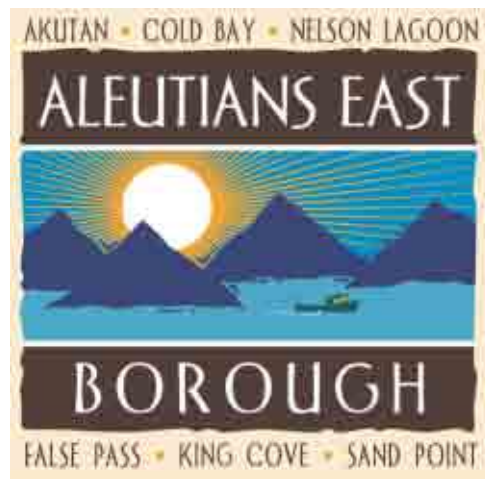


Aleutians East Borough Assembly Meeting

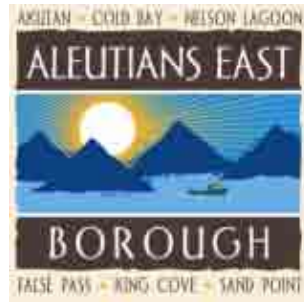


Workshop: Tuesday, December 18, 2012 – 1:00 p.m.

Meeting: Tuesday, December 18, 2012 – 3:00 p.m.

Roll Call & Establishment of a Quorum

Adoption of Agenda



ASSEMBLY MEETING

(material available on website: www.aleutianseast.org)

Date: December 18, 2012

Time: Workshop: 1:00 p.m.
Meeting: 3:00 p.m.

Location: By teleconference in the locations below:

King Cove -AEB office	Sand Point – AEB office
Nelson Lagoon Corp.office	False Pass city office
Akutan city office	Anchorage office – 3380 C St., Ste 205
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.

1. Roll Call & Establishment of Quorum
2. Adoption of the Agenda.
3. Community Roll Call and Public Comment on Agenda Items.
4. Minutes
 - November 13, 2012
5. Financial Reports
 - Financial Reports
 - November, 2012
 - Investment Report
 - November 2012
6. Presentation
 - Alaska Permanent Capital Management Co. - Annual review of permanent fund investments.
7. Resolutions
 - Resolution 13-15, selecting and promoting capital projects for the health, safety and welfare of it residents.
8. Ordinances
 - Introduction Ordinance 13-04, amending Title 6, Chapter 6.04, Section 6.04.041, Subsection (F), Investments Purpose and Limitations of the Borough Code of Ordinances.
9. Old Business *none*
10. New Business *none*

11. Reports and Updates
12. Assembly Comments
13. Public Comments
14. Next Meeting Date & Time
15. Adjournment

Community Roll Call & Public Comment on Agenda Items

Minutes

November 13, 2012
Aleutians East Borough Assembly Meeting

CALL TO ORDER

Mayor Mack called the November 13, 2012 Assembly meeting to order at 6:30 p.m. at the AEB office building in Anchorage and by teleconference in each community.

ROLL CALL

Mayor Stanley Mack	Present
Paul Gronholdt	Present
Carol Foster	Present
Marvin Mack	Present
Bill Cumberlidge	Present
Ken McHugh	Present
Joe Bereskin, Sr.	Present
Brenda Wilson	Present

Advisory Members:

Nikki Hoblet, False Pass	Absent -Unexcused
Harold Kremer III	Present
Justine Gundersen	Present

A quorum was present.

Staff Present:

Rick Gifford, Administrator
Roxann Newman, Finance Director
Tina Anderson, Clerk
Ernie Weiss, Resource Director
Laura Tanis, Communications Manager
Anne Bailey, Community Development Director
Jacki Brandell, Finance Assistant

Adoption of Agenda:

Bill moved to adopt the agenda and second by Brenda. There were no objections.

Community Roll Call and Public Comments on Agenda Items:

Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon, Sand Point, Anchorage office.

Paul Day, City of Sand Point Administrator, said city has not taken a formal statement. However, he feels the amount budgeted is low to fund the hovercraft for a year and needs to be looked at. He understands contract can be terminated in 90 days. Real dilemma for the AEB is requirement to provide marine link from Akun to Akutan, which is a tough choice. He is not sure if hovercraft right vessel to do that. Appropriating that kind of money to a single project for the marine link will drain AEB revenue for future infrastructure projects that all communities need. Hope the AEB looks at another option. He understands there is depth issues and can't easily apply any vessel, but feels AEB needs to consider other AEB communities.

Henry Mack, City of King Cove Mayor, said he spoke in work session and shares the same concerns as Paul Day.

Gary Hennigh, City of King Cove Administrator, said the things the AEB has done for King Cove and all AEB communities are commendable. The timing of this issue in front of you for the challenge you have in Akutan has big ramifications to King Cove. At the moment, King Cove is in political spotlight with EIS/land exchange. Somehow a hovercraft entered in and didn't work for King Cove and may work for others. Bottom line Secretary of Interior, Ken Salazar, holds our fate on the land exchange. We believe he is watching this very closely. His concern is that people are wrongly going to say that if the AEB can commit to a hovercraft at \$2-3M in Akutan then surely could have made it work in King Cove. This will give the Secretary of the Interior a chance to say King Cove probably deserve the road but may need to keep working to make the marine link work. He is very concerned that the decision made tonight is going to be the end of the process. Suggest putting contract in a holding pattern right now at this time to not work against us.

City of Sand Point Mayor, Martin Gundersen, thanked Assembly and Mayor for their efforts and contributions to the Sand Point harbor projects. Sand Point is in final phase in concept design of harbor renovations, which goes out to bid in January or February sometime. In regards to Akutan hovercraft, I know there are others that look for money from AEB. Speaking on Akutan behalf he supports their request in trying to get a marine link. However, to continue on for 20 years will be costly to AEB. Speaking for himself, he is in support for everyone to have transportation.

Joe Bereskin, speaking on behalf of Akutan as Mayor, appreciates concerns brought forth to the Assembly. He said he has been on the Assembly for a while and tries not to bring up the fact that what Akutan contributes to the AEB revenue is significant. Akutan puts a lot of tax dollars into the AEB from raw fish tax. Not too sure about the King Cove comments and does not see a tie there, but appreciates people coming forward to voice their opinion.

Minutes, October 4, 2012:

MOTION

Bill moved to approve the October 4, 2012 Minutes as presented and second by Brenda.

Hearing no objections, motion approved.

Minutes, October 15, 2012:

MOTION

Brenda moved to approve the October 15, 2012 Minutes and second by Bill. Hearing no objections motion approved.

Financial Reports, September, October 2012:

MOTION

Brenda moved to adopt the September and October Financial Reports and second by Carol.

DISCUSSION

The Administrator said he has reviewed the financial reports and requested a summary from the Finance Director.

In reviewing, the Finance Director said budget is going along well through the end of October. There will be changes made in December and revision changes on revenues will occur. So far, there is nothing out of the ordinary.

Paul said we have some excess revenues from FY12. In the past we have shared those revenues. Since \$3.5M Fund 22 expenditures, he asked if the FY12 surplus will be needed for this year's Fund 22 expenditures. The Administrator said he will have a better feel for it in January. Obviously we know expense side is going to go up to \$3M plus. At this time, not sure on revenues since no plane is flying to Akun yet. As a precaution he suggested holding onto surplus.

ROLL CALL

Carol-yes, Brenda-yes, Joe-yes, Marvin-yes, Paul-Yes, Ken-yes. Advisory: Harold-yes. **MOTION PASSED.**

Investment Reports:

Paul said, for the record, we lost some investment revenue under Fannie Mae Freddie Mac.

CONSENT AGENDA:

- Resolution 13-11, Adopting an alternative allocation method for the FY13 Shared Fisheries Business Tax Program for FMA 2.
- Resolution 13-12, Adopting an alternative allocation method for the FY13 Shared Fisheries Business Tax Program for FMA 3.
- Resolution 13-13, Approval of contract in the amount of \$102,180 to Harvey Consulting LLP for Resource Development Land Use Permitting System.
- Resolution 13-14, Supporting the City of False Pass CDBG Grant application for False Pass Generator Replacement Project.

MOTION

Paul moved to adopt the Consent Agenda and second by Ken.

DISCUSSION

Joe requested an explanation on Resolution 13-13. The Community Development Coordinator said AEB applied for grant in 2006, received a total of \$235,000. \$102,000 will go to Harvey Consulting, if approved, to assist with setting up the program. It went out to bid in September, received two RFP. Harvey Consulting will set up permitting process for resource development and help get it online.

ROLL CALL

Ken-yes, Paul-yes, Bill-yes, Brenda-yes, Carol-yes, Marvin-yes, Joe-yes. Advisory: Harold-yes. **MOTION PASSED.**

PUBLIC HEARING

Public Hearing Ordinance 13-03, Amending the FY12 budget (FINAL):

MOTION

Joe moved to approve Ordinance 13-03 and second by Brenda.

Mayor Mack opened for public hearing, hearing none public hearing closed.

ROLL CALL

Marvin-yes, Carol-yes, Brenda-yes, Paul-yes, Ken-yes, Joe-yes, Bill-yes. Advisory: Harold-yes.
MOTION PASSED.

OLD BUSINESS

Mayor Veto of amendment to Ordinance 13-02, FY13 Budget Ordinance Amendment:

Mayor Mack said that there was a motion to eliminate a department in AEB. He is exercising his right to veto that motion and has submitted a memo (in packet) on his reasons for his veto.

Carol said action was bad timing. The intent was to not jeopardize the whole budget. In saying that, she requested a workshop before our next budget and see if we can make cuts because that was the intent, to make cuts. We need to really look at the budget due to fishing and other things coming down the line like the hovercraft.

Justine said this is nothing personal, it is about the budget and trying to make some cuts and need to talk about these things. The Communications Director is a great person and it was just a budget issue. She supports having a budget workshop.

Paul asked the attorney Joe Levesque to explain the memo and what options we have.

The Attorney said he was requested by Mayor Mack to do memo. He explained the Mayor can veto the whole ordinance or just the motion to amend the budget. The Mayor decided that he wants to just veto just the amendment, not budget. The other amendments stand. He simply vetoed amendment using his power. Where it stands now that he has vetoed, the Assembly needs to decide what they want to do. Paul asked how much time allowed. Levesque said they can move to override now or next meeting. Paul said he does not plan to vote to override, and feels the budget will be fine.

Brenda asked if his veto isn't overridden, does the amendment go away. Levesque answered yes and added that when a motion is made during a public hearing that has a big change, the public has a right to have another public hearing.

Paul asked the AEB Attorney if any action is necessary if veto is overturned. Levesque said no action and if there is no override, the veto stands.

Approval of Contract in the amount of \$2.56M to Hoverlink for Akutan/Akun Hovercraft Operations:

MOTION

Ken moved to approve the Hoverlink contract in the amount of \$2.56M and second by Bill.

DISCUSSION

Paul does not believe the hovercraft is the best option for moving people from Akun to Akutan. Any financial scenario including mail with Essential Air Service (EAS) will be too many problems and cost too much money. So only sensible thing to do is vote down and get the parties together and negotiate a solution. He feels it will save money in the shortest time possible.

Marvin agrees with Paul. We are bidding for time for the King Cove access project, the road project has been a long process and he agrees with Paul, the hovercraft is not going to work. Money wise it is going to drain revenues and not fair to other communities, schools, etc... He feels we have to bide time until we can work out a plan B.

Carol agrees it is very expensive at \$2.5M plus for operating costs. She does not agree that the King Cove access project should be linked to this project. King Cove/Cold Bay access is going to be there and is down the road. We had this discussion with King Cove and were very adamant about the cost in King Cove being \$900,000 in debt when we ended it. She agrees with Paul that the entities need to find a better solution because we know that the hovercraft is not the best solution. At this time, they are the only community that does not have service. She feels this is wrong and they need to have service like everyone else and there has to be a solution.

Mayor Mack said Plan B is in the works and they have been working on it. Akutan did have an option with the Goose but that option is gone now. They are the only community without transportation right now, except by vessel. He recommends that we approve the contract. We have a 90 day clause in there that allows us to pull out. Meantime, the Assembly can direct administration to fast track an alternative mode of transportation since we know the hovercraft is not going to be the solution.

The Administrator said he has to admit when numbers started coming together it was a big wow. He understands Paul's concerns. The difficulty is these kinds of situations are the ramifications and political ramifications it can cause. He has to refer to Gary Hennigh on King Cove issue because Gary has been involved the longest and can see what that can do. He suggests considering the impact to AEB and the communities in the AEB when making a decision. It could mean no funding for a while. He agrees with Mayor Mack and suggested the Assembly give direction on looking at other alternatives and work with the state and Trident. Another option is postponing this for a couple months to not have an impact on King Cove Access project. He cautioned the Assembly to think hard on this. Carol asked for his recommendations. The Administrator said his recommendation is either postpone decision or approve contract with the direction to move on an alternative. AEB can exercise 90 days termination of contract.

Paul prefers to approve and exercise the termination of 90 days. The Administrator pointed out that once you say termination Hoverlink would be in shutdown mode.

Harold said the whole thing is costly but we do have an obligation to the city of Akutan and state of Alaska on agreement we signed. If we follow through with Gronholdt suggestion of termination in 90 days option, would we have an alternative in place in 90 days? The Administrator said it would be difficult to have something in place by then. Harold supports signing for one year and then have the alternative plan ready to go.

Carol asked when the EAS and airline flights are going to happen. Joe said it sounds like Grant Aviation will get EAS and will have a scheduled flight to Akutan, but nothing official has come out yet.

Rick said his understanding is the EAS contracts are being fine-tuned and close to getting signed. The hurricane slowed things down back east. Mail is not going to be big revenues for hovercraft but will pay the tariff of 50 cents. It would behoove the AEB to get a piece of that EAS contract, may be

difficult but might be worth it. He added that the postal service authorized Grant Aviation to do on-demand charters to get mail in.

AMENDMENT

Paul moved to change contract to a 90 day contract until February 11th. Second by Bill.

FURTHER DISCUSSION

Paul said we are not following code by operating without a contract. Levesque said you have a contract that has been negotiated by two parties, which means that tomorrow Hoverlink can say you are in breach and can pull out now since you are making a unilateral change.

Lobbyist Mark Hickey said that there is about \$2M reimbursement from the state, which has not been received yet. There is also a concern about impacting AEB reputation for future funding.

Ken said we have to look at an alternative but come February 1 we are not going to have an alternative in place, a lot of unknowns at this time. He feels strongly that we approve the contract as is and follow up with a strong study of an alternative. At this point, the amendment is basically closing down the hovercraft and not fulfilling our obligation and not having an alternative in place.

Brenda expressed her concern that the amendment impacts people that do not have a service and feels we need to take care of the people there. She added that three months is not going to fix the problem and need to consider future funding from state. She said if King Cove had wind and ice issues and the hovercraft could not travel, there is going to be many days that Akutan won't be able to use the hovercraft also.

Mayor Mack is concerned that if we serve notice the reimbursement funding will go away and infrastructure will not be put in place. He is reluctant to move forward with discontinuation at this time.

Paul asked the AEB Attorney to clear things up on hovercraft operation. AEB Attorney Joe Levesque clarified by saying, a lot of things going on and we need to buy a little time. He has reviewed the Hoverlink contract. He said Assembly has appropriated money in the budget and approved conceptually that we were going to work with Hoverlink and fulfill our promise that we would have a marine link in place September 1. Only way Hoverlink has agreed to work with the AEB is because we have a MOU in place and that Hoverlink is assured that they are going to get paid for what they are doing. If this is postponed or tabled for indefinite period of time we don't know what Hoverlink is going to do. The Administrator could extend this MOU to February and explain to Hoverlink. The Assembly has spoken, it holds the purse strings and is authorized to take a pause and continue to work with Hoverlink.

MOTION

Paul moved to table Hoverlink contract until February. Second by Carol.

ROLL CALL

Paul-yes, Joe-no, Marvin-yes, Ken-yes, Brenda-yes, Carol-yes, Bill-yes. Advisory: Harold-yes.

MOTION PASSED.

MOTION

Paul moved to authorize to continue to work with Hoverlink to extend with MOU through February. Second by Marvin.

DISCUSSION

Paul said this continues to keep operation the same as we are doing and right at the moment seems to make sense.

ROLL CALL

Marvin-yes, Ken-yes, Brenda-yes, Bill-yes, Joe-no, Carol-yes, Paul-yes. Advisory: Harold-yes.

MOTION PASSED.

NEW BUSINESS

Capital Projects Priority List – Discussion Only:

MOTION

Paul moved to amend Capital Projects Priority List by adding Cold Bay dock rebuild and wave barrier #2, moving subsidy to Akutan to bottom of list. Second by Bill. There were no objections, **MOTION PASSED.**

DISCUSSION

Paul said last year we had both Cold Bay items on priority list and they were numbered at five and eight. He felt there may be some savings in engineering costs by combining the Cold Bay dock rebuild and a wave barrier.

The Community Development Coordinator said additional projects brought up were Nelson Lagoon dock repairs, Cold Bay wave barrier and Sand Point harbor floats.

She added that Nelson Lagoon dock has \$3.4M in insurance property coverage. So, if there is damage she requested Justine get damage reported. In 2010 docks were \$3M, presently it would have a 5.5% increase. She said that the Nelson Lagoon Dock Agreement is also outstanding. In regards to a wave barrier, there was a study done although not sure where it is at this time.

Transportation Link – Discussion Only:

No discussion

Nelson Lagoon Advisory Member Appointment:

MOTION

Brenda moved to appoint Justine Gundersen as Nelson Lagoon Advisory Member for the remainder of this year and 2013. Second by Ken.

Donation Requests:

City of Sand Point – Community Playground Funding Request of \$1,000:

MOTION

Marvin moved to accept and second by Carol.

DISCUSSION

Carol supports funding, the equipment there is really bad, it has gravel on the ground and kids get hurt. City of Sand Point Mayor said kids use the playground extensively and this is a project that Sand Point City Clerk, Jade Cromer has been working on.

ROLL CALL

Paul-yes, Brenda-yes, Joe-yes, Carol-yes, Bill-yes, Marvin-yes, Ken-yes. Advisory: Harold-yes, Justine-yes. MOTION PASSED

REPORTS AND UPDATES

Paul thanked staff for the real good reports.

Cold Bay airport terminal lawsuit: The Administrator said the lawsuit has settled. AEB asked for \$1.5M for building damages repaired by AEB. There was a countersuit for \$400,000, that has gone away and AEB will receive \$600,000 check.

ASSEMBLY COMMENTS

Carol said discussion on Sand Point new harbor, for the record, it is time to help finish that and it would behoove AEB to get the projects done and then turned over to its rightful owners.

PUBLIC COMMENTS

Dick Jacobsen said in regards to the hovercraft discussion, that hovercraft worries him out there. If you get a wind against the tide someone is going to get hurt on that hovercraft. AEB needs to come up with a better solution than that. He put his fishing vessel under water by missing the tide, he does not believe the hovercraft is going to work.

NEXT MEETING DATE & TIME

In December, date and time to be determined later.

ADJOURNMENT

There was no more business, meeting adjourned at 8:53 p.m.

Mayor Date

Clerk Date

Financial Report

ALEUTIANS EAST BOROUGH

12/05/12 4:01 PM

***Revenue Guideline©**

Page 1

Current Period: NOVEMBER 12-13

		12-13	12-13	NOVEMBER	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 01 GENERAL FUND						
Active	R 01-201 INTEREST REVENUE	\$35,000.00	\$7,206.30	\$0.00	\$27,793.70	20.59%
Active	R 01-203 OTHER REVENUE	\$7,000.00	\$89,015.68	\$0.00	-\$81,015.68	1257.37%
Active	R 01-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-208 AEBSD Fund Balance Refun	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-218 AEB RAW FISH TAX	\$3,200,779.00	\$1,644,128.42	\$568,502.94	\$1,556,650.58	51.37%
Active	R 01-229 Southwest Cities LLC	\$0.00	\$30,000.00	\$0.00	-\$30,000.00	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	\$1,664,919.00	\$2,033,096.94	\$0.00	-\$368,177.94	122.11%
Active	R 01-266 STATE EXTRATERRITORIA	\$243,084.00	\$0.00	\$0.00	\$243,084.00	0.00%
Active	R 01-267 STATE FISH LANDING TAX	\$53,571.00	\$49,776.49	\$49,776.49	\$3,794.51	92.92%
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	\$542,712.00	\$0.00	\$0.00	\$542,712.00	0.00%
Active	R 01-276 AEB SCHOOL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-277 STATE BOND REBATE	\$1,045,464.00	\$276,835.00	\$0.00	\$768,629.00	26.48%
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	\$15,123.00	\$0.00	\$21,133.00	41.71%
Total Fund 01 GENERAL FUND		\$7,387,785.00	\$4,144,181.83	\$618,279.43	\$3,243,603.17	56.10%

ALEUTIANS EAST BOROUGH

12/05/12 4:00 PM

***Expenditure Guideline©**

Page 1

Current Period: NOVEMBER 12-13

		12-13	12-13	NOVEMBER	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 01 GENERAL FUND						
DEPT 100 MAYORS OFFICE						
Active	E 01-100-000-300 SALARIES	\$68,985.00	\$29,778.40	\$5,955.68	\$39,206.60	43.17%
Active	E 01-100-000-350 FRINGE BENEFITS	\$27,810.00	\$11,392.12	\$2,279.06	\$16,417.88	40.96%
Active	E 01-100-000-400 TRAVEL AND PER	\$36,000.00	\$12,124.54	\$2,842.90	\$23,875.46	36.41%
Active	E 01-100-000-425 TELEPHONE	\$2,400.00	\$570.55	\$114.93	\$1,829.45	23.77%
Active	E 01-100-000-475 SUPPLIES	\$1,000.00	\$404.99	\$0.00	\$595.01	50.50%
Active	E 01-100-000-554 AK LOBBIST	\$36,000.00	\$17,500.00	\$3,500.00	\$18,500.00	48.61%
Active	E 01-100-000-555 FEDERAL LOBBIS	\$75,600.00	\$25,200.00	\$6,300.00	\$50,400.00	41.67%
SUBDEPT 000		<u>\$247,795.00</u>	<u>\$96,970.60</u>	<u>\$20,992.57</u>	<u>\$143,440.40</u>	<u>39.13%</u>
Total DEPT 100 MAYORS OFFICE		\$247,795.00	\$96,970.60	\$20,992.57	\$143,440.40	39.13%
DEPT 105 ASSEMBLY						
Active	E 01-105-000-300 SALARIES	\$25,000.00	\$5,800.00	\$1,800.00	\$19,200.00	23.20%
Active	E 01-105-000-350 FRINGE BENEFITS	\$56,000.00	\$27,858.90	\$4,722.90	\$28,141.10	49.75%
Active	E 01-105-000-400 TRAVEL AND PER	\$40,000.00	\$8,293.00	\$4,400.00	\$31,707.00	21.48%
Active	E 01-105-000-425 TELEPHONE	\$4,500.00	\$1,615.29	\$259.00	\$2,884.71	37.90%
Active	E 01-105-000-475 SUPPLIES	\$500.00	\$2,500.00	\$0.00	-\$2,000.00	500.00%
SUBDEPT 000		<u>\$126,000.00</u>	<u>\$46,067.19</u>	<u>\$11,181.90</u>	<u>\$79,542.82</u>	<u>36.56%</u>
Total DEPT 105 ASSEMBLY		\$126,000.00	\$46,067.19	\$11,181.90	\$79,542.82	36.56%
DEPT 150 PLANNING/CLERKS DEPARTMENT						
Active	E 01-150-000-300 SALARIES	\$81,160.00	\$34,456.39	\$7,497.84	\$46,703.61	42.45%
Active	E 01-150-000-350 FRINGE BENEFITS	\$33,524.00	\$12,304.61	\$2,510.74	\$21,219.39	36.70%
Active	E 01-150-000-400 TRAVEL AND PER	\$12,500.00	\$2,306.00	\$2,306.00	\$10,194.00	18.45%
Active	E 01-150-000-425 TELEPHONE	\$7,500.00	\$2,371.41	\$364.67	\$5,128.59	35.95%
Active	E 01-150-000-450 POSTAGE/SPEED	\$1,500.00	\$63.96	\$15.99	\$1,436.04	4.26%
Active	E 01-150-000-475 SUPPLIES	\$9,000.00	\$3,163.36	\$94.20	\$5,836.64	35.15%
Active	E 01-150-000-526 UTILITIES	\$15,000.00	\$7,770.09	\$2,001.11	\$7,229.91	51.80%
Active	E 01-150-000-530 DUES AND FEES	\$5,000.00	\$3,763.80	\$27.00	\$1,246.20	75.08%
Active	E 01-150-000-650 ELECTION	\$25,000.00	\$5,479.77	\$0.00	\$19,520.23	21.92%
Active	E 01-150-000-670 Planning Commissio	\$4,300.00	\$0.00	\$0.00	\$4,300.00	0.00%
SUBDEPT 000		<u>\$194,484.00</u>	<u>\$71,669.39</u>	<u>\$14,817.55</u>	<u>\$122,489.46</u>	<u>36.85%</u>
Total DEPT 150 PLANNING/CLERKS DEPARTMENT		\$194,484.00	\$71,669.39	\$14,817.55	\$122,489.46	36.85%
DEPT 200 ADMINISTRATION						
Active	E 01-200-000-300 SALARIES	\$166,116.00	\$72,528.70	\$14,505.74	\$93,587.30	43.66%
Active	E 01-200-000-350 FRINGE BENEFITS	\$64,234.00	\$31,443.45	\$6,228.28	\$32,790.55	48.95%
Active	E 01-200-000-380 CONTRACT LABO	\$25,000.00	\$9,000.00	\$1,500.00	\$16,000.00	42.00%
Active	E 01-200-000-382 ANCHORAGE OFFI	\$0.00	\$11,222.05	\$1,160.42	-\$11,222.05	0.00%
Active	E 01-200-000-400 TRAVEL AND PER	\$15,000.00	\$19,760.81	\$3,005.10	-\$4,760.81	131.74%
Active	E 01-200-000-425 TELEPHONE	\$6,000.00	\$3,342.23	\$1,364.04	\$2,657.77	58.43%
Active	E 01-200-000-450 POSTAGE/SPEED	\$2,500.00	\$507.44	\$0.00	\$1,992.56	20.30%
Active	E 01-200-000-475 SUPPLIES	\$18,120.00	\$4,791.03	\$336.65	\$13,328.97	27.77%
Active	E 01-200-000-500 EQUIPMENT	\$4,500.00	\$0.00	\$0.00	\$4,500.00	0.00%
Active	E 01-200-000-525 RENTAL/LEASE	\$36,980.00	\$10,865.26	\$2,733.40	\$26,114.74	29.38%
Active	E 01-200-000-530 DUES AND FEES	\$1,500.00	\$1,440.00	\$0.00	\$60.00	109.33%
SUBDEPT 000		<u>\$339,950.00</u>	<u>\$164,900.97</u>	<u>\$30,831.63</u>	<u>\$163,879.26</u>	<u>48.51%</u>
Total DEPT 200 ADMINISTRATION		\$339,950.00	\$164,900.97	\$30,831.63	\$163,879.26	48.51%
DEPT 250 FINANCE DEPARTMENT						
Active	E 01-250-000-300 SALARIES	\$116,802.00	\$50,941.92	\$9,437.72	\$65,860.08	43.61%
Active	E 01-250-000-350 FRINGE BENEFITS	\$51,161.00	\$19,505.47	\$3,735.16	\$31,655.53	38.13%
Active	E 01-250-000-400 TRAVEL AND PER	\$4,000.00	\$1,400.00	\$1,400.00	\$2,600.00	42.50%
Active	E 01-250-000-425 TELEPHONE	\$5,000.00	\$1,806.90	\$348.71	\$3,193.10	36.65%

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		12-13	12-13	NOVEMBER	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Active	E 01-250-000-450 POSTAGE/SPEED	\$2,500.00	\$1,539.53	\$15.00	\$960.47	61.58%
Active	E 01-250-000-475 SUPPLIES	\$10,500.00	\$6,496.22	\$937.65	\$4,003.78	61.87%
Active	E 01-250-000-526 UTILITIES	\$4,000.00	\$1,429.04	\$233.25	\$2,570.96	36.73%
Active	E 01-250-000-550 AUDIT	\$45,000.00	\$33,313.61	\$5,000.00	\$11,686.39	74.03%
SUBDEPT 000		\$238,963.00	\$116,432.69	\$21,107.49	\$122,204.50	48.72%
Total DEPT 250 FINANCE DEPARTMENT		\$238,963.00	\$116,432.69	\$21,107.49	\$122,204.50	48.72%
DEPT 650 RESOURCE DEPARTMENT						
Active	E 01-650-000-300 SALARIES	\$70,000.00	\$30,216.70	\$6,043.34	\$39,783.30	43.17%
Active	E 01-650-000-350 FRINGE BENEFITS	\$30,040.00	\$11,587.22	\$2,299.62	\$18,452.78	38.57%
Active	E 01-650-000-380 CONTRACT LABO	\$75,000.00	\$31,250.00	\$6,250.00	\$43,750.00	41.67%
Active	E 01-650-000-400 TRAVEL AND PER	\$35,000.00	\$14,709.48	\$1,776.10	\$20,290.52	48.06%
Active	E 01-650-000-401 SEMD SAMPLING	\$62,000.00	\$89,000.00	\$0.00	-\$27,000.00	143.55%
Active	E 01-650-000-402 NPFMC Meetings	\$15,000.00	\$1,800.00	\$0.00	\$13,200.00	12.00%
Active	E 01-650-000-403 BOF Meetings	\$25,000.00	\$0.00	\$0.00	\$25,000.00	8.83%
Active	E 01-650-000-426 TELEPHONE	\$3,000.00	\$561.79	\$137.74	\$2,438.21	18.73%
Active	E 01-650-000-475 SUPPLIES	\$3,000.00	\$4,331.02	\$4,024.51	-\$1,331.02	144.37%
Active	E 01-650-000-508 FY10Pollock Survey	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-650-000-525 RENTAL/LEASE	\$6,000.00	\$2,720.81	\$684.48	\$3,279.19	45.35%
Active	E 01-650-000-679 Fisheries Developm	\$0.00	\$2,500.00	\$0.00	-\$2,500.00	0.00%
SUBDEPT 000		\$324,040.00	\$188,677.02	\$21,215.79	\$126,043.58	58.23%
Total DEPT 650 RESOURCE DEPARTMENT		\$324,040.00	\$188,677.02	\$21,215.79	\$126,043.58	58.23%
DEPT 651 PUBLIC INFORMATION						
Active	E 01-651-011-300 SALARIES	\$84,959.00	\$37,381.90	\$7,334.78	\$47,577.10	44.00%
Active	E 01-651-011-350 FRINGE BENEFITS	\$32,738.00	\$9,793.72	\$1,555.08	\$22,942.28	29.92%
Active	E 01-651-011-400 TRAVEL AND PER	\$15,000.00	\$10,325.79	\$400.00	\$4,674.21	68.84%
Active	E 01-651-011-425 TELEPHONE	\$2,400.00	\$513.50	\$181.17	\$1,886.50	21.40%
Active	E 01-651-011-450 POSTAGE/SPEED	\$250.00	\$0.00	\$0.00	\$250.00	0.00%
Active	E 01-651-011-475 SUPPLIES	\$4,500.00	\$85.00	\$30.51	\$4,415.00	1.89%
Active	E 01-651-011-525 RENTAL/LEASE	\$6,800.00	\$2,720.81	\$684.48	\$4,079.19	40.01%
Active	E 01-651-011-532 ADVERTISING	\$25,000.00	\$822.00	\$0.00	\$24,178.00	3.29%
SUBDEPT 011 PUBLIC INFORMATION		\$171,645.00	\$61,642.72	\$10,186.02	\$110,002.28	35.91%
Total DEPT 651 PUBLIC INFORMATION		\$171,645.00	\$61,642.72	\$10,186.02	\$110,002.28	35.91%
DEPT 700 PUBLIC WORKS DEPARTMENT						
Active	E 01-700-000-300 SALARIES	\$72,997.00	\$37,139.88	\$6,302.04	\$35,857.12	50.88%
Active	E 01-700-000-350 FRINGE BENEFITS	\$29,602.00	\$12,690.05	\$2,360.28	\$16,911.95	42.87%
Active	E 01-700-000-400 TRAVEL AND PER	\$12,000.00	\$5,958.00	\$0.00	\$6,042.00	49.65%
Active	E 01-700-000-425 TELEPHONE	\$1,500.00	\$419.55	\$59.46	\$1,080.45	30.77%
Active	E 01-700-000-475 SUPPLIES	\$6,000.00	\$7,275.98	\$4,260.57	-\$1,275.98	122.91%
Active	E 01-700-000-500 EQUIPMENT	\$1,500.00	\$0.00	\$0.00	\$1,500.00	0.00%
Active	E 01-700-000-526 UTILITIES	\$2,500.00	\$501.25	\$83.94	\$1,998.75	20.05%
SUBDEPT 000		\$126,099.00	\$63,984.71	\$13,046.29	\$61,973.38	50.74%
Total DEPT 700 PUBLIC WORKS DEPARTMENT		\$126,099.00	\$63,984.71	\$13,046.29	\$61,973.38	50.74%
DEPT 844 KCAP						
Active	E 01-844-000-300 SALARIES	\$4,500.00	\$0.00	\$0.00	\$4,500.00	0.00%
Active	E 01-844-000-350 FRINGE BENEFITS	\$6,000.00	\$0.00	\$0.00	\$6,000.00	0.00%
Active	E 01-844-000-400 TRAVEL AND PER	\$0.00	\$755.37	\$0.00	-\$755.37	0.00%
Active	E 01-844-000-425 TELEPHONE	\$2,120.00	\$162.66	\$51.54	\$1,967.34	7.67%
Active	E 01-844-000-475 SUPPLIES	\$3,600.00	\$13.02	\$6.51	\$3,586.98	0.36%
Active	E 01-844-000-525 RENTAL/LEASE	\$7,580.00	\$2,720.81	\$684.48	\$4,859.19	35.89%
SUBDEPT 000		\$23,800.00	\$3,651.86	\$742.53	\$20,148.14	15.34%
Total DEPT 844 KCAP		\$23,800.00	\$3,651.86	\$742.53	\$20,148.14	15.34%

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		12-13	12-13	NOVEMBER	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
DEPT 850 EDUCATION						
Active	E 01-850-000-700 LOCAL SCHOOL C	\$1,500,000.00	\$375,000.00	\$0.00	\$1,125,000.00	25.00%
Active	E 01-850-000-701 SCHOOL SCHOLA	\$20,000.00	\$0.00	\$0.00	\$20,000.00	0.00%
Active	E 01-850-000-703 School Contribution	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-850-000-756 STUDENT TRAVEL	\$5,000.00	\$0.00	\$0.00	\$5,000.00	0.00%
SUBDEPT 000		\$1,525,000.00	\$375,000.00	\$0.00	\$1,150,000.00	24.59%
Total DEPT 850 EDUCATION		\$1,525,000.00	\$375,000.00	\$0.00	\$1,150,000.00	24.59%
DEPT 860 SPECIAL ASSISTANT-NLG,FP,CDB						
Active	E 01-860-000-300 SALARIES	\$60,000.00	\$31,883.38	\$6,043.34	\$28,116.62	53.14%
Active	E 01-860-000-350 FRINGE BENEFITS	\$27,256.00	\$11,655.92	\$2,299.62	\$15,600.08	42.76%
Active	E 01-860-000-400 TRAVEL AND PER	\$10,000.00	\$1,982.90	\$0.00	\$8,017.10	19.83%
Active	E 01-860-000-425 TELEPHONE	\$4,000.00	\$223.67	\$50.50	\$3,776.33	5.59%
Active	E 01-860-000-450 POSTAGE/SPEED	\$250.00	\$0.00	\$0.00	\$250.00	0.00%
Active	E 01-860-000-475 SUPPLIES	\$4,500.00	\$256.77	\$250.26	\$4,243.23	5.71%
Active	E 01-860-000-525 RENTAL/LEASE	\$7,000.00	\$2,376.48	\$598.36	\$4,621.52	33.98%
SUBDEPT 000		\$113,006.00	\$48,381.12	\$9,242.08	\$64,624.88	42.81%
Total DEPT 860 SPECIAL ASSISTANT-NLG,FP,CDB		\$113,006.00	\$48,381.12	\$9,242.08	\$64,624.88	42.81%
DEPT 900 OTHER						
Active	E 01-900-000-500 EQUIPMENT	\$8,200.00	\$5,171.00	\$0.00	\$3,029.00	63.06%
Active	E 01-900-000-515 AEB VEHICLES	\$10,000.00	\$1,965.00	\$0.00	\$8,035.00	19.65%
Active	E 01-900-000-525 RENTAL/LEASE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-526 UTILITIES	\$13,000.00	\$6,682.95	\$622.86	\$6,317.05	51.41%
Active	E 01-900-000-527 Aleutia Crab	\$58,522.00	\$0.00	\$0.00	\$58,522.00	0.00%
Active	E 01-900-000-551 LEGAL	\$150,000.00	\$71,441.23	\$8,181.88	\$78,658.77	60.18%
Active	E 01-900-000-552 INSURANCE	\$180,000.00	\$137,343.17	\$0.00	\$42,656.83	76.30%
Active	E 01-900-000-600 REPAIRS	\$5,000.00	\$7,206.23	\$0.00	-\$2,206.23	144.12%
Active	E 01-900-000-727 BANK FEES	\$2,000.00	\$250.00	\$0.00	\$1,750.00	12.50%
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	\$37,500.00	\$0.00	\$112,500.00	25.00%
Active	E 01-900-000-753 MISC EXPENSE	\$1,000.00	\$10,036.65	\$0.00	-\$9,036.65	9536.23%
Active	E 01-900-000-757 DONATIONS	\$23,500.00	\$7,000.00	\$0.00	\$16,500.00	29.79%
Active	E 01-900-000-760 REVENUE SHARIN	\$32,000.00	\$32,000.00	\$0.00	\$0.00	100.00%
Active	E 01-900-000-770 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-943 WEB SERVICE	\$21,333.32	\$7,210.04	\$1,443.00	\$14,123.28	23.61%
SUBDEPT 000		\$654,555.32	\$323,806.27	\$10,247.74	\$235,923.23	49.47%
Total DEPT 900 OTHER		\$654,555.32	\$323,806.27	\$10,247.74	\$235,923.23	49.47%
Total Fund 01 GENERAL FUND		\$4,085,337.32	\$1,561,183.54	\$163,611.59	\$2,400,271.93	38.21%

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		12-13	12-13	NOVEMBER	12-13	% of
		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	\$57,316.11	\$0.00	-\$57,316.11	0.00%
Active	R 20-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-254 KCAP Road Completion	\$707,444.26	\$0.00	\$0.00	\$707,444.26	0.00%
Active	R 20-287 KCAP/09-DC-359	\$1,958,992.03	\$0.00	\$0.00	\$1,958,992.03	0.00%
Active	R 20-422 DENALI COMMISSION/FAL	\$313,421.00	\$182,717.00	\$0.00	\$130,704.00	58.30%
Active	R 20-424 EDA/Akutan Harbor Floats	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	0.00%
Active	R 20-512 Nelson Lagoon #810758 AC	\$3,743.14	\$0.00	\$0.00	\$3,743.14	0.00%
Active	R 20-516 Library Grant Program	\$1,500.00	\$0.00	\$0.00	\$1,500.00	0.00%
Active	R 20-517 CIAP-COLD BAY BOAT RA	\$34,384.99	\$0.00	\$0.00	\$34,384.99	0.00%
Active	R 20-518 CIAP-Create A Resource La	\$255,050.00	\$0.00	\$0.00	\$255,050.00	0.00%
Active	R 20-811 US FISH&WILDLIFE MARIT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 20 GRANT PROGRAMS		\$4,274,535.42	\$240,033.11	\$0.00	\$4,034,502.31	5.62%

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	12-13 YTD Budget	12-13 YTD Amt	NOVEMBER MTD Amt	12-13 YTD Balance	% of Budget
Fund 20 GRANT PROGRAMS					
DEPT 422 DENALI COMMISSION/FALSE PASS					
Active E 20-422-000-850 CAPITAL CONSTR	\$313,421.00	\$182,717.00	\$0.00	\$130,704.00	58.30%
SUBDEPT 000	\$313,421.00	\$182,717.00	\$0.00	\$130,704.00	58.30%
Total DEPT 422 DENALI COMMISSION/FALSE PASS	\$313,421.00	\$182,717.00	\$0.00	\$130,704.00	58.30%
DEPT 424 EDA/Akutan Harbor Floats					
Active E 20-424-000-850 CAPITAL CONSTR	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	0.00%
SUBDEPT 000 NO DESCR	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	0.00%
Total DEPT 424 EDA/Akutan Harbor Floats	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	0.00%
DEPT 512 Nelson Lagoon-Hazard Impact					
Active E 20-512-000-380 CONTRACT LABO	\$3,743.14	\$0.00	\$0.00	\$3,743.14	0.00%
SUBDEPT 000	\$3,743.14	\$0.00	\$0.00	\$3,743.14	0.00%
Total DEPT 512 Nelson Lagoon-Hazard Impact	\$3,743.14	\$0.00	\$0.00	\$3,743.14	0.00%
DEPT 516 Library Grant Program					
Active E 20-516-000-475 SUPPLIES	\$2,000.00	\$421.60	\$0.00	\$1,578.40	21.08%
SUBDEPT 000	\$2,000.00	\$421.60	\$0.00	\$1,578.40	21.08%
Total DEPT 516 Library Grant Program	\$2,000.00	\$421.60	\$0.00	\$1,578.40	21.08%
DEPT 517 CIAP-COLD BAY BOAT RAMP					
Active E 20-517-000-300 SALARIES	\$0.00	\$8,400.00	\$0.00	-\$8,400.00	0.00%
Active E 20-517-000-350 FRINGE BENEFITS	\$0.00	\$887.90	\$0.00	-\$887.90	0.00%
Active E 20-517-000-380 CONTRACT LABO	\$2,414.68	\$5,513.01	\$0.00	-\$3,098.33	228.31%
Active E 20-517-000-400 TRAVEL AND PER	-\$1,164.00	\$2,438.00	\$0.00	-\$3,602.00	-209.45%
Active E 20-517-000-475 SUPPLIES	\$9,646.48	\$9,138.61	\$0.00	\$507.87	94.74%
SUBDEPT 000	\$10,897.16	\$26,377.52	\$0.00	-\$15,480.36	242.06%
Total DEPT 517 CIAP-COLD BAY BOAT RAMP	\$10,897.16	\$26,377.52	\$0.00	-\$15,480.36	242.06%
DEPT 518 CIAP-Create A Resource LandUse					
Active E 20-518-000-850 CAPITAL CONSTR	\$255,050.00	\$114.54	\$0.00	\$254,935.46	0.04%
SUBDEPT 000 NO DESCR	\$255,050.00	\$114.54	\$0.00	\$254,935.46	0.04%
Total DEPT 518 CIAP-Create A Resource LandUse	\$255,050.00	\$114.54	\$0.00	\$254,935.46	0.04%
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 803 CAPITAL - FALSE PASS					
Active E 20-803-000-850 CAPITAL CONSTR	\$14,070.13	\$0.00	\$0.00	\$14,070.13	0.00%
SUBDEPT 000	\$14,070.13	\$0.00	\$0.00	\$14,070.13	0.00%
Active E 20-803-059-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 059 FY12 CIP	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 803 CAPITAL - FALSE PASS	\$14,070.13	\$0.00	\$0.00	\$14,070.13	0.00%
DEPT 806 CAPITAL - SAND POINT					
Active E 20-806-000-850 CAPITAL CONSTR	\$120,000.00	\$0.00	\$0.00	\$120,000.00	0.00%
SUBDEPT 000	\$120,000.00	\$0.00	\$0.00	\$120,000.00	0.00%
Total DEPT 806 CAPITAL - SAND POINT	\$120,000.00	\$0.00	\$0.00	\$120,000.00	0.00%
DEPT 811 US FISH AND WILDLIFE-TOURS					
Active E 20-811-000-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 811 US FISH AND WILDLIFE-TOURS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
DEPT 812 AKUTAN AIRPORT/FEASIBILITY					

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		12-13	12-13	NOVEMBER	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Active	E 20-812-000-684 STOCK ID FEASIBI	\$24,000.00	\$0.00	\$0.00	\$24,000.00	0.00%
	SUBDEPT 000	\$24,000.00	\$0.00	\$0.00	\$24,000.00	0.00%
	Total DEPT 812 AKUTAN	\$24,000.00	\$0.00	\$0.00	\$24,000.00	0.00%
	AIRPORT/FEASIBILITY					
DEPT 867 KCC Alternative Road						
Active	E 20-867-000-300 SALARIES	\$0.00	\$13,275.00	\$1,125.00	-\$13,275.00	0.00%
Active	E 20-867-000-350 FRINGE BENEFITS	\$0.00	\$10,186.23	\$1,124.17	-\$10,186.23	0.00%
Active	E 20-867-000-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-867-000-381 ENGINEERING	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-867-000-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-867-000-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 000	\$0.00	\$23,461.23	\$2,249.17	-\$23,461.23	0.00%
Active	E 20-867-168-300 SALARIES	\$17,800.00	\$0.00	\$0.00	\$17,800.00	0.00%
Active	E 20-867-168-350 FRINGE BENEFITS	\$8,985.46	\$0.00	\$0.00	\$8,985.46	0.00%
Active	E 20-867-168-381 ENGINEERING	\$943,500.00	\$0.00	\$0.00	\$943,500.00	0.00%
Active	E 20-867-168-400 TRAVEL AND PER	\$5,926.49	\$0.00	\$0.00	\$5,926.49	0.00%
Active	E 20-867-168-850 CAPITAL CONSTR	\$982,780.08	\$0.00	\$0.00	\$982,780.08	0.00%
	SUBDEPT 168 KCAP/09-DC-359	\$1,958,992.03	\$0.00	\$0.00	\$1,958,992.03	0.00%
Active	E 20-867-169-300 SALARIES	\$0.00	\$300.00	\$0.00	-\$300.00	0.00%
Active	E 20-867-169-350 FRINGE BENEFITS	\$0.00	\$288.61	\$0.00	-\$288.61	0.00%
Active	E 20-867-169-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-867-169-753 MISC EXPENSE	\$7,100.00	\$0.00	\$0.00	\$7,100.00	0.00%
Active	E 20-867-169-850 CAPITAL CONSTR	\$741,058.88	\$0.00	\$0.00	\$741,058.88	0.00%
	SUBDEPT 169 KCAP Road Completion	\$748,158.88	\$588.61	\$0.00	\$747,570.27	0.08%
	Total DEPT 867 KCC Alternative Road	\$2,707,150.91	\$24,049.84	\$2,249.17	\$2,683,101.07	0.89%
DEPT 900 OTHER						
Active	E 20-900-000-507 FY13 POLLOCK S	\$128,000.00	\$64,127.61	\$0.00	\$63,872.39	54.47%
Active	E 20-900-000-511 FY12 ACOUSTIC T	\$5,218.70	\$0.00	\$0.00	\$5,218.70	0.00%
Active	E 20-900-000-753 MISC EXPENSE	\$0.00	\$125,864.71	\$323.75	-\$125,864.71	0.00%
Active	E 20-900-000-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 000 NO DESCR	\$133,218.70	\$189,992.32	\$323.75	-\$62,373.62	142.62%
	Total DEPT 900 OTHER	\$133,218.70	\$189,992.32	\$323.75	-\$62,373.62	142.62%
	Total Fund 20 GRANT PROGRAMS	\$4,643,551.04	\$423,672.82	\$2,572.92	\$4,214,278.22	9.12%

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Current Period: NOVEMBER 12-13

		12-13	12-13	NOVEMBER	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 22 OPERATIONS						
Active	R 22-203 OTHER REVENUE	\$150,000.00	\$616,500.00	\$616,500.00	-\$466,500.00	411.00%
Active	R 22-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-221 COLD BAY TERMINAL LEA	\$139,620.00	\$63,175.55	\$16,635.11	\$76,444.45	45.25%
Active	R 22-222 COLD BAY TERMINAL OTH	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-245 HOVERCRAFT/MEDEVACS	\$5,000.00	\$0.00	\$0.00	\$5,000.00	0.00%
Active	R 22-246 HOVERCRAFT /TICKETS	\$330,000.00	\$0.00	\$0.00	\$330,000.00	0.00%
Active	R 22-247 HOVERCRAFT/ VEHICLES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-248 HOVERCRAFT/ FREIGHT	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Total Fund 22 OPERATIONS		\$724,620.00	\$679,675.55	\$633,135.11	\$44,944.45	93.80%

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Current Period: NOVEMBER 12-13

		12-13	12-13	NOVEMBER	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 22 OPERATIONS						
DEPT 802 CAPITAL - GOLD BAY						
Active	E 22-802-200-300 SALARIES	\$24,000.00	\$10,480.00	\$2,072.00	\$13,520.00	43.67%
Active	E 22-802-200-350 FRINGE BENEFITS	\$3,617.00	\$1,107.74	\$219.00	\$2,509.26	30.63%
Active	E 22-802-200-380 CONTRACT LABO	\$0.00	\$32,310.48	\$0.00	-\$32,310.48	0.00%
Active	E 22-802-200-400 TRAVEL AND PER	\$3,000.00	\$322.00	\$0.00	\$2,678.00	10.73%
Active	E 22-802-200-425 TELEPHONE	\$4,500.00	\$1,828.48	\$338.75	\$2,671.52	40.74%
Active	E 22-802-200-475 SUPPLIES	\$15,000.00	\$2,221.53	\$713.95	\$12,778.47	14.81%
Active	E 22-802-200-525 RENTAL/LEASE	\$5,335.00	\$3,141.26	\$0.00	\$2,193.74	58.88%
Active	E 22-802-200-526 UTILITIES	\$24,000.00	\$12,287.64	\$5,152.48	\$11,712.36	51.20%
Active	E 22-802-200-551 LEGAL	\$100,000.00	\$60,342.95	\$8,136.54	\$39,657.05	60.34%
Active	E 22-802-200-576 GAS	\$1,500.00	\$0.00	\$0.00	\$1,500.00	0.00%
Active	E 22-802-200-577 FUEL	\$15,000.00	\$5,548.11	\$0.00	\$9,451.89	36.99%
SUBDEPT 200 COLD BAY TERMINAL		\$195,952.00	\$129,590.19	\$16,632.72	\$66,356.82	66.13%
Total DEPT 802 CAPITAL - GOLD BAY		\$195,952.00	\$129,590.19	\$16,632.72	\$66,356.82	66.13%
DEPT 843 Hovercraft Operation						
Active	E 22-843-100-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-843-100-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-843-100-380 CONTRACT LABO	\$1,950,000.00	\$919,237.20	\$0.00	\$1,030,762.80	47.14%
Active	E 22-843-100-425 TELEPHONE	\$0.00	\$1,033.81	\$120.00	-\$1,033.81	0.00%
Active	E 22-843-100-475 SUPPLIES	\$0.00	\$148,943.00	\$195.49	-\$148,943.00	0.00%
Active	E 22-843-100-500 EQUIPMENT	\$0.00	\$81,582.50	\$0.00	-\$81,582.50	0.00%
Active	E 22-843-100-526 UTILITIES	\$5,000.00	\$3,375.93	\$169.01	\$1,624.07	67.52%
Active	E 22-843-100-552 INSURANCE	\$215,000.00	\$40,198.66	\$40,198.66	\$174,801.34	18.70%
Active	E 22-843-100-576 GAS	\$5,000.00	\$2,847.91	\$936.92	\$2,152.09	56.96%
Active	E 22-843-100-577 FUEL	\$5,000.00	\$77,683.88	\$32,602.50	-\$72,683.88	1563.68%
SUBDEPT 100 HOVERCRAFT OPERATION		\$2,180,000.00	\$1,274,902.89	\$74,222.58	\$873,743.95	58.48%
Total DEPT 843 Hovercraft Operation		\$2,180,000.00	\$1,274,902.89	\$74,222.58	\$873,743.95	58.48%
Total Fund 22 OPERATIONS		\$2,375,952.00	\$1,404,493.08	\$90,855.30	\$940,100.77	59.11%

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Current Period: NOVEMBER 12-13

		12-13	12-13	NOVEMBER	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 24 BOND CONSTRUCTION						
Active	R 24-201 INTEREST REVENUE	\$0.00	\$18,427.22	\$0.00	-\$18,427.22	0.00%
Active	R 24-203 OTHER REVENUE	\$0.00	\$60,741.97	\$0.00	-\$60,741.97	0.00%
Active	R 24-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-227 COE-HARBOR PROJECTS	\$2,052,245.00	\$0.00	\$0.00	\$2,052,245.00	0.00%
Active	R 24-259 BOND PROCEEDS	\$1,171,609.64	\$0.00	\$0.00	\$1,171,609.64	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		\$3,223,854.64	\$79,169.19	\$0.00	\$3,144,685.45	2.46%

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Current Period: NOVEMBER 12-13

	12-13 YTD Budget	12-13 YTD Amt	NOVEMBER MTD Amt	12-13 YTD Balance	% of Budget
Fund 24 BOND CONSTRUCTION					
DEPT 809 Akutan Airport/Grant					
Active E 24-809-000-850 CAPITAL CONSTR	\$2,708,552.94	\$1,383,455.63	\$0.00	\$1,325,097.31	51.08%
SUBDEPT 000	\$2,708,552.94	\$1,383,455.63	\$0.00	\$1,325,097.31	51.08%
Total DEPT 809 Akutan Airport/Grant	\$2,708,552.94	\$1,383,455.63	\$0.00	\$1,325,097.31	51.08%
DEPT 830 KING COVE HARBOR					
Active E 24-830-000-850 CAPITAL CONSTR	\$89,676.00	\$0.00	\$0.00	\$89,676.00	0.00%
SUBDEPT 000	\$89,676.00	\$0.00	\$0.00	\$89,676.00	0.00%
Total DEPT 830 KING COVE HARBOR	\$89,676.00	\$0.00	\$0.00	\$89,676.00	0.00%
DEPT 833 FALSE PASS HARBOR					
Active E 24-833-000-850 CAPITAL CONSTR	\$416,215.75	\$5,190.22	\$0.00	\$411,025.53	1.25%
SUBDEPT 000	\$416,215.75	\$5,190.22	\$0.00	\$411,025.53	1.25%
Total DEPT 833 FALSE PASS HARBOR	\$416,215.75	\$5,190.22	\$0.00	\$411,025.53	1.25%
DEPT 839 AKUTAN HARBOR					
Active E 24-839-000-850 CAPITAL CONSTR	\$1,171,609.64	\$68,904.14	\$0.00	\$1,102,705.50	5.88%
SUBDEPT 000	\$1,171,609.64	\$68,904.14	\$0.00	\$1,102,705.50	5.88%
Total DEPT 839 AKUTAN HARBOR	\$1,171,609.64	\$68,904.14	\$0.00	\$1,102,705.50	5.88%
DEPT 862 NELSON LAGOON DOCK					
Active E 24-862-000-850 CAPITAL CONSTR	\$17,809.36	\$0.00	\$0.00	\$17,809.36	0.00%
SUBDEPT 000	\$17,809.36	\$0.00	\$0.00	\$17,809.36	0.00%
Total DEPT 862 NELSON LAGOON DOCK	\$17,809.36	\$0.00	\$0.00	\$17,809.36	0.00%
DEPT 867 KCC Alternative Road					
Active E 24-867-169-850 CAPITAL CONSTR	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
SUBDEPT 169 KCAP Road Completion	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
Total DEPT 867 KCC Alternative Road	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
DEPT 900 OTHER					
Active E 24-900-000-380 CONTRACT LABO	\$0.00	\$8,781.04	\$0.00	-\$8,781.04	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	\$8,781.04	\$0.00	-\$11,724.10	0.00%
Total DEPT 900 OTHER	\$0.00	\$8,781.04	\$0.00	-\$11,724.10	0.00%
Total Fund 24 BOND CONSTRUCTION	\$6,403,863.69	\$1,466,331.03	\$0.00	\$4,934,589.60	22.90%

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Current Period: NOVEMBER 12-13

		12-13	12-13	NOVEMBER	12-13	% of
		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	\$2,815,936.78	\$0.00	\$0.00	\$2,815,936.78	0.00%
Active	R 30-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-259 BOND PROCEEDS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 30 BOND FUND		\$2,815,936.78	\$0.00	\$0.00	\$2,815,936.78	0.00%

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Current Period: NOVEMBER 12-13

	12-13 YTD Budget	12-13 YTD Amt	NOVEMBER MTD Amt	12-13 YTD Balance	% of Budget
Fund 30 BOND FUND					
DEPT 900 OTHER					
Active E 30-900-000-725 BOND INTEREST	\$1,395,936.78	\$717,850.35	\$463,868.75	\$678,086.43	51.42%
Active E 30-900-000-726 BOND PRINCIPAL	\$1,420,000.00	\$846,000.00	\$510,000.00	\$575,000.00	59.51%
Active E 30-900-000-745 Bond Safe Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000					
	<u>\$2,815,936.78</u>	<u>\$1,562,850.35</u>	<u>\$973,868.75</u>	<u>\$1,253,086.43</u>	<u>55.50%</u>
Total DEPT 900 OTHER	<u>\$2,815,936.78</u>	<u>\$1,562,850.35</u>	<u>\$973,868.75</u>	<u>\$1,253,086.43</u>	<u>55.50%</u>
Total Fund 30 BOND FUND	<u>\$2,815,936.78</u>	<u>\$1,562,850.35</u>	<u>\$973,868.75</u>	<u>\$1,253,086.43</u>	<u>55.50%</u>

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Current Period: NOVEMBER 12-13

		12-13	12-13	NOVEMBER	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 40 PERMANENT FUND						
Active	R 40-201 INTEREST REVENUE	\$0.00	\$722,563.90	\$0.00	-\$722,563.90	0.00%
Active	R 40-203 OTHER REVENUE	\$350,000.00	\$0.00	\$0.00	\$350,000.00	0.00%
Active	R 40-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 40-230 LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 40 PERMANENT FUND		\$350,000.00	\$722,563.90	\$0.00	-\$372,563.90	206.45%

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Current Period: NOVEMBER 12-13

	12-13 YTD Budget	12-13 YTD Amt	NOVEMBER MTD Amt	12-13 YTD Balance	% of Budget
Fund 40 PERMANENT FUND					
DEPT 900 OTHER					
Active E 40-900-000-380 CONTRACT LABO	\$350,000.00	\$8,781.03	\$0.00	\$341,218.97	3.35%
Active E 40-900-000-751 OPERATING TRAN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000	<u>\$350,000.00</u>	<u>\$8,781.03</u>	<u>\$0.00</u>	<u>\$338,275.90</u>	<u>2.51%</u>
Total DEPT 900 OTHER	<u>\$350,000.00</u>	<u>\$8,781.03</u>	<u>\$0.00</u>	<u>\$338,275.90</u>	<u>2.51%</u>
Total Fund 40 PERMANENT FUND	<u>\$350,000.00</u>	<u>\$8,781.03</u>	<u>\$0.00</u>	<u>\$338,275.90</u>	<u>2.51%</u>

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Current Period: NOVEMBER 12-13

		12-13	12-13	NOVEMBER	12-13	% of
		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	\$100,000.00	\$149,248.25	\$0.00	-\$49,248.25	149.25%
Active	R 41-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-276 AEB SCHOOL	\$0.00	\$66,376.82	\$0.00	-\$66,376.82	0.00%
Total Fund 41 MAINTENANCE RESERVE FUND		\$100,000.00	\$215,625.07	\$0.00	-\$115,625.07	215.63%

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Current Period: NOVEMBER 12-13

		12-13	12-13	NOVEMBER	12-13	% of
		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 41-800-860-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-860-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-860-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 860 SAND POINT Gym Floor		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-865-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-865-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-865-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-865-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 865 Akutan School		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-866-300 SALARIES	\$0.00	\$420.00	\$0.00	-\$420.00	0.00%
Active	E 41-800-866-350 FRINGE BENEFITS	\$0.00	\$44.39	\$0.00	-\$44.39	0.00%
Active	E 41-800-866-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-866-400 TRAVEL AND PER	\$0.00	\$492.00	\$0.00	-\$492.00	0.00%
Active	E 41-800-866-425 TELEPHONE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-866-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-866-850 CAPITAL CONSTR	\$0.00	\$3,220.00	\$0.00	-\$3,220.00	0.00%
SUBDEPT 866 NELSON LAGOON SCHOOL		\$0.00	\$4,176.39	\$0.00	-\$4,176.39	0.00%
Active	E 41-800-867-300 SALARIES	\$0.00	\$12,870.00	\$0.00	-\$12,870.00	0.00%
Active	E 41-800-867-350 FRINGE BENEFITS	\$0.00	\$1,360.36	\$0.00	-\$1,360.36	0.00%
Active	E 41-800-867-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-867-475 SUPPLIES	\$0.00	\$958.51	\$0.00	-\$958.51	0.00%
Active	E 41-800-867-850 CAPITAL CONSTR	\$0.00	\$360.00	\$0.00	-\$360.00	0.00%
SUBDEPT 867 Sand Point School		\$0.00	\$15,548.87	\$0.00	-\$15,548.87	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	\$10,429.41	\$0.00	-\$10,429.41	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	\$1,563.20	\$0.00	-\$1,563.20	0.00%
Active	E 41-800-868-577 FUEL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-852 ASPHALT PAVING	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 868 King Cove School		\$0.00	\$11,992.61	\$0.00	-\$11,992.61	0.00%
Active	E 41-800-869-300 SALARIES	\$0.00	\$2,640.00	\$0.00	-\$2,640.00	0.00%
Active	E 41-800-869-350 FRINGE BENEFITS	\$0.00	\$279.04	\$0.00	-\$279.04	0.00%
Active	E 41-800-869-380 CONTRACT LABO	\$0.00	\$600.00	\$0.00	-\$600.00	0.00%
Active	E 41-800-869-400 TRAVEL AND PER	\$0.00	\$590.00	\$0.00	-\$590.00	0.00%
Active	E 41-800-869-475 SUPPLIES	\$0.00	\$395.28	\$0.00	-\$395.28	0.00%
Active	E 41-800-869-942 PROPERTY LEASE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 869 COLD BAY SCHOOL		\$0.00	\$4,504.32	\$0.00	-\$4,504.32	0.00%
Total DEPT 800 CAPITAL - SCHOOL		\$0.00	\$36,222.19	\$0.00	-\$36,222.19	0.00%
DEPT 900 OTHER						
Active	E 41-900-000-751 OPERATING TRAN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-900-000-753 MISC EXPENSE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-900-000-880 LAND	\$0.00	\$0.00	\$0.00	\$0.00	0.00%

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Current Period: NOVEMBER 12-13

	12-13 YTD Budget	12-13 YTD Amt	NOVEMBER MTD Amt	12-13 YTD Balance	% of Budget
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%
<i>Total Fund 41 MAINTENANCE RESERVE FUND</i>	\$0.00	\$36,222.19	\$0.00	-\$36,222.19	0.00%

INVESTMENT REPORT



December 10, 2012

Mr. Rick Gifford
Administrator
Aleutians East Borough
3380 C Street, Suite 205
Anchorage, Alaska 99503

sent via email

Dear Rick,

Enclosed is the November 2012 report for the Aleutians East Borough, which includes a listing of portfolio assets, purchases and sales. .

Permanent Fund:

The month-end market value of the portfolio was \$30,030,969, which includes \$64,020 in accrued interest receivable. Estimated annual cash income from the portfolio, excluding dividends on equities, is \$310,046.

Series E account:

The month-end market value of the portfolio was \$2,448,389.

Akutan Harbor-2006A:

The month-end market value of the account was \$1,641,175.

Operating Fund:

The month-end market value of the portfolio was \$2,507,663.

2010 Series A:

The month-end balance \$2,008,729.

2010 Series B:

The month-end balance was \$2,013,039.

If we can provide anything further please let us know.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bert Wagon".

Bert Wagon
Senior Vice President

A handwritten signature in blue ink, appearing to read "Evan Rose".

Evan Rose
President and CEO

cc via email: Anne Bailey, Office Manager,
Linda Mack, Administrative Clerk

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
500,000	US TREASURY NOTES 0.125% Due 09-30-13	99.93	499,668	99.95	499,745	1.66	625	106	0.19
800,000	US TREASURY NOTES 0.250% Due 11-30-13	100.00	800,031	100.05	800,376	2.67	2,000	5	0.20
125,000	US TREASURY NOTES 1.875% Due 02-28-14	98.35	122,940	102.04	127,549	0.42	2,344	596	0.24
300,000	US TREASURY NOTES 2.625% Due 06-30-14	100.45	301,337	103.73	311,190	1.04	7,875	3,296	0.26
525,000	US TREASURY NOTES 1.250% Due 10-31-15	97.52	511,991	102.66	538,986	1.79	6,562	562	0.33
250,000	US TREASURY NOTES 0.625% Due 05-31-17	99.52	248,799	100.41	251,035	0.84	1,562	4	0.53
275,000	US TREASURY NOTES 3.375% Due 11-15-19	97.63	268,490	115.97	318,915	1.06	9,281	410	0.99
150,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	156,059	117.19	175,782	0.59	5,250	232	1.09
	Accrued Interest				5,212	0.02			
			2,909,315		3,028,789	10.09		5,212	
AGENCIES									
400,000	FEDERAL HOME LN BKS 4.875% Due 05-17-17	99.74	398,946	118.58	474,328	1.58	19,500	758	0.65
	Accrued Interest				758	0.00			
			398,946		475,086	1.58		758	
FNMA & FHLMC									
110,518	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	104.56	115,560	106.20	117,368	0.39	4,421	368	1.58
	Accrued Interest				368	0.00			
			115,560		117,737	0.39		368	
ASSET-BACKED SECURITIES									
150,000	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17	107.25	160,875	106.39	159,578	0.53	5,700	253	0.52
	Accrued Interest				253	0.00			
			160,875		159,832	0.53		253	
COMMERCIAL MORTGAGE-BACKED SECURITIES									
500,000	FRN - BEAR STEARNS COML MTG SECS TR 5.518% Due 09-11-41	100.55	502,726	103.69	518,436	1.73	27,590	2,299	2.00

* Callable security

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
	Accrued Interest				2,299	0.01			
			502,726		520,735	1.73		2,299	
CORPORATE BONDS									
150,000	GLAXOSMITHKLINE CAP INC 4.850% Due 05-15-13	99.79	149,683	102.03	153,052	0.51	7,275	323	0.40
150,000	TOYOTA MOTOR CREDIT 1.375% Due 08-12-13	101.03	151,539	100.65	150,973	0.50	2,062	624	0.45
150,000	BARRICK GOLD FINANCE CO. 6.125% Due 09-15-13	111.45	167,173	104.27	156,409	0.52	9,187	1,940	0.70
100,000	CATERPILLAR FINANCIAL 6.125% Due 02-17-14	100.12	100,125	106.68	106,683	0.36	6,125	1,769	0.59
100,000	MORGAN STANLEY 6.000% Due 04-28-15	95.25	95,250	108.97	108,966	0.36	6,000	550	2.16
150,000	CITIGROUP INC 4.750% Due 05-19-15	108.33	162,493	108.05	162,079	0.54	7,125	237	1.42
250,000	GENERAL ELECT CAP CORP MED TERM NT SER A 6.900% Due 09-15-15	104.49	261,227	115.40	288,497	0.96	17,250	3,642	1.27
150,000	PPG INDUSTRIES INC 1.900% Due 01-15-16	98.62	147,937	102.90	154,344	0.51	2,850	1,077	0.96
150,000	HSBC FINANCE CORP 5.500% Due 01-19-16	97.07	145,611	111.17	166,759	0.56	8,250	3,025	1.82
150,000	BRITISH COLUMBIA PROV OF 2.100% Due 05-18-16	99.98	149,971	105.17	157,755	0.53	3,150	114	0.59
150,000	CONOCOPHILLIPS CANADA 5.625% Due 10-15-16	117.91	176,866	118.59	177,883	0.59	8,437	1,078	0.75
150,000	JOHN DEERE CAPITAL CORP 2.000% Due 01-13-17	102.52	153,774	104.33	156,493	0.52	3,000	1,150	0.93
150,000	BANK OF NEW YORK MELLON 1.969% Due 06-20-17	103.68	155,515	103.42	155,130	0.52	2,953	1,321	1.20
150,000	STATOIL ASA 3.125% Due 08-17-17	107.07	160,599	108.72	163,080	0.54	4,687	1,354	1.22
150,000	ASTRAZENECA PLC 5.900% Due 09-15-17	101.14	151,711	122.89	184,339	0.61	8,850	1,868	1.00
150,000	EXELON GENERATION CO LLC 6.200% Due 10-01-17	117.17	175,749	118.94	178,416	0.59	9,300	1,550	2.06
150,000	JPMORGAN CHASE 6.000% Due 01-15-18	103.99	155,979	119.32	178,986	0.60	9,000	3,400	2.01
150,000	UNITED PARCEL SERVICE 5.500% Due 01-15-18	121.23	181,845	120.36	180,534	0.60	8,250	3,117	1.37
150,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	149,358	120.49	180,742	0.60	8,625	2,875	1.60

* Callable security

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
200,000	UNITED HEALTH GROUP INC 6.000% Due 02-15-18	121.46	242,916	122.39	244,774	0.82	12,000	3,533	1.51
150,000	BANK OF AMERICA CORP 5.650% Due 05-01-18	83.68	125,521	115.87	173,805	0.58	8,475	706	2.50
150,000	COMMONWEALTH EDISON 6.950% Due 07-15-18	123.20	184,800	123.73	185,598	0.62	10,425	3,938	2.41
150,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	116.51	174,771	125.54	188,314	0.63	11,250	3,312	2.96
150,000	PROCTER & GAMBLE CO. 4.700% Due 02-15-19	119.15	178,728	119.28	178,915	0.60	7,050	2,076	1.44
150,000	VERIZON COMMUNICATIONS 6.350% Due 04-01-19	125.02	187,530	127.72	191,577	0.64	9,525	1,587	1.71
150,000	MICROSOFT CORP 4.200% Due 06-01-19	117.24	175,854	116.86	175,296	0.58	6,300	3,150	1.47
161,488	SOUTHWEST AIRLS 2007-1 PASS 6.150% Due 08-01-22 Accrued Interest	102.36	165,302	117.00	188,941	0.63	9,932	3,311	4.01
					52,629	0.18			
			4,427,832		4,740,975	15.79		52,629	
MUNICIPAL BONDS									
200,000	FAIRBANKS NORTH STAR BORO AK 5.000% Due 09-01-22 Accrued Interest	120.54	241,078	130.20	260,400	0.87	10,000	2,500	1.64
					2,500	0.01			
			241,078		262,900	0.88		2,500	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
84,158	VANGUARD INST'L S&P500 INDEX FUND	96.89	8,153,816	130.25	10,961,603	36.50	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
15,444	ISHARES S&P MIDCAP 400	72.41	1,118,232	100.12	1,546,253	5.15	NA		
INTERNATIONAL FUNDS/ETF									
86,372	VANGUARD MSCI EAFE ETF	37.88	3,271,921	34.13	2,947,876	9.82	NA		
EMERGING MARKET FUNDS/ETF									
53,953	VANGUARD EMERGING MARKET ETF	43.10	2,325,355	42.01	2,266,835	7.55	NA		
REAL ESTATE									
45,907	VANGUARD REIT ETF	53.03	2,434,236	64.21	2,947,688	9.82	NA		

* Callable security

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH
November 30, 2012

<u>Quantity</u>	<u>Security</u>	<u>Average Cost</u>	<u>Total Average Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>	<u>Annual Income</u>	<u>Accrued Interest</u>	<u>Yield to Maturity</u>
CASH AND EQUIVALENTS									
	FEDERATED PRIME CASH INST'L SHARES		54,659		54,659	0.18			
	VICTORY MONEY MARKET FUND		<u>0</u>		<u>0</u>	<u>0.00</u>			
			54,659		54,659	0.18			
TOTAL PORTFOLIO			26,114,551		30,030,969	100	310,046	64,020	

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
CORPORATE BONDS				
11-07-12	11-13-12	CITIGROUP INC 4.750% Due 05-19-15	150,000	162,493.35
11-07-12	11-13-12	BANK OF NEW YORK MELLON 1.969% Due 06-20-17	150,000	155,514.90
11-07-12	11-13-12	COMMONWEALTH EDISON 6.950% Due 07-15-18	150,000	184,799.85
11-07-12	11-13-12	PROCTER & GAMBLE CO. 4.700% Due 02-15-19	150,000	178,728.15
11-07-12	11-13-12	MICROSOFT CORP 4.200% Due 06-01-19	150,000	175,854.00
				857,390.25
				857,390.25
INTEREST				
AGENCIES				
11-17-12	11-19-12	FEDERAL HOME LN BKS 4.875% Due 05-17-17		9,750.00
ASSET-BACKED SECURITIES				
11-15-12	11-15-12	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17		475.00
CASH AND EQUIVALENTS				
11-01-12	11-01-12	FEDERATED PRIME CASH INST'L SHARES		73.84

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
COMMERCIAL MORTGAGE-BACKED SECURITIES				
11-11-12	11-13-12	FRN - BEAR STEARNS COML MTG SECS TR 5.518% Due 09-11-41		2,299.17
CORPORATE BONDS				
11-01-12	11-01-12	BANK OF AMERICA CORP 5.650% Due 05-01-18		4,237.50
11-15-12	11-15-12	GLAXOSMITHKLINE CAP INC 4.850% Due 05-15-13		3,637.50
11-18-12	11-19-12	BRITISH COLUMBIA PROV OF 2.100% Due 05-18-16		1,575.00
11-19-12	11-19-12	CITIGROUP INC 4.750% Due 05-19-15		3,562.50
				13,012.50
FNMA & FHLMC				
11-15-12	11-15-12	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26		389.22
U.S. TREASURY				
11-15-12	11-15-12	US TREASURY NOTES 3.375% Due 11-15-19		4,640.63
11-15-12	11-15-12	US TREASURY NOTES 3.500% Due 05-15-20		2,625.00
11-30-12	11-30-12	US TREASURY NOTES 0.250% Due 11-30-13		1,000.00

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
11-30-12	11-30-12	US TREASURY NOTES 0.625% Due 05-31-17		781.25
				9,046.88
				35,046.61
PRINCIPAL PAYDOWNS				
FNMA & FHLMC				
11-15-12	11-15-12	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	6,249.46	6,249.46
				6,249.46
PURCHASED ACCRUED INTEREST				
CORPORATE BONDS				
11-07-12	11-13-12	CITIGROUP INC 4.750% Due 05-19-15		3,443.75
11-07-12	11-13-12	BANK OF NEW YORK MELLON 1.969% Due 06-20-17		1,173.20
11-07-12	11-13-12	COMMONWEALTH EDISON 6.950% Due 07-15-18		3,417.08
11-07-12	11-13-12	PROCTER & GAMBLE CO. 4.700% Due 02-15-19		1,723.33
11-07-12	11-13-12	MICROSOFT CORP 4.200% Due 06-01-19		2,835.00
				12,592.36
				12,592.36

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
11-07-12	11-08-12	US TREASURY NOTES 2.625% Due 11-15-20	250,000	276,035.16
				276,035.16
SOLD ACCRUED INTEREST				
U.S. TREASURY				
11-07-12	11-08-12	US TREASURY NOTES 2.625% Due 11-15-20		3,156.42
				3,156.42
WITHDRAW				
CASH AND EQUIVALENTS				
11-16-12	11-16-12	FEDERATED PRIME CASH INST'L SHARES		745.67
				745.67

* Callable security

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
ALEUTIANS EAST BOROUGH
From 11-01-12 Through 11-30-12

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
11-07-12	250,000	US TREASURY NOTES 2.625% Due 11-15-20	260,910.15	276,035.16	15,125.01
11-15-12	6,249.46	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	6,534.59	6,249.46	-285.13
TOTAL GAINS					15,125.01
TOTAL LOSSES					-285.13
			267,444.74	282,284.62	14,839.88

Alaska Permanent Capital Management Co.

CASH LEDGER

ALEUTIANS EAST BOROUGH

From 11-01-12 To 11-30-12

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED PRIME CASH INST'L SHARES					
11-01-12			Beginning Balance		604,900.04
11-01-12	11-01-12	dp	Interest	BANK OF AMERICA CORP 5.650% Due 05-01-18	4,237.50
11-01-12	11-01-12	dp	Interest	FEDERATED PRIME CASH INST'L SHARES	73.84
11-07-12	11-08-12	dp	Sale	US TREASURY NOTES 2.625% Due 11-15-20	276,035.16
11-07-12	11-08-12	dp	Accrued Interest	US TREASURY NOTES 2.625% Due 11-15-20	3,156.42
11-07-12	11-13-12	wd	Purchase	CITIGROUP INC 4.750% Due 05-19-15	-162,493.35
11-07-12	11-13-12	wd	Accrued Interest	CITIGROUP INC 4.750% Due 05-19-15	-3,443.75
11-07-12	11-13-12	wd	Purchase	BANK OF NEW YORK MELLON 1.969% Due 06-20-17	-155,514.90
11-07-12	11-13-12	wd	Accrued Interest	BANK OF NEW YORK MELLON 1.969% Due 06-20-17	-1,173.20
11-07-12	11-13-12	wd	Purchase	COMMONWEALTH EDISON 6.950% Due 07-15-18	-184,799.85
11-07-12	11-13-12	wd	Accrued Interest	COMMONWEALTH EDISON 6.950% Due 07-15-18	-3,417.08
11-07-12	11-13-12	wd	Purchase	PROCTER & GAMBLE CO. 4.700% Due 02-15-19	-178,728.15
11-07-12	11-13-12	wd	Accrued Interest	PROCTER & GAMBLE CO. 4.700% Due 02-15-19	-1,723.33
11-07-12	11-13-12	wd	Purchase	MICROSOFT CORP 4.200% Due 06-01-19	-175,854.00

* Callable security

Alaska Permanent Capital Management Co.

CASH LEDGER

ALEUTIANS EAST BOROUGH

From 11-01-12 To 11-30-12

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
11-07-12	11-13-12	wd	Accrued Interest	MICROSOFT CORP 4.200% Due 06-01-19	-2,835.00
11-11-12	11-13-12	dp	Interest	FRN - BEAR STEARNS COML MTG SECS TR 5.518% Due 09-11-41	2,299.17
11-15-12	11-15-12	dp	Interest	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	389.22
11-15-12	11-15-12	dp	Paydown	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	6,249.46
11-15-12	11-15-12	dp	Interest	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17	475.00
11-15-12	11-15-12	dp	Interest	GLAXOSMITHKLINE CAP INC 4.850% Due 05-15-13	3,637.50
11-15-12	11-15-12	dp	Interest	US TREASURY NOTES 3.375% Due 11-15-19	4,640.63
11-15-12	11-15-12	dp	Interest	US TREASURY NOTES 3.500% Due 05-15-20	2,625.00
11-16-12	11-16-12	wd	Withdrawal	from Portfolio	-745.67
11-17-12	11-19-12	dp	Interest	FEDERAL HOME LN BKS 4.875% Due 05-17-17	9,750.00
11-18-12	11-19-12	dp	Interest	BRITISH COLUMBIA PROV OF 2.100% Due 05-18-16	1,575.00
11-19-12	11-19-12	dp	Interest	CITIGROUP INC 4.750% Due 05-19-15	3,562.50
11-30-12	11-30-12	dp	Interest	US TREASURY NOTES 0.250% Due 11-30-13	1,000.00

* Callable security

Alaska Permanent Capital Management Co.
CASH LEDGER
ALEUTIANS EAST BOROUGH
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
11-30-12	11-30-12	dp	Interest	US TREASURY NOTES 0.625% Due 05-31-17	781.25
11-30-12			Ending Balance		54,659.41
VICTORY MONEY MARKET FUND					
11-01-12			Beginning Balance		0.00
11-30-12			Ending Balance		0.00

* Callable security

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
AEB 2010 SERIES A GO BOND/KCAP
November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
275,000	US TREASURY NOTES 0.750% Due 12-15-13	100.77	277,127	100.55	276,526	13.77	2,062	952	0.22
500,000	US TREASURY NOTES 1.250% Due 02-15-14	102.33	511,641	101.22	506,115	25.20	6,250	1,834	0.24
250,000	US TREASURY NOTES 0.250% Due 03-31-14	99.96	249,902	100.03	250,067	12.45	625	106	0.23
150,000	US TREASURY NOTES 0.250% Due 10-31-14	100.02	150,023	100.00	150,000	7.47	375	32	0.25
	Accrued Interest				2,925	0.15			
			1,188,693		1,185,634	59.02		2,925	
AGENCIES									
300,000	FEDERAL HOME LOAN BANK 1.875% Due 06-21-13	102.70	308,088	100.93	302,784	15.07	5,625	2,500	0.21
500,000	FNMA 1.000% Due 09-23-13	101.21	506,068	100.62	503,095	25.05	5,000	944	0.24
	Accrued Interest				3,444	0.17			
			814,156		809,323	40.29		3,444	
CASH AND EQUIVALENTS									
	FEDERATED PRIME CASH INST'L SHARES		13,772		13,772	0.69			
TOTAL PORTFOLIO			2,016,621		2,008,729	100	19,937	6,370	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB 2010 SERIES A GO BOND/KCAP
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 10-31-14	150,000	150,023.44
				150,023.44
INTEREST				
CASH AND EQUIVALENTS				
11-01-12	11-01-12	FEDERATED PRIME CASH INST'L SHARES		5.83
				5.83
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 10-31-14		19.68
				19.68
WITHDRAW				
CASH AND EQUIVALENTS				
11-16-12	11-16-12	FEDERATED PRIME CASH INST'L SHARES		83.48
11-16-12	11-16-12	FEDERATED PRIME CASH INST'L SHARES		15.00
				98.48
				98.48

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB 2010 SERIES A GO BOND/KCAP
From 11-01-12 Through 11-30-12

<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 11-01-12 To 11-30-12

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED PRIME CASH INST'L SHARES					
11-01-12			Beginning Balance		163,907.39
11-01-12	11-01-12	dp	Interest	FEDERATED PRIME CASH INST'L SHARES	5.83
11-16-12	11-19-12	wd	Purchase	US TREASURY NOTES 0.250% Due 10-31-14	-150,023.44
11-16-12	11-19-12	wd	Accrued Interest	US TREASURY NOTES 0.250% Due 10-31-14	-19.68
11-16-12	11-16-12	wd	Withdrawal	from Portfolio	-83.48
11-16-12	11-16-12	wd	Withdrawal	from Portfolio	-15.00
11-30-12			Ending Balance		13,771.62

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
AEB/AKUTAN HARBOR - 2006 A
November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
325,000	US TREASURY NOTES 0.750% Due 12-15-13	100.77	327,514	100.55	326,804	19.91	2,437	1,126	0.22
500,000	US TREASURY NOTES 1.250% Due 02-15-14	102.45	512,227	101.22	506,115	30.84	6,250	1,834	0.24
325,000	US TREASURY NOTES 0.250% Due 05-31-14	99.98	324,949	100.02	325,052	19.81	812	2	0.24
	Accrued Interest				2,962	0.18			
			1,164,689		1,160,933	70.74		2,962	
AGENCIES									
300,000	FEDERAL HOME LOAN BANK 1.875% Due 06-21-13	102.35	307,037	100.93	302,784	18.45	5,625	2,500	0.21
150,000	FNMA 0.375% Due 03-16-15	100.12	150,175	100.10	150,157	9.15	562	117	0.33
	Accrued Interest				2,617	0.16			
			457,212		455,559	27.76		2,617	
CASH AND EQUIVALENTS									
	FEDERATED PRIME CASH INSTL SHARES		24,684		24,684	1.50			
TOTAL PORTFOLIO			1,646,585		1,641,175	100	15,687	5,579	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB/AKUTAN HARBOR - 2006 A
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
AGENCIES				
11-19-12	11-20-12	FNMA 0.375% Due 03-16-15	150,000	150,174.75
				150,174.75
INTEREST				
CASH AND EQUIVALENTS				
11-01-12	11-01-12	FEDERATED PRIME CASH INST'L SHARES		4.25
U.S. TREASURY				
11-30-12	11-30-12	US TREASURY NOTES 0.250% Due 05-31-14		406.25
				410.50
PURCHASED ACCRUED INTEREST				
AGENCIES				
11-19-12	11-20-12	FNMA 0.375% Due 03-16-15		100.00
				100.00
WITHDRAW				
CASH AND EQUIVALENTS				
11-16-12	11-16-12	FEDERATED PRIME CASH INST'L SHARES		68.17
11-16-12	11-16-12	FEDERATED PRIME CASH INST'L SHARES		15.00
				83.17
				83.17

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB/AKUTAN HARBOR - 2006 A
From 11-01-12 Through 11-30-12

<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 11-01-12 To 11-30-12

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED PRIME CASH INST'L SHARES					
11-01-12			Beginning Balance		174,631.41
11-01-12	11-01-12	dp	Interest	FEDERATED PRIME CASH INST'L SHARES	4.25
11-16-12	11-16-12	wd	Withdrawal	from Portfolio	-68.17
11-16-12	11-16-12	wd	Withdrawal	from Portfolio	-15.00
11-19-12	11-20-12	wd	Purchase	FNMA 0.375% Due 03-16-15	-150,174.75
11-19-12	11-20-12	wd	Accrued Interest	FNMA 0.375% Due 03-16-15	-100.00
11-30-12	11-30-12	dp	Interest	US TREASURY NOTES 0.250% Due 05-31-14	406.25
11-30-12			Ending Balance		24,683.99

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
AEB 2010 SERIES B BOND/AKUTAN AIR
November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
500,000	US TREASURY NOTES 0.750% Due 12-15-13	100.77	503,867	100.55	502,775	24.98	3,750	1,732	0.22
175,000	US TREASURY NOTES 0.250% Due 03-31-14	99.96	174,932	100.03	175,047	8.70	437	75	0.23
100,000	US TREASURY NOTES 0.250% Due 10-31-14	100.02	100,016	100.00	100,000	4.97	250	21	0.25
	Accrued Interest				1,827	0.09			
			778,814		779,650	38.73		1,827	
AGENCIES									
450,000	FEDERAL HOME LOAN BANK 1.875% Due 06-21-13	102.70	462,132	100.93	454,176	22.56	8,437	3,750	0.21
750,000	FNMA 1.000% Due 09-23-13	101.21	759,103	100.62	754,642	37.49	7,500	1,417	0.24
	Accrued Interest				5,167	0.26			
			1,221,235		1,213,985	60.31		5,167	
CASH AND EQUIVALENTS									
	FEDERATED PRIME CASH INSTL SHARES		19,404		19,404	0.96			
TOTAL PORTFOLIO			2,019,454		2,013,039	100	20,375	6,994	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB 2010 SERIES B BOND/AKUTAN AIR
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 10-31-14	100,000	100,015.63
				100,015.63
INTEREST				
CASH AND EQUIVALENTS				
11-01-12	11-01-12	FEDERATED PRIME CASH INST'L SHARES		3.22
				3.22
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 10-31-14		13.12
				13.12
WITHDRAW				
CASH AND EQUIVALENTS				
11-16-12	11-16-12	FEDERATED PRIME CASH INST'L SHARES		83.63
11-16-12	11-16-12	FEDERATED PRIME CASH INST'L SHARES		15.00
				98.63
				98.63

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB 2010 SERIES B BOND/AKUTAN AIR
From 11-01-12 Through 11-30-12

<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 B BOND/AKUTAN AIR
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED PRIME CASH INST'L SHARES					
11-01-12			Beginning Balance		119,528.53
11-01-12	11-01-12	dp	Interest	FEDERATED PRIME CASH INST'L SHARES	3.22
11-16-12	11-19-12	wd	Purchase	US TREASURY NOTES 0.250% Due 10-31-14	-100,015.63
11-16-12	11-19-12	wd	Accrued Interest	US TREASURY NOTES 0.250% Due 10-31-14	-13.12
11-16-12	11-16-12	wd	Withdrawal	from Portfolio	-83.63
11-16-12	11-16-12	wd	Withdrawal	from Portfolio	-15.00
11-30-12			Ending Balance		19,404.37

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
AEB OPERATING FUND
November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
500,000	US TREASURY NOTES 0.375% Due 06-30-13	100.16	500,801	100.12	500,605	19.96	1,875	785	0.17
600,000	US TREASURY NOTES 1.750% Due 01-31-14	102.46	614,742	101.77	610,638	24.35	10,500	3,510	0.23
500,000	US TREASURY NOTES 0.250% Due 05-31-14	100.03	500,156	100.02	500,080	19.94	1,250	3	0.24
500,000	US TREASURY NOTES 0.250% Due 10-31-14	100.02	500,078	100.00	500,000	19.94	1,250	107	0.25
	Accrued Interest				4,405	0.18			
			2,115,777		2,115,728	84.37		4,405	
AGENCIES									
300,000	FEDERAL FARM CREDIT BANK 1.875% Due 12-07-12	102.10	306,298	100.02	300,057	11.97	5,625	2,719	0.89
	Accrued Interest				2,719	0.11			
			306,298		302,776	12.07		2,719	
CASH AND EQUIVALENTS									
	FEDERATED PRIME CASH INSTL SHARES		89,159		89,159	3.56			
TOTAL PORTFOLIO			2,511,234		2,507,663	100	20,500	7,123	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB OPERATING FUND
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 05-31-14	500,000	500,156.25
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 10-31-14	500,000	500,078.13
				1,000,234.38
				1,000,234.38
DEPOSITS AND EXPENSES				
CASH AND EQUIVALENTS				
11-07-12	11-07-12	FEDERATED PRIME CASH INST'L SHARES		973,868.75
				973,868.75
INTEREST				
CASH AND EQUIVALENTS				
11-01-12	11-01-12	FEDERATED PRIME CASH INST'L SHARES		33.07
U.S. TREASURY				
11-30-12	11-30-12	US TREASURY NOTES 0.250% Due 05-31-14		625.00
				658.07
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 05-31-14		587.43
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 10-31-14		65.61
				653.04
				653.04

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
AEB OPERATING FUND
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
WITHDRAW				
CASH AND EQUIVALENTS				
11-07-12	11-07-12	FEDERATED PRIME CASH INST'L SHARES		754,768.75
11-07-12	11-07-12	FEDERATED PRIME CASH INST'L SHARES		219,100.00
11-16-12	11-16-12	FEDERATED PRIME CASH INST'L SHARES		104.24
11-16-12	11-16-12	FEDERATED PRIME CASH INST'L SHARES		15.00
				973,987.99
				973,987.99

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
AEB OPERATING FUND
From 11-01-12 Through 11-30-12

<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 OPERATING FUND

From 11-01-12 To 11-30-12

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED PRIME CASH INST'L SHARES					
11-01-12			Beginning Balance		1,089,507.74
11-01-12	11-01-12	dp	Interest	FEDERATED PRIME CASH INST'L SHARES	33.07
11-07-12	11-07-12	dp	Addition	to Portfolio	973,868.75
11-07-12	11-07-12	wd	Withdrawal	from Portfolio	-754,768.75
11-07-12	11-07-12	wd	Withdrawal	from Portfolio	-219,100.00
11-16-12	11-19-12	wd	Purchase	US TREASURY NOTES 0.250% Due 05-31-14	-500,156.25
11-16-12	11-19-12	wd	Accrued Interest	US TREASURY NOTES 0.250% Due 05-31-14	-587.43
11-16-12	11-19-12	wd	Purchase	US TREASURY NOTES 0.250% Due 10-31-14	-500,078.13
11-16-12	11-19-12	wd	Accrued Interest	US TREASURY NOTES 0.250% Due 10-31-14	-65.61
11-16-12	11-16-12	wd	Withdrawal	from Portfolio	-104.24
11-16-12	11-16-12	wd	Withdrawal	from Portfolio	-15.00
11-30-12	11-30-12	dp	Interest	US TREASURY NOTES 0.250% Due 05-31-14	625.00
11-30-12			Ending Balance		89,159.15

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
ALEUTIANS EAST BOROUGH SERIES E BOND
November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
500,000	US TREASURY NOTES 0.375% Due 06-30-13	100.15	500,742	100.12	500,605	20.45	1,875	785	0.17
500,000	US TREASURY NOTES 1.750% Due 01-31-14	102.61	513,047	101.77	508,865	20.78	8,750	2,925	0.23
275,000	US TREASURY NOTES 0.250% Due 05-31-14	100.03	275,086	100.02	275,044	11.23	687	2	0.24
500,000	US TREASURY NOTES 0.250% Due 10-31-14	100.02	500,078	100.00	500,000	20.42	1,250	107	0.25
	Accrued Interest				3,818	0.16			
			1,788,953		1,788,332	73.04		3,818	
AGENCIES									
500,000	FEDERAL FARM CREDIT BANK 1.875% Due 12-07-12	102.10	510,496	100.02	500,095	20.43	9,375	4,531	0.89
125,000	FHLMC 0.375% Due 10-30-13	100.07	125,088	100.14	125,176	5.11	469	40	0.22
	Accrued Interest				4,572	0.19			
			635,584		629,843	25.72		4,572	
CASH AND EQUIVALENTS									
	FEDERATED PRIME CASH INST'L SHARES		30,214		30,214	1.23			
TOTAL PORTFOLIO			2,454,751		2,448,389	100	22,406	8,390	

* Callable security

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
ALEUTIANS EAST BOROUGH SERIES E BOND
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 05-31-14	275,000	275,085.94
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 10-31-14	500,000	500,078.13
				775,164.07
				775,164.07
INTEREST				
CASH AND EQUIVALENTS				
11-01-12	11-01-12	FEDERATED PRIME CASH INST'L SHARES		23.33
U.S. TREASURY				
11-30-12	11-30-12	US TREASURY NOTES 0.250% Due 05-31-14		343.75
				367.08
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 05-31-14		323.09
11-16-12	11-19-12	US TREASURY NOTES 0.250% Due 10-31-14		65.61
				388.70
				388.70

* Callable security

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
ALEUTIANS EAST BOROUGH SERIES E BOND
From 11-01-12 Through 11-30-12

<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
ALEUTIANS EAST BOROUGH SERIES E BOND
From 11-01-12 To 11-30-12

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED PRIME CASH INST'L SHARES					
11-01-12			Beginning Balance		805,399.44
11-01-12	11-01-12	dp	Interest	FEDERATED PRIME CASH INST'L SHARES	23.33
11-16-12	11-19-12	wd	Purchase	US TREASURY NOTES 0.250% Due 05-31-14	-275,085.94
11-16-12	11-19-12	wd	Accrued Interest	US TREASURY NOTES 0.250% Due 05-31-14	-323.09
11-16-12	11-19-12	wd	Purchase	US TREASURY NOTES 0.250% Due 10-31-14	-500,078.13
11-16-12	11-19-12	wd	Accrued Interest	US TREASURY NOTES 0.250% Due 10-31-14	-65.61
11-30-12	11-30-12	dp	Interest	US TREASURY NOTES 0.250% Due 05-31-14	343.75
11-30-12			Ending Balance		30,213.75

* Callable security

MONTHLY PERSPECTIVES



**ALASKA
PERMANENT
APCM
CAPITAL MANAGEMENT**

ECONOMY & MARKETS

Down the home stretch!

Equities continue to be buffeted by “fiscal cliff” worries. U.S. S&P 500 large cap equities gained +0.6% in November and are up +15.0% for the year. Bonds remain range bound with the 10 year Treasury trading around 1.65% for several months now. Short term rates remain close to zero with the Federal Reserve preparing for even more bond buying next year.

Despite Europe slipping into recession, stocks across the Atlantic have performed well and “tail risk” issues seem off the table – for now. When measured in dollars the European Stoxx 600 Index gained +2.5% last month and is up +16.8% for the year. Across the Pacific, Japan’s equity market has gained +13.8% this year in yen, but is up only +6.2% when converted to dollars.

Parting Thoughts for 2012

I was going to write this month about the “fiscal cliff” but I just can’t bear it. You know the drill. Right down to the wire as always. For now, here is a grab bag of thoughts and ideas gleaned in November.

Economic data is going to be hard to interpret owing to the effects of Hurricane Sandy. This should last until January when rebuilding will kick in and add to growth. Most analysts expect about a -0.5% hit to growth in the fourth quarter which will reverse early next year on rebuilding.

The TAG looks to be expiring. That would be the Transaction Account Guarantee program that provides FDIC insurance on all non-interest bearing transaction accounts at banks. Needless to say, corporations have held piles of cash in these accounts owing to this guarantee and very low interest rates. APCM portfolio manager and former banker, Jason Roth, opines that some corporations are likely to

move that money to money market funds or perhaps Treasury bills. The community banks are screaming bloody murder as they think companies will favor the very large “too big to fail” banks.

The U.S. may become the world’s largest oil producer by 2020. The International Energy Agency also predicts that the U.S. will be a net exporter of oil around 2030 and nearly self-sufficient in energy by 2035. (What ever happened to peak oil theories?)

A Wall Street Journal article on student loans reminds me of the NINJA subprime loan debacle. No income, no job, no assets – no problem! The WSJ says “Nearly all student loans are made directly by the government, which asks little or nothing about the borrower’s ability to repay, or about what sort of education they intend to pursue.” Tick, tick, tick ...

APCM portfolio manager Brandy Niclai and I had a long chat with Saumil Parikh when he was in town speaking to the Permanent Fund. He leads a quarterly asset allocation meeting for PIMCO, one of the biggest asset managers in the world. PIMCO believes that U.S. equity returns will be in the neighborhood of +4% to +5% over the next 10 years. They like the emerging markets as that is where the growth is and valuations have gotten attractive. They think bond returns will be around +1% to +2%.

I am reading William Silber’s new biography of Paul Volcker. This tidbit was interesting. In 1933 gold was fixed at \$20.67 per ounce. Silber says “A gold bar, worth about \$8,000 in 1933, is slightly smaller than an ordinary brick and weighs about as much as two bowling balls.” Today, with gold over \$1,700, that 400 ounce (25 pound) gold bar would be worth \$680,000.

Have a wonderful holiday season and best wishes in the New Year. Stay warm!

**Jeff Pantages, CFA
Chief Investment Officer**



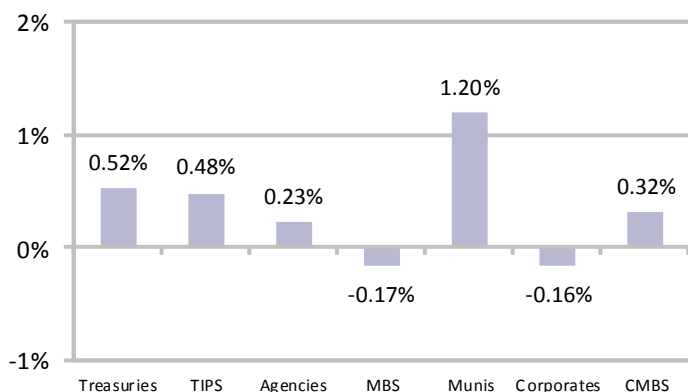
Bill Lierman, CFA
Portfolio Manager

■ The Treasury market rallied into and after the election. Nominal yields decreased slightly across the curve as 10 and 20 year tenors decreased 10 basis points (bps) with the 10 year finishing at 1.62%.

■ TIPS returned +0.48% for the month despite declining inflation expectations. The 2 and 10 year breakevens (market implied inflation expectations) ended the month at 1.17% and 2.45%, respectively.

■ The Fed's Beige Book reported that there was "modest improvements in hiring activity" but some large employers are looking to hire more part-time help rather than full-time. Wage pressures continued to be "subdued." The FOMC meets December 11/12th and there is now a higher probability for "operation twist" to be replaced by more Treasury buying.

November 2012 Bond Total Return



Barclays

■ All three sub sectors of the corporate market underperformed Treasuries. The finance, utility, and industrial sectors' excess return was -0.2%, -1.24%, and -1.2%, respectively (vs. Treasuries).

■ MBS had its second negative month. The option adjusted spread on the BofA Merrill Lynch Mortgage Master vs. Treasuries widened back to summer time levels ending the month at 33 bps. The Federal Housing Administration (FHA) announced its liabilities exceed its assets by \$16.3bn. Delinquencies continue to rise for loans issued during 2007 and 2008.

■ The Municipal market was the winner in fixed income by a substantial amount. Investors started to pile into municipals after the election with the thought that higher marginal tax rates are going to become certain. Demand for tax exempt income and the potential for "harvesting gains" before year end is likely.

■ The S&P 500 started November at 1,412 and ended at 1,414, with a -4% drop in between. Markets initially sold off post U.S. election results and then rallied back despite concerns over the looming "fiscal cliff." Mid caps led the way in November (+2.2%) and are now outpacing both large and small stocks YTD.

■ Developed international markets (EAFE) gained +2.4% in USD terms. The Europe and Pacific regions both gained over +2.0%, outperforming the U.S. (+0.6%). Greece was the best performing developed market, up +7.0% after the country was granted two more years to meet its debt reduction targets. Despite a sovereign debt crisis and a worsening economic recession, European equity markets are up over +16% YTD, outperforming the U.S. which is up +15%.

■ Emerging markets finished up +1.3%. Asian markets led the way gaining +2.8% in November and are up over +17% YTD. Improving economic numbers in China combined with U.S. debt deal concerns pushed the yuan to a 19-year high (6.25 USD/CNY).

■ This is the third consecutive month of slightly negative performance for the REIT sector. REIT stocks are expensive relative to other stocks, but in this low interest rate environment investors are attracted to the 3.4% yield. Low interest rates provide a tail wind for REIT earnings which has provided price support at these levels.

■ Commodities generally gained, driven by industrial metals which finished up +6.4%. Crude rallied +3.1% to \$88.91 on growing geopolitical risk.

Total Return (%) as of November 30, 2012

	One Month	Three Month	Six Month	Twelve Month
Domestic Equities				
Large Cap S&P 500	0.6	1.3	9.3	16.1
Mid Cap S&P 400	2.2	3.4	8.9	14.9
Small Cap S&P 600	1.0	1.3	8.7	14.0
International Equities				
Developed MSCI EAFE	2.4	6.3	18.2	12.6
Emerging MSCI Emerging Markets	1.3	6.7	12.6	11.4
Other				
Commercial Property S&P U.S. REIT	-0.3	-3.0	4.6	19.1
Commodities DJ-UBS Commodity	0.1	-2.2	11.3	-2.2
Fixed Income				
Total Bond Market Barclays Aggregate	0.2	0.5	2.0	5.5
1-3 Yr U.S. Treasury/Agency Barclays 1-3 Gov	0.1	0.1	0.3	1.3
Int'l Treasury Barclays Global Tsy ex-US	0.4	1.8	5.9	6.6



Brandy Niclai, CFA
Portfolio Manager



Presentation

By APCM

Aleutians East Borough

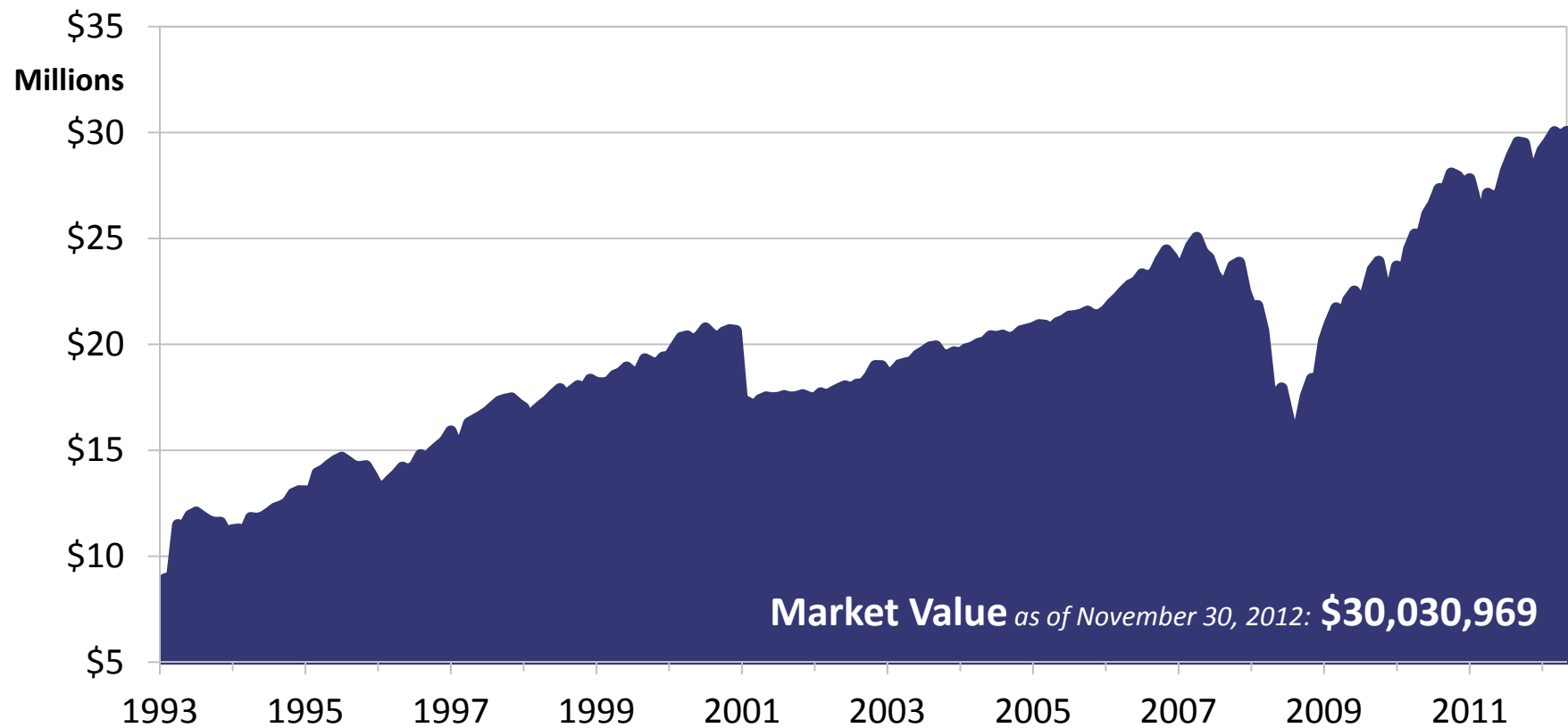
INVESTMENT REVIEW

for period ending November 30, 2012



Account Summary

Historical Market Value *as of November 30, 2012*



Account Inception on July 31, 1993. Chart shows month-end portfolio market value.

November 2012

■ Market Review

- **Equity markets have posted strong returns YTD** – the S&P 500 is up +15.0% through November, international developed (EAFE) has gained +13.7%, and emerging markets have posted +12.7%.

■ Performance Summary

- The AEB Permanent Fund has gained **11.4% YTD**

■ Current Outlook

- The U.S. **fiscal cliff**, the ongoing **crisis in Europe**, and **worries over China's growth** still lend uncertainty to the markets.

■ Portfolio Positioning

- Treasuries overvalued; favor domestic large cap equities over mid and small and emerging markets over developed international.

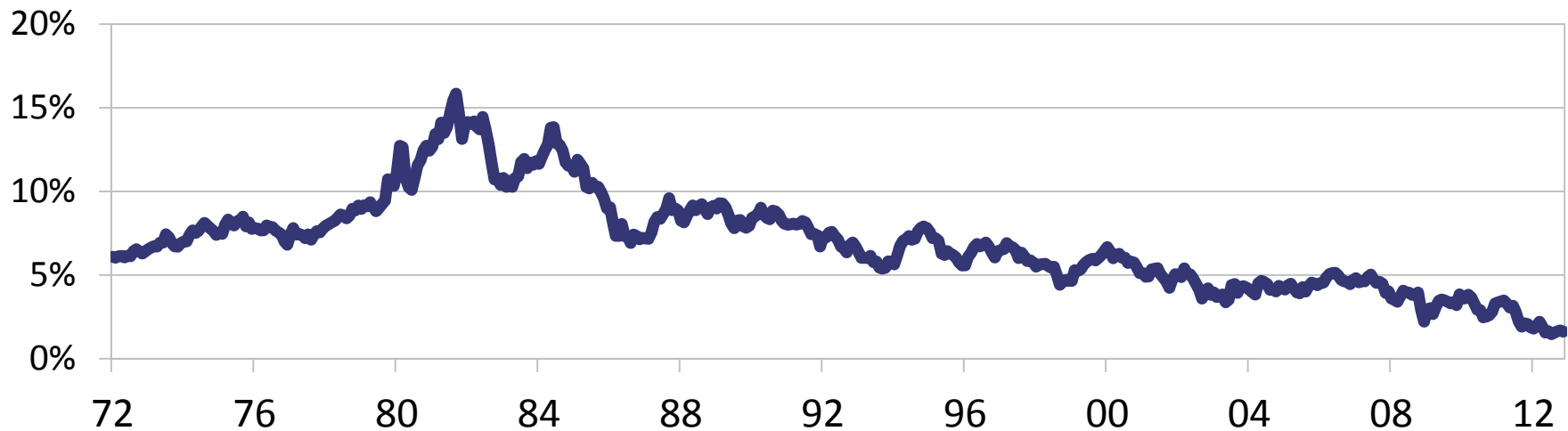
S&P 500: 2012 YTD



Data Through November 30, 2012

Bond Yields at Historic Lows!

10 Year U.S. Treasury Yield: 1972-2012

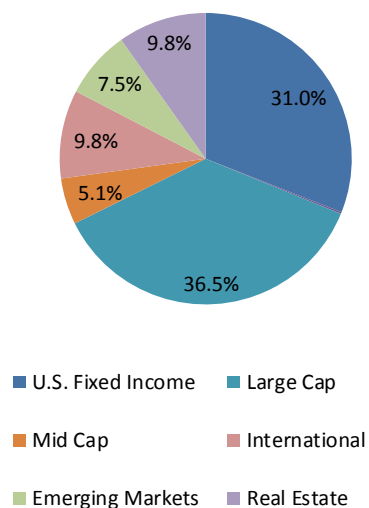


- 10 Year Treasury all time record low on July 24, 2012: **1.39%**
- **Short rates effectively zero** (negative real rates)
- Mortgage rates at all time lows: **30 Years @ 3.34 %**

Portfolio Review

Portfolio Review

Asset Allocation for Aleutians East Borough as of November 30, 2012

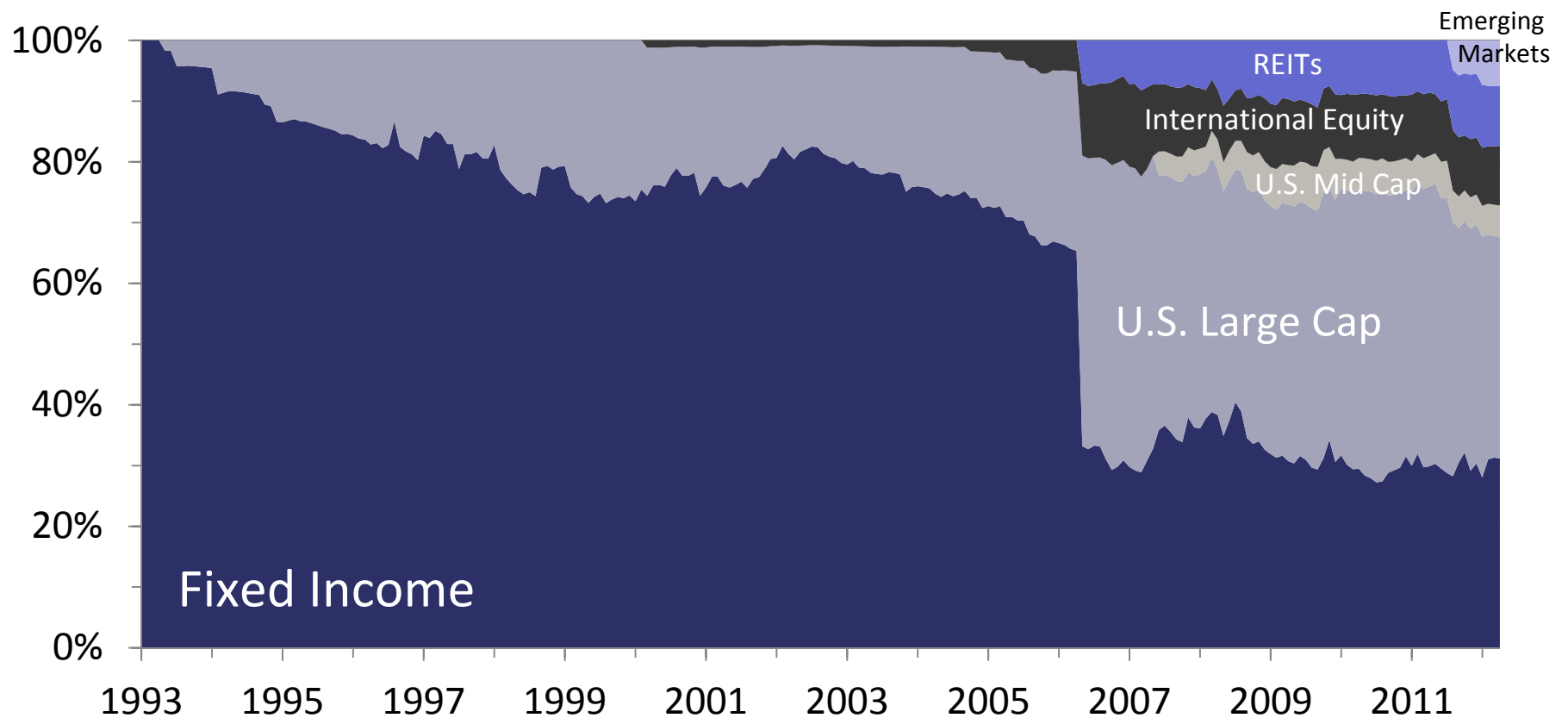


Asset Class	% Assets	Target	Range	Market Value	Portfolio Positioning and Recent Trades*
Fixed Income	31.2%	34%	25-60%	\$9,360,713	U
U.S. Fixed Income	31.0%			\$9,306,054	
Cash	0.2%			\$54,659	
Equities	68.8%	66%		\$20,670,256	O
Large Cap	36.5%	36	30-50%	\$10,961,603	O Reduced OW - 9/4/2012
Mid Cap	5.1%	5	0-10	\$1,546,253	N
International	9.8%	10	5-15	\$2,947,876	N
Emerging Markets	7.5%	5	0-10	\$2,266,835	O Bought - 4/19/2012
Real Estate	9.8%	10	5-15	\$2,947,688	N
Total				\$30,030,969	

* O = Overweight, N = Neutral, U = Underweight relative to portfolio strategic benchmark

Portfolio Review

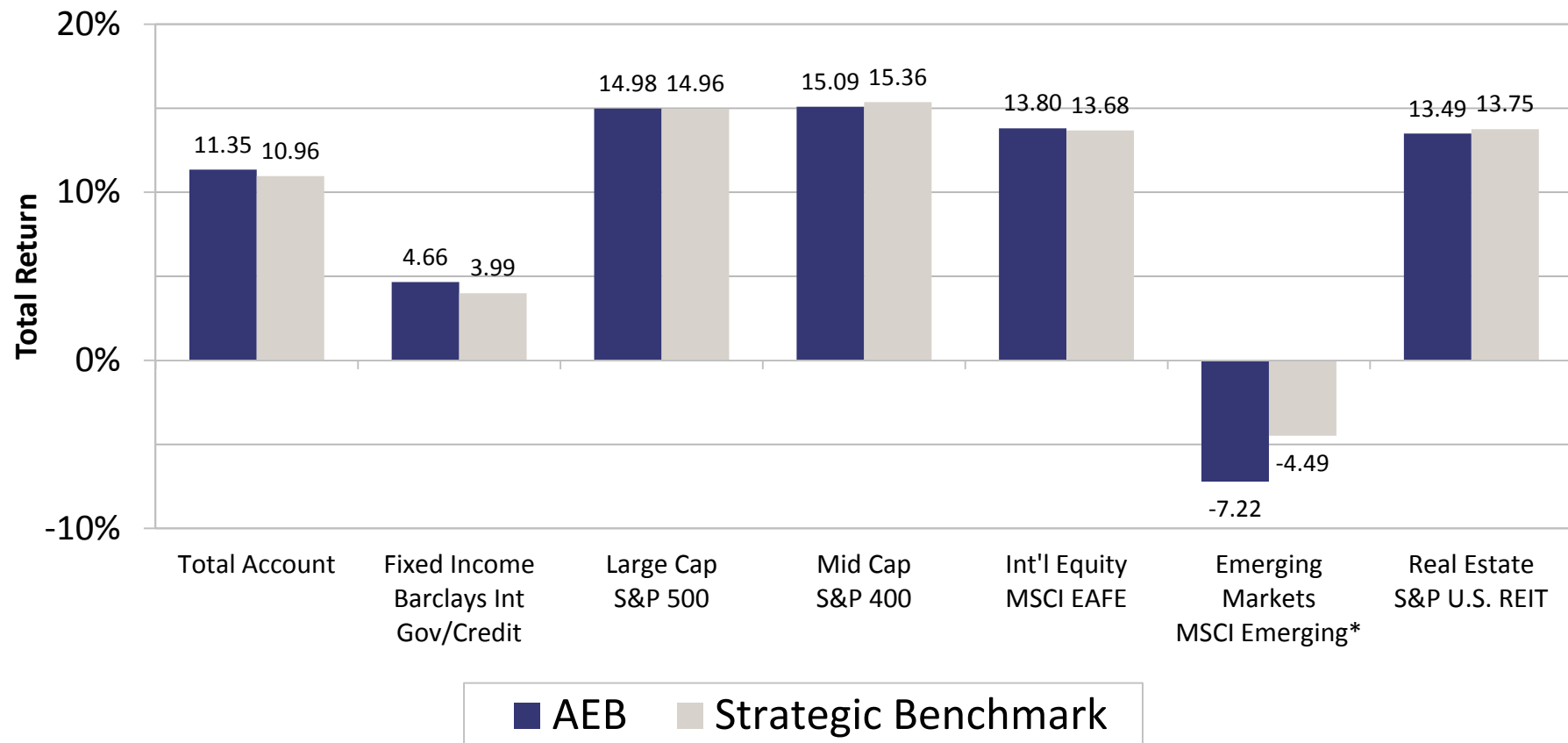
Historical Asset Allocation for Aleutians East Borough *Since Inception*



Monthly Data from August 31, 1993 to November 30, 2012

Portfolio Review

Account Performance 2012 YTD as of November 30, 2012

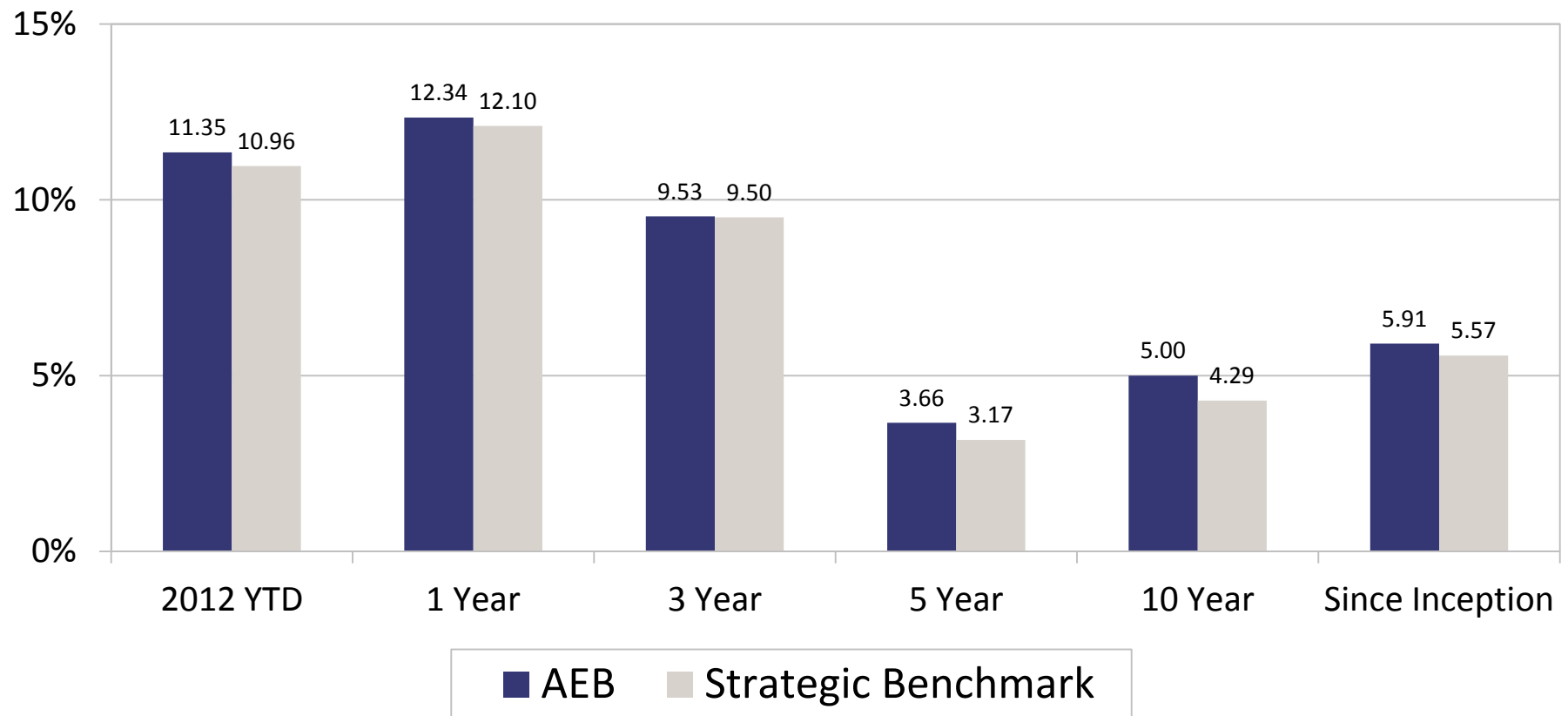


Performance is gross of fees.

* Emerging market index return begins February 29, 2012 to reflect the initial purchase month of VWO.

Portfolio Review

Account Performance *as of November 30, 2012*



Performance is annualized for periods greater than one year. Inception performance begins on July 31, 1993.

Portfolio Outlook

■ Bonds

- Treasuries overvalued; yields at historic lows; held as insurance against flight to quality/deflation
- Overweight spread product (corporate bonds)

■ Equities

- Favor domestic large cap names over mid and small
- Emerging markets over international developed (EAFE)
 - ◆ EMs long term growth prospects remain intact
 - ◆ Better fiscal situation than developed countries and room to ease
- REITs have done well, but overvalued as investors look for yield

AEB Summary of Accounts

Account Name <i>Benchmark</i>	Market Value <i>as of November 30, 2012</i>	YTD Performance <i>as of November 30, 2012</i>
AEB Permanent Fund <i>Balanced Account – Blended Benchmark</i>	\$30,030,969	11.35 10.96
AEB 2010 Series A <i>50% Barclays 1-3 Gov / 50% 90 Day T-Bill</i>	\$2,008,729	0.37 0.27
AEB 2010 Series B <i>50% Barclays 1-3 Gov / 50% 90 Day T-Bill</i>	\$2,013,039	0.38 0.27
AEB-Akutan Harbor 2006 <i>90 Day T-Bill</i>	\$1,641,175	0.35 0.06
AEB Series E <i>90 Day T-Bill</i>	\$2,448,389	0.23 0.06
AEB Operating Fund <i>90 Day T-Bill</i>	\$2,507,663	0.24 0.06

ALASKA
PERMANENT
CAPITAL MANAGEMENT COMPANY

IS RELATIONSHIP DRIVEN AND VIEWS ITSELF AS
A LONG-TERM PARTNER WITH ITS CLIENTS

YOUR BUSINESS IS IMPORTANT TO US!

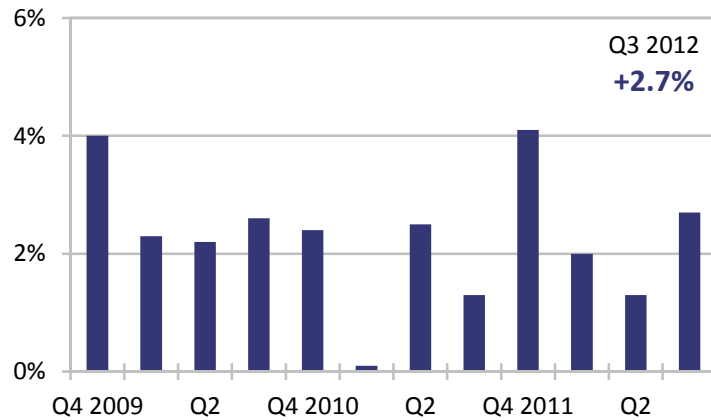
VISIT US AT OUR WEBSITE: APCM.NET



Appendix

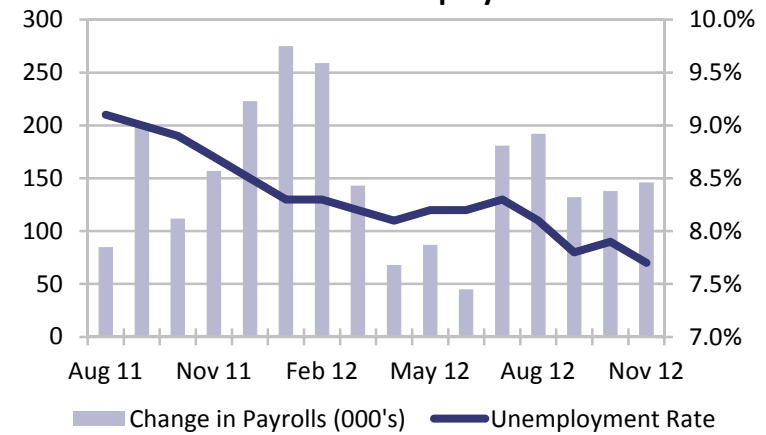
Economy & Financial Markets

Gross Domestic Product



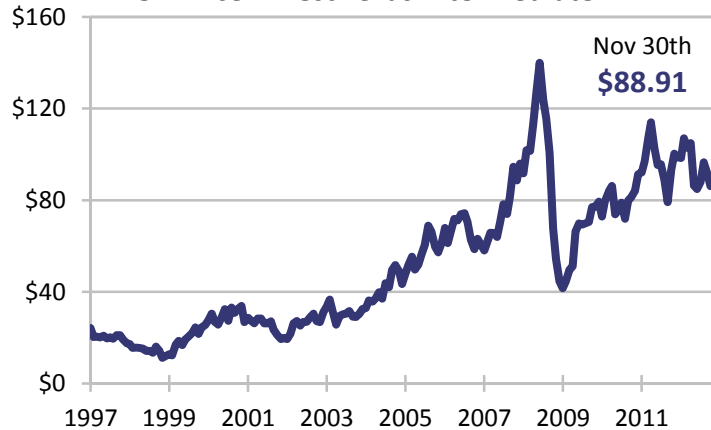
Bureau of Economic Analysis

Job Growth and Unemployment Rate



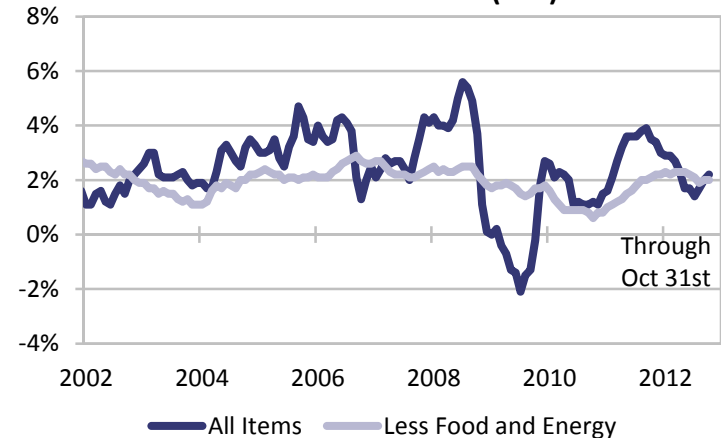
Bureau of Labor Statistics

Oil Price - West Texas Intermediate



Bloomberg

Consumer Price Index (YoY)



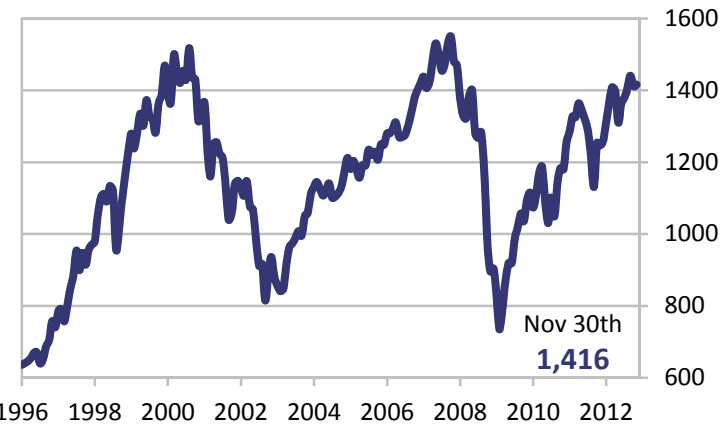
Bureau of Labor Statistics

Economy & Financial Markets

Total Return (%) as of November 30, 2012

	One Month	Three Month	Six Month	Twelve Month
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Developed MSCI EAFE	2.4	6.3	18.2	12.6
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Total Bond Market Barclays Aggregate	0.2	0.5	2.0	5.5
1-3 Yr U.S. Treasury/Agency Barclays 1-3 Gov	0.1	0.1	0.3	1.3
Int'l Treasury Barclays Global Tsy ex-US	0.4	1.8	5.9	6.6

S&P 500 Index



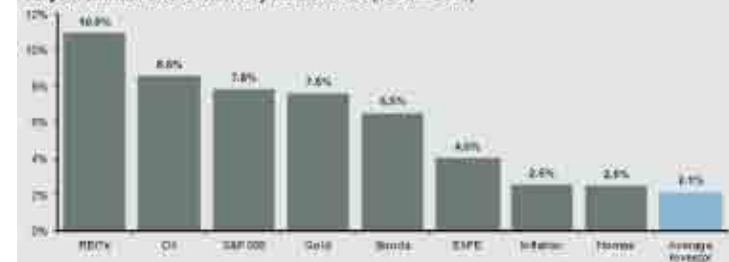
Bloomberg

S&P 500 Earnings Yield vs. Baa Bond Yield



Sources: Standard & Poor's, Moody's, J.P. Morgan Asset Management
Data as of 9/30/2012.

20-year Annualized Returns by Asset Class (1992 - 2011)

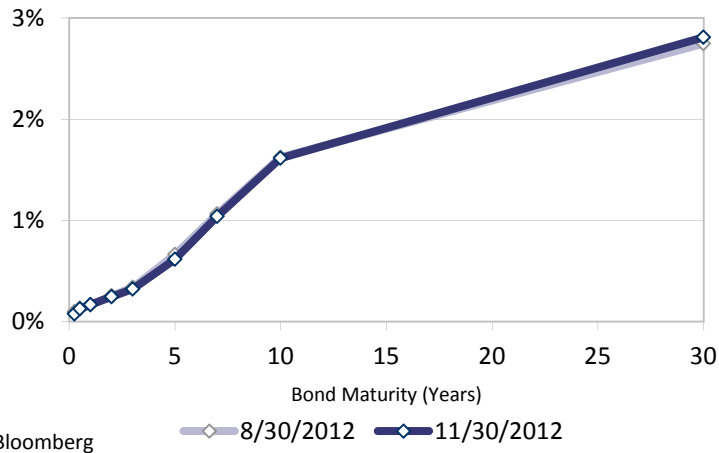


Source: J.P. Morgan Asset Management

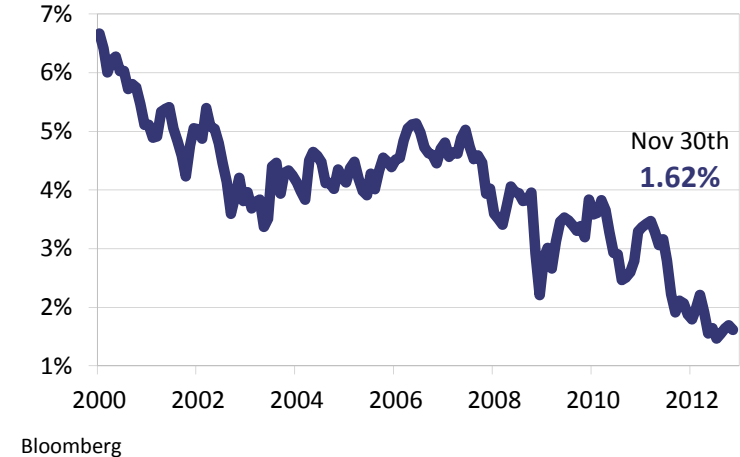
Average asset allocation investor return is based on an analysis by Dalbar Inc. All returns are annualized (and total return where applicable) and represent the 20-year period ending 12/31/11 to match Dalbar's most recent analysis.

Economy & Financial Markets

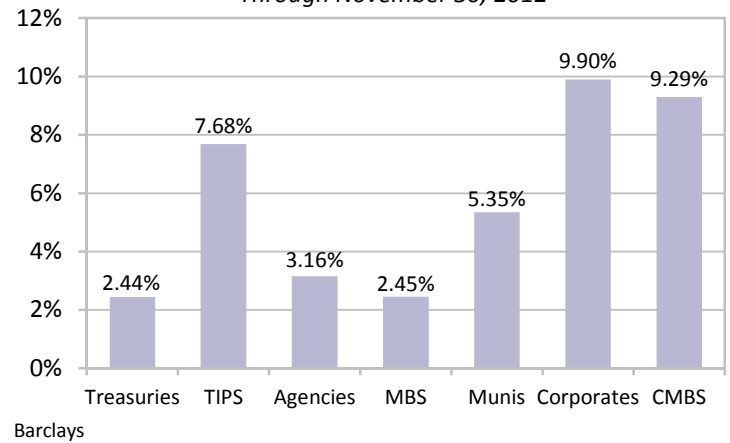
U.S. Treasury Yield Curve Comparison



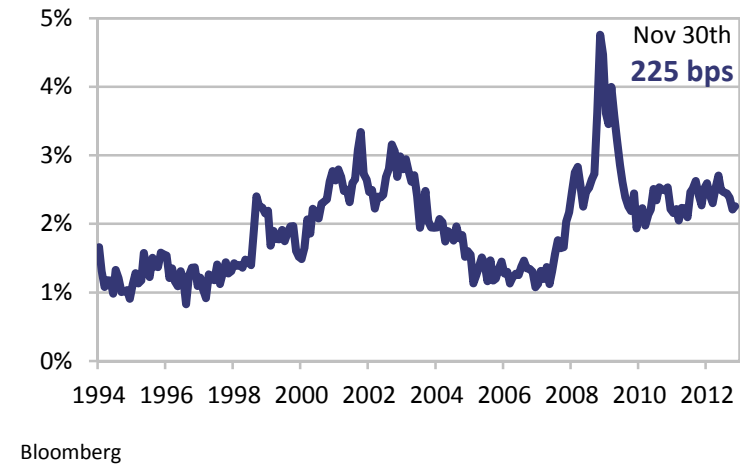
10 Year Treasury Note Yield



2012 YTD Bond Total Return
Through November 30, 2012



Corporate A Spread/10 Year Treasury



Current Outlook

Economic Outlook

The U.S. economy is expanding modestly, but still faces major headwinds from the ongoing deleveraging of consumer and financial balance sheets. And it looks like government spending will slow significantly as we get our deficit and national debt under control. Housing looks to be bottoming and car sales have been decent. The unemployment rate fell to 7.7% in November, while 148,000 new jobs were created. Third quarter GDP was revised up to +2.7%, but most analysts expect +1% to +2% in Q4. Hurricane Sandy will make it hard to gauge economic growth over the next few months. The consensus outlook calls for growth around +2% and modest inflation in 2013.

In its October 2012 World Economic Outlook, the IMF lowered its forecast for global growth. It sees +3.3% growth in 2012 and +3.6% in 2013, down from estimates last made in July. The IMF suggests a 15% chance of recession in the U.S., 25% in Japan, and 80% in the euro area. It warned that these estimates may be optimistic unless policy makers carry out pro-growth policies.

The World Bank also cut its growth forecast for East Asia to +7.2%, down from +8.2% in 2011. This is partly due to slowing demand for Asian goods in struggling western economies. For China, growth is expected to be +7.7% (vs. +9.3% last year) and “risks of a ‘hard landing’ remain small.”

Inflation Outlook

The U.S. CPI inflation rate has been +2.2% over the past 12 months. Given the still high unemployment rate (modest wage pressure) and unused capacity in the U.S., recession in Europe, and a slowdown in China, inflation is unlikely to be a problem near term, despite money printing by most of the world’s central banks. ISI Strategies believes global inflation will be around +2% in 2013.

The U.S. 10 year Treasury yields 1.62% while the 10 year inflation protected TIPS bond yields -0.92%. The difference, or the “break even” inflation rate, is 2.54%. That is, the market expects inflation to average 2.54% over the next 10 years.

WTI oil was trading around \$89 at month end, down -19% from its high of \$109 in February. At \$3.37 per gallon, gasoline prices are also falling and are now 59 cents below the year-to-date high of \$3.96 set on April 6, according to the Lundberg survey. Gold has been range bound of late at around \$1,700 per ounce, with low interest rates and money printing a support but sluggish economic growth a detractor.

Policy Actions

The Federal Reserve is worried about slow economic growth and is maintaining a ZIRP (zero interest rate policy), committing to a federal funds rate close to zero until late 2015. They initiated “Operation Twist” last year (it’s scheduled to expire at year end) and are reinvesting principal payments on current holdings back into the mortgage market. Recently, the Fed announced another bond buying program with no definite end date dubbed “QE3.” The FOMC meets December 11/12 and more easing is expected.

The “fiscal cliff” continues to loom at the end of this year as expiration of the Bush tax cuts, last year’s “temporary” payroll tax cuts, and more unemployment benefits are set to combine with automatic spending cuts from last year’s failed congressional “super committee.” All of this would amount to roughly a 3 or 4% drag on GDP (i.e. a recession). The election is over and policymakers have begun work in the lame duck session.

Overseas, Europe continues to grapple with a banking system that was more levered than the U.S. The ECB (extending 3 year loans to banks at 1%) and IMF have taken significant steps to shore up confidence and provide liquidity to EU governments struggling with deficit/debt problems. Greece, Ireland, and Portugal have accepted bailouts. Italy and Spain are now in the crosshairs. ECB President Mario Draghi has said that he will do “whatever it takes” to stabilize bond markets and save the euro. Still the Eurozone is in recession and the unemployment rate there is 11.7%.

Bond Outlook

Ten year Treasury yields reached 2.38% in March before falling to a historic low of 1.39% in July, and ending the month of November at 1.62%. We remain overweight spread product including corporate bonds (especially financials) and CMBS securities. Treasuries are unattractive in all but a flight to quality/deflation scenario.

Equity Outlook

The equity markets gained ground in November despite worries over the fiscal cliff. The S&P 500 was up +0.6% for the month, and +15.0% YTD.

In overseas markets, the EAFE developed country index gained +2.4% in November and was up +13.7% YTD. While Europe is cheap on a valuation basis, macro risks are still too big to justify more than a market weight. We expect more unrest with possible country defaults and exits from the euro (with Greece going first).

Emerging markets gained +1.3% in November, and were up +12.7% YTD. Equities here trade at a 9.7x P/E ratio and are the cheapest relative to developed markets since February 2009. Their economies are slowing but policymakers have room to ease and these countries are in better fiscal shape than the developed nations. We are overweight.

The equity markets are climbing the proverbial wall of worry. While we continue to favor stocks over bonds and cash in client portfolios, recent gains have been a bit surprising given several headwinds. It is likely to be a bit bumpy from here given soft economic growth, fiscal cliff uncertainties, and a slowing in corporate earnings.

December 2012

Portfolio Appraisal

ALEUTIANS EAST BOROUGH

November 30, 2012



Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
500,000	US TREASURY NOTES 0.125% Due 09-30-13	99.93	499,668	99.95	499,745	1.66	625	106	0.19
800,000	US TREASURY NOTES 0.250% Due 11-30-13	100.00	800,031	100.05	800,376	2.67	2,000	5	0.20
125,000	US TREASURY NOTES 1.875% Due 02-28-14	98.35	122,940	102.04	127,549	0.42	2,344	596	0.24
300,000	US TREASURY NOTES 2.625% Due 06-30-14	100.45	301,337	103.73	311,190	1.04	7,875	3,296	0.26
525,000	US TREASURY NOTES 1.250% Due 10-31-15	97.52	511,991	102.66	538,986	1.79	6,562	562	0.33
250,000	US TREASURY NOTES 0.625% Due 05-31-17	99.52	248,799	100.41	251,035	0.84	1,562	4	0.53
275,000	US TREASURY NOTES 3.375% Due 11-15-19	97.63	268,490	115.97	318,915	1.06	9,281	410	0.99
150,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	156,059	117.19	175,782	0.59	5,250	232	1.09
	Accrued Interest				5,212	0.02			
			2,909,315		3,028,789	10.09		5,212	
AGENCIES									
400,000	FEDERAL HOME LN BKS 4.875% Due 05-17-17	99.74	398,946	118.58	474,328	1.58	19,500	758	0.65
	Accrued Interest				758	0.00			
			398,946		475,086	1.58		758	
FNMA & FHLMC									
110,518	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	104.56	115,560	106.20	117,368	0.39	4,421	368	1.58
	Accrued Interest				368	0.00			
			115,560		117,737	0.39		368	
ASSET-BACKED SECURITIES									
150,000	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17	107.25	160,875	106.39	159,578	0.53	5,700	253	0.52
	Accrued Interest				253	0.00			
			160,875		159,832	0.53		253	



Portfolio Appraisal

ALEUTIANS EAST BOROUGH

November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
COMMERCIAL MORTGAGE-BACKED SECURITIES									
500,000	FRN - BEAR STEARNS COML MTG SECS TR 5.518% Due 09-11-41 Accrued Interest	100.55	502,726	103.69	518,436	1.73	27,590	2,299	2.00
					2,299	0.01			
			502,726		520,735	1.73		2,299	
CORPORATE BONDS									
150,000	GLAXOSMITHKLINE CAP INC 4.850% Due 05-15-13	99.79	149,683	102.03	153,052	0.51	7,275	323	0.40
150,000	TOYOTA MOTOR CREDIT 1.375% Due 08-12-13	101.03	151,539	100.65	150,973	0.50	2,062	624	0.45
150,000	BARRICK GOLD FINANCE CO. 6.125% Due 09-15-13	111.45	167,173	104.27	156,409	0.52	9,187	1,940	0.70
100,000	CATERPILLAR FINANCIAL 6.125% Due 02-17-14	100.12	100,125	106.68	106,683	0.36	6,125	1,769	0.59
100,000	MORGAN STANLEY 6.000% Due 04-28-15	95.25	95,250	108.97	108,966	0.36	6,000	550	2.16
150,000	CITIGROUP INC 4.750% Due 05-19-15	108.33	162,493	108.05	162,079	0.54	7,125	237	1.42
250,000	GENERAL ELECT CAP CORP MED TERM NT SER A 6.900% Due 09-15-15	104.49	261,227	115.40	288,497	0.96	17,250	3,642	1.27
150,000	PPG INDUSTRIES INC 1.900% Due 01-15-16	98.62	147,937	102.90	154,344	0.51	2,850	1,077	0.96
150,000	HSBC FINANCE CORP 5.500% Due 01-19-16	97.07	145,611	111.17	166,759	0.56	8,250	3,025	1.82
150,000	BRITISH COLUMBIA PROV OF 2.100% Due 05-18-16	99.98	149,971	105.17	157,755	0.53	3,150	114	0.59
150,000	CONOCOPHILLIPS CANADA 5.625% Due 10-15-16	117.91	176,866	118.59	177,883	0.59	8,437	1,078	0.75
150,000	JOHN DEERE CAPITAL CORP 2.000% Due 01-13-17	102.52	153,774	104.33	156,493	0.52	3,000	1,150	0.93
150,000	BANK OF NEW YORK MELLON 1.969% Due 06-20-17	103.68	155,515	103.42	155,130	0.52	2,953	1,321	1.20
150,000	STATOIL ASA 3.125% Due 08-17-17	107.07	160,599	108.72	163,080	0.54	4,687	1,354	1.22
150,000	ASTRAZENECA PLC 5.900% Due 09-15-17	101.14	151,711	122.89	184,339	0.61	8,850	1,868	1.00
150,000	EXELON GENERATION CO LLC 6.200% Due 10-01-17	117.17	175,749	118.94	178,416	0.59	9,300	1,550	2.06



Portfolio Appraisal

ALEUTIANS EAST BOROUGH

November 30, 2012

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
150,000	JPMORGAN CHASE 6.000% Due 01-15-18	103.99	155,979	119.32	178,986	0.60	9,000	3,400	2.01
150,000	UNITED PARCEL SERVICE 5.500% Due 01-15-18	121.23	181,845	120.36	180,534	0.60	8,250	3,117	1.37
150,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	149,358	120.49	180,742	0.60	8,625	2,875	1.60
200,000	UNITED HEALTH GROUP INC 6.000% Due 02-15-18	121.46	242,916	122.39	244,774	0.82	12,000	3,533	1.51
150,000	BANK OF AMERICA CORP 5.650% Due 05-01-18	83.68	125,521	115.87	173,805	0.58	8,475	706	2.50
150,000	COMMONWEALTH EDISON 6.950% Due 07-15-18	123.20	184,800	123.73	185,598	0.62	10,425	3,938	2.41
150,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	116.51	174,771	125.54	188,314	0.63	11,250	3,312	2.96
150,000	PROCTER & GAMBLE CO. 4.700% Due 02-15-19	119.15	178,728	119.28	178,915	0.60	7,050	2,076	1.44
150,000	VERIZON COMMUNICATIONS 6.350% Due 04-01-19	125.02	187,530	127.72	191,577	0.64	9,525	1,587	1.71
150,000	MICROSOFT CORP 4.200% Due 06-01-19	117.24	175,854	116.86	175,296	0.58	6,300	3,150	1.47
161,488	SOUTHWEST AIRLS 2007-1 PASS 6.150% Due 08-01-22 Accrued Interest	102.36	165,302	117.00	188,941	0.63	9,932	3,311	4.01
					52,629	0.18			
			4,427,832		4,740,975	15.79		52,629	
MUNICIPAL BONDS									
200,000	FAIRBANKS NORTH STAR BORO AK 5.000% Due 09-01-22 Accrued Interest	120.54	241,078	130.20	260,400	0.87	10,000	2,500	1.64
					2,500	0.01			
			241,078		262,900	0.88		2,500	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
84,158	VANGUARD INST'L S&P500 INDEX FUND	96.89	8,153,816	130.25	10,961,603	36.50	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
15,444	ISHARES S&P MIDCAP 400	72.41	1,118,232	100.12	1,546,253	5.15	NA		
INTERNATIONAL FUNDS/ETF									
86,372	VANGUARD MSCI EAFE ETF	37.88	3,271,921	34.13	2,947,876	9.82	NA		

Portfolio Appraisal

ALEUTIANS EAST BOROUGH

November 30, 2012



Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
EMERGING MARKET FUNDS/ETF									
53,953	VANGUARD EMERGING MARKET ETF	43.10	2,325,355	42.01	2,266,835	7.55	NA		
REAL ESTATE									
45,907	VANGUARD REIT ETF	53.03	2,434,236	64.21	2,947,688	9.82	NA		
CASH AND EQUIVALENTS									
	FEDERATED PRIME CASH INST'L SHARES		54,659		54,659	0.18			
	VICTORY MONEY MARKET FUND		0		0	0.00			
			54,659		54,659	0.18			
TOTAL PORTFOLIO			26,114,551		30,030,969	100	310,046	64,020	

Alaska Permanent Capital Management Co.
PERFORMANCE HISTORY



GROSS OF FEES
ALEUTIANS EAST BOROUGH
Gross of Fees

Time Period	Percent Return Per Period													
	Total Account	BENCH	Fixed Income	BARC INT G/C BENCH	Domestic Large Cap Equity	S&P 500 LARGE CAPS BENCH	Domestic Mid Cap Equity	S&P 400 MIDCAP BENCH	Int'l Equity	EAFE BENCH	Real Estate	S&P US REIT BENCH (former spreit)	Emerging Market Equity	MSCI EMERGING MARKET BENCH
11-30-11 to 12-31-11	0.89	1.03	0.86	0.78	1.02	1.02	-0.53	-0.37	-2.18	-0.95	4.85	4.68	0.00	-1.21
12-31-11 to 01-31-12	3.90	3.72	1.16	1.02	4.57	4.48	6.20	6.61	5.62	5.33	6.48	6.47	0.00	11.34
01-31-12 to 02-29-12	2.57	2.45	0.00	-0.05	4.33	4.32	4.53	4.50	4.88	5.74	-1.15	-1.06	0.00	5.99
02-29-12 to 03-31-12	2.10	1.77	-0.10	-0.36	3.39	3.29	2.09	1.88	0.33	-0.46	5.19	5.13	-4.33	-3.33
03-31-12 to 04-30-12	-0.17	0.11	0.73	0.92	-0.76	-0.63	-0.36	-0.23	-2.38	-1.96	2.86	2.91	-1.92	-1.20
04-30-12 to 05-31-12	-4.69	-4.49	0.42	0.48	-6.01	-6.01	-6.40	-6.48	-11.17	-11.48	-4.51	-4.55	-10.66	-11.21
05-31-12 to 06-30-12	3.26	3.06	0.27	0.08	4.14	4.12	2.09	1.89	6.98	7.01	5.49	5.65	5.02	3.86
06-30-12 to 07-31-12	1.10	1.23	1.06	0.97	1.39	1.39	-0.22	-0.04	0.25	1.13	2.00	1.96	0.20	1.95
07-31-12 to 08-31-12	1.36	1.31	0.20	0.19	2.25	2.25	3.49	3.48	3.29	2.69	-0.01	0.05	-0.86	-0.33
08-31-12 to 09-30-12	1.60	1.52	0.35	0.24	2.56	2.58	1.81	1.94	2.69	2.96	-1.85	-1.88	5.34	6.03
09-30-12 to 10-31-12	-0.71	-0.69	0.15	0.14	-1.86	-1.85	-0.75	-0.79	1.06	0.83	-0.91	-0.84	-0.54	-0.61
10-31-12 to 11-30-12	0.76	0.70	0.34	0.30	0.58	0.58	2.23	2.20	2.71	2.42	-0.26	-0.28	1.25	1.27
Date to Date														
11-30-11 to 11-30-12	12.34	12.10	5.56	4.81	16.15	16.13	14.48	14.93	11.32	12.60	18.99	19.07	-7.22	11.35



December 7, 2012

Mr. Rick Gifford
Administrator
Aleutians East Borough
3380 C. Street, Suite 205
Anchorage, Alaska 99503

Dear Rick;

The Vanguard Group recently announced that beginning in 2013 many of its ETFs will no longer track the current Morgan Stanley Capital International (MSCI) indices and instead will convert to indices sponsored by FTSE.

As you are aware, APCM purchases index funds to provide exposure to the various equity asset classes. Recently, Vanguard announced that they would no longer be using the MSCI Europe, Australasia, Far East (EAFE) Index or the MSCI Emerging Markets Index. Instead, they are changing to the FTSE Developed ex North America Index and the FTSE Emerging Index in order to "keep long-term expenses low." This change will begin in January of 2013.

This index change does not materially alter exposure to the respective asset classes themselves. The primary difference between the two is placement of Korea which MSCI has as emerging and FTSE has as developed. The change does create a problem with the Fund's investment policy which explicitly enumerates the particular indices that Vanguard will no longer be using (06.04.041.(F)(1)(b) and (e)).

As both Vanguard funds are low cost vehicles that provide exposure to the respective asset classes and meet our investment criteria, we recommend you consider amending the code to allow use of the FTSE Developed ex North America Index for the international equities allocation and the FTSE Emerging Index for the emerging market allocation. Conforming changes would need to occur for performance measuring purposes. Suggested language is attached.

Traditionally the assembly has APCM present a review of the Fund towards year-end. If it would help we would be glad to incorporate an explanation of the above with the review. I understand scheduling is always a challenge and we will accommodate whatever works best for you.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bert Wagnon".

Bert Wagnon
Senior Vice-President

Resolutions



Agenda Statement

Date of Meeting: December 13, 2012
To: Mayor Mack and Assembly
From: Rick Gifford, Administrator
Anne Bailey, Community Development Coordinator

Re: Resolution - Adopting a Legislative Priority List for the 2013 Legislative Session by Selecting and Promoting Capital Projects for the Health, Safety and Welfare of Its Residents

The Aleutians East Borough is dedicated to bringing to its communities opportunities for responsible and appropriate economic development and growth and to develop its transportation infrastructure. The Borough continuously sees opportunities to plan, advance and construct basic and essential community projects.

The following legislative priorities are before the Assembly for consideration:

1. Cold Bay Clinic Building Construction

A new Cold Bay Health Clinic is needed in Cold Bay. The existing building has exceeded its useful life and is located in the restricted visibility zone, which makes external repairs extremely difficult. The new facility will cost approximately \$4.17 million to construct. Funding may also be needed to demolish the existing clinic. The City has secured \$186,000 for design, which is site specific and is currently being worked on by ANTHC. The City, Borough and Eastern Aleutian Tribes are continuously searching for construction funds.

State Funding Requested: \$1.5 million

2. Cold Bay Dock Rebuild/Wave Barrier

In 2011, the Borough requested but did not receive \$982,053 in Legislative funding for Cold Bay dock repairs. This would complete structural and operational repairs on the dock. The Borough did receive \$386,442 in Federal Ferry Boat Discretionary funds. The

LEGISLATIVE PRIORITIES

Assembly Meeting December 18, 2012

Page 2

Borough/City of Cold Bay must contribute \$96,000 towards this project and the State has secured an additional \$100,000 for a total project cost of \$564,442. This project would consist of structural and operational repairs, as well as, a mini-study on repairing/replacing the existing dock. The Borough may consider requesting additional funds for this project.

The Borough and City are interested in pursuing a wave barrier to protect the Cold Bay Dock and small vessels that utilize it. In June 2001, a Cold Bay Wave Barrier Study was completed and the cost estimate for the project was approximately \$930,000. The cost of this project has increased significantly over the past eleven years warranting the need for an updated study.

State Funding Requested: \$200,000

3. King Cove – Cold Bay Access Project

This project is on-going and requires Borough support. The final Environmental Impact Statement (FEIS) with a recommended alternative is expected as early as November 14, 2012. It is not known when the Secretary of Interior will make his public interest finding about the proposed land exchange.

4. Akutan Harbor Floats Installation

The Borough has submitted an application to the State Harbor Facility Grant Program requesting \$3.1 million for construction of floats in the new Akutan Harbor. The Borough has obtained the necessary \$3.1 million dollar match, which consists of Borough, APICDA and City of Akutan funds. However, if the Borough does not receive the \$3.1 million other funding sources will need to be researched and applied for, including a legislative appropriation.

State Funding Requested: \$3.1 million

5. Cold Bay New Airport Tarmac and Taxiway Construction (AEB's number 1 priority)

The Cold Bay Apron and Taxiway Project will cost approximately \$5,000,000 to complete. The Borough has designated \$225,000 for apron and taxiway design and received \$2,000,000 from the State of Alaska FY2013 Designated Legislative Grant for Apron and Taxiway construction. It is hoped that DOT will be able to provide the additional \$3 million to complete this project. Once the new apron and taxiway are in

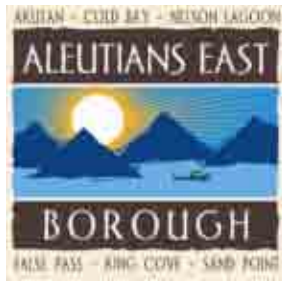
place air carriers will be able to utilize the Terminal building and support the region's thriving seafood industry.

6. Akutan Hovercraft Subsidy or Travel Alternative Research

Hovercraft operations for the Akutan Airport are extremely expensive and will be difficult for the Borough to maintain for an extensive period of time. The Borough is interested in asking the State and/or Federal Government to help subsidize the cost of running the Hovercraft. Possible sources include Essential Air Service (EAS), the postal service through a mail contract and/or direct appropriations from the State and/or Federal government.

Travel alternatives for the transport of passengers between Akun and Akutan are also another project worth considering. These alternatives may include researching a landing craft, an amphibious vessel and/or expanding on the existing helicopter study.

State Funding Requested: \$



RESOLUTION 13-15

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY SELECTING AND PROMOTING CAPITAL PROJECTS FOR THE HEALTH, SAFETY AND WELFARE OF ITS RESIDENTS

WHEREAS, the Aleutians East Borough is dedicated to bringing to its communities opportunities for responsible and appropriate economic development and growth and to develop its transportation infrastructure; and

WHEREAS, the Aleutians East Borough sees opportunities to plan, advance and construct basic and essential community projects; and

WHEREAS, the following projects reflect the basic needs, rather than non-essential desires, of the communities.

NOW THEREFORE BE IT RESOLVED by the Aleutians East Borough Assembly has selected capital projects to promote within the available funding opportunities at both the State of Alaska and federal levels. This list includes but is not necessarily limited to:

1. Cold Bay Clinic Building Construction
2. Cold Bay Dock Rebuild/Wave Barrier
3. King Cove – Cold Bay Access Project
4. Akutan Harbor Floats Installation
5. Cold Bay New Airport Tarmac and Taxiway
6. Akutan Hovercraft Subsidy or Travel Alternative Research

PASSED AND APPROVED by the Aleutians East Borough on this 18th day of December 2012.

Stanley Mack, Mayor

ATTEST:

Tina Anderson, Clerk

Ordinances

December 7, 2012

Mr. Rick Gifford
Administrator
Aleutians East Borough
3380 C. Street, Suite 205
Anchorage, Alaska 99503

Dear Rick;

The Vanguard Group recently announced that beginning in 2013 they will no longer be using the Morgan Stanley indices and instead will convert to the FTSE indices.

As you are aware, APCM purchases index funds to provide exposure to the various equity asset classes. Recently, Vanguard announced that they would no longer be using the Morgan Stanley Europe, Australasia, Far East (EAFE) Index or the Morgan Stanley Emerging Market Index (MSCI). Instead, they are changing to the FTSE Developed ex North America Index and the FTSE Emerging Index in order to “keep long-term expenses low”. This change will begin in January of 2013.

This index change does not materially alter exposure to the respective asset classes themselves. The primary difference between the two is placement of Korea which Morgan Stanley has as emerging and FTSE as developed. The change does create a problem with the Fund’s investment policy which explicitly enumerates the particular indices that Vanguard will no longer be using (06.04.041.(F)(1)(b) and (e)).

As both Vanguard funds are low cost vehicles that provide exposure to the respective asset classes and meet our investment criteria, we recommend you consider amending the code to allow use of the FTSE Developed ex North America Index for the International Equities allocation and the FTSE Emerging Index for the Emerging Market allocation. Conforming changes would need to occur for performance measuring purposes. Suggested language is attached.

Traditionally the assembly has us present a review of the Fund towards year-end. If it would help we would be glad to incorporate an explanation of the above with the review. I

understand scheduling is always a challenge and we will accommodate whatever works best for you.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Wagnon", with a stylized flourish at the end.

Bert Wagnon
Senior Vice-President

Draft Changes to accommodate Vanguard index change

November 2012

F.(1)(b)

International Equities, which taken as a whole, attempt to replicate the [FTSE Developed ex North America](#)~~Morgan Stanley Europe, Australiasia, Far East (EAFE)~~ Index, including both mutual fund and exchange traded funds (ETF's).

F.(1)(e)

Emerging markets equity index funds, which taken as a whole, attempt to replicate the [FTSEMSCI Emerging Market Index](#), including both mutual funds and exchange traded funds (ETF's).

F.(3)(c)

Performance measurement for the International Equity Allocation will be measured against the Target weighting using the [FTSE Developed ex North America](#)~~Morgan Stanley Europe, Australiasia, Far East (EAFE)~~ Index for the Benchmark.

F.(3)(f)

Performance measurement for the Emerging Market Allocation will be measured against the Target weighting using the [FTSEMSCI Emerging Market Index](#) for the Benchmark.

**ALEUTIANS EAST BOROUGH
ORDINANCE SERIAL NO. 13-04**

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

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

WHEREAS, the Borough’s Permanent Fund was created by the Borough Assembly in 1990 and

WHEREAS, Sec. 6.08.010 of the Code of the Aleutians East Borough of Alaska sets forth the investment policy and objectives for Borough monies; and

WHEREAS, under Sec. 6.08.010(C) of the Code, all Borough “investments shall be diversified to minimize the risk of loss”; and

WHEREAS, Sec. 6.04.041(F)(1) currently says fund assets may be invested in the instruments and securities set out in Code Section 6.08.030 and in the following securities:

(a) Domestic Equities, which taken as a whole, attempt to replicate the Standard & Poor’s 500 Index, including both mutual funds and exchange traded funds (ETF’s).

(b) International Equities, which taken as a whole, attempt to replicate the Morgan Stanley Europe, Australiasia, Far East (EAFE) Index, including both mutual funds and exchange traded funds (ETF’s).

(c) Equities, which taken as a whole, attempt to replicate the universe of domestic real estate investment trusts as represented by the S&P REIT Index or the Cohen & Steers Realty Majors Portfolio Index, including both mutual funds and exchange traded funds (ETF’s).

(d) Domestic Equities, which taken as a whole, attempt to replicate the Standard & Poor’s 400 MidCap Index, including both mutual funds and exchange traded funds (ETF’s).

(e) Emerging markets equity index funds, which taken as a whole, attempt to replicate the MSCI Emerging Market Index, including both mutual funds and exchange traded funds (ETF’s).

WHEREAS, Sec. 6.04.041(F)(3) Currently the Performance of the investment advisors will be measured as follows:

- (a) Performance measurement for the Domestic Equity Allocation will be measured against the Target Weighting, using the Standard & Poor's 500 as the Benchmark.
- (b) Performance measurement for the Mid/Small Cap Equity Allocation will be measured against the Target Weighting, using the Standard & Poor's 400 MidCap Index as the Benchmark.
- (c) Performance measurement for the International Equity Allocation will be measured against the Target weighting using the Morgan Stanley Europe, Australasia, Far East (EAFE) Index for the Benchmark.
- (d) Performance measurement for the Real Estate Allocation will be measured against the Target weighting using the Standard & Poor's REIT Index for the Benchmark.
- (e) Performance measurement for the Fixed Income Allocation will be measured against the Target weighing using the Lehman Intermediate Gov/Credit Index for the Benchmark. The duration of the Fixed Income Allocation should be maintained between 80% and 120% of the duration of the Benchmark.
- (f) Performance measurement for the Emerging Market Allocation will be measured against the Target weighting using the MSCI Emerging Market Index for the Benchmark.

WHEREAS, pursuant to Sec. 6.04.041(F) “[n]otwithstanding the objectives of the Borough policy for the investment of its operating and other funds set out in Code Section 6.08.010(C), the investment of permanent fund assets shall be made to maintain safety of principle while maximizing total return”; and

WHEREAS, this amendment to Sec. 6.04.041(F) is consistent with Sec. 6.08.010(C) and Sec. 06.04.041(F) and is intended to ensure Borough permanent fund account investments be made to maintain safety of principle while maximizing total return.

NOW, THEREFORE, BE IT RESOLVED:

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

F. Investments – Purpose and Limitations.

A purpose of the permanent fund is growth through prudent investment of fund assets. Notwithstanding the objectives of the Borough policy for the investment of its operating and other funds set out in Code Section 6.08.010(C), the investment of permanent fund assets shall be made to maintain safety of principal while maximizing total return. Investments shall be diversified to minimize the risk of loss resulting from a concentration of investments in a specific maturity, issuer, class of security, financial institution or, with respect to equity investments, in a specific company, industry or investment sector. Fund assets may be

invested in the instruments and securities set out in Code Section 6.08.030 and in the following securities:

- (1)
 - (a) Domestic Equities, which taken as a whole, attempt to replicate the Standard & Poor's 500 Index, including both mutual funds and exchange traded funds (ETF's).
 - (b) International Equities, which taken as a whole, attempt to replicate the FTSE Developed ex North America Index, including both mutual fund and exchange traded funds (ETF's).
 - (c) Equities, which taken as a whole, attempt to replicate the universe of domestic real estate investment trusts as represented by the S&P REIT Index or the Cohen & Steers Realty Majors Portfolio Index, including both mutual funds and exchange traded funds (ETF's).
 - (d) Domestic Equities, which taken as a whole, attempt to replicate the Standard & Poor's 400 MidCap Index, including both mutual funds and exchange traded funds (ETF's).
 - (e) Emerging markets equity index funds, which taken as a whole, attempt to replicate the FTSE Emerging Market Index, including both mutual funds and exchange traded funds (ETF's).
- (2) Permanent Fund asset allocation plan and performance measurement targets.

The asset allocation targets and ranges are as follows:

Asset Class	Target % Weighting	Range %
Domestic Equity	36	30-50
Mid / Cap. Equity	5	0-10
International Equity	10	5-15
Real Estate Equity	10	5-15
Fixed Income	34	25-60
Emerging Markets	5	0-10

- (3) The Performance of the investment advisors will be measured as follows:
 - (a) Performance measurement for the Domestic Equity Allocation will be measured against the Target Weighting, using the Standard & Poor's 500 as the Benchmark.

(b) Performance measurement for the Mid/Small Cap Equity Allocation will be measured against the Target Weighting, using the Standard & Poor's 400 MidCap Index as the Benchmark.

(c) Performance measurement for the International Equity Allocation will be measured against the Target weighting using the FTSE Developed ex North America Index for the Benchmark.

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(e) Performance measurement for the Fixed Income Allocation will be measured against the Target weighing using the Lehman Intermediate Gov/Credit Index for the Benchmark. The duration of the Fixed Income Allocation should be maintained between 80% and 120% of the duration of the Benchmark.

(f) Performance measurement for the Emerging Market Allocation will be measured against the Target weighting using the FTSE Emerging Market Index for the Benchmark.

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

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

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

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

INTRODUCED: _____

ADOPTED: _____

Stanley Mack, Mayor

Date: _____

ATTEST:

CLERK

Date: _____

F. **Investments – Purpose and Limitations.** A purpose of the permanent fund is growth through prudent investment of fund assets. Notwithstanding the objectives of the Borough policy for the investment of its operating and other funds set out in Code Section 6.08.010(C), the investment of permanent fund assets shall be made to maintain safety of principal while maximizing total return. Investments shall be diversified to minimize the risk of loss resulting from a concentration of investments in a specific maturity, issuer, class of security, financial institution or, with respect to equity investments, in a specific company, industry or investment sector. Fund assets may be invested in the instruments and securities set out in Code Section 6.08.030 and in the following securities:

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- (f) Performance measurement for the Emerging Market Allocation will be measured against the Target weighting using the FTSE Emerging Market Index for the Benchmark.

OLD BUSINESS

New Business

REPORTS AND UPDATES

To: Honorable Mayor Mack and AEB Assembly
From: Anne Bailey, Community Development Coordinator
Subject: Assembly Report
Date: December 10, 2012

Akutan Harbor

The Akutan Harbor is getting closer to completion. The Army Corps still has not accepted the project from the contractor; however, they are working with Knik on the final issues so the project can be completed. A Stormwater Pollution Prevention Permit (SWPPP) has been completed by the contractor and I have completed and submitted a Notice of Intent for Storm Water Discharges Associated with Industrial Activity Under the APDES Multi-Sector General Permit to the Alaska Department of Environmental Conservation. The SWPPP is now available on the Borough website for review and comments. Once the 30 day posting requirement has been met the Borough should receive the permit for the harbor area. Please contact me if you have any questions.

I am still working on the Conservation Easement for the harbor, which is a mitigation measure requirement. I hired McClintock Land Associates to do the survey of this area and should receive the results soon. I also entered into a contract agreement with Horan & Company, LLC to do a fee simple appraisal for the conservation area. The appraisal should be completed by January 2013.

Akutan Airport

The Airport Operations Group met on December 6, 2012. DOT is in the process of installing the Automated Weather Observing System at the airport. This will provide accurate and up-to-date weather information that will assist with the flights into Akun.

Grant Aviation has a proposed flight schedule. For the most current information you can go to <http://www.flygrant.com/schedule-dutch.php>:

The Hovercraft is running and meeting passengers and transporting fuel to the City Complex and to DOT for operations. The next meeting is scheduled in January 2013.

Cold Bay Clinic

This project is moving along. We are awaiting FAA's decision on whether a clinic can go in the proposed location. Once this decision is made we will continue with the design process.

I am still searching for clinic construction funds. I have drafted a Cold Bay Clinic Document requesting funds from the Governor's budget and the Borough will be requesting legislative funds for this project.

Community Impact Assistance Program Land Use Permitting Grant

The Aleutians East Borough received grant funds to create a resource development land use permitting system to protect coastal resources in the Aleutians East Borough Resource Development District. We have hired Harvey Consulting to assist with this project. I am in the process of scheduling meetings in the communities to discuss this project. We strongly encourage community members to attend. The tentative meeting schedule is as follows:

Cold Bay	January 14, 2013	6:30p.m.-8:00p.m.	Community Center
King Cove	January 15, 2013	6:30p.m.-8:00p.m.	City Office
False Pass	January 16, 2013	10:30a.m.-12:00p.m.	Larsen Center
Nelson Lagoon	January 16, 2013	1:30p.m.-3:00p.m.	Community Center
Sand Point	January 22, 2013	6:30p.m.-8:00p.m.	City Chambers

An *In the Loop* article will be coming out soon explaining this project in more detail.

Contract Information

At the November Meeting, Assembly Member Gronholdt requested information regarding contracts that the Borough has entered into. Below is a list of active contracts that I am involved in:

- Alaska Chadux
False Pass and Akutan Harbor Oil Response Plan \$12,650
- URS
False Pass Harbor Utility Project (closing out soon)
False Pass Breakwater Extension Project
Akutan Harbor Floats
- McClintock Land Associates
Survey Services for the Conservation Easement in Akutan \$23,684
- Horan & Company
Appraisal Services for the Conservation Easement in Akutan \$16,400
- Harvey Consulting
Land Use Permitting Project \$102,180

False Pass Generator Replacement Project

On December 3, 2012, I submitted a City of False Pass Community Development Block Grant application entitled "False Pass Generator Replacement Project" to the Alaska Department of Commerce, Community and Economic Development requesting \$142,500 to replace a generator. Currently, False Pass Electric has three generators. One of the generators cannot handle the community's load requirements and has not been used since 2005. This grant request is in the amount of \$142,500 with a City match of \$47,500 totaling \$190,000 and will allow the City to purchase and install a new generator to accommodate the existing service demands and allow for

community expansion. This project is critical to the City of False Pass because it will allow the electric company to provide reliable service while improving the safety, health and welfare of the residents and the community's economy.

Other projects include the Cold Bay Dock Agreement, Capital Improvement Projects, the EDA Akutan Harbor Floats grant, Nelson Lagoon Dock Management Agreement as well as every day functions.

I will be on vacation from January 1-10, 2013 returning to the office on the 11th and then traveling to the region from January 14-17, 2012. As always, please contact me at (907) 274-7580 or abailey@aeboro.org if you have any questions, concerns, or comments.

To: The Honorable Mayor Mack, Aleutians East Borough Assembly
From: Ernie Weiss, Natural Resources Director
Subj: Report to the Assembly
Date: December 13, 2012

North Pacific Fishery Management Council

NPFMC meetings are always a busy time for this office. I serve as member of the Advisory Panel, attend the evening sections and the meeting runs nine days including through one weekend. One item that was not on the agenda for the December meeting came up during the GOA Chinook bycatch discussion, and was also addressed at Staff Tasking: CGOA Trawl Catch Shares. This appears to be the working title of the topic formerly known as CGOA Trawl Bycatch Tools. Council Member Sam Cotten made certain that a WGOA parallel program can be part of the CGOA discussion in February, after hearing public testimony that stakeholders will be meeting in the interim and preparing proposals for some form of a WGOA program. I testified to the Council that meetings to discuss GOA Catch Shares should be held only in Anchorage or other accessible GOA communities. I also reiterated testimony that a control date needs to be set for the WGOA fleet to avoid the race for fish in our area.

The new Observer program that is scheduled to begin January 2013 continues to be a big concern for WGOA fishermen, who would rather an electronic monitoring (EM) program. Martin Loefflad of NMFS is director of the program, gave an update to the Council and presented at our November AEB fishermen's meeting that was teleconferenced from Seattle to King Cove and Sand Point. The Alaska Delegation hopes to delay deployment of the Observer program in the small boat fleet until an EM option is available. You can find the Delegation's joint letter to the US Commerce Secretary [here](#).

I have participated as a member of the Council's Steller Sea Lion Mitigation Committee (SSLMC) since May of this year. This week the Council accepted, with some changes, the Committee's proposed Alternatives for the EIS being prepared by NMFS. The draft SSL EIS is due out in April. An appeal of the court decision to uphold the 2010 Biological Opinion is under review by the 9th Circuit Court.

WASSIP & SEDM salmon genetic studies

The ADF&G genetic salmon studies, Western Alaska Salmon Stock Identification Program (WASSIP) and Southeastern District Mainland (SEDM) will both be published by the end of 2012.

The WASSIP reports are out and available at: <http://www.adfg.alaska.gov/index.cfm?adfg=wassip.reports>
Denby Lloyd will be consulting with the AEB during the release of these genetic studies and through the Board of Fisheries meeting in March. We have printed copies of reports for use by communities and area staff, and we are currently developing a working guide for using the WASSIP and SEDM genetic study reports. Sam, Denby and I have met several times since the WASSIP release, and will be busy for the next several months on salmon issues.

Board of Fisheries

The Board just ended their BB finfish meeting held in Naknek, Alaska this week, will meet here in Anchorage for AYK finfish issues January 15 – 20, and will hold the Area M meeting beginning February 26th at the Sheraton. There will be a conference room at the hotel for AEB staff and fishermen during the February Board meeting. Pacific Cod issues will be taken up at a Statewide Pacific Cod meeting in October, and there is a new call for proposals, including for Pcod issues, deadline April 10th 2013.

Projects

I continue to administer several AEB grant projects, including the AEA Round IV Renewable Energy grants for Cold Bay, Nelson Lagoon and False Pass. However, we are progressively reducing the amount of quarterly grant reports that I need to prepare: the ACCIMP Nelson Lagoon Hazard Impact Assessment grant was recently closed out, and the CIAP Cold Bay Boat Ramp project should soon follow.

It is a great honor and pleasure to be able to work on the many important issues facing the Borough with the Mayor and Assembly, concerned AEB community members, and the incredible Aleutians East Borough Staff. Thanks to all of you, and sincere wishes for you and your loved ones to be blessed with a Merry Christmas and a prosperous New Year.

Congress of the United States

Washington, DC 20510

December 10, 2012

The Honorable Rebecca Blank
Acting Secretary
United States Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Dr. Blank:

After hearing the significant and continuing concerns of Alaska small boat fishermen regarding aspects of the restructured observer program for North Pacific fisheries, we request observers not be deployed to the “vessel selected pool” until an option for Electronic Monitoring (EM) is available. The observer restructuring program was recently published as the National Oceanic and Atmospheric Administration (NOAA) Final Rule for Amendment 86 to the Fishery Management Plan for Groundfish of the Bering Sea and Aleutian Islands Management Area and Amendment 76 to the Fishery Management Plan for Groundfish of the Gulf of Alaska.

We understand NOAA Fisheries and the North Pacific Fishery Management Council (Council) have worked hard for several years in developing this plan. We also recognize the importance of observers to acquire scientific data to better manage our fishery resources for long term sustainability. Yet we share the broad-based concerns of fishermen from Ketchikan to Kodiak that the restructured observer program deployment plan could negatively impact the jobs of individual small boat fishermen and crews, and with potentially wider impacts to jobs in small businesses and fishing communities in Alaska.

The lack of progress toward developing an EM alternative that meets NOAA’s scientific objectives at lower cost is the fishermen’s main concern. Fishermen who participated in the rule-making process expected to have the option of a low-cost alternative on their small boats which often lack the bunk space and other facilities to adequately accommodate an additional person onboard. Fishermen worked on their own to test EM options and while a pilot project is planned for 2013, the expectation of a five-year delay in implementing EM as an alternative is unacceptable to the fleet.

Other concerns include costs of up to \$1,000 per observer day and additional expenses such as liability insurance for vessel owners. At a time when halibut harvest quotas are continuing to fall, these costs are an added burden. Fishermen have also voiced a lack of clarity over various program implementation specifics and while we recognize efforts by NOAA Fisheries to improve outreach, questions still remain.

Dr. Rebecca Blank
December 10, 2012
Page 2

We urge faster action toward development of an EM alternative. Specifically, we request the NOAA General Counsel reconsider the decision that EM could not be included as a regulatory requirement without complete technical specifications and performance standards. The Council and the fleet preferred an approach where EM could be used instead of human observers even while EM technology and performance standards were being developed. We believe such in-season work with fishermen to assess technology and performance standards can help advance alternative technology that meets each other's needs.

We understand the regulation provides NOAA Fisheries with considerable discretion in the deployment of the observer program and, in response to these concerns, we urge that the agency exercise that flexibility to not deploy observers to the small boat fleet in the vessel selected pool until a viable EM option is available. We do not seek any delay in implementation of other aspects of the restructuring program including the assessment of fees from the vessel selected pool to help fund needed program development.

Thank you for your consideration of this request. Should you have additional questions, please have your staff contact Tara Shaw with Senator Murkowski at 202-224-6665, Bob King with Senator Begich at 202-224-3004 or Erik Elam with Congressman Young at 202-225-5765.

Sincerely,


Lisa Murkowski
United States Senator


Mark Begich
United States Senator

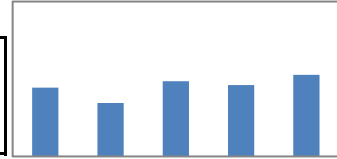

Don Young
Congressman for All Alaska

cc:

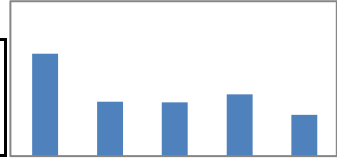
Dr. Jane Lubchenco, Under Secretary of Commerce for Oceans and Atmosphere
Mr. Eric Schwaab, Assistant Administrator, National Marine Fisheries Service
Dr. Jim Balsiger, Alaska Regional Administrator, National Marine Fisheries Service
Mr. Eric Olson, Chairman, North Pacific Fishery Management Council

5 year perspective by month (July - November)

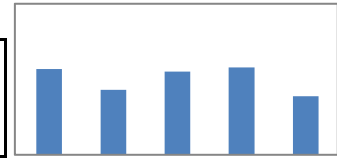
Jul-08	Jul-09	Jul-10	Jul-11	Jul-12
\$ 444,476	\$ 345,945	\$ 486,362	\$ 460,143	\$ 527,401



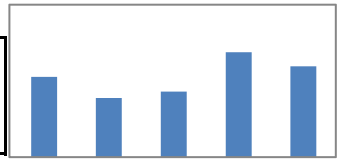
Aug-08	Aug-09	Aug-10	Aug-11	Aug-12
\$ 660,777	\$ 351,614	\$ 348,047	\$ 399,787	\$ 265,810



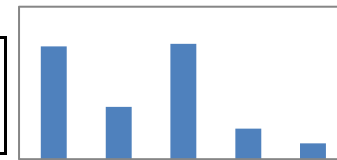
Sep-08	Sep-09	Sep-10	Sep-11	Sep-12
\$ 283,746	\$ 215,194	\$ 275,642	\$ 289,164	\$ 194,196



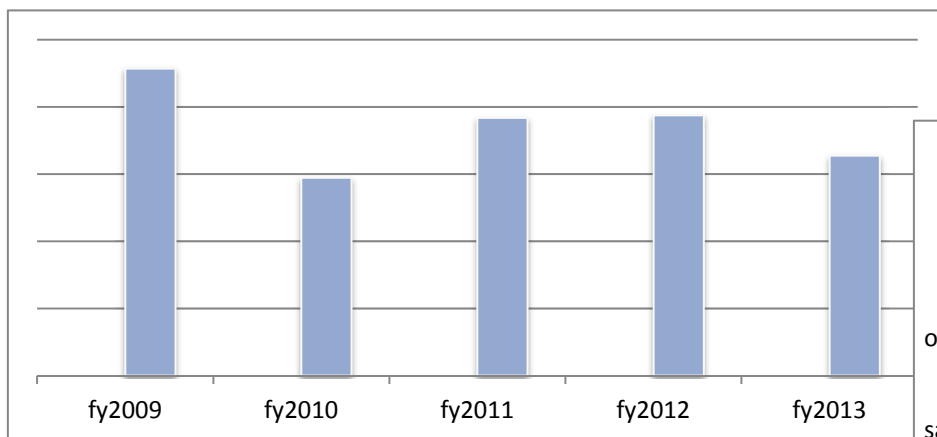
Oct-08	Oct-09	Oct-10	Oct-11	Oct-12
\$ 526,890	\$ 387,579	\$ 429,084	\$ 688,930	\$ 596,269



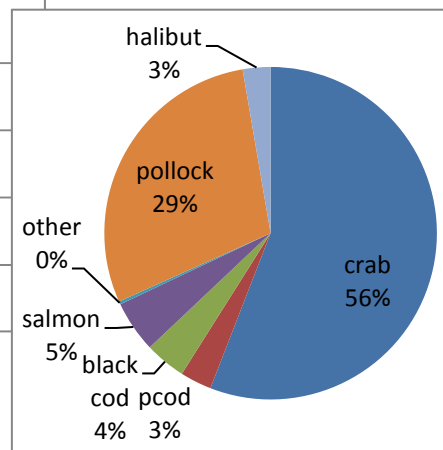
Nov-08	Nov-09	Nov-10	Nov-11	Nov-12
\$ 369,366	\$ 171,944	\$ 377,865	\$ 100,246	\$ 52,237



Fish tax revenue thru November for fiscal years '09 - '13				
fy2009	fy2010	fy2011	fy2012	fy2013
\$ 2,285,256	\$ 1,472,276	\$ 1,917,000	\$ 1,938,271	\$ 1,635,914



Oct/Nov 2012 tax revenue percentage by species



Sam Cotton
Assembly Report
December 14, 2012

The North Pacific Fisheries Management Council will entertain a proposal at their next meeting from the Western Gulf trawlers regarding catch shares. The Peninsula Fishermen's Coalition (PFC) has announced plans to meet in January and develop a proposal to present to the Council. The primary focus will be on Western Gulf trawl Pollock and Pacific cod and perhaps Pacific cod pot fishery as well.

I have included the letters and resolutions from the city and borough of Kodiak as an example of their goals and objectives regarding a similar proposal from the Central Gulf. I believe the members of the PFC know the importance of involving the community in these discussions. In addition, the Central Gulf folks have been trying to work out some agreements with the local processors.

Sand Point, King Cove and the AEB are very different from Kodiak in a number of ways including location of plants, vessel size, residency (Kodiak fleet is approx. 75% nonresident) AEB, depending on the year, at least 50% resident. Therefore your borough will likely have different issues. Again the Kodiak material is just included to show an example.

The issue of a control date has also been raised. The Council passed a motion regarding the central that said harvest after Dec. 31, 2012 may not be credited to any catch share program. This is not a strict date but it does suggest a risk to fishermen who are speculatively fishing for history. PFC may ask for something similar. Here again the question on a control date for processors may also come up. Overall a complex issue. I would be happy to work with AEB on the details at your pleasure.



Kodiak Island Borough
710 Mill Bay Road
Kodiak, AK 99615
907.486.9310



City of Kodiak
710 Mill Bay Road
Kodiak, AK 99615
907.486.8636

October 1, 2012

Mr. Chris Oliver, Executive Director
North Pacific Fishery Management Council
605 W. 4th Avenue, Suite 306
Anchorage, AK 99501

Dear Mr. Oliver:

On behalf of the residents and municipal governments of Kodiak, the City of Kodiak and the Kodiak Island Borough are submitting to the North Pacific Fishery Management Council two joint resolutions regarding fishery management concerns in the Gulf of Alaska.

Please accept the two enclosed joint resolutions for consideration during your upcoming meeting in October 2012, especially with regard to your discussion and deliberation of comprehensive management of prohibited species catch (PSC) in the trawl fisheries of the central Gulf of Alaska, agenda item D-1(a).

We look forward to testifying on this issue, and to helping the Council proceed in a manner best suited to protect and enhance our coastal communities' interests.

Sincerely,

Jerome M. Selby, Mayor
Kodiak Island Borough

Pat Branson, Mayor
City of Kodiak

Enclosures

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Introduced by: Borough Assembly
Requested by: Kodiak Fisheries Workgroup
Drafted by: Borough Clerk
Introduced on: 09/20/2012
Adopted on: 09/20/2012

**KODIAK ISLAND BOROUGH
RESOLUTION NO. FY 2013-09**

**A JOINT RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE
CITY OF KODIAK COUNCIL SUPPORTING THE OVERALL APPROACH TO FISHERY
ISSUES BY THE KODIAK FISHERIES WORKGROUP**

WHEREAS, the economy and well-being of residents of the Kodiak Island Borough and the City of Kodiak depend upon commercial, recreational, and subsistence fisheries; and

WHEREAS, revenues to the municipal governments are derived directly and indirectly from activities of the fishing industry and related businesses; and

WHEREAS, the Kodiak Island Borough and the City of Kodiak wish to assure the growth and sustainability of the region's fisheries; and

WHEREAS, and the Kodiak Island Borough and the City of Kodiak have begun a program to become directly involved in the public fishery policy decision-making processes of state and federal governments; and

WHEREAS, fishery management, regulation, and policy decisions are often complex and controversial and often affect various user groups in different fashions; and

WHEREAS, the Kodiak Island Borough and the City of Kodiak do not wish to unduly favor any user group over another.

NOW, THEREFORE BE IT JOINTLY RESOLVED BY THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE CITY OF KODIAK COUNCIL to support and adopt the following statement of the Kodiak Fisheries Workgroup's overall approach for consideration of fishery management issues of interest and concern to the Kodiak region:

Overall Approach:

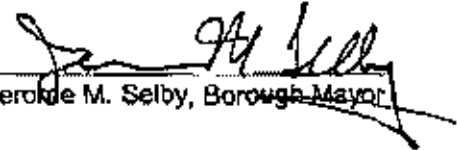
1. Focus on overall impacts to the community and maintenance and growth of revenue streams.
2. Understand how various approaches will fundamentally impact fisheries and resources.
3. Frame benchmarks and objectives as positive statements.
4. Refrain from taking positions on allocative questions (to the extent possible, while understanding that many issues and decision will have allocative implications).

- 45 5. Focus on broad-scale program features (i.e., keep a 30,000 ft. viewpoint), unless
- 46 specific program elements threaten the goals for management programs as
- 47 referenced within Resolution No. FY2013-10 of the Kodiak Island Borough.

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**ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH
THIS TWENTIETH DAY OF SEPTEMBER, 2012**

KODIAK ISLAND BOROUGH


Jerolde M. Selby, Borough Mayor

ATTEST:



Nova M. Javier, MMC, Borough Clerk

1 Introduced by: Borough Assembly
2 Requested by: Kodiak Fisheries Workgroup
3 Drafted by: Borough Clerk
4 Introduced on: 09/20/2012
5 Adopted on: 09/20/2012

6 **KODIAK ISLAND BOROUGH**
7 **RESOLUTION NO. FY2013-10**

8
9 **A JOINT RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE**
10 **CITY OF KODIAK COUNCIL SUPPORTING COMMENTS TO THE NORTH PACIFIC**
11 **FISHERY MANAGEMENT COUNCIL ON PENDING ACTIONS REGARDING**
12 **COMPREHENSIVE MANAGEMENT OF PROHIBITED SPECIES CATCH (PSC) BY THE**
13 **TRAWL FISHERY IN THE CENTRAL GULF OF ALASKA**
14

15 **WHEREAS,** the North Pacific Fishery Management Council is considering the need for
16 and beginning development of a comprehensive program to manage prohibited species
17 catch by the trawl fleet of the central Gulf of Alaska; and
18

19 **WHEREAS,** any such comprehensive management program for fisheries in the central
20 Gulf of Alaska will have major and direct effects on the economy and well-being of
21 residents of the Kodiak region; and
22

23 **WHEREAS,** National Standards of the Magnuson-Stevens Fishery Conservation and
24 Management Act require that federal fishery management decisions take into account the
25 importance of fishery resources to fishing communities, in order to provide for the
26 sustained participation of such communities and minimize adverse economic impacts on
27 such communities; and
28

29 **WHEREAS,** the Kodiak Island Borough and the City of Kodiak represent the
30 communities of the Kodiak region, rather than individual user groups or fishing interests;
31 and
32

33 **WHEREAS,** the Kodiak Island Borough and the City of Kodiak have begun a program to
34 participate directly in public processes for fishery policy decision-making as outlined in
35 Resolution No. FY2013-09 of the Kodiak Island Borough
36

37 **NOW, THEREFORE BE IT JOINTLY RESOLVED BY THE KODIAK ISLAND BOROUGH**
38 **ASSEMBLY AND THE CITY OF KODIAK COUNCIL** that these bodies support the Kodiak
39 Fisheries Workgroup's proposed overarching purpose for consideration of fishery
40 management issues of interest and concern to the Kodiak region as follows:
41

42 **Overarching Purpose:**

- 43 1. Maintain healthy, sustainable resources in the central (and western) Gulf of Alaska.
44 2. Promote a sustainable, vigorous economy in the Kodiak region with healthy and
45 competitive harvesting and processing sectors and support industries.
46 3. Maintain quality of life and social well-being in Kodiak.


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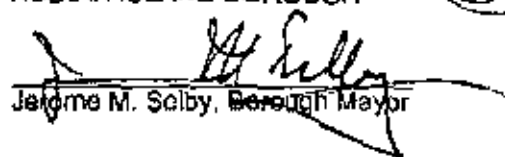
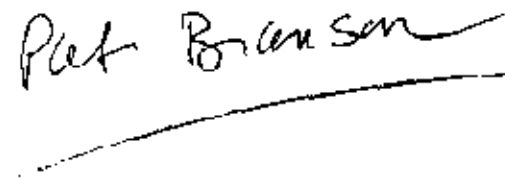
NOW, THEREFORE BE IT FURTHER JOINTLY RESOLVED BY THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE CITY OF KODIAK COUNCIL that these bodies support the Kodiak Fisheries Workgroup's proposed goals for management programs as follows:

Goals for Management Programs:

1. Provide effective controls of prohibited species catch and other bycatch to provide for balanced and sustainable fisheries and healthy harvesting and processing sectors.
2. Maintain or increase target fishery landings and revenues to Kodiak.
3. Maintain or increase employment opportunities for vessel crews, processing workers, and support industries.
4. Provide increased opportunities for value-added processing.
5. Maintain opportunities for fishermen to enter the fishery.
6. Maintain opportunities for processors to enter the fishery.
7. Minimize adverse economic impacts of consolidation of the harvesting or processing sectors.
8. Maximize active participation by owners of harvesting vessels and fishing privileges. *Assembly consisting of Potential Kernal Oppose*
9. Maintain the economic strength and vitality of Kodiak's working waterfront.
10. Establish methods to measure success and impacts of all programs, including collection and analysis of baseline and after-action data.

**ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH
THIS TWENTIETH DAY OF SEPTEMBER, 2012**

ATTEST:

Nova M. Javier, MMC, Borough Clerk

KODIAK ISLAND BOROUGH

Jerome M. Solby, Borough Mayor


**CITY OF KODIAK
RESOLUTION NUMBER 2012-30**

**A JOINT RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AND
THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH SUPPORTING THE
OVERALL APPROACH TO FISHERY ISSUES BY THE KODIAK FISHERIES
WORKGROUP**

WHEREAS, the economy and well-being of residents of the City of Kodiak and the Kodiak Island Borough depend upon commercial, recreational, and subsistence fisheries; and

WHEREAS, revenues to the municipal governments are derived directly and indirectly from activities of the fishing industry and related businesses; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough wish to assure the growth and sustainability of the region's fisheries; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough have begun a program to become directly involved in the public fishery policy decision-making processes of state and federal governments; and

WHEREAS, fishery management, regulation, and policy decisions are often complex and controversial and often affect various user groups in different fashions; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough do not wish to unduly favor any user group over another.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Kodiak and the Assembly of the Kodiak Island Borough to support and adopt the following statement of the Kodiak Fisheries Workgroup's overall approach for consideration of fishery management issues of interest and concern to the Kodiak region:

Overall Approach:

1. Focus on overall impacts to the community and maintenance and growth of revenue streams.
2. Understand how various approaches will fundamentally impact fisheries and resources.
3. Frame benchmarks and objectives as positive statements.
4. Refrain from taking positions on allocative questions (to the extent possible, while understanding that many issues and decision will have allocative implications).
5. Focus on broad-scale program features (i.e., keep a 30,000 ft. viewpoint), unless specific program elements threaten the goals for management programs as referenced within Resolution No. 2012-31 of the City of Kodiak.

**CITY OF KODIAK
RESOLUTION NUMBER 2012-31**

**A JOINT RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AND
THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING COMMENTS TO THE
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL ON PENDING ACTIONS
REGARDING COMPREHENSIVE MANAGEMENT OF PROHIBITED SPECIES
CATCH BY THE TRAWL FISHERY IN THE CENTRAL GULF OF ALASKA**

WHEREAS, the North Pacific Fishery Management Council is considering the need for and beginning development of a comprehensive program to manage prohibited species catch by the trawl fleet of the central Gulf of Alaska; and

WHEREAS, any such comprehensive management program for fisheries in the central Gulf of Alaska will have major and direct effects on the economy and well-being of residents of the Kodiak region; and

WHEREAS, National Standards of the Magnuson-Stevens Fishery Conservation and Management Act require that federal fishery management decisions take into account the importance of fishery resources to fishing communities, in order to provide for the sustained participation of such communities and minimize adverse economic impacts on such communities; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough represent the communities of the Kodiak region, rather than individual user groups or fishing interests; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough have begun a program to participate directly in public processes for fishery policy decision-making as outlined in Resolution No. 2012-30 of the City of Kodiak.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Kodiak and the Assembly of the Kodiak Island Borough that these bodies support the Kodiak Fisheries Workgroup's proposed overarching purpose for consideration of fishery management issues of interest and concern to the Kodiak region as follows:

Overarching Purpose:

1. Maintain healthy, sustainable resources in the central (and western) Gulf of Alaska.
2. Promote a sustainable, vigorous economy in the Kodiak region with healthy and competitive harvesting and processing sectors and support industries.
3. Maintain quality of life and social well-being in Kodiak.

BE IT FURTHER RESOLVED by the Council of the City of Kodiak and the Assembly of the Kodiak Island Borough that these bodies support the Kodiak Fisheries Workgroup's proposed goals for management programs as follows:

Goals for Management Programs:

1. Provide effective controls of prohibited species catch and other bycatch to provide for balanced and sustainable fisheries and healthy harvesting and processing sectors.
2. Maintain or increase target fishery landings and revenues to Kodiak.
3. Maintain or increase employment opportunities for vessel crews, processing workers, and support industries.
4. Provide increased opportunities for value-added processing.
5. Maintain opportunities for fishermen to enter the fishery.
6. Maintain opportunities for processors to enter the fishery.
7. Minimize adverse economic impacts of consolidation of the harvesting or processing sectors.
8. Maximize active participation by owners of harvesting vessels and fishing privileges.
9. Maintain the economic strength and vitality of Kodiak's working waterfront.
10. Establish methods to measure success and impacts of all programs, including collection and analysis of baseline and after-action data.



CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted. September 27, 2012

NPFMC Meeting October 2012**Agenda Item D-1(a):***Suggested Language to Include in the Narrative for a NPFMC Purpose and Need Statement for Comprehensive PSC Management in CGOA Groundfish Trawl Fisheries:*

The North Pacific Fishery Management Council has identified the need to develop a comprehensive approach to the management of prohibited species catch (PSC) and other types of bycatch in the groundfish trawl fisheries of the central Gulf of Alaska (CGOA). Any such comprehensive management program will have sweeping effects on harvesters, processors, and support industries, and must be developed in a way that will serve to benefit coastal communities.

A comprehensive management program must maintain healthy and sustainable resources in the central Gulf of Alaska; promote a sustainable, vigorous economy in the region (including healthy and competitive harvesting and processing sectors and support industries), and promote high quality of life and social well-being. In particular, the Council's actions need to provide effective controls on prohibited species catch and other forms of bycatch while maintaining or allowing for increases in target fishery landings and revenues. Any comprehensive management program must maintain or increase employment opportunities for vessel crew, processing workers, and support industries. It must provide for increased value-added processing, and maintain opportunities for fishermen and processors to enter the fishery. Care must be taken to minimize the adverse impacts of consolidation of harvesting or processing sectors and to maximize the active participation of owners of harvesting vessels and fishing privileges. The management program should be fashioned in ways to maintain the economic strength and vitality of working waterfronts in the region. Finally, any such management action must include methods to measure success and impacts of all program elements, including the collection and analysis of baseline and after-action data.

*Recommended by the Kodiak Fisheries Workgroup
Kodiak Island Borough and the City of Kodiak*

DISCUSSION DRAFT

9/20/12

CENTRAL GULF OF ALASKA/WEST YAKUTAT TRAWL FISHERIES

CATCH SHARES PROGRAM

PURPOSE AND NEED

The Council is proposing to develop a new management regime for the trawl fisheries in the Central Gulf of Alaska and West Yakutat management areas (CGOA/WYAK) to address ongoing conservation goals and provide industry with tools to better adapt to evolving management needs.

Management of CGOA/WYAK multi-species limited access trawl fisheries has grown increasingly complex in recent years. New Annual Catch Limit requirements under the Magnuson Stevens Act for both target and secondary species catches present significant challenges in these fisheries. In addition the Council recently adopted strict new measures to reduce Chinook salmon and halibut PSC limits. These measures, coupled with ongoing efforts to conserve Steller sea lions, protect Essential Fish Habitat, restructure the observer program, and accommodate new regulations for fishing vessel safety add to the complexity. Recent influxes of new vessels and fishing power in CGOA/WYAK trawl fisheries raises concerns about overcapitalization, underscoring the need for action. These evolving challenges are increasing costs to participants, undermine the ability to achieve Optimum Yield while balancing the requirement to reduce bycatch to the extent practicable and are resulting in significant adverse social and economic impacts to the harvesters, processors, catcher processors and communities dependent on these fisheries.

Trawl fisheries in the Central Gulf of Alaska and West Yakutat region do not have the tools to successfully adjust fisheries operations to meet these challenges. In other fisheries with similar management challenges, and where the Council adopted PSC reductions, fishery participants had management tools such as catch shares and cooperative fishery management systems, and could adjust fishing strategies to meet bycatch reduction goals and attain Optimum Yield for target species.

The purpose of the proposed action is to create a new management structure where participants are able to adapt fishing effort to accommodate the newly reduced PSC amounts and reduce bycatch to the extent practicable without jeopardizing access to target catch, that improves conservation and sustainability, provides tools to better manage and control target catch and bycatch, achieves Optimum Yield, and offers greater economic stability and opportunity for harvesters, processors, catcher-processors and communities dependent on these fisheries.

DISCUSSION DRAFT

9/20/12

PROGRAM OBJECTIVES

The Council intends to address these challenges by developing a new management regime for the CGOA/WYAK region that minimizes allocation disputes between the trawl catcher-processors and the inshore trawl sector, and builds cooperative arrangements between harvesters and processors within the inshore sector.

The Council has long recognized the benefits of comprehensive management approaches where harvesters and processors work together to better utilize target species catch, control and minimize bycatch including PSC, contain the costs of operations and management, improve safety, and meet other conservation and community goals. The utility of this approach is underscored by the record of other trawl catch share programs in the North Pacific: BSAI pollock cooperatives, the Amendment 80 cooperative fishery, and the CGOA rockfish cooperative program.

In considering alternative approaches for managing CGOA/WYAK trawl fisheries, the Council will consider the following objectives. The program shall:

- Be based on the National Standards and other provisions of the Magnuson Stevens Act, and in particular balance the requirements of National Standard 1, to achieve Optimum Yield, and National Standard 9, to minimize bycatch and bycatch mortality to the extent practicable.
- Provide future opportunities to achieve Optimum Yield for underutilized species, and seek a fair and reasonable allocation among fishery participants.
- Promote fishing safety, fishery conservation and cost effective management, and be designed to provide social and economic benefits to fishery participants including harvesters, processors, catcher processors and communities dependent on the fisheries.
- Consider and take into account the traditional fishing and processing practices in, and dependence on, the fishery by communities that have historically been involved with these fisheries, including employment in the harvesting and processing sectors as well as the effects of management measures on community infrastructure, services, and support businesses.
- Provide for longer seasons and reliable delivery patterns to promote steady employment and a stable workforce in the harvesting and processing sectors, with increased opportunity for improved utilization and product value.

DISCUSSION DRAFT

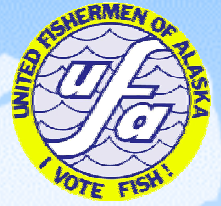
9/20/12

- Establish sidboard protections to avoid spillover effects into other fisheries without disrupting established and ongoing fishery practices.
- Allocate between the inshore and catcher-processor sectors based on historical participation levels by each sector to balance the interests of both sectors without eroding the assets of either sector, and to provide similar opportunities for increased value to all participants in these fisheries.
- Establish a program for the inshore fisheries that includes measures to fairly allocate costs and benefits of the new management program between harvesters and processors dependent on these fisheries without eroding the assets of either sector. The program should be based on historical participation and should not result in devaluation of one sector's capital assets to benefit a different sector. Program design will foster cooperation between harvesters and processors to balance the interests of both sectors and provide similar opportunities for increased value to harvesters, processors, and fishing communities.
- Include mechanisms and incentives that reduce the race for fish, promote bycatch controls and PSC avoidance, and provide mechanisms where harvesters and processors can manage operations to fish more slowly, strategically and cooperatively.
- Contain measures for improved monitoring and reporting.

Aleutians East Borough, Alaska

Commercial Fishing and Seafood Processing Facts

United Fishermen of Alaska
PO Box 20229
Juneau, AK 99802-0229
Phone 907.586.2820
Fax 907.463.2545
ufa@ufa-fish.org
www.ufa-fish.org



JOBS - FISHING

Permit holders, Crew and Vessels (2011) in Aleutians East Borough:

CFEC commercial fishing permit holders: **199¹**
Total permits owned: **492¹**
Permitholders who fished: **182¹**
Commercial Crew (full year) license holders: **302²**
Total Skippers who fished plus Crew in 2011: **484^{1,2}**
Percentage of local population who fished: **15.2%^{1,2,4}**
Vessels Home Ported: **321³**

Each of these individual small and family businesses represents investment, employment, and income in the Aleutians East Borough community.

Income:

Estimated 2011 ex-vessel income by Aleutians East Borough-based fishermen: **\$33,466,295¹**
Earnings generated from commercial fishing circulated in the local economy through property and sales taxes; purchases of homes, rentals, hotels, electricity, entertainment, fuel, vehicles, food, repair and maintenance parts, transportation, travel, medical, and other services. **Virtually every business in Aleutians East Borough benefits from commercial fishing dollars.**

JOBS - PROCESSING

Seafood processing jobs in Aleutians East Borough: **3,606⁵**
Total processing wages: **\$64,248,615⁵**
First wholesale value: **\$507 million⁶**

...AND MORE JOBS

In addition to direct harvester and processor workers, fisheries related jobs include fuel, accountants, consultants, air and water travel, hardware and marine repair and supply businesses, advocacy and marketing organizations, air cargo crew, freight agents, and scientists.

Government related jobs include Alaska Department of Fish and Game • Fish and Wildlife Protection/Alaska Department of Public Safety • Docks and Harbors • Alaska State Troopers • United States Coast Guard • University of Alaska School of Fisheries • Alaska Sea Grant Marine Advisory program, and more.

REVENUE to the State and Community through Fishery Taxes ...

FY 2011 Shared taxes – **Aleutians East Borough** and its communities collectively received **\$3,107,625⁸** in fisheries business and landing taxes through the municipal tax-sharing program from Aleutians East Borough fisheries landings and businesses. The State of Alaska received a like amount.

Aleutians East Borough includes the communities of Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon, Port Moller, and Sand Point.

Footnotes - Sources:

1. Commercial fishing permit activity, estimated harvest and earnings by permit holder are from AK Commercial Fishery Entry Commission (CFEC) at <http://www.cfec.state.ak.us/gpbycen/2011/mnu.htm>.
2. Crew numbers are from Alaska Department of Fish and Game 2011 Crew license list, and is the number of individuals who list their address in a given city.
3. Vessel home port numbers are from "AK CFEC Yearly 2011 Vessel CSV file available online at <http://www.cfec.state.ak.us/plook/> and is a count of commercial fishing licensed vessels that list home port in a given community.
4. 2011 Population figures used to calculate percentage of resident skippers who fished plus crew are from DCCED AK Community Information Database online at http://www.dced.state.ak.us/dca/commdb/CF_COMDB.htm.
5. Processor Employment and Wages 2011 Data is from Alaska Department of Labor at <http://labor.alaska.gov/research/seafood/statewide/AKSFPBorca.pdf>.
6. Processor 1st wholesale value by Census Area 2011 is provided by Alaska Seafood Marketing Institute.
7. NOAA, NMFS Office of Science and Technology, see reports "Total Commercial Fishery Landings at Major U.S. Ports" ranked by value, by poundage <http://www.st.nmfs.noaa.gov/commercial-fisheries/commercial-landings/index>.
8. Revenue figures from 2011 AK Dept of Revenue Shared Taxes report, pp. 17-20: <http://www.tax.alaska.gov/programs/sourcebook/index.aspx>.

To: Honorable Mayor Mack and Aleutians East Borough Assembly

From: Laura Tanis, AEB Communications Manager

Through: Rick Gifford

Subject: Communications Manager's Report to the Assembly

Date: Dec.13, 2012

Since the last Assembly meeting, I've drafted and distributed three Fish News editions (Dec. 8th, Dec. 7th and Nov. 21st) one In the Loop newsletter (Nov. 21st), executed several website and Facebook updates, and traveled to Seattle for Fish Expo and the AEB Fishermen's meeting.

Headlines from recent *In the Loop* and *Fish News* editions included:

- Council Adopts TAC Levels for Groundfish
- Small Boat Fishermen Want Additional Changes in Observer Program
- IPHC Staff Considers Preliminary Numbers as Basis for 2013 Recommended Catch Limits
- South Peninsula District Tanner Crab Survey Available
- AEB Calendars Are Hot Off the Presses
- King Cove Fishermen Help with Salvage of Grounded Tug and Barge by Ukolnoi Island
- Bering Pacific Seafoods to Provide False Pass with Economic Boost Following Plant Expansion
- Sand Point Veterans Visit the School
- Take UAF Classes Without Leaving Home
- EAT Receives First Ever Primary Care Medical Home Designation in Alaska
- Calendar of Events
- Reminder: AEB Fishermen's Meeting in Seattle

AEB Website updates:

- Added press release: Grant Aviation Provides Scheduled Air Service to Akutan Airport.
- Added section called "Stormwater Pollution Prevention Plan for Akutan Boat Harbor".
- Added recent Fish News issues to website.
- Added most recent In the Loop newsletter to website.

AEB Facebook Page updates:

- Added link to Associated Press story that came from Borough press release on Grant providing scheduled air service to Akutan Airport.
- Posted info and photo of Borough's 2013 calendar to let folks know we'll mail them out as soon as the printer delivers them to the Anchorage office.
- Added link to most recent In the Loop newsletter.

- Added link to most recent Fish News editions.
- Added letter and press release from the Alaska Delegation that was sent to media/Commerce Secretary Rebecca Blank, requesting that the expanded observer program be delayed until a viable electronic monitoring program can be put into place.

Meetings:

- AEB Fishermen's Meeting – Silver Cloud Inn – Seattle – 11/27/12
- Attended Pacific Marine Expo in Seattle
- Teleconference – strategy meeting with King Cove group about press release, etc. 12/3/12.
- Attended December North Pacific Marine Fishery Management Council meeting

Miscellaneous Projects:

- Made further edits and sent out news release on Grant Aviation providing service to Akutan. Resulted in numerous positive media placements. See “AEB in the News” below.
- Worked on Akutan Harbor Fact Sheet and sent to DOT/Governor's Office.
- Finalized design for 2013 Borough calendar. Sent to printer for production.
- Proofread/provided suggested edits to article from Solstice Alaska and Harvey Consulting about AEB's Resource Development Land Use Permitting Program.
- Researched and found archived quotes from Alaska delegation to put into document about King Cove land exchange legislation for the City of King Cove.

AEB in the News – (following a Borough press release sent out on 11/28/12, which resulted in positive coverage) :

- *“Grant Aviation Begins Service to Akutan Airport”* San Francisco Chronicle 11/30/12
- *“Grant Aviation Begins Service to Akutan Airport”* Anchorage Daily News
- *“Grant Aviation Begins Service to Akutan Airport”* Fairbanks Daily News Miner
- *“Grant Aviation Begins Service to Akutan Airport”* Alaska Journal of commerce
- *“Grant Aviation Begins Service to Akutan Airport”* Danbury News Times
- *“Grant Aviation Begins Service to Akutan Airport”* MySanAntonia.com
- *“Grant Aviation Begins Service to Akutan Airport”* The Republic
- *“Grant Aviation Unveils Air Service between Unalaska and Akutan”* Alaska Dispatch
- *“Grant Aviation Offers Air Service between Unalaska and Akutan”* Cordova Times
- *“Akutan Once Again has Scheduled Service from Unalaska to Akutan as Grant Aviation Begins Regular Flights”* Alaska Native News

Future Projects:

- In the Loop – scheduled to go out on Dec. 21, 2012.
- Press release for City of King Cove about recent health survey and status of proposed road to Cold Bay.
- Fish News

As always, I'm happy to help get the word out about an event or issue in your community. Please call any time. My direct phone number is (907) 274-7579, and my email is ltanis@aeboro.org.



Aleutians East Borough School District

P.O. Box 429, Sand Point, Alaska 99661

Ph. 907-383-5222 FAX 907-383-3496

**Serving the children in the Alaskan communities of:
Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon, and Sand Point**
www.aebbsd.org

Tim Stathis, Superintendent

November 16, 2012

Stanley Mack, Mayor
Aleutians East Borough
Sand Point, Alaska

Mayor Mack:

The School District finds itself facing serious vulnerabilities, both legal and in service to our youth, regarding the organization and delivery of Special Education services. The potential problems are complex and exist in a number of aspects of our responsibilities and in regards to the rights of students and their parents, and too, for just delivering excellence in this special part of our student population. Approximately 20% of our students receive Special Education Services.

That being said, the Board in Special Session on November 14th, deliberated this complex matter for over two hours. One movement forward is the creation of a Request for Proposal [RFP] for seeking an Agency to serve as an internal audit of our Federal/State requirements in regards to student IEP's, and to review the organizational structure and coordination of services. Administratively and in-action I am also instituting some immediate short-term changes. Additionally, my Administration, supported by the Board and our Special Education Staff, see an organizational solution in the long-term, that being to hire a full-time position of Special Education Director. Other School Districts of similar demographics as ours have such a position. And our need is great.

The School District is therefore seeking from the Borough a 2 ½ year commitment of funding specifically for purposes of this position for the second half of this school-year and the subsequent 2 years. To fund the position annually, the amount we are seeking is \$65,000 for this school-year to begin the position in January, and a \$130,000 for the 2013-14 school-year and \$130,000 for 2014-15. We are seeking a 3-year commitment because I believe that in order to entice the right person, whether that is one of our present capable Special Education Teachers to assume the role or someone coming in, asking the individual to make the change would need that level of commitment on our part.

The Specifics of the budget are shown in the table on the following page. We anticipate, for excellence of service, extensive travel within the Borough as being an essential part of the effectiveness of the job.

Respectfully Yours,

T. Stathis, Superintendent

Salary Table for Proposed Special Education Director

School-Year	Salary	Health Insur.	TRS & Benefits	Travel	Total
Jan-June 2013	\$40,000	\$12,000	\$8,000	\$5,000	\$65,000
2013-14	\$80,000	\$24,000	\$16,000	\$10,000	\$130,000
2014-15	\$80,000	\$24,000	\$16,000	\$10,000	\$130,000
Grand Total over these 3 School-years:					\$325,000

Date & Location of Next Meeting

Adjournment