01-18-17	01-19-17	US TREASURY NOTES 0.875% Due 04-15-17	350,000	350,287.11
				350,287.11
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
01-31-17	01-31-17	MANAGEMENT FEES		349.38
				349.38
INTEREST				
CASH AND EQUIVALENTS				
01-01-17	01-03-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		56.05
U.S. TREASURY				
01-15-17	01-17-17	US TREASURY NOTES 0.750% Due 01-15-17		937.50
01-15-17	01-17-17	US TREASURY NOTES 0.875% Due 07-15-17		656.25
				1,593.75
				1,649.80
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
01-18-17	01-19-17	US TREASURY NOTES 0.875% Due 04-15-17		807.69
				807.69

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH SERIES E BOND
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
01-17-17	01-17-17	US TREASURY NOTES 0.750% Due 01-15-17	250,000	250,000.00
				250,000.00
WITHDRAW				
CASH AND EQUIVALENTS				
01-17-17	01-17-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		428.10
				428.10

* Callable security

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
ALEUTIANS EAST BOROUGH SERIES E BOND
From 01-01-17 Through 01-31-17

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
01-17-17	250,000	US TREASURY NOTES 0.750% Due 01-15-17	250,498.05	250,000.00	-498.05
TOTAL GAINS					0.00
TOTAL LOSSES					-498.05
			250,498.05	250,000.00	-498.05

Alaska Permanent Capital Management Co.
CASH LEDGER
ALEUTIANS EAST BOROUGH SERIES E BOND
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
01-01-17			Beginning Balance		214,758.50
01-01-17	01-03-17	dp	Interest	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI	56.05
01-15-17	01-17-17	dp	Interest	US TREASURY NOTES 0.750% Due 01-15-17	937.50
01-15-17	01-17-17	dp	Interest	US TREASURY NOTES 0.875% Due 07-15-17	656.25
01-17-17	01-17-17	wd	Withdrawal	from Portfolio	-428.10
01-17-17	01-17-17	dp	Sale	US TREASURY NOTES 0.750% Due 01-15-17	250,000.00
01-18-17	01-19-17	wd	Purchase	US TREASURY NOTES 0.875% Due 04-15-17	-350,287.11
01-18-17	01-19-17	wd	Accrued Interest	US TREASURY NOTES 0.875% Due 04-15-17	-807.69
01-31-17			Ending Balance		114,885.40

* Callable security

AEB 2010 SERIES A GO BOND/KCAP

Account Statement - Period Ending January 31, 2017



ACCOUNT ACTIVITY

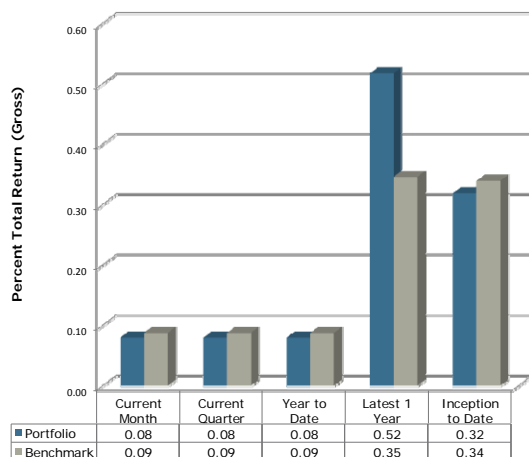
Portfolio Value on 12-31-16	1,019,801
Contributions	0
Withdrawals	-42
Change in Market Value	164
Interest	651
Dividends	0
Portfolio Value on 01-31-17	1,020,573

MANAGEMENT TEAM

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

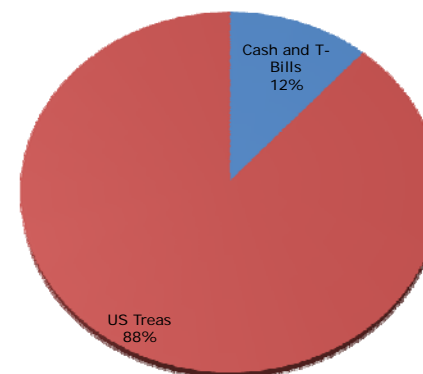
INVESTMENT PERFORMANCE

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: 0.60% Average Maturity: 0.50 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
January 31, 2017

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	100.01	150,012	14.70	937	433	0.43
100,000	US TREASURY NOTES 0.875% Due 04-30-17	100.28	100,281	100.09	100,091	9.81	875	225	0.50
150,000	US TREASURY NOTES 0.625% Due 06-30-17	99.75	149,619	100.00	150,000	14.70	937	83	0.62
100,000	US TREASURY NOTES 0.875% Due 08-15-17	100.31	100,309	100.10	100,098	9.81	875	404	0.69
100,000	US TREASURY NOTES 1.000% Due 09-15-17	100.42	100,418	100.17	100,172	9.82	1,000	384	0.72
100,000	US TREASURY NOTES 0.875% Due 10-15-17	100.30	100,301	100.08	100,078	9.81	875	262	0.76
100,000	US TREASURY NOTES 0.875% Due 11-15-17	100.28	100,277	100.07	100,066	9.80	875	189	0.79
100,000	US TREASURY NOTES 0.875% Due 01-15-18	100.21	100,211	100.00	99,996	9.80	875	41	0.88
	Accrued Interest				2,021	0.20			
			901,527		902,534	88.43		2,021	
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		118,039		118,039	11.57			
TOTAL PORTFOLIO			1,019,567		1,020,573	100	7,250	2,021	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB 2010 SERIES A GO BOND/KCAP
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
01-31-17	01-31-17	MANAGEMENT FEES		144.29
				144.29
INTEREST				
CASH AND EQUIVALENTS				
01-01-17	01-03-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		33.28
U.S. TREASURY				
01-15-17	01-17-17	US TREASURY NOTES 0.875% Due 01-15-18		437.50
				470.78
WITHDRAW				
CASH AND EQUIVALENTS				
01-03-17	01-03-17	CASH RECEIVABLE		468.75
01-17-17	01-17-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		42.40
				511.15
				511.15

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB 2010 SERIES A GO BOND/KCAP
From 01-01-17 Through 01-31-17

<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 01-01-17 To 01-31-17

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
01-01-17			Beginning Balance		117,142.17
01-01-17	01-03-17	dp	Interest	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI	33.28
01-03-17	01-03-17	dp	Transfer from	CASH RECEIVABLE	468.75
01-15-17	01-17-17	dp	Interest	US TREASURY NOTES 0.875% Due 01-15-18	437.50
01-17-17	01-17-17	wd	Withdrawal	from Portfolio	-42.40
01-31-17			Ending Balance		118,039.30
CASH RECEIVABLE					
01-01-17			Beginning Balance		468.75
01-03-17	01-03-17	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI	-468.75
01-31-17			Ending Balance		0.00

AEB 2010 SERIES B BOND/AKUTAN AIR

Account Statement - Period Ending January 31, 2017



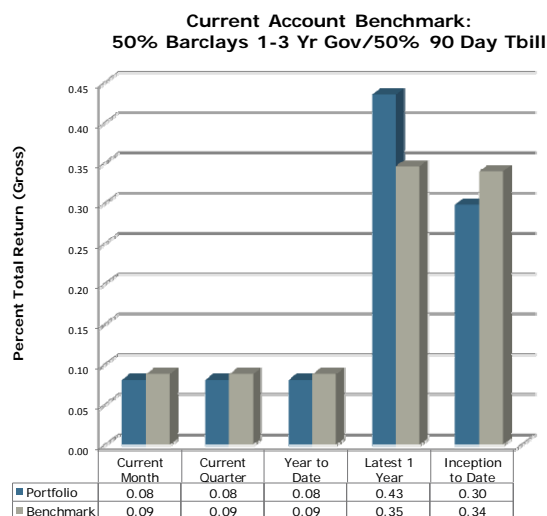
ACCOUNT ACTIVITY

Portfolio Value on 12-31-16	2,029,521
Contributions	0
Withdrawals	-114
Change in Market Value	135
Interest	1,504
Dividends	0
Portfolio Value on 01-31-17	2,031,045

MANAGEMENT TEAM

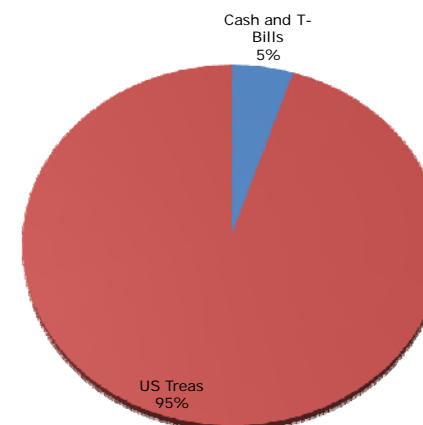
Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Jason Roth
Contact Phone Number:	907/272-7575

INVESTMENT PERFORMANCE



Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.78% Average Maturity: 0.89 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
January 31, 2017

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 0.625% Due 02-15-17	100.09	200,187	100.01	200,016	9.85	1,250	577	0.43
200,000	US TREASURY NOTES 0.750% Due 03-15-17	100.15	200,305	100.03	200,070	9.85	1,500	576	0.45
200,000	US TREASURY NOTES 0.875% Due 04-15-17	100.26	200,523	100.08	200,158	9.85	1,750	524	0.48
150,000	US TREASURY NOTES 0.875% Due 05-15-17	100.24	150,363	100.08	150,117	7.39	1,312	283	0.60
125,000	US TREASURY NOTES 0.875% Due 06-15-17	100.24	125,298	100.10	125,127	6.16	1,094	144	0.60
250,000	US TREASURY NOTES 0.875% Due 01-15-18	99.89	249,717	100.00	249,990	12.31	2,187	103	0.88
200,000	US TREASURY NOTES 1.125% Due 06-15-18	100.15	200,305	100.16	200,320	9.86	2,250	297	1.01
100,000	US TREASURY NOTES 1.000% Due 08-15-18	100.46	100,457	99.92	99,922	4.92	1,000	462	1.05
100,000	US TREASURY NOTES 1.000% Due 09-15-18	100.43	100,434	99.84	99,844	4.92	1,000	384	1.10
100,000	US TREASURY NOTES 0.875% Due 10-15-18	100.05	100,047	99.58	99,582	4.90	875	262	1.12
100,000	US TREASURY NOTES 1.250% Due 11-15-18	100.77	100,770	100.16	100,156	4.93	1,250	269	1.16
100,000	US TREASURY NOTES 1.250% Due 12-15-18	100.25	100,250	100.11	100,113	4.93	1,250	165	1.19
100,000	US TREASURY NOTES 1.125% Due 01-15-19	99.95	99,953	99.85	99,848	4.92	1,125	53	1.20
	Accrued Interest				4,099	0.20			
			1,928,608		1,929,362	94.99		4,099	
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		101,683		101,683	5.01			
TOTAL PORTFOLIO			2,030,291		2,031,045	100	17,844	4,099	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB 2010 SERIES B BOND/AKUTAN AIR
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
01-18-17	01-19-17	US TREASURY NOTES 1.125% Due 06-15-18	200,000	200,304.69
				200,304.69
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
01-31-17	01-31-17	MANAGEMENT FEES		287.15
				287.15
INTEREST				
CASH AND EQUIVALENTS				
01-01-17	01-03-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		38.87
U.S. TREASURY				
01-15-17	01-17-17	US TREASURY NOTES 0.750% Due 01-15-17		750.00
01-15-17	01-17-17	US TREASURY NOTES 0.875% Due 01-15-18		1,093.75
01-15-17	01-17-17	US TREASURY NOTES 1.125% Due 01-15-19		562.50
				2,406.25
				2,445.12
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
01-18-17	01-19-17	US TREASURY NOTES 1.125% Due 06-15-18		216.35
				216.35

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB 2010 SERIES B BOND/AKUTAN AIR
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Security	Quantity	Trade Amount
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
01-17-17	01-17-17	US TREASURY NOTES 0.750% Due 01-15-17	200,000	200,000.00
				200,000.00
WITHDRAW				
CASH AND EQUIVALENTS				
01-17-17	01-17-17	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI		114.36
				114.36

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB 2010 SERIES B BOND/AKUTAN AIR
From 01-01-17 Through 01-31-17

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
01-17-17	200,000	US TREASURY NOTES 0.750% Due 01-15-17	200,398.44	200,000.00	-398.44
TOTAL GAINS					0.00
TOTAL LOSSES					-398.44
			200,398.44	200,000.00	-398.44

Alaska Permanent Capital Management Co.
CASH LEDGER
AEB 2010 SERIES B BOND/AKUTAN AIR
From 01-01-17 To 01-31-17

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI					
01-01-17			Beginning Balance		99,873.33
01-01-17	01-03-17	dp	Interest	FEDERATED GOVERNMENT OBLIGATIONS INSTITUTI	38.87
01-15-17	01-17-17	dp	Interest	US TREASURY NOTES 0.750% Due 01-15-17	750.00
01-15-17	01-17-17	dp	Interest	US TREASURY NOTES 0.875% Due 01-15-18	1,093.75
01-15-17	01-17-17	dp	Interest	US TREASURY NOTES 1.125% Due 01-15-19	562.50
01-17-17	01-17-17	wd	Withdrawal	from Portfolio	-114.36
01-17-17	01-17-17	dp	Sale	US TREASURY NOTES 0.750% Due 01-15-17	200,000.00
01-18-17	01-19-17	wd	Purchase	US TREASURY NOTES 1.125% Due 06-15-18	-200,304.69
01-18-17	01-19-17	wd	Accrued Interest	US TREASURY NOTES 1.125% Due 06-15-18	-216.35
01-31-17			Ending Balance		101,683.05

Public Hearings

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

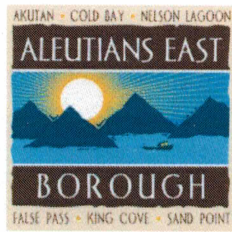
OLD BUSINESS

None

New Business

None

REPORTS AND UPDATES



Memorandum

Date: February 24, 2017

To: The Honorable Mayor Mack and Borough Assembly

From: Rick Gifford, Administrator *RG*

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 has since been unanimously approved by the State House and the Senate. Governor Walker has requested an FY18 capital reappropriation of \$10.0 million for the Izembek road project.

We continue to work with the Governor, 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 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.

Meeting with USACE

The Mayor and I met with the US Army Corps of Engineers (USACE), Civil Project Management Branch to discuss several Borough projects that could be accomplished with the help of the USACE.

We discussed the possibility of their participation and federal funding towards the Akun breakwater/dock project. The Alaska representatives of the USACE are definitely interested in the Akun breakwater/dock project

MEMORANDUM

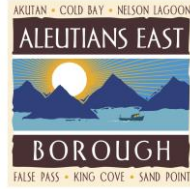
Borough Administrator's Report

Page 2

and requested a Letter of Interest from the Borough so that they can include it in their list of possible projects. We sent a letter on February 16 requesting that the USACE consider the Akun breakwater as a possible project.

We also discussed the King Cove Harbor Breakwater Study to investigate developing a solution to reduce wave action in the entrance channel and inside the King Cove harbor. The USACE agreed to research this project further and get back to us on how they might be able to participate.

A third project discussed was major repairs to the Cold Bay dock and a possible wave barrier for the Cold Bay dock. We are currently awaiting a preliminary concept from the State of Alaska as a result of the recent repair work that that was accomplished. Once we have that information, we agreed to continue to have discussions with the USACE on how they might help with this project.



To: Honorable Mayor Mack and AEB Assembly
From: Anne Bailey, Assistant Borough Administrator
Subject: Assembly Report
Date: February 23, 2017

Akutan Harbor

- **Akutan Conservation Easement:** Joe Levesque, Rick and I have completed the draft conservation easement. On February 22, 2017, the draft was provided to the Army Corps of Engineers, the Akutan Corporation and Aleut Corporation for their review and consideration.
- **Akutan Mitigation Measures.** On February 15, 2017, Rick and I met with the Army Corps and City of Akutan to discuss the outstanding mitigation measures for the Akutan Harbor Project. The Borough, City and Army Corps will be completing the items over the next few weeks.

Akutan Helicopter Operations

- **Helicopter Operations:** Helicopter operations are running smoothly even though weather and volcano have prohibited numerous flights for Grant and Maritime over the past few weeks. Since February 17, 2014, the helicopter has moved:
 - 10,229 passengers
 - 547,783 pounds of mail and freight
 - 7 medical evacuations between Akutan and Akun
 - 57 charters between Akutan and Akun
 - 845 charter passengers (*charter passenger numbers are from December 2015)

King Cove Harbor Transfer

At the February 9, 2017 Assembly Meeting, the Assembly passed resolution 17-17 authorizing the transfer of the Robert E “Babe” Newman Harbor from the Borough to the City of King Cove. The quitclaims have just recently been finalized and recorded and will be provided to the City of King Cove soon finalizing the transfer.

Contract Information

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

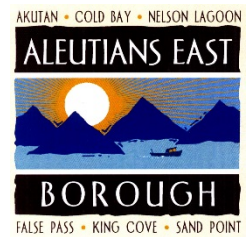
- Harvey Consulting
Planning Commission Contract Labor \$20,000
- HDR, Alaska
Nelson Lagoon Erosion Engineering and Support Services \$80,520.85

Other Items

- On February 10, 2017, Rick and I met with Kate Young, AMLJIA's Human Resources Director, to discuss the Employee Handbook.
- On February 13, 2017, the Borough, City of Cold Bay and Frosty Fuels met to discuss a fuel spill that occurred in November 2015 and the actions being done by Frosty Fuels to complete the cleanup.
- Rick and I will be attending a Nelson Lagoon Community Meeting on February 24, 2017 to participate in a discussion regarding the Nelson Lagoon School.
- Recently worked on numerous personnel items.
- 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.

To: The Honorable Mayor Mack, AEB Assembly
From: Ernie Weiss, Natural Resources Director
Subj: Report to the Assembly
Date: February 24, 2017

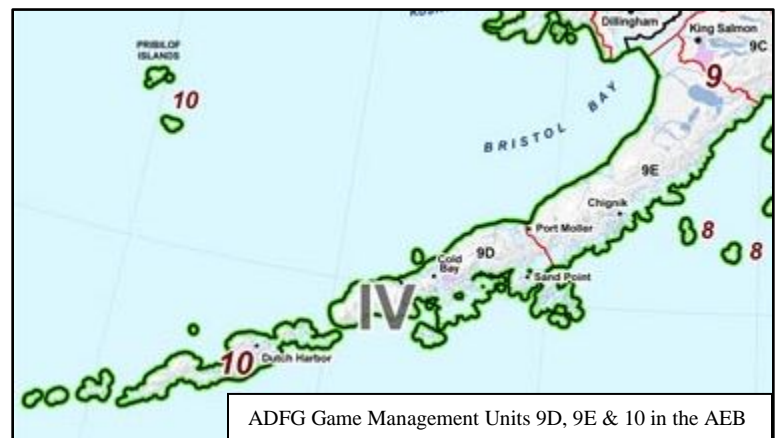


Alaska Board of Fisheries

The 2-week Upper Cook Inlet finfish meeting of the Board of Fish is currently ongoing at the Anchorage Sheraton (2/23-3/8/17); actions at this meeting are not expected to impact AEB fisheries. Several proposals at the upcoming Board meeting (3/20-3/24/17) to discuss King & Tanner crab and supplemental issues, are relevant to AEB fisheries. Proposal 249 authored by local fishermen would limit the number of pots that could be used in a future South Peninsula Tanner crab fishery; Proposal 274 would reduce Steller Sea lion restrictions in the Chignik P. cod fishery, and could possibly be a model for SSL restriction reductions in the Aleutians East. Also of interest: BSAI King & Tanner proposals 250-264.

Alaska Board of Game

The Board of Game is accepting proposals for game management in the Central and Southwest Region IV, including Game Management Units 9, 10, 11, 13, 14A, 14B, 16, and 17. The Aleutians East Borough is within Units 9 & 10. The Call for proposals can be found here. Proposals will be addressed during the Board of Game 2017/2018 meeting cycle. Proposal deadline: May 1, 2017.



North Pacific Fishery Management Council

The NPFMC received an update on the UCIDA v NMFS litigation at the February meeting. As you know, the UCIDA case is a concern to the AEB because the South Peninsula salmon fishery is home to one of the three 'traditional net fishing' areas technically outside of Alaska state-waters, that the State manages under delegated authority from the North Pacific Salmon Management Plan Amendment 12.

After the Ninth District Court of Appeals ruled in favor of UCIDA, that the federal salmon FMP does not comply with the MSA 10 National Standards, UCIDA asked the District Court to vacate Amendment 12 and for NMFS to come up with a new amendment within **2** years. NMFS and the State disagreed, instead requesting a remand of the current amendment until the Council is able to form a new amendment package within a time period up to **3** years. The parties, NMFS, UCIDA and the State "continue to engage in productive settlement discussions" according to a motion filed by UCIDA on 2/22/17. Salmon fishing management in the three areas is expected to remain status quo for the near future. Other NPFMC February highlights can be found in the Council February Newsletter.

At the upcoming NPFMC April meeting, NMFS will present a salmon FMP discussion paper that will start a new amendment process. April is also the meeting when the genetics of bycatch salmon are reviewed. Other April items, including 2 observer issues, are listed on this NPFMC 3-meeting outlook. Fishermen concerns with the Observer Declare and Deploy system (ODDs) this season, related to tender versus dockside trips, were highlighted during our AEB fishermen's teleconference in February. This is the first year the Observer program has used the new *tender delivery* strata, and it has caused problems for some folks. I plan to discuss potential solutions with Director Rilling at the April meeting.

Land Survey Project

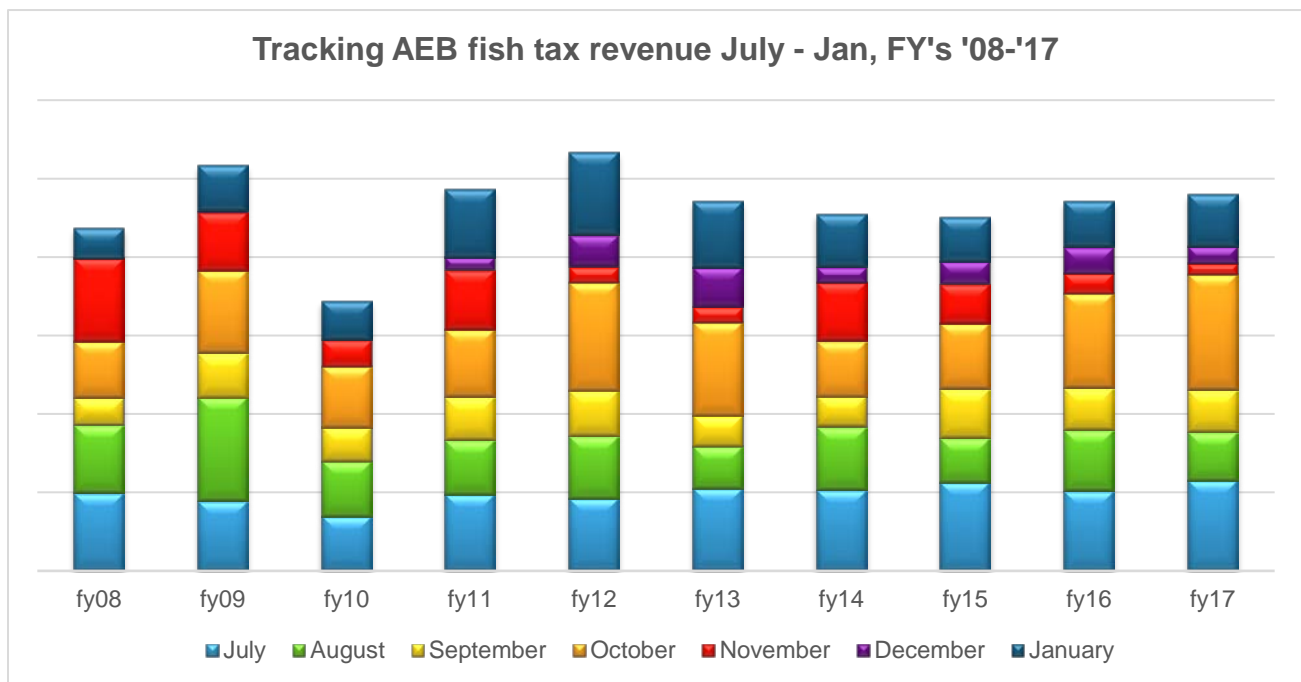
Municipal Lands survey update: At this point, we expect to receive the Survey Instructions in March that were requested from the State last June. These are needed to proceed with a survey of our

Municipal Lands in Port Moller, approximately 1300 acres, referenced as ADL 224714. McClintock Land Associates is ready begin the survey project as soon as the Survey Instructions are in hand. If the Assembly deems that the land survey project will continue next year, it might be wise to put in an early request for the next set of survey instructions that we'll need, to possibly survey Sandy River lands next on the list.

Local groundfish fisheries

There will be a South Peninsula State-waters Pacific cod pre-season meeting at 10am on March 1st to discuss the fishery that opens March 7th for vessels 58 ft and under, with a GHF for 2017 of 20,401,820 lbs, or 9254 mt. The federal/parallel WGOA pot cod **A** season for CV/CP had an allocation of 4,854 mt, opening January 1 and closing February 16th. The federal WGOA pot cod **B** season allocation of 4462 mt becomes available in September. The cod jig fishery is expected to remain open and available to fish.

WGOA Pacific cod CV trawl fishing continues – as of February 22nd, 3,578 mt of the 6,761 mt **A** season TAC had been delivered and 60% of the usable GOA Chinook PSC limit for 2017 reached (based on observer data, extrapolated each week to the rest of the fleet). The area 610 pollock **A** season closed February 10th after the 2232 mt allocation was caught. The **B** season 610 pollock allocation of 2232 mt becomes available March 10th. The area 610 pollock **C & D** season allocations are 19,569 mt each.



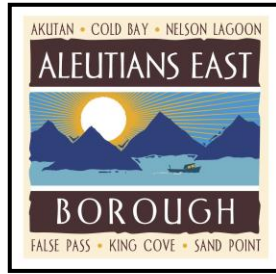
Upcoming meetings/planning to attend

ADFG/AEB State-waters Pacific cod Pre-season mtg.	<u>Teleconference</u>	3/1/17 10am
Southwest Alaska Municipal Conference (fish policy panelist)	Anchorage	3/2-3/3/17
Board of Fisheries Statewide Tanner/King crab & suppl.	Anchorage	3/20-3/24/17
North Pacific Fishery Management Council	Anchorage	4/3-4/11/17

Recent meetings attended

Anchorage ADFG Advisory Committee	Anchorage	2/7/17
AEB Fishermen meeting	Teleconference	2/8/17
Unalaska ADFG Advisory Committee	Teleconference	2/20/17
Board of Fisheries Upper Cook Inlet Finfish	Anchorage	2/23-3/8/17

Please call if you have any questions or concerns.

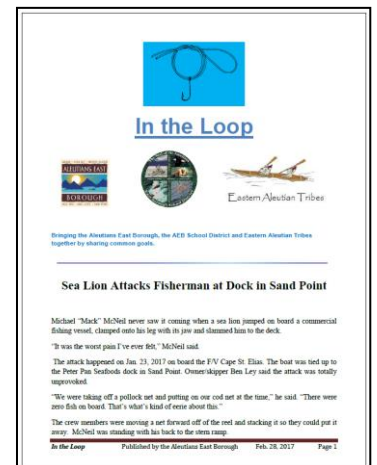


To: Honorable Mayor Mack and Aleutians East Borough Assembly
From: Laura Tanis, AEB Communications Director
Through: Rick Gifford, AEB Administrator
Subject: Communications Director's Report to the Assembly
Date: Feb. 24, 2017

In the Loop – Feb. 28, 2017

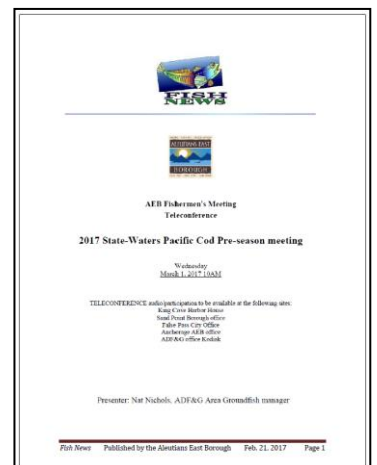
As of the writing of this report, I am finishing up the In the Loop newsletter, which will go out on Feb. 28th. Headlines include:

- Sea Lion Attacks Fishermen at dock in Sand Point
- Sand Point Police Chief to Retire
- Tiffany Jackson Attends NSBA Equity Symposium & Advocacy Institute
- Paige Kremer of Cold Bay Starts New Position with PenAir as Consumer Affairs Manager
- Steven Rothy Promoted to PenAir's Customer Service Manager in Cold Bay
- Job Opening: Borough Administrator
- City of False Pass Seeking Interested Parties to Lease Warehouse next to City Dock



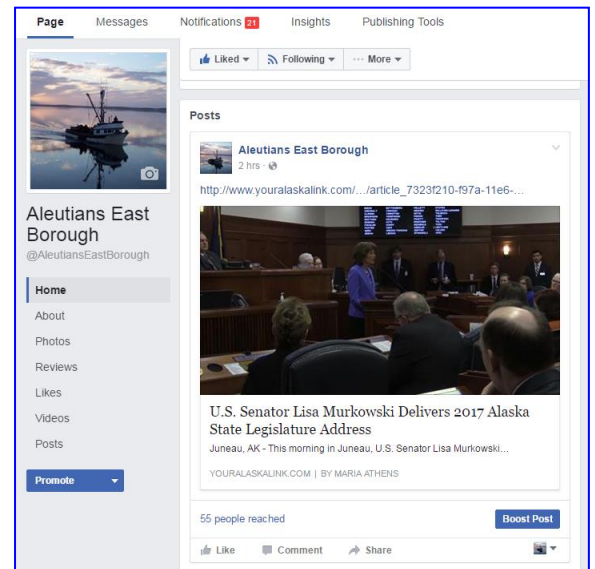
Fish News: – Notice of AEB Fishermen's Meeting – March 1 – 10 a.m.

- Teleconference meeting will focus on the 2017 state-waters Pacific cod pre-season meeting



Miscellaneous Projects:

- Provided updates to the Borough website, which included creating a subtab under the Employment tab, advertising the Borough administrator position. Added documents with the job description and job application.
- Obtained information from EAT regarding King Cove medevacs for Sen. Murkowski's office.
- Met with an Akutan employee to discuss a future newsletter story in that community.
- Contacted a Coast Guard captain and a chaplain about a future newsletter story in King Cove.
- Provided numerous posts on AEB's and King Cove's Facebook pages, including:
 - “U.S. Senator Lisa Murkowski Delivers 2017 Alaska State Legislative Address” – Your Alaska Link – 2/23
 - “No One Injured After Grant Plane Touches Down without Landing Gear” – KUCB – 2/15
 - “AK Senate Backs King Cove Road” – Juneau Empire – 2/14
 - “Coast Guard Suspends Search for Fishing Vessel near St. George, AK” - Coast Guard press release – 2/13
 - “Coast Guard Rescues Three Fishermen from Vessel Taking on Water near Akutan, AK – Coast Guard press release.
 - “Governor Walker Announces Appointments to State Boards & Commissions” – press release from Governor's office – 2/10



Upcoming Projects:

- Planning interviews, stories for next In the Loop newsletter, scheduled for March 31st
- Registered to attend SWAMC's 2017 Conference scheduled for March 1st & 2nd
- Will coordinate with Ernie Weiss on the next Fish News regarding issues from the NPFMC, Board of Fish, etc.

As always, I'm happy to help get the word out about an event or issue in your community. Please call or email me any time with information. ltanis@aeboro.org.

Assembly Comments

Public Comments

Date & Location of Next Meeting

Adjournment