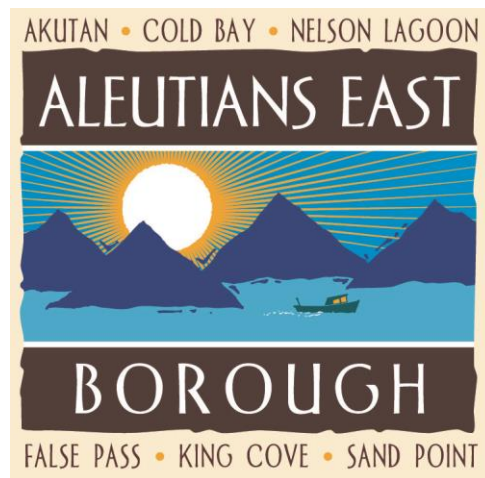


Aleutians East Borough Assembly Meeting

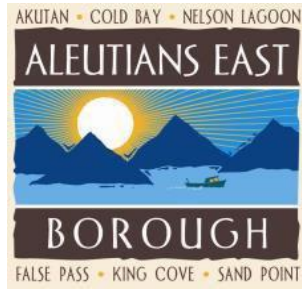


Workshop: Thursday, March 14, 2024– 2:00 p.m.

Meeting: Thursday, March 14, 2024– 3:00 p.m.

ROLL CALL & ESTABLISHMENT OF QUORUM

ADOPTION OF AGENDA



Agenda

Assembly Meeting

(packet available on website www.aleutianseast.org)

Date: Thursday March 14, 2024

Time: **WORKSHOP 2:00 p.m.** **MEETING: 3:00 p.m.**

Attorney Joseph M. Sullivan will be joining us from Seattle via phone call during the Workshop.

Location: By teleconference in each designated community location below:

King Cove AEB Office

Sand Point AEB Office

Cold Bay City Office

Akutan City Office

Nelson Lagoon Corp.

Anchorage AEB Office, 3380 C

Street False Pass City Office

All communities will be provided with conference calling information for the designated location in your community. Public comments on agenda items will take place after the adoption of the agenda. The meeting will also be broadcast on KSDP Public Radio.

ASSEMBLY MEETING AGENDA

1. Roll Call & Establishment of Quorum
2. Adoption of the Agenda
3. Public Comments on Agenda Items
4. Conflict of Interest
5. Minutes
 - February 8, 2024 Meeting Minutes
6. Financials
 - January 2024 Financials
 - June 2023 Audited Financials
7. Investment Report
 - APCM January 2024 Investment Report
8. Consent Agenda
 - Resolution 24-28, Approving Certain Unincorporated Communities and their Respective Native Village Council and/or Incorporated Nonprofit Entity for Participation in the FY25 Community Assistance Program

- Resolution 24-29, Accepting the Financial Statements, Required Supplementary Information, Supplementary Information and Single Audit Reports for Year Ended June 30, 2023
 - Resolution 24-30, Urging the Governor and the Alaska Legislature to Amend Alaska Statute 29.60.800 Raising the Maximum Harbor Facility Grant Fund Award to \$7,500,000 per Eligible Project
 - Resolution 24-34, Approving the projects and initiatives identified on the Borough Strategic
9. Public Hearings
- Ordinance 24-03, Amending Title 6, Chapter 6.08, Section 6.08.030 of the Aleutians East Borough Code of Ordinances
10. Ordinances
- Ordinance 24-04, Authorizing the Mayor to negotiate and execute a sublease within the Cold Bay Terminal for volcanic hazard mitigation
11. Resolutions
- Resolution 24-31, Authorizing the Mayor to negotiate and execute a services agreement with BDO to provide professional auditing services to the Aleutians East Borough for Fiscal Year 2024, in an amount not to exceed \$97,500
 - Resolution 24-31, Endorsing the Army Corps of Engineers Recommended Plan for the Akutan Harbor Navigational Improvement
 - Resolution 24-33, Authorizing the Mayor to negotiate and execute a Programmatic Agreement among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Office, Native Village of Akutan, Aleutians East Borough and the City of Akutan regarding the Proposed Navigation Improvements at Akutan Harbor, Akun Island, Alaska
12. Old Business
13. New Business
- American Fisheries Act Discussion
 - Strategic Plan Quarter 4 Update
 - Aleutians East Borough Assembly Eligibility
14. Reports and Updates
15. Assembly Comments
16. Public Comments
17. Next Meeting Date
- April 11, 2024 Regular Meeting
18. Adjournment

***All materials pertaining to this meeting are available on the Aleutians East Borough website.**

COMMUNITY ROLL CALL & PUBLIC COMMENT ON AGENDA ITEMS

CONFLICT OF INTEREST

MINUTES

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Special Assembly Meeting to order by teleconference in each community on February 8, 2024 at 3:00 p.m.

ROLL CALL

Mayor Alvin D. Osterback	Present
Brenda Wilson	Present
Jim Smith	Present
Chris Babcock	Present
Dailey Schaack	Present
Josephine Shangin	Present
Paul Gronholdt	Present
Warren Wilson	Absent

Advisory Members:

Samantha McNeley, Nelson Lagoon	Present
Tom Hoblet, False Pass	Present

Quorum was present.

Staff Present:

Anne Bailey, Administrator
Talia Jean-Louis, Assistant Administrator
Glennora Dushkin, Administrative Assistant
Ernie Weiss, Natural Resources Director
Charlotte Levy, Fishery Analyst
Beverly Ann Rosete, Borough Clerk
Jacki Brandell, Finance Director
Seward Brandell, Accounting Clerk
Others: Bikky Shrestha, BDO
George Barker, BDO

ADOPTION OF THE AGENDA

Josy moved to Adopt the Agenda, seconded by Chris

Hearing no objections, the Agenda will stand as Written.

COMMUNITY ROLL CALL AND PUBLIC COMMENTS ON AGENDA ITEMS

The communities of King Cove, Sand Point, Akutan, Cold Bay, False Pass, Nelson Lagoon and the Anchorage office were participating by teleconference. Also broadcast on KSDP radio.

CONFLICT OF INTEREST

Mayor Osterback asked for any potential **Conflict of Interests** to discuss. There were no conflicts on agenda items.

PRESENTATIONS

- *FY23 Audit Presentation, BDO by Bikky Shrestha and George Barker*

Bikky thanked the Borough staff for providing all the needed information to complete the audit in a timely manner. Said this is the earliest a financial statement has been printed. There are a lot of improvements and has no more findings compared to last year. The copy of the financial that was included in the packet was still a draft and we have some dates that we need to update and resend but the actual matters that was presented in the doesn't change.

George said they have completed the audit and have released their report as of February 7, 2024. The purpose of the audit is to obtain a reasonable, not absolute assurance at whether the financial statements are free of material misstatements and the scope of their work did not change as described on the earlier audit planning. And at this point we have issued an unmodified opinion on the financial statements and statement for the Single Audit. All records and information requested were freely available and the management's cooperation was excellent.

Within the statements, there is a summary of the Borough's accounting policies and procedures. There were no substantial changes to that this year, although the Borough did adopt GASB #96, which has to do with subscription-based IT arrangements. However, after performing the review, the Borough concluded that there are no agreements that are on scope. There are no significant changes on accounting policies and practices during FY23. The summary of significant estimates, one that is new this year is the discount rate related to leases, the other two aren't new. The net pension/OPEB liabilities and Allowance for uncollectible accounts.

Results of the audit can be found on page 8 of this document, included is a schedule of adjusting journal entries during the audit. There was one minor adjustment to Terminal Fixed assets post a couple of Yamaha motors that were there and then the usual annual entry to post Gasb 68 and 75 that has something to do with Pension and Opeb. There is one other adjustment recognizing PERS. Page 10 shows the internal control over financial reporting, it outlines the definitions of the different findings we would recognize. One thing to point out is that there is no material weaknesses, that is an improvement from prior years. There are 2 significant deficiencies this year, however we expect this to be remediated.

George Barker did a comprehensive review of the Borough's financial statements. The Borough's governmental activities amount s to \$155M. Business type activities total assets is \$7M. On Schedule B-1, governmental balance, there is a balance of \$91M mostly is held between the general fund and permanent fund in cash and Investments. One thing to point out is there are restricted bond proceeds under the bond construction capital project ins about \$3M. The total liabilities for governmental activities were \$10M, of this \$3.7M is payable to US ACOE. On the Bond construction project, there is \$3.6M being recognized as restricted fund balance and that relates to those funds proceeds that are intended to specific capital projects that are ongoing.

Total Revenues for governmental activities is \$15M from Raw Fish Tax, State of Alaska, Investment Income, and funds from Federal government. Expenditure is about \$10.7M and Ending fund balance is about \$79.9M. Schedule C-1 shows the statement of Net Positions for Enterprise Funds which has \$7.2M, most of this is in Terminal Funds in relates to fixed assets. The total operating expense in helicopter is about \$1M , mostly for professional services. Transfer in is about \$764K to offset the loss

of the funds. The ending net position of Enterprise Funds is \$6.1M. Page 78 shows the schedule of financial assistance.

The results of the audit can be found on page 90 of financial statements in particular to details related to State Law audits. The findings that were identified this year as well as management's corrective action plan in response to prior findings.

George Barker thanked the management and those who were involved in the audit.

PAUL asked if the new software would complicate the audit or make it easier. George Barker responded; it does add a little bit of work to the audit because we have to do some procedures to review the conversion from one system to the other. At this point, they are still determining when they want to put that in place. Paul asked about the sale of the Hovercraft, George responded that, that was an issue a few audits ago.

Mayor Osterback thank the presenters.

MINUTES

January 11, 2024 Special Assembly Meeting Minutes

MOTION

Brenda moved to accept the January 11, 2024 Assembly Meeting Minutes, seconded by Chris.

The Clerk pointed out there was a minor clerical error regarding Charlotte Levy's title, it will be corrected before printing out the minutes.

Hearing no correction, Minutes will stand as with correction.

MOTION CARRIED

FINANCIAL REPORT

December 2023 Financials

MOTION

Brenda made a motion to approve the December 2023 Financials Report and second by Josy.

Administrator Bailey this is 6 months into the fiscal year. Few things to highlight is the Interest Revenue, because of how we start to invest our monies we have made \$771K in interest revenue. Raw Fish Tax, we received about \$26K in December which is really low. Hopefully that will increase in the couple of months. Everything else is tracking along well.

PAUL asked since King Cove Peter Pan is now shutdown, is that going to affect the Shared Fish Tax? Administrator Bailey responded, that the Shared Fish Tax Revenue is based on prior years revenue, it will not affect this year's revenue but next year she believes it will.

ROLL CALL

Yeas: Brenda, Chris, Dailey, Jim, Josy, Paul Advisory: Samantha, Tom

Nay: None

MOTION CARRIED

INVESTMENT REPORT

APCM December 2023 Investment Report

CONSENT AGENDA

PUBLIC HEARINGS

- Ordinance 24-02, Amending Title 2, Chapter 2.04 Section 2.04.050 of the Aleutians East Borough Code of Ordinances

MOTION

Josy made a motion to approved Ordinance 24-02, second by Dailey

Borough Clerk said the legislative power of the Aleutians East Borough is vested in the Borough Assembly under Alaska State Statue 29.20.050. The Borough has adopted a Borough Municipal Code of Ordinances which includes filling a seat vacancy for an Assembly Member. The Borough desires to amend the Code to establish a process for filling a vacant Assembly seat. The Borough Code Section 1.04 provides that the Code may be amended by an act of the Assembly. The administration worked with Levesque Law Group to update the Code and suggest adding the subsection that is included in the packet.

PAUL asked if the Borough Attorney helped draft the ordinance. Mayor Osterback responded yes. The Clerk researched what other municipalities do and drafted an ordinance from there with the help of the Borough Attorney.

JOSY asked if it a seat is vacant, we would see who was running for the seat at that time and the assembly will vote for on those factors or would it be anyone that the assembly chooses, Mayor Osterback responded that as far as he knows, we do not have any assigned seats, it is basically at large.

ROLL CALL

Yeas: Chris, Dailey, Jim, Josy, Paul, Brenda Advisory: Tom, Samantha

Nay: None

MOTION CARRIED

ORDINANCES

- Ordinance 24-03, Amending Title 6, Chapter 6.08, Section 6.08.030 of the Aleutians East Borough Code of Ordinances

MOTION

Brenda made a motion to approved Ordinance 24-03, second by Dailey

Administrator Bailey said this will amend the Borough's authorized investments. This initially took place because we wrote a cash management plan while APCM was reviewing it, they noticed that these items needed to be updated. APCM recommended to change section 6.08.030 A(5) to add "or the National Credit Union Administration". This addition makes the statement more complete. The authorized investments are allowed for CDs from credit unions, but the NCUA is actually the one who insures those deposits – not the FDIC or FSLIC as already included in the statement. Another amendment is section 6.08.030 to take out Prime

Commercial and just say Commercial and A1 be replaced by P1. APCM recommended the word "Prime" be removed in order to clarify that buying Commercial Paper on the secondary market is allowed. The Primary Commercial Paper market generally requires a minimum investment of \$20 million per piece of Commercial Paper. We do not participate in that market regularly and primarily trade in the secondary market.

a. There is a definition of "Prime Commercial Paper" out there which simply means 'investment grade Commercial Paper' and includes Commercial Paper rated as low as A3/P3. The client specification of A1/P1 minimum guarantees that we will always meet this definition of "Prime Commercial Paper".

2. For Authorized Investments #7, the grades for Moody's and S&P are flipped and incorrectly shown as A1 for Moody's and P1 for S&P. The correct designation should be A1 for S&P and P1 for Moody's

Paul asked if this ordinance originates from the financial advisor. Administrator Bailey responded, yes the recommendation is from APCM.

ROLL CALL

Yeas: Dailey, Jim, Josy, Paul, Brenda, Chris
Advisory: Samantha, Tom

Nays: None

MOTION CARRIED

RESOLUTIONS

- Resolution 24-26, Selecting and Promoting FY 2025 Capital Projects for the Health, Safety, and Welfare of Its Residents

MOTION

Brenda made a motion to approved Resolution 24-26, second by Chris

Administrator Bailey said Borough staff have reviewed the Borough projects and have had conversations with Mayor Osterback and Mark Hickey in regard to the projects listed below. Borough staff recommends that the Sand Point School Rehabilitation Project be listed as the Borough Legislative Priority for FY2025 Capital Project Funding. Staff also recommend the King Cove Access Project, the and the False Pass Airport Project be listed as a Borough Legislative Priorities for FY2025 with no specific funding requests at this time. In the packet, includes explanation on each project, what we would do if this got approve, is we would submit the 2025 CAPSIS request to the Legislature which is due on February 16 requesting additional funds for the Sand Point School project. The other two projects, we will continue to lobby for, but we are not requesting the money at this time.

PAUL commented that in the Strategic Planning we did, there were 9 projects. This resolution seems like conflicted in some way. How do we resolve that apparent conflict. Administrator Bailey responded, that she is assuming Assembly Paul was referencing to King Cove Access Project, which got some read dots, however, we are currently working with DOI and others on MOU's that are in motion that we can't stop so we need to continue for this project. What we are referring to at those meeting is the financial aspect. What we are currently doing with this project is not costing us much money and we have funds available. You are right, it conflicts a little but however we are still in the process of writing MOU's and doing stuff with the Federal government and the State's support.

JIM asked if the Sand Point School project will be on hold until full funding? Administrator Bailey responded that we have already began the project, we are currently almost finished with the 35% design. We are waiting

on the State to allow us to make an amendment to the budget, so we can do the 65% design. So, we are already moving forward and absolutely necessary to fund the whole project but we really want the State to assist with it.

ROLL CALL

Yeas: Jim, Josy, Paul, Brenda, Chris, Dailey Advisory: Tom, Samantha

Nay: None

MOTION CARRIED

- Resolution 24-27, Urging the State of Alaska to Provide Additional Matching Funds for the Homer Harbor Expansion General Investigation Study in the Amount of \$288,523

MOTION

Brenda made a motion to approved Resolution 24-27, second by Chris

Administrator Bailey said that the City of Homer asked Mayor Osterback for support of this project. Currently, Homer has a regional port that serves the need of commercial vessel operating across Alaska. They are in need to expand their current harbor for the safety and efficiency of the fleet. City of Homer has identified a new large vessel port expansion among its highest rank of priority in it's Capital Improvement Project since 2004. The Homer harbor general investigation is successfully initiated in 2023 and during the investigation, it was determined that additional work is needed to be conducted during the general investigation study with an additional cost of \$1.154M. Since fishermen from the Aleutians East Borough frequently use the Homer Harbor, the Borough think it will benefit them.

Mayor Osterback added that he had talked to the Port Manager at Homer and they really do need to expand their harbor. A lot of our boats have been and continue to go there for different types of services that they have. It will be good on Borough's behalf to support their expansion project and it doesn't impact any monies for harbor project.

PAUL thinks it is inappropriate to be in the AEB's agenda. Said we have our own projects and we don't ask other communities for support and they can take care of themselves.

BRENDA commented she is in support of this, and the ferry comes from there, a lot of out boats go there ad get their work done there. This is just supporting their project, thinks as a Borough that utilizes their facilities, we should as a Borough technically support it.

TOM commented that he supports this project. He used that harbor quite a lot and they have a lot of services that we do not have here in the Borough.

JOSY commented that if it's not going to affect us, we should be supportive of this project.

ROLL CALL

Yeas: Josy, Brenda, Chris, Dailey, Jim Advisory: Samantha, Tom

Nay: Paul

MOTION CARRIED

OLD BUSINESS

NEW BUSINESS

- North Pacific Management Council Candidate Discussion

Natural Resources Director said There are two Alaskan seats on the North Pacific Fishery Management Council whose terms are up and available for nomination. The seats are currently held by Andy Mezirow, who has served 3 terms and is not eligible for reappointment, and John Jensen, who has served 2 terms and is eligible for reappointment. The Assembly adopted Resolution 24-13 in November 2023 supporting Mr. Jensen's reappointment, which was forwarded to the Governor's office. In January 2024 the Borough received requests for letters of support from 3 other potential nominees: Lena Hoblet, Brian Ritchie and Mike Heimbuch. Mayor Osterback submitted a letter of support for Ms. Hoblet's nomination to the Governor February 1st. We have included documents from all four of the candidates requesting our support following this memo. The Alaska Governor needs to submit his nominations to the US Secretary of Commerce by March 15th and must nominate at least 3 individuals for each seat. Governors are requested to identify each nominee as either commercial, recreational, or 'other' sector. The Secretary will announce appointments by the end of June for Council terms that begin August 11th.

PAUL asked if Ernie has seen any correspondence from Kenai River Sports Fishermen Association to the governor's office? Natural Resources Director Weiss responded no, he has not seen anything about any other nominees. Paul commented that as far as he knows, when nominations are moved forward, the Commissioners weigh in a lot, do you or the mayor have a meeting scheduled with the Commissioner? Weiss said he doesn't have any information. Mayor Osterback asked the Assembly if they wanted to endorse anyone else. Paul asked if Ernie or Charlotte would be at the council meeting in Seattle. Weiss said, Charlotte plans to attend. Fishery Analyst Levy responded; she believes the Commissioner is still in Juneau.

- PeterPan Sand Point Discussion

Assembly Paul said one of the gear storage houses in Peter Pan Sand Point caught on fire and apparently Denali Commission can help in emergencies like this if fishermen are in jeopardy of losing their season because they do not have gear. But it will probably take a governmental agency like the Borough or the City of Sand Point or even SWAMC to work with Denali Commission. Maybe they could do it or not, I am just providing information. Not really sure how much gear were damaged or if they have insurance on the gears.

Mayor Osterback asked Anne if someone can check what Denali Commission can do. Fishery Analyst Levy commented that there is a Village Infrastructure program and Lisa Mack is the primary contact, so she might be a good idea. Paul commented that Erick Obrien is a good person to contact.

REPORTS AND UPDATES

Administrator's Report in packet. Highlights below:

King Cove Access Project - The King Cove Group continues to work with the Department of Interior's (DOI) staff to make progress on the SEIS. The DOI staff and the King Cove Group have established a bi-weekly call to discuss the SEIS. A few items to highlight is DOI has agreed to invite the two tribes, the City of King Cove and the Aleutians East Borough to serve as Cooperating Agencies. MOU was already submitted to FWS to review. While under federal regulations, the King Cove Corporation (KCC) cannot be a Cooperating Agency since it is a for profit corporation. The DOI has agreed that KCC can serve as an agent/designated representative for the two tribes. The USFWS continues to state that the SEIS will be finished by the end of 2024.

Akun Dock & Breakwater - On January 16, 2024, the Army Corps of Engineers held an Agency Decision Milestone Meeting. The Corps is pleased to announce that the Akutan Navigational Improvement Study received its endorsement during the meeting. This endorsement allows the Corps to proceed forward with their recommended plan and to complete the feasibility-level design, as well as the feasibility study report package. The next Major Milestone will be at the District's submittal of the Feasibility Study Report Package on April 4, 2024, in the meantime there are still some items to be completed. On January 30, 2024, the Corps requested an additional \$62,002.20 to complete the Integrated Feasibility Report and Environmental Assessment along with the remaining technical, policy, and legal compliance reviews, that was already approved. Without the funds the existing project would most likely encounter a work stoppage, preventing the Corps from submitting the Final Report on schedule. Administration funded this request.

Sand Point Pool - Borough Administration has signed an agreement with Renosys in the amount of \$19,859.20 to conduct gutter and liner repairs. Renosys has worked with DOWL and the pool manager on gathering additional details prior to traveling to Sand Point to conduct the work. Renosys is scheduled to arrive in Sand Point during the week of February 12, 2024. They will work directly with the pool manager while onsite. A work order has been issued to Living Waters to complete the plumbing repairs and conduct additional work at the pool. A proposal should be submitted soon.

Sand Point School DEED Grant -The DEED project is underway. DOWL/ECI is in the process of completing the 35% design. There have been discussions with the Borough/School District regarding the types of flooring, restroom alterations, code compliance, lockers, windows, office layouts, doors, and other items. ECI plans on having the 35% design completed at the end of February 2024. The tentative schedule for the remaining work is as follows: May 2024 – 65% Design completed; July 2024 – 95% Design completed and August 2025 - Construction completed. This is a Construction Manager – General Contractor project; therefore, DOWL will develop a solicitation seeking to engage a construction contractor to review the 65% design and offer input for constructability, pricing and material availability. In November 2023, Administration submitted a budget amendment request to DEED. The request was to move \$339,236 from the construction line item to the design line item, so DOWL could continue with the 65% and 95% design. After much persistence and patience, the State has responded and is in the process of drafting a budget amendment.

Other Items - On January 12, 2024, Mayor Osterback, Talia and I met with personnel at the Ted Stevens Center for Arctic Security Studies. The main goal of the discussion was to see if the military would be interested in utilizing any of the Borough communities for Arctic military needs. Particularly, was interested in seeing if they had interest in Cold Bay since the Dock design is forthcoming and they have the airport. We did not receive a definitive answer; however, it was a great to initiate the conversation.

Trident Update - Since Trident's December announcement of intentions to sell our False Pass, Kodiak, Petersburg, and Ketchikan facilities, we've received interest from potential buyers for each. A broker is working with potential buyers with NDAs in place and they are working through due diligence. I do not have anything to share at this stage, but as initially announced, Trident is moving as quickly as possible through this process to support continuity for affected communities, harvesters, and employees. We understand of particular interest to Aleutians East Borough and budget planning is the status of Trident's operation in False Pass. We do not envision any scenario where fish typically delivered to False Pass would leave the Borough. To protect confidentiality agreements, we cannot further comment on potential outcomes. Given the speed we aim to move through this process, I expect to have a more substantive update for all stakeholders well in advance of the salmon season. Regarding Akutan, Trident last announced that deteriorating market conditions and inflationary pressures are delaying our Captains Bay project to start a 3-year construction period no earlier than 2025. We do not have any further updates and will soon be focusing on how we can best inform related Akutan and Borough planning needs and processes. This update was from Stephanie Moreland from Trident.

Paul asked if the Assembly members can have a copy of the Trident update.

Assistant Administrator's Report in packet. Highlights below:

Healthy & Equitable Communities (HEC) Grant: - I was informed that the morgue was not in the Port of Chinook but at the Trident dock on Chignik Lagoon. I have been working along with Paul Mueller to direct them with how to deliver the morgue to the correct location. Paul Mueller the CEO of Eastern Aleutian Tribes is tentatively scheduling to have the False Pass Morgue set up the week of February 4, 2024. But due to unforeseen circumstances this schedule has to be pushed back.

Akutan Visit - On January 22-25, 2024, Anne and I traveled to Akutan where we visited the City, school, clinic, float and hangar as well as Trident. On January 24, 2025, Anne and I met with Zachery Conner the electrician with Trident to discuss the electrical repair needed to restore the heat at the Akutan Hangar.

Maintenance Connection: While in Akutan, I met with the principal of Akutan for training on Maintenance Connection. We were able to successfully enter seventeen (17) work orders ranging from broken windows, replacing showerheads in the restrooms, and need for new hardware i.e. doors and windows. On January 31, 2024, DOWL submitted a request for proposals through the Borough's construction term contract to solicit repairs and maintenance for the Akutan school. This proposal will address the exterior back stairway and landing, windows, securing exterior crawl space hatch, and general walk through of the school interior and exterior to identify recommended repairs.

ICE Services - On February 1, 2024 I met with Ice Services for AEB's quarterly meeting. As of date, the 2023 server upgrades in Anchorage, Sand Point, and King Cove have successfully been completed with ICE Services now able to decommission the old server in Sand Point with Laserfiche now installed. In the packet is a list of items ICE Services is recommending and they are sending quotes. The list of meetings attended is in the packet as well.

Paul asked about the approximate amount of money for the quotes, Assistant Administrator Jean-Louis responded she has not received it yet.

Natural Resources Director Report in packet. Highlights below -

North Pacific Fishery Management Council - The NPFMC meets in February 8-12, while the SSC meets February 5-7 and the AP meets February 6-9, all at the Renaissance Hotel in Seattle and virtually via Zoom. Included in the report is a list of items we are interested in. Comments has also been submitted. There is no final action that was made with great importance for us.

International Pacific Halibut Commission - The IPHC met in Anchorage January 22-26 for the 100th Annual meeting to set policy and specifications for the 2024 Pacific halibut fishery. There is a chart included in the packet that shows the Total Constant Exploitation Yield (TCEY) in pounds adopted for each harvest area for 2024, the TCEY from the previous 5 years and the 2024 reduction for each area compared to 2023.

Alaska Boards of Fisheries and Game - Board of Fish proposals for the next meeting cycle, including for the Statewide Shellfish meeting in Anchorage, March 2025, are due April 10, 2024. Board of Game proposals for Southwest Alaska, including game management units 9 & 10 within the Aleutians East Borough, will be due May 1, 2024. The Board of Fish meets in Anchorage February 23rd – March 6th for Upper Cook Inlet finfish proposals. A Joint Boards of Fish & Game meeting is scheduled for March 25-28, 2024 in Anchorage to consider proposals on Advisory Committees and Boards process for developing regulations.

Aleutian Islands Waterways Safety Committee - The AIWSC will start up again on March 1st after several years of inactivity. The potential expansion of North Pacific Right whale critical habitat throughout the AEB is my top concern on the AIWSC.

Alaska Salmon Research Task Force - The Task Force met virtually January 25th and will meet again February 13th in person in Anchorage (ADFG Raspberry Road) and virtually. The draft report of the Task Force will be released for public comment April 1 and the final meeting of the Task Force is scheduled for June 27. The chart of fish tax revenue was included in the report but the December revenue was not included.

Fishery Analyst Report in packet. Highlights below:

Electronic Monitoring - WGOA4/EFM - Fleet is standing down until the 15th; we will ensure observers are in place for when deliveries start again. I am in the process of finalizing the final financial and programmatic reports, and final reimbursement for the NFWF Grant # (WGOA4). EM4Fish has requested I do another article. After discussion, I will likely write a smaller article on the results of the “switch-gear” subproject of the NFWF grant. Then, after Trawl EM implementation in 2025 I will help facilitate a large-scale lessons learned article that will include all PI’s, fishermen from different fleets, and NMFS AKRO staff who were involved in development and reg writing. TrawlEM Proposed rule was published on Monday, so the comment period is open for that.

Salmon - Several fishermen have provided feedback on modifications to the adaptive management plan for 2024, and I am working with Chordata to integrate those changes to the portal. We are tracking two legislative bills, SB 128, which closes the commercial salmon fishery in Area M from June 10, 2023, through June 30, 2023. Committee Substitute for SB 128 modifies closure areas. These bills were introduced last session. And HB294/SB209 by the Governor and introduced Jan. 26, one has referred to the Fisheries, Allows Board of Fisheries to use electronic monitoring as an alternative or in addition to onboard observers in state fisheries.

AFSC Cod Tagging Project - We received notice that our 2024 NCRP funding request has been awarded for the full amount of \$189,873 which will cover the cost of AFSC scientists salary and travel, as well as a full sea day on the BS survey, and a tag release in Savoonga. We are in full swing preparing for the upcoming winter charter tentatively scheduled from March 11-31st. We will operate the charter as two legs, and I will be participating from March 11-21, as I have annual leave schedule beginning March 24. We will be operating it as two legs, Western Gulf to Kodiak and then Kodiak to Prince William Sound. We also have a small pilot project in collaboration with the Freezer Longline Coalition, who will release a small set of tags from a longline vessel during A season. I am holding a tagging training session with Jim Armstrong from FLC on February 2nd.

NPFMC - The AEB hosted a trawl fleet meeting January 8th to give fishermen an opportunity to voice concerns about the recent Trident news, and collectively discuss ideas and potential solutions for protections in 610 and options to help stabilize the pollock fishery short-term and long-term. The fishermen were highly engaged and provided several ideas and perspectives, and we will continue to track this issue and provide support as needed.

AFA Pollock Single Geographic Location Requirement - Mayor Osterback, Ernie and I met with Joe Sullivan to receive an update on his investigation into the AFA pollock location requirements. Joe is unable to attend the February meeting, so we decided it would be appropriate to have a full discussion in March when he can attend and answer questions directly and provide potential options. Preliminary findings are listed in the report.

Paul asked if Charlotte attended the electronic observer bill hearing. Fishery Analyst Levy responded yes; the hearing happened at 1:30pm, I testified and submitted a written comment which is not available yet. It is not included in my report, but I can send them. There are significant written comments all opposed to the bill however only myself and 3 others testified.

Paul asked how Joe Sullivan relay information to keep Assembly informed. Fishery Analyst Levy responded, as of now, this is all the information, the way it is communicated to me, Ernie and Mayor Osterback, this is all the information we received and felt it was appropriate to wait until next meeting when he is here to have a more robust conversation so he can explain some of the options and considerations we need to think about before making the next move or deciding how we want to proceed.

Tom commented that he appreciates what Charlotte and Ernie is doing for the community, asked what we can do as a Borough to speed up the process of getting fish back from Western Gulf. Fishery Analyst Levy responded, it is rough times all around for every direction. I think we are getting very close, we are having conversations now with stock assessment authors about actual ideas on how to change the management plan.

It is slow moving but very promising because now we are looking at how to restructure cod. Natural Resources Director added that Charlotte has been doing a lot especially with cod tagging and changes.

Mayor Osterback thanked Charlotte for her testimony.

Finance Director's Report in packet

Audit- At this time, the audit should have been issued and BDO is on the agenda for presentation.

Casele – The majority of the work needed on the chart of accounts has been completed. The current chart of accounts is more of a running collection of line items, which made it nearly impossible to pull itemized data from the system, rather than a set methodology. It currently contains 107 departments, 110 sub departments, and 335 various objects. With extensive work, the accounts are now aligned within a “set chart of accounts” consisting of 15 departments and approximately 50 accounts with the use of sub codes to identify specific projects. I am waiting on verification on some transfer and closing accounts to ensure they are set up correctly as an asset, liability, or expenditure so the transactions flow the correct way at time of entry.

End of the Calendar Year- All of the reporting requirements for the calendar year end of have finally been completed. Since the IRS has lowered the limit on “paper returns” to 10 total everything needed to be electronically filed. E-filing is definitely simpler, but the initial set up was hectic. It required numerous ID verifications, user ids in multiple sites, requests for PINS and applications for transmitter controls.

Routine tasks- The daily and weekly tasks are operating smoothly, and the grants were reconciled to the quarter end.

Mayor Osterback thanked Jacki for all her work.

Mayor Osterback asked Paul if SWAMC is planning to have Fishery item on the SWAMC meeting. Paul responded, on one forum they are trying to get all the processors to give a firsthand report. Yes, there will be Fishery items. Mayor Osterback encouraged all the mayors within the Borough to attend SWAMC and participate on it.

ASSEMBLY COMMENTS

Brenda thanked all the staff for all their hard work and perseverance.

Paul commented if Ernie can update everyone about the North Pacific Council and AFA program review schedule so everyone can listen in if they want to. Paul commented on the swimming pool, that there is a 100% chance that the leak is above halfway, encouraged to find the leak.

PUBLIC COMMENTS

NEXT MEETING DATE

Regular Assembly Meeting March 14, 2024

ADJOURNMENT

Josy moved to adjourn seconded by Brenda. Hearing no more, the meeting adjourned 4:54p.m.

Mayor Alvin D. Osterback

Beverly Ann Rosete, Borough Clerk

Date: _____

FINANCIAL REPORT

Aleutians East Borough
***Revenue Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 01 GENERAL FUND							
Active	R 01-201	INTEREST REVENUE	\$500,000.00	\$917,628.69	\$146,292.74	-\$417,628.69	183.53%
Active	R 01-203	OTHER REVENUE	\$79,000.00	\$55,955.59	\$37,993.20	\$23,044.41	70.83%
Active	R 01-205	Unrealized Gains/Loss	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-206	AEBSD Fund Balance Refu	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-218	AEB RAW FISH TAX	\$4,000,000.00	\$1,730,666.18	\$174,222.30	\$2,269,333.82	43.27%
Active	R 01-225	ANC OFFICE LEASE	\$0.00	\$41,069.84	\$5,867.12	-\$41,069.84	0.00%
Active	R 01-233	STATE PERS ON-BEHALF	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-265	STATE SHARED RAW FIS	\$1,900,000.00	\$2,641,694.10	\$0.00	-\$741,694.10	139.04%
Active	R 01-266	STATE SHARED FISHFMA	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Active	R 01-267	STATE SHARED FISHFMA	\$1,500.00	\$0.00	\$0.00	\$1,500.00	0.00%
Active	R 01-270	STATE REVENUE OTHER	\$315,000.00	\$363,404.27	\$0.00	-\$48,404.27	115.37%
Active	R 01-291	PLO-95 PAYMNT IN LIEU	\$615,000.00	\$0.00	\$0.00	\$615,000.00	0.00%
Active	R 01-292	USFWS LANDS	\$15,000.00	\$0.00	\$0.00	\$15,000.00	0.00%
Total Fund 01 GENERAL FUND			\$7,525,500.00	\$5,750,418.67	\$364,375.36	\$1,775,081.33	76.41%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24 YTD Budget	23-24 YTD Amt	JANUARY MTD Amt	23-24 YTD Balance	% of YTD Budget
Fund 01 GENERAL FUND							
DEPT 100 MAYORS OFFICE							
Active	E 01-100-000-300	SALARIES	\$92,116.00	\$56,516.74	\$7,085.68	\$35,599.26	61.35%
Active	E 01-100-000-350	FRINGE BENEFIT	\$44,652.00	\$24,443.52	\$3,419.28	\$20,208.48	54.74%
Active	E 01-100-000-400	TRAVEL AND PER	\$33,000.00	\$25,058.98	\$5,993.81	\$7,941.02	75.94%
Active	E 01-100-000-425	TELEPHONE	\$1,000.00	\$668.84	\$96.23	\$331.16	66.88%
Active	E 01-100-000-475	SUPPLIES	\$750.00	\$129.98	\$0.00	\$620.02	17.33%
Active	E 01-100-000-530	DUES AND FEES	\$2,000.00	\$2,189.85	\$549.99	-\$189.85	109.49%
Active	E 01-100-000-554	AK LOBBIST	\$45,000.00	\$24,500.00	\$3,500.00	\$20,500.00	54.44%
Active	E 01-100-000-555	FEDERAL LOBBIS	\$75,600.00	\$37,800.00	\$6,300.00	\$37,800.00	50.00%
SUBDEPT 000			<u>\$294,118.00</u>	<u>\$171,307.91</u>	<u>\$26,944.99</u>	<u>\$122,810.09</u>	<u>58.24%</u>
Total DEPT 100 MAYORS OFFICE			\$294,118.00	\$171,307.91	\$26,944.99	\$122,810.09	58.24%
DEPT 105 ASSEMBLY							
Active	E 01-105-000-300	SALARIES	\$40,500.00	\$16,800.00	\$1,800.00	\$23,700.00	41.48%
Active	E 01-105-000-350	FRINGE BENEFIT	\$167,000.00	\$87,791.21	\$12,488.93	\$79,208.79	52.57%
Active	E 01-105-000-400	TRAVEL AND PER	\$81,000.00	\$43,768.71	\$14,139.00	\$37,231.29	54.04%
Active	E 01-105-000-475	SUPPLIES	\$1,000.00	\$0.00	\$0.00	\$1,000.00	0.00%
Active	E 01-105-000-530	DUES AND FEES	\$6,000.00	\$1,100.00	\$400.00	\$4,900.00	18.33%
SUBDEPT 000			<u>\$295,500.00</u>	<u>\$149,459.92</u>	<u>\$28,827.93</u>	<u>\$146,040.08</u>	<u>50.58%</u>
Total DEPT 105 ASSEMBLY			\$295,500.00	\$149,459.92	\$28,827.93	\$146,040.08	50.58%
DEPT 150 PLANNING/CLERKS DEPARTMENT							
Active	E 01-150-000-300	SALARIES	\$75,595.00	\$41,673.30	\$5,738.62	\$33,921.70	55.13%
Active	E 01-150-000-350	FRINGE BENEFIT	\$31,500.00	\$17,032.52	\$2,427.22	\$14,467.48	54.07%
Active	E 01-150-000-400	TRAVEL AND PER	\$12,500.00	\$11,161.39	\$2,685.56	\$1,338.61	89.29%
Active	E 01-150-000-425	TELEPHONE	\$12,000.00	\$6,696.59	\$1,000.07	\$5,303.41	55.80%
Active	E 01-150-000-450	POSTAGE/SPEED	\$1,000.00	\$733.02	\$0.00	\$266.98	73.30%
Active	E 01-150-000-475	SUPPLIES	\$2,000.00	\$1,917.12	\$35.64	\$82.88	95.86%
Active	E 01-150-000-530	DUES AND FEES	\$3,500.00	\$3,159.84	\$2,054.98	\$340.16	90.28%
Active	E 01-150-000-650	ELECTION	\$8,500.00	\$3,069.02	\$0.00	\$5,430.98	36.11%
SUBDEPT 000			<u>\$146,595.00</u>	<u>\$85,442.80</u>	<u>\$13,942.09</u>	<u>\$61,152.20</u>	<u>58.28%</u>
Total DEPT 150 PLANNING/CLERKS DEPARTMENT			\$146,595.00	\$85,442.80	\$13,942.09	\$61,152.20	58.28%
DEPT 200 ADMINISTRATION							
Active	E 01-200-000-300	SALARIES	\$213,200.00	\$123,540.19	\$16,241.08	\$89,659.81	57.95%
Active	E 01-200-000-350	FRINGE BENEFIT	\$89,500.00	\$48,107.66	\$6,943.45	\$41,392.34	53.75%
Active	E 01-200-000-380	CONTRACT LABO	\$75,000.00	\$60,870.97	\$19,862.49	\$14,129.03	81.16%
Active	E 01-200-000-381	ENGINEERING	\$25,000.00	\$16,484.03	\$0.00	\$8,515.97	65.94%
Active	E 01-200-000-382	ANCHORAGE OFF	\$0.00	\$40,952.34	\$6,198.01	-\$40,952.34	0.00%
Active	E 01-200-000-400	TRAVEL AND PER	\$15,000.00	\$7,817.47	\$857.00	\$7,182.53	52.12%
Active	E 01-200-000-425	TELEPHONE	\$5,000.00	\$2,699.55	\$387.37	\$2,300.45	53.99%
Active	E 01-200-000-450	POSTAGE/SPEED	\$500.00	\$172.92	(\$148.61)	\$327.08	34.58%
Active	E 01-200-000-475	SUPPLIES	\$3,500.00	\$851.72	\$126.62	\$2,648.28	24.33%
Active	E 01-200-000-525	RENTAL/LEASE	\$10,867.00	\$6,338.99	\$905.57	\$4,528.01	58.33%
Active	E 01-200-000-530	DUES AND FEES	\$11,000.00	\$8,370.75	\$330.00	\$2,629.25	76.10%
SUBDEPT 000			<u>\$448,567.00</u>	<u>\$316,206.59</u>	<u>\$51,702.98</u>	<u>\$132,360.41</u>	<u>70.49%</u>
Total DEPT 200 ADMINISTRATION			\$448,567.00	\$316,206.59	\$51,702.98	\$132,360.41	70.49%
DEPT 201 Assistant Administrator							
Active	E 01-201-000-300	SALARIES	\$98,280.00	\$54,900.00	\$7,560.00	\$43,380.00	55.86%
Active	E 01-201-000-350	FRINGE BENEFIT	\$35,500.00	\$17,835.26	\$2,581.56	\$17,664.74	50.24%
Active	E 01-201-000-400	TRAVEL AND PER	\$8,000.00	\$4,297.99	\$200.00	\$3,702.01	53.72%
Active	E 01-201-000-425	TELEPHONE	\$1,350.00	\$797.75	\$116.53	\$552.25	59.09%
Active	E 01-201-000-475	SUPPLIES	\$200.00	\$161.19	\$22.91	\$38.81	80.60%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Active	E 01-201-000-525	RENTAL/LEASE	\$10,723.00	\$6,255.06	\$893.58	\$4,467.94	58.33%
Active	E 01-201-000-530	DUES AND FEES	\$1,250.00	\$175.00	\$0.00	\$1,075.00	14.00%
SUBDEPT 000			\$155,303.00	\$84,422.25	\$11,374.58	\$70,880.75	54.36%
Total DEPT 201 Assistant Administrator			\$155,303.00	\$84,422.25	\$11,374.58	\$70,880.75	54.36%
DEPT 250 FINANCE DEPARTMENT							
Active	E 01-250-000-300	SALARIES	\$133,000.00	\$74,670.33	\$10,089.70	\$58,329.67	56.14%
Active	E 01-250-000-350	FRINGE BENEFIT	\$63,000.00	\$33,023.68	\$4,734.52	\$29,976.32	52.42%
Active	E 01-250-000-380	CONTRACT LABO	\$90,000.00	\$15,092.50	\$0.00	\$74,907.50	16.77%
Active	E 01-250-000-400	TRAVEL AND PER	\$12,500.00	\$17,950.70	\$4,009.75	-\$5,450.70	143.61%
Active	E 01-250-000-425	TELEPHONE	\$10,500.00	\$5,228.04	\$715.19	\$5,271.96	49.79%
Active	E 01-250-000-450	POSTAGE/SPEED	\$1,000.00	\$15.00	\$0.00	\$985.00	1.50%
Active	E 01-250-000-475	SUPPLIES	\$7,000.00	\$3,168.36	\$378.71	\$3,831.64	45.26%
Active	E 01-250-000-500	EQUIPMENT	\$15,000.00	\$0.00	\$0.00	\$15,000.00	0.00%
Active	E 01-250-000-525	RENTAL/LEASE	\$6,000.00	\$5,250.00	\$750.00	\$750.00	87.50%
Active	E 01-250-000-530	DUES AND FEES	\$1,500.00	\$3,178.01	\$0.00	-\$1,678.01	211.87%
Active	E 01-250-000-550	AUDIT	\$95,000.00	\$85,875.53	\$0.00	\$9,124.47	90.40%
SUBDEPT 000			\$434,500.00	\$243,452.15	\$20,677.87	\$191,047.85	56.03%
Total DEPT 250 FINANCE DEPARTMENT			\$434,500.00	\$243,452.15	\$20,677.87	\$191,047.85	56.03%
DEPT 650 RESOURCE DEPARTMENT							
Active	E 01-650-000-300	SALARIES	\$209,000.00	\$107,793.06	\$16,058.34	\$101,206.94	51.58%
Active	E 01-650-000-350	FRINGE BENEFIT	\$81,515.00	\$41,537.37	\$6,393.54	\$39,977.63	50.96%
Active	E 01-650-000-380	CONTRACT LABO	\$20,000.00	\$0.00	\$0.00	\$20,000.00	0.00%
Active	E 01-650-000-400	TRAVEL AND PER	\$20,000.00	\$7,188.92	\$316.90	\$12,811.08	35.94%
Active	E 01-650-000-402	NPFMC MEETING	\$10,000.00	\$53.25	\$0.00	\$9,946.75	0.53%
Active	E 01-650-000-403	BOF Meetings	\$25,000.00	\$2,523.87	\$0.00	\$22,476.13	10.10%
Active	E 01-650-000-425	TELEPHONE	\$3,000.00	\$1,371.77	\$233.05	\$1,628.23	45.73%
Active	E 01-650-000-475	SUPPLIES	\$2,000.00	\$266.24	\$5.83	\$1,733.76	13.31%
Active	E 01-650-000-525	RENTAL/LEASE	\$27,632.00	\$16,118.20	\$2,302.60	\$11,513.80	58.33%
Active	E 01-650-000-530	DUES AND FEES	\$2,000.00	\$1,124.10	\$684.11	\$875.90	56.21%
SUBDEPT 000			\$400,147.00	\$177,976.78	\$25,994.37	\$222,170.22	44.48%
Total DEPT 650 RESOURCE DEPARTMENT			\$400,147.00	\$177,976.78	\$25,994.37	\$222,170.22	44.48%
DEPT 651 COMMUNICATION DIRECTOR							
Active	E 01-651-011-300	SALARIES	\$119,191.00	\$34,278.12	\$0.00	\$84,912.88	28.76%
Active	E 01-651-011-350	FRINGE BENEFIT	\$34,775.00	\$6,565.73	\$0.00	\$28,209.27	18.88%
Active	E 01-651-011-400	TRAVEL AND PER	\$9,000.00	\$0.00	\$0.00	\$9,000.00	0.00%
Active	E 01-651-011-425	TELEPHONE	\$2,000.00	\$797.75	\$116.53	\$1,202.25	39.89%
Active	E 01-651-011-475	SUPPLIES	\$750.00	\$483.34	\$14.92	\$266.66	64.45%
Active	E 01-651-011-525	RENTAL/LEASE	\$11,142.00	\$6,499.22	\$928.46	\$4,642.78	58.33%
Active	E 01-651-011-530	DUES AND FEES	\$800.00	\$0.00	\$0.00	\$800.00	0.00%
Active	E 01-651-011-532	ADVERTISING	\$9,250.00	\$12,236.97	\$0.00	-\$2,986.97	132.29%
Active	E 01-651-011-943	WEB SERVICE	\$3,000.00	\$0.00	\$0.00	\$3,000.00	0.00%
SUBDEPT 011 PUBLIC INFORMATION			\$189,908.00	\$60,861.13	\$1,059.91	\$129,046.87	32.05%
Total DEPT 651 COMMUNICATION DIRECTOR			\$189,908.00	\$60,861.13	\$1,059.91	\$129,046.87	32.05%
DEPT 700 PUBLIC WORKS DEPARTMENT							
Active	E 01-700-000-300	SALARIES	\$70,000.00	\$12,767.50	\$595.00	\$57,232.50	18.24%
Active	E 01-700-000-350	FRINGE BENEFIT	\$32,453.00	\$1,104.43	\$51.47	\$31,348.57	3.40%
Active	E 01-700-000-400	TRAVEL AND PER	\$8,000.00	\$0.00	\$0.00	\$8,000.00	0.00%
Active	E 01-700-000-475	SUPPLIES	\$2,000.00	\$5,870.07	\$1,784.62	-\$3,870.07	293.50%
Active	E 01-700-000-530	DUES AND FEES	\$1,000.00	\$0.00	\$0.00	\$1,000.00	0.00%
SUBDEPT 000			\$113,453.00	\$19,742.00	\$2,431.09	\$93,711.00	17.40%
Total DEPT 700 PUBLIC WORKS DEPARTMENT			\$113,453.00	\$19,742.00	\$2,431.09	\$93,711.00	17.40%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
DEPT 844 KCAP							
Active	E 01-844-000-380	CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-844-000-475	SUPPLIES	\$1,000.00	\$0.00	\$0.00	\$1,000.00	0.00%
Active	E 01-844-000-603	MAINTENANCE	\$110,000.00	\$0.00	\$0.00	\$110,000.00	0.00%
SUBDEPT 000			<u>\$111,000.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$111,000.00</u>	<u>0.00%</u>
Total DEPT 844 KCAP			<u>\$111,000.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$111,000.00</u>	<u>0.00%</u>
DEPT 850 EDUCATION							
Active	E 01-850-000-700	LOCAL SCHOOL C	\$800,000.00	\$400,000.00	\$0.00	\$400,000.00	50.00%
Active	E 01-850-000-701	SCHOOL SCHOLA	\$35,000.00	\$0.00	\$0.00	\$35,000.00	0.00%
Active	E 01-850-000-756	STUDENT TRAVE	\$20,000.00	\$0.00	\$0.00	\$20,000.00	0.00%
SUBDEPT 000			<u>\$855,000.00</u>	<u>\$400,000.00</u>	<u>\$0.00</u>	<u>\$455,000.00</u>	<u>46.78%</u>
Total DEPT 850 EDUCATION			<u>\$855,000.00</u>	<u>\$400,000.00</u>	<u>\$0.00</u>	<u>\$455,000.00</u>	<u>46.78%</u>
DEPT 900 OTHER							
Active	E 01-900-000-460	Sand Point Pool	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-500	EQUIPMENT	\$22,500.00	\$17,401.44	\$0.00	\$5,098.56	77.34%
Active	E 01-900-000-515	AEB VEHICLES	\$3,000.00	\$409.31	\$46.80	\$2,590.69	13.64%
Active	E 01-900-000-526	UTILITIES	\$27,000.00	\$23,493.43	\$7,188.07	\$3,506.57	87.01%
Active	E 01-900-000-551	LEGAL	\$85,000.00	\$29,503.30	\$5,640.50	\$55,496.70	34.71%
Active	E 01-900-000-552	INSURANCE	\$288,000.00	\$270,595.00	\$0.00	\$17,405.00	93.96%
Active	E 01-900-000-577	FUEL	\$44,000.00	\$13,446.40	\$0.00	\$30,553.60	30.56%
Active	E 01-900-000-600	REPAIRS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-727	BANK FEES	\$6,000.00	\$138.30	\$0.00	\$5,861.70	2.31%
Active	E 01-900-000-750	Operating Transfer	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-751	OPERATING TRA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-752	CONTRIBUTION T	\$150,000.00	\$75,000.00	\$0.00	\$75,000.00	50.00%
Active	E 01-900-000-753	MISC EXPENSE	\$20,000.00	\$13,890.08	\$7,671.58	\$6,109.92	69.45%
Active	E 01-900-000-757	DONATIONS	\$23,500.00	\$16,000.00	\$0.00	\$7,500.00	68.09%
Active	E 01-900-000-759	KSDP-Contribution	\$10,000.00	\$0.00	\$0.00	\$10,000.00	0.00%
Active	E 01-900-000-760	REVENUE SHARI	\$15,789.00	\$15,789.00	\$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 01-900-000-798	PERS Prior Period	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-799	PERS Expense	\$35,000.00	\$38,894.39	\$0.00	-\$3,894.39	111.13%
Active	E 01-900-000-943	WEB SERVICE	\$39,500.00	\$27,215.81	\$7,099.14	\$12,284.19	68.90%
SUBDEPT 000			<u>\$769,289.00</u>	<u>\$541,776.46</u>	<u>\$27,646.09</u>	<u>\$227,512.54</u>	<u>70.43%</u>
Total DEPT 900 OTHER			<u>\$769,289.00</u>	<u>\$541,776.46</u>	<u>\$27,646.09</u>	<u>\$227,512.54</u>	<u>70.43%</u>
Total Fund 01 GENERAL FUND			<u>\$4,213,380.00</u>	<u>\$2,250,647.99</u>	<u>\$210,601.90</u>	<u>\$1,962,732.01</u>	<u>53.42%</u>

Aleutians East Borough
***Revenue Guideline©**

02/22/24

Current Period: JANUARY 23-24

		23-24	23-24	JANUARY	23-24	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 20 GRANT PROGRAMS						
Active	R 20-201 INTEREST REVENUE	\$0.00	\$146,484.57	\$21,577.65	-\$146,484.57	0.00%
Active	R 20-203 OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-204 OPERATING TRANSFER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-270 STATE REVENUE OTHER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-287 KCAP/09-DC-359	\$919,030.09	\$0.00	\$0.00	\$919,030.09	0.00%
Active	R 20-410 HEC	\$109,035.00	\$36,818.00	\$0.00	\$72,217.00	33.77%
Active	R 20-420 LATCF	\$1,990,965.00	\$163,856.44	\$0.00	\$1,827,108.56	8.23%
Active	R 20-426 DCCED/Akutan Harbor Floa	\$76,722.01	\$0.00	\$0.00	\$76,722.01	0.00%
Active	R 20-462 Sand Point School Grant	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-605 Grant Project	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-813 Akutan Airport/CIP Trident	\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
Active	R 20-875 PSMFC Grant	\$1,675,542.51	\$74,677.70	\$0.00	\$1,600,864.81	4.46%
Active	R 20-876 NFWF Electronic Monitoring	\$80,801.20	\$44,639.04	\$0.00	\$36,162.16	55.25%
Active	R 20-897 NFWF EM WGOA4	\$416,703.56	\$265,138.36	\$0.00	\$151,565.20	63.63%
Active	R 20-930 APRA	\$182,614.64	\$182,614.64	\$0.00	\$0.00	100.00%
Active	R 20-931 HRSA	\$1,912,545.33	\$75,742.10	\$0.00	\$1,836,803.23	3.96%
Active	R 20-972 TRANSPORTATION PROJ	\$3,105,382.09	\$0.00	\$0.00	\$3,105,382.09	0.00%
Total Fund 20 GRANT PROGRAMS		\$11,126,731.43	\$989,970.85	\$21,577.65	\$10,136,760.58	8.90%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

				23-24	23-24	JANUARY	23-24	% of YTD
				YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 20 GRANT PROGRAMS								
DEPT 220 PermFund Appropriations								
Active	E 20-220-601-888	PROJECT CONTIN		\$1,420,081.75	\$16,489.14	\$0.00	\$1,403,592.61	1.16%
	SUBDEPT 601 AEB Project Contingency			\$1,420,081.75	\$16,489.14	\$0.00	\$1,403,592.61	1.16%
Active	E 20-220-603-678	DEFERRED MAIN		\$698,084.58	\$156,383.26	\$0.00	\$541,701.32	22.40%
	SUBDEPT 603 Deferred Maintenance			\$698,084.58	\$156,383.26	\$0.00	\$541,701.32	22.40%
Active	E 20-220-604-679	FISHERIES RESE		\$402,927.44	\$18,960.00	\$0.00	\$383,967.44	4.71%
	SUBDEPT 604 Fisheries Research			\$402,927.44	\$18,960.00	\$0.00	\$383,967.44	4.71%
Active	E 20-220-605-380	CONTRACT LABO		\$41,868.89	\$0.00	\$0.00	\$41,868.89	0.00%
	SUBDEPT 605 Mariculture			\$41,868.89	\$0.00	\$0.00	\$41,868.89	0.00%
Active	E 20-220-606-680	SAND POINT/AKU		\$1,563,029.80	\$100,037.50	\$0.00	\$1,462,992.30	6.40%
	SUBDEPT 606 Sand Point/Akutan Floats			\$1,563,029.80	\$100,037.50	\$0.00	\$1,462,992.30	6.40%
Active	E 20-220-607-500	EQUIPMENT		\$74,172.00	\$0.00	\$0.00	\$74,172.00	0.00%
	SUBDEPT 607 Financial Software			\$74,172.00	\$0.00	\$0.00	\$74,172.00	0.00%
Active	E 20-220-608-400	TRAVEL AND PER		\$32,601.72	\$0.00	\$0.00	\$32,601.72	0.00%
	SUBDEPT 608 Community Travel			\$32,601.72	\$0.00	\$0.00	\$32,601.72	0.00%
Active	E 20-220-610-850	CAPITAL CONSTR		\$46,998.99	\$0.00	\$0.00	\$46,998.99	0.00%
	SUBDEPT 610 Akutan Harbor			\$46,998.99	\$0.00	\$0.00	\$46,998.99	0.00%
Active	E 20-220-611-688	AKUTAN TSUNAM		\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
	SUBDEPT 611 Akutan Tsunami Shelter			\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Active	E 20-220-613-900	Community Budget		\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
	SUBDEPT 613 Akutan Bulk Fuel Storage			\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Active	E 20-220-620-850	CAPITAL CONSTR		\$1,932,555.57	\$0.00	\$0.00	\$1,932,555.57	0.00%
	SUBDEPT 620 Cold Bay Clinic			\$1,932,555.57	\$0.00	\$0.00	\$1,932,555.57	0.00%
Active	E 20-220-621-850	CAPITAL CONSTR		\$683,435.00	\$0.00	\$0.00	\$683,435.00	0.00%
	SUBDEPT 621 Cold Bay Dock			\$683,435.00	\$0.00	\$0.00	\$683,435.00	0.00%
Active	E 20-220-623-475	SUPPLIES		\$12,781.01	\$0.00	\$0.00	\$12,781.01	0.00%
	SUBDEPT 623 Cold Bay Pre/Education			\$12,781.01	\$0.00	\$0.00	\$12,781.01	0.00%
Active	E 20-220-625-603	MAINTENANCE		\$78,432.72	\$0.00	\$0.00	\$78,432.72	0.00%
	SUBDEPT 625 Cold Bay Terminal			\$78,432.72	\$0.00	\$0.00	\$78,432.72	0.00%
Active	E 20-220-626-600	REPAIRS		\$7,969.69	\$0.00	\$0.00	\$7,969.69	0.00%
	SUBDEPT 626 Cold Bay Municipal Building			\$7,969.69	\$0.00	\$0.00	\$7,969.69	0.00%
Active	E 20-220-627-900	Community Budget		\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
	SUBDEPT 627 Cold Bay Water Plant Generator			\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Active	E 20-220-631-850	CAPITAL CONSTR		\$5,527.92	\$0.00	\$0.00	\$5,527.92	0.00%
	SUBDEPT 631 False Pass Harbor House			\$5,527.92	\$0.00	\$0.00	\$5,527.92	0.00%
Active	E 20-220-636-900	Community Budget		\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
	SUBDEPT 636 False Pass Community Fuel			\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Active	E 20-220-642-900	Community Budget		\$100,000.00	\$100,000.00	\$0.00	\$0.00	100.00%
	SUBDEPT 642 King Cove Rolling Compactor			\$100,000.00	\$100,000.00	\$0.00	\$0.00	100.00%
Active	E 20-220-653-900	Community Budget		\$35,000.00	\$0.00	\$0.00	\$35,000.00	0.00%
	SUBDEPT 653 Nelson Lagoon Municipal Repair			\$35,000.00	\$0.00	\$0.00	\$35,000.00	0.00%
Active	E 20-220-660-462	Sand Point School		\$1,239,002.00	\$5,153.61	\$3,567.88	\$1,233,848.39	0.42%
	SUBDEPT 660 SDP School Grant App			\$1,239,002.00	\$5,153.61	\$3,567.88	\$1,233,848.39	0.42%
Active	E 20-220-663-900	Community Budget		\$100,000.00	\$100,000.00	\$0.00	\$0.00	100.00%
	SUBDEPT 663 Sand Point Solid Waste			\$100,000.00	\$100,000.00	\$0.00	\$0.00	100.00%
	Total DEPT 220 PermFund Appropriations			\$8,874,469.08	\$497,023.51	\$3,567.88	\$8,377,445.57	5.60%
DEPT 410 HEC Grant								
Active	E 20-410-000-605	Grant Project		\$109,035.00	\$36,818.00	\$0.00	\$72,217.00	33.77%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

		23-24	23-24	JANUARY	23-24	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
SUBDEPT 000 NO DESCR		\$109,035.00	\$36,818.00	\$0.00	\$72,217.00	33.77%
Total DEPT 410 HEC Grant		\$109,035.00	\$36,818.00	\$0.00	\$72,217.00	33.77%
DEPT 420 LATCF						
Active E 20-420-000-850 CAPITAL CONSTR		\$1,990,965.00	\$173,786.04	\$9,929.60	\$1,817,178.96	8.73%
SUBDEPT 000		\$1,990,965.00	\$173,786.04	\$9,929.60	\$1,817,178.96	8.73%
Total DEPT 420 LATCF		\$1,990,965.00	\$173,786.04	\$9,929.60	\$1,817,178.96	8.73%
DEPT 425 ARPA						
Active E 20-425-000-930 APRA		\$182,614.64	\$182,614.64	\$0.00	\$0.00	100.00%
SUBDEPT 000		\$182,614.64	\$182,614.64	\$0.00	\$0.00	100.00%
Total DEPT 425 ARPA		\$182,614.64	\$182,614.64	\$0.00	\$0.00	100.00%
DEPT 426 DCCED/Akutan Harbor Floats						
Active E 20-426-000-850 CAPITAL CONSTR		\$76,772.01	\$0.00	\$0.00	\$76,772.01	0.00%
SUBDEPT 000		\$76,772.01	\$0.00	\$0.00	\$76,772.01	0.00%
Total DEPT 426 DCCED/Akutan Harbor Floats		\$76,772.01	\$0.00	\$0.00	\$76,772.01	0.00%
DEPT 427 Akutan Harbor Contribution						
Active E 20-427-000-850 CAPITAL CONSTR		\$259,743.66	\$0.00	\$0.00	\$259,743.66	0.00%
SUBDEPT 000		\$259,743.66	\$0.00	\$0.00	\$259,743.66	0.00%
Total DEPT 427 Akutan Harbor Contribution		\$259,743.66	\$0.00	\$0.00	\$259,743.66	0.00%
DEPT 429 HRSA						
Active E 20-429-000-871 OTHER DIRECT C		\$1,912,545.33	\$84,629.90	\$8,887.80	\$1,827,915.43	4.42%
SUBDEPT 000		\$1,912,545.33	\$84,629.90	\$8,887.80	\$1,827,915.43	4.42%
Total DEPT 429 HRSA		\$1,912,545.33	\$84,629.90	\$8,887.80	\$1,827,915.43	4.42%
DEPT 806 CAPITAL - SAND POINT						
Active E 20-806-000-881 ADMINISTRATIVE		\$79,734.20	\$0.00	\$0.00	\$79,734.20	0.00%
Active E 20-806-000-883 DESIGN SERVICE		\$127,575.50	\$9,570.97	\$6,626.06	\$118,004.53	7.50%
Active E 20-806-000-884 CONSTRUCTION		\$47,841.30	\$0.00	\$0.00	\$47,841.30	0.00%
Active E 20-806-000-885 CONSTRUCTION		\$1,594,689.80	\$0.00	\$0.00	\$1,594,689.80	0.00%
Active E 20-806-000-888 PROJECT CONTIN		\$79,734.20	\$0.00	\$0.00	\$79,734.20	0.00%
SUBDEPT 000 NO DESCR		\$1,929,575.00	\$9,570.97	\$6,626.06	\$1,920,004.03	0.50%
Total DEPT 806 CAPITAL - SAND POINT		\$1,929,575.00	\$9,570.97	\$6,626.06	\$1,920,004.03	0.50%
DEPT 813 Akutan Airport/CIP Trident						
Active E 20-813-000-850 CAPITAL CONSTR		\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
SUBDEPT 000		\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
Total DEPT 813 Akutan Airport/CIP Trident		\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
DEPT 832 AKUTAN						
Active E 20-832-210-972 TRANSPORTATIO		\$2,500,000.00	\$0.00	\$0.00	\$2,500,000.00	0.00%
SUBDEPT 210 AEB Hovercraft Proceeds		\$2,500,000.00	\$0.00	\$0.00	\$2,500,000.00	0.00%
Total DEPT 832 AKUTAN		\$2,500,000.00	\$0.00	\$0.00	\$2,500,000.00	0.00%
DEPT 867 KCC Alternative Road						
Active E 20-867-168-381 ENGINEERING		\$75,591.00	\$0.00	\$0.00	\$75,591.00	0.00%
Active E 20-867-168-850 CAPITAL CONSTR		\$843,439.12	\$0.00	\$0.00	\$843,439.12	0.00%
SUBDEPT 168 KCAP 14-RR-067		\$919,030.12	\$0.00	\$0.00	\$919,030.12	0.00%
Active E 20-867-210-972 TRANSPORTATIO		\$239,153.56	\$0.00	\$0.00	\$239,153.56	0.00%
SUBDEPT 210 AEB Hovercraft Proceeds		\$239,153.56	\$0.00	\$0.00	\$239,153.56	0.00%
Total DEPT 867 KCC Alternative Road		\$1,158,183.68	\$0.00	\$0.00	\$1,158,183.68	0.00%
DEPT 876 NFWF Electronic Monitoring						
Active E 20-876-042-380 CONTRACT LABO		\$80,801.20	\$11,887.64	\$0.00	\$68,913.56	14.71%
Active E 20-876-042-475 SUPPLIES		\$0.00	\$32,122.19	\$0.00	-\$32,122.19	0.00%
Active E 20-876-042-753 MISC EXPENSE		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-876-042-871 OTHER DIRECT C		\$0.00	\$629.20	\$0.00	-\$629.20	0.00%
SUBDEPT 042 Trawl EM (WGOA3)		\$80,801.20	\$44,639.03	\$0.00	\$36,162.17	55.25%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Active	E 20-876-060-380	CONTRACT LABO	\$311,622.76	\$164,364.36	\$0.00	\$147,258.40	52.74%
Active	E 20-876-060-475	SUPPLIES	\$101,261.00	\$101,233.50	\$0.00	\$27.50	99.97%
Active	E 20-876-060-871	OTHER DIRECT C	\$3,819.80	\$3,739.50	\$0.00	\$80.30	97.90%
SUBDEPT 060 Trawl EM (WGOA4)			\$416,703.56	\$269,337.36	\$0.00	\$147,366.20	64.64%
Total DEPT 876 NFWF Electronic Monitoring			\$497,504.76	\$313,976.39	\$0.00	\$183,528.37	63.11%
DEPT 880 PSMFC Cod Tagging							
Active	E 20-880-000-300	SALARIES	\$97,760.45	\$8,990.39	\$0.00	\$88,770.06	9.20%
Active	E 20-880-000-350	FRINGE BENEFIT	\$32,282.69	\$3,034.07	\$0.00	\$29,248.62	9.40%
Active	E 20-880-000-380	CONTRACT LABO	\$1,002,715.52	\$52,179.94	\$0.00	\$950,535.58	5.20%
Active	E 20-880-000-400	TRAVEL AND PER	\$12,197.00	\$4,943.88	\$0.00	\$7,253.12	40.53%
Active	E 20-880-000-475	SUPPLIES	\$420,477.82	\$2,271.52	\$0.00	\$418,206.30	0.54%
Active	E 20-880-000-881	ADMINISTRATIVE	\$65,374.30	\$3,257.90	\$0.00	\$62,116.40	4.98%
SUBDEPT 000			\$1,630,807.78	\$74,677.70	\$0.00	\$1,556,130.08	4.58%
Total DEPT 880 PSMFC Cod Tagging			\$1,630,807.78	\$74,677.70	\$0.00	\$1,556,130.08	4.58%
DEPT 900 OTHER							
Active	E 20-900-000-750	Operating Transfer	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-900-000-751	OPERATING TRA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000			\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 900 OTHER			\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 20 GRANT PROGRAMS			\$21,779,605.94	\$1,373,097.15	\$29,011.34	\$20,406,508.79	6.30%

Aleutians East Borough
***Revenue Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 22 OPERATIONS							
Active	R 22-160	DEFERRED REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-203	OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-204	OPERATING TRANSFER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-210	Helicopter Revenue	\$388,805.00	\$195,713.00	\$24,678.00	\$193,092.00	50.34%
Active	R 22-221	COLD BAY TERMINAL LEA	\$278,000.00	\$161,161.00	\$29,392.00	\$116,839.00	57.97%
Active	R 22-222	COLD BAY TERMINAL OT	\$25,000.00	\$15,929.70	\$2,202.84	\$9,070.30	63.72%
Active	R 22-225	ANC OFFICE LEASE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-233	STATE PERS ON-BEHALF	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-398	OPEB Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-399	Pension Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 22 OPERATIONS			\$691,805.00	\$372,803.70	\$56,272.84	\$319,001.30	53.89%

Aleutians East Borough
***Expenditure Guideline©**

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Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 22 OPERATIONS							
DEPT 802 CAPITAL - COLD BAY							
Active	E 22-802-200-300	SALARIES	\$55,000.00	\$30,231.79	\$4,206.83	\$24,768.21	54.97%
Active	E 22-802-200-350	FRINGE BENEFIT	\$5,000.00	\$2,610.56	\$359.32	\$2,389.44	52.21%
Active	E 22-802-200-380	CONTRACT LABO	\$6,000.00	\$3,217.50	\$0.00	\$2,782.50	53.63%
Active	E 22-802-200-425	TELEPHONE	\$2,500.00	\$1,302.38	\$186.68	\$1,197.62	52.10%
Active	E 22-802-200-475	SUPPLIES	\$12,000.00	\$1,025.35	\$337.72	\$10,974.65	8.54%
Active	E 22-802-200-526	UTILITIES	\$89,500.00	\$57,129.57	\$11,482.43	\$32,370.43	63.83%
Active	E 22-802-200-576	GAS	\$400.00	\$0.00	\$0.00	\$400.00	0.00%
Active	E 22-802-200-577	FUEL	\$33,250.00	\$13,552.52	\$2,765.26	\$19,697.48	40.76%
Active	E 22-802-200-603	MAINTENANCE	\$50,000.00	\$8,179.00	\$0.00	\$41,821.00	16.36%
Active	E 22-802-200-770	Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-802-200-775	Amortization Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-802-200-780	Interest Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-802-200-880	LAND	\$6,500.00	\$0.00	\$0.00	\$6,500.00	0.00%
SUBDEPT 200 COLD BAY TERMINAL			\$260,150.00	\$117,248.67	\$19,338.24	\$142,901.33	45.07%
Total DEPT 802 CAPITAL - COLD BAY			\$260,150.00	\$117,248.67	\$19,338.24	\$142,901.33	45.07%
DEPT 845 HELICOPTER OPERATIONS							
Active	E 22-845-300-300	SALARIES	\$50,000.00	\$22,621.77	\$3,591.00	\$27,378.23	45.24%
Active	E 22-845-300-350	FRINGE BENEFIT	\$7,000.00	\$2,913.75	\$483.95	\$4,086.25	41.63%
Active	E 22-845-300-380	CONTRACT LABO	\$1,054,605.00	\$606,734.56	\$86,676.08	\$447,870.44	57.53%
Active	E 22-845-300-398	OPEB Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-845-300-399	Pension Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-845-300-425	TELEPHONE	\$0.00	\$252.37	\$36.19	-\$252.37	0.00%
Active	E 22-845-300-475	SUPPLIES	\$35,000.00	\$168.21	\$0.00	\$34,831.79	0.48%
Active	E 22-845-300-526	UTILITIES	\$9,000.00	\$0.00	\$0.00	\$9,000.00	0.00%
Active	E 22-845-300-576	GAS	\$12,000.00	\$8,087.92	\$4,474.92	\$3,912.08	67.40%
Active	E 22-845-300-577	FUEL	\$85,000.00	\$31,492.47	\$31,063.47	\$53,507.53	37.05%
Active	E 22-845-300-770	Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 300 HELICOPTER OPERATIONS			\$1,252,605.00	\$672,271.05	\$126,325.61	\$580,333.95	53.67%
Total DEPT 845 HELICOPTER OPERATIONS			\$1,252,605.00	\$672,271.05	\$126,325.61	\$580,333.95	53.67%
DEPT 900 OTHER							
Active	E 22-900-000-660	Loss On Impairmen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000			\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 900 OTHER			\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 22 OPERATIONS			\$1,512,755.00	\$789,519.72	\$145,663.85	\$723,235.28	52.19%

Aleutians East Borough
***Revenue Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 24 BOND CONSTRUCTION							
Active	R 24-201	INTEREST REVENUE	\$0.00	\$88,987.28	\$9,720.60	-\$88,987.28	0.00%
Active	R 24-203	OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-205	Unrealized Gains/Loss	\$0.00	\$11,794.41	\$5,770.22	-\$11,794.41	0.00%
Active	R 24-259	BOND PROCEEDS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-270	STATE REVENUE OTHER	\$0.00	\$70,500.00	\$0.00	-\$70,500.00	0.00%
Total Fund 24 BOND CONSTRUCTION			\$0.00	\$171,281.69	\$15,490.82	-\$171,281.69	0.00%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 24 BOND CONSTRUCTION							
DEPT 809 Akutan Airport/Grant							
Active	E 24-809-000-850	CAPITAL CONSTR	\$783,589.00	\$70,500.00	\$0.00	\$713,089.00	9.00%
SUBDEPT 000			\$783,589.00	\$70,500.00	\$0.00	\$713,089.00	9.00%
Total DEPT 809 Akutan Airport/Grant			\$783,589.00	\$70,500.00	\$0.00	\$713,089.00	9.00%
DEPT 817 Airport/FY09 Match							
Active	E 24-817-000-850	CAPITAL CONSTR	\$679,649.00	\$70,500.00	\$0.00	\$609,149.00	10.37%
SUBDEPT 000			\$679,649.00	\$70,500.00	\$0.00	\$609,149.00	10.37%
Total DEPT 817 Airport/FY09 Match			\$679,649.00	\$70,500.00	\$0.00	\$609,149.00	10.37%
DEPT 900 OTHER							
Active	E 24-900-000-380	CONTRACT LABO	\$45,000.00	\$9,787.55	\$496.10	\$35,212.45	21.75%
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			\$45,000.00	\$9,787.55	\$496.10	\$35,212.45	21.75%
Total DEPT 900 OTHER			\$45,000.00	\$9,787.55	\$496.10	\$35,212.45	21.75%
Total Fund 24 BOND CONSTRUCTION			\$1,508,238.00	\$150,787.55	\$496.10	\$1,357,450.45	10.00%

Aleutians East Borough
***Revenue Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 30 BOND FUND							
Active	R 30-201	INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-203	OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-204	OPERATING TRANSFER	\$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%
Active	R 30-277	STATE BOND REBATE SC	\$678,080.00	\$592,223.00	\$0.00	\$85,857.00	87.34%
Active	R 30-278	STATE BOND REBATE HA	\$420,842.00	\$0.00	\$0.00	\$420,842.00	0.00%
Total Fund 30 BOND FUND			\$1,098,922.00	\$592,223.00	\$0.00	\$506,699.00	53.89%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 30 BOND FUND							
DEPT 900 OTHER							
Active	E 30-900-000-725	BOND INTEREST	\$564,525.00	\$303,578.13	\$0.00	\$260,946.87	53.78%
Active	E 30-900-000-726	BOND PRINCIPAL	\$1,965,000.00	\$1,965,000.00	\$0.00	\$0.00	100.00%
Active	E 30-900-000-750	Operating Transfer	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000			<u>\$2,529,525.00</u>	<u>\$2,268,578.13</u>	<u>\$0.00</u>	<u>\$260,946.87</u>	<u>89.68%</u>
Total DEPT 900 OTHER			<u>\$2,529,525.00</u>	<u>\$2,268,578.13</u>	<u>\$0.00</u>	<u>\$260,946.87</u>	<u>89.68%</u>
Total Fund 30 BOND FUND			<u>\$2,529,525.00</u>	<u>\$2,268,578.13</u>	<u>\$0.00</u>	<u>\$260,946.87</u>	<u>89.68%</u>

Aleutians East Borough
***Revenue Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 40 PERMANENT FUND							
Active	R 40-201	INTEREST REVENUE	\$0.00	\$1,404,109.01	\$362,212.50	-\$1,404,109.01	0.00%
Active	R 40-203	OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 40-204	OPERATING TRANSFER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 40-205	Unrealized Gains/Loss	\$0.00	\$717,671.89	(\$489,474.66)	-\$717,671.89	0.00%
Active	R 40-230	LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 40 PERMANENT FUND			\$0.00	\$2,121,780.90	-\$127,262.16	-\$2,121,780.90	0.00%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 40 PERMANENT FUND							
DEPT 900 OTHER							
Active	E 40-900-000-380	CONTRACT LABO	\$45,000.00	\$35,330.51	\$6,663.89	\$9,669.49	78.51%
Active	E 40-900-000-750	Operating Transfer	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 40-900-000-751	OPERATING TRA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000			<u>\$45,000.00</u>	<u>\$35,330.51</u>	<u>\$6,663.89</u>	<u>\$9,669.49</u>	<u>78.51%</u>
Total DEPT 900 OTHER			<u>\$45,000.00</u>	<u>\$35,330.51</u>	<u>\$6,663.89</u>	<u>\$9,669.49</u>	<u>78.51%</u>
Total Fund 40 PERMANENT FUND			<u>\$45,000.00</u>	<u>\$35,330.51</u>	<u>\$6,663.89</u>	<u>\$9,669.49</u>	<u>78.51%</u>

Aleutians East Borough
***Revenue Guideline©**

02/22/24

Current Period: JANUARY 23-24

			23-24	23-24	JANUARY	23-24	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 41 MAINTENANCE RESERVE FUND							
Active	R 41-201	INTEREST REVENUE	\$0.00	\$4,129.43	\$716.97	-\$4,129.43	0.00%
Active	R 41-203	OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-204	OPERATING TRANSFER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-230	LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-276	AEB SCHOOL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 41 MAINTENANCE RESERVE FUND			\$0.00	\$4,129.43	\$716.97	-\$4,129.43	0.00%

Aleutians East Borough
***Expenditure Guideline©**

02/22/24

Current Period: JANUARY 23-24

				23-24	23-24	JANUARY	23-24	% of YTD
				YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 41 MAINTENANCE RESERVE FUND								
DEPT 900 OTHER								
Active	E 41-900-000-603	MAINTENANCE		\$147,500.00	\$68,654.81	\$3,663.08	\$78,845.19	46.55%
Active	E 41-900-000-751	OPERATING TRA		\$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%
SUBDEPT 000				<u>\$147,500.00</u>	<u>\$68,654.81</u>	<u>\$3,663.08</u>	<u>\$78,845.19</u>	<u>46.55%</u>
Total DEPT 900 OTHER				<u>\$147,500.00</u>	<u>\$68,654.81</u>	<u>\$3,663.08</u>	<u>\$78,845.19</u>	<u>46.55%</u>
Total Fund 41 MAINTENANCE RESERVE FUND				<u>\$147,500.00</u>	<u>\$68,654.81</u>	<u>\$3,663.08</u>	<u>\$78,845.19</u>	<u>46.55%</u>

FINANCIAL REPORT
Audited June 2023
Financials

Aleutians East Borough
***Revenue Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 01 GENERAL FUND							
Active	R 01-201	INTEREST REVENUE	\$15,000.00	\$917,830.81	\$109,946.70	-\$902,830.81	6118.87%
Active	R 01-203	OTHER REVENUE	\$75,000.00	\$110,075.58	\$30,876.35	-\$35,075.58	146.77%
Active	R 01-205	Unrealized Gains/Loss	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-206	AEBSD Fund Balance Refu	\$0.00	-\$654,162.99	(\$654,162.99)	\$654,162.99	0.00%
Active	R 01-218	AEB RAW FISH TAX	\$4,000,000.00	\$4,824,613.97	\$279,684.49	-\$824,613.97	120.62%
Active	R 01-225	ANC OFFICE LEASE	\$0.00	\$42,601.35	\$5,867.12	-\$42,601.35	0.00%
Active	R 01-233	STATE PERS ON-BEHALF	\$0.00	\$23,652.08	\$23,652.08	-\$23,652.08	0.00%
Active	R 01-265	STATE SHARED RAW FIS	\$2,244,356.84	\$2,244,356.84	\$0.00	\$0.00	100.00%
Active	R 01-266	STATE SHARED FISHFMA	\$100,000.00	\$129,756.47	\$0.00	-\$29,756.47	129.76%
Active	R 01-267	STATE SHARED FISHFMA	\$1,500.00	\$70,701.84	\$0.00	-\$69,201.84	4713.46%
Active	R 01-270	STATE REVENUE OTHER	\$315,000.00	\$705,247.61	\$388,488.00	-\$390,247.61	223.89%
Active	R 01-277	STATE BOND REBATE SC	\$628,587.00	\$628,587.00	\$97,876.00	\$0.00	100.00%
Active	R 01-291	PLO-95 PAYMNT IN LIEU	\$615,000.00	\$719,988.00	\$719,988.00	-\$104,988.00	117.07%
Active	R 01-292	USFWS LANDS	\$15,000.00	\$16,879.00	\$16,879.00	-\$1,879.00	112.53%
Total Fund 01 GENERAL FUND			\$8,009,443.84	\$9,780,127.56	\$1,019,094.75	-\$1,770,683.72	122.11%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 01 GENERAL FUND							
DEPT 100 MAYORS OFFICE							
Active	E 01-100-000-300	SALARIES	\$87,729.00	\$94,475.92	\$16,870.70	-\$6,746.92	107.69%
Active	E 01-100-000-350	FRINGE BENEFIT	\$44,652.00	\$43,931.30	\$7,321.00	\$720.70	98.39%
Active	E 01-100-000-400	TRAVEL AND PER	\$33,000.00	\$34,665.46	\$0.00	-\$1,665.46	105.05%
Active	E 01-100-000-425	TELEPHONE	\$1,000.00	\$1,006.55	\$88.32	-\$6.55	100.66%
Active	E 01-100-000-475	SUPPLIES	\$1,000.00	\$474.43	\$63.00	\$525.57	47.44%
Active	E 01-100-000-530	DUES AND FEES	\$2,000.00	\$1,300.00	\$0.00	\$700.00	65.00%
Active	E 01-100-000-554	AK LOBBIST	\$45,000.00	\$43,196.06	\$3,500.00	\$1,803.94	95.99%
Active	E 01-100-000-555	FEDERAL LOBBIS	\$75,600.00	\$75,600.00	\$12,600.00	\$0.00	100.00%
SUBDEPT 000			<u>\$289,981.00</u>	<u>\$294,649.72</u>	<u>\$40,443.02</u>	<u>-\$4,668.72</u>	<u>101.61%</u>
Total DEPT 100 MAYORS OFFICE			\$289,981.00	\$294,649.72	\$40,443.02	-\$4,668.72	101.61%
DEPT 105 ASSEMBLY							
Active	E 01-105-000-300	SALARIES	\$43,000.00	\$34,200.00	\$2,400.00	\$8,800.00	79.53%
Active	E 01-105-000-350	FRINGE BENEFIT	\$149,000.00	\$137,023.82	\$10,652.00	\$11,976.18	91.96%
Active	E 01-105-000-400	TRAVEL AND PER	\$60,000.00	\$41,871.76	\$125.80	\$18,128.24	69.79%
Active	E 01-105-000-475	SUPPLIES	\$1,000.00	\$696.98	\$0.00	\$303.02	69.70%
Active	E 01-105-000-530	DUES AND FEES	\$5,000.00	\$1,875.90	\$0.00	\$3,124.10	37.52%
SUBDEPT 000			<u>\$258,000.00</u>	<u>\$215,668.46</u>	<u>\$13,177.80</u>	<u>\$42,331.54</u>	<u>83.59%</u>
Total DEPT 105 ASSEMBLY			\$258,000.00	\$215,668.46	\$13,177.80	\$42,331.54	83.59%
DEPT 150 PLANNING/CLERKS DEPARTMENT							
Active	E 01-150-000-300	SALARIES	\$71,995.00	\$74,286.30	\$9,564.42	-\$2,291.30	103.18%
Active	E 01-150-000-350	FRINGE BENEFIT	\$30,000.00	\$30,960.51	\$5,046.22	-\$960.51	103.20%
Active	E 01-150-000-400	TRAVEL AND PER	\$10,000.00	\$14,540.66	\$168.32	-\$4,540.66	145.41%
Active	E 01-150-000-425	TELEPHONE	\$10,000.00	\$13,832.92	\$1,464.64	-\$3,832.92	138.33%
Active	E 01-150-000-450	POSTAGE/SPEED	\$1,000.00	\$190.02	\$19.99	\$809.98	19.00%
Active	E 01-150-000-475	SUPPLIES	\$3,000.00	\$3,603.23	\$208.55	-\$603.23	120.11%
Active	E 01-150-000-530	DUES AND FEES	\$3,500.00	\$4,514.11	\$39.98	-\$1,014.11	128.97%
Active	E 01-150-000-650	ELECTION	\$10,000.00	\$8,496.00	\$0.00	\$1,504.00	84.96%
SUBDEPT 000			<u>\$139,495.00</u>	<u>\$150,423.75</u>	<u>\$16,512.12</u>	<u>-\$10,928.75</u>	<u>107.83%</u>
Total DEPT 150 PLANNING/CLERKS DEPARTMENT			\$139,495.00	\$150,423.75	\$16,512.12	-\$10,928.75	107.83%
DEPT 200 ADMINISTRATION							
Active	E 01-200-000-300	SALARIES	\$205,000.00	\$190,653.95	\$5,307.58	\$14,346.05	93.00%
Active	E 01-200-000-350	FRINGE BENEFIT	\$84,919.00	\$88,428.65	\$14,806.84	-\$3,509.65	104.13%
Active	E 01-200-000-380	CONTRACT LABO	\$90,000.00	\$28,600.00	\$0.00	\$61,400.00	31.78%
Active	E 01-200-000-381	ENGINEERING	\$25,000.00	\$45,143.00	\$9,443.25	-\$20,143.00	180.57%
Active	E 01-200-000-382	ANCHORAGE OFF	\$0.00	\$44,043.52	(\$4,454.30)	-\$44,043.52	0.00%
Active	E 01-200-000-400	TRAVEL AND PER	\$10,000.00	\$15,426.58	\$634.00	-\$5,426.58	154.27%
Active	E 01-200-000-425	TELEPHONE	\$5,350.00	\$4,590.13	\$385.81	\$759.87	85.80%
Active	E 01-200-000-450	POSTAGE/SPEED	\$750.00	\$109.56	\$0.00	\$640.44	14.61%
Active	E 01-200-000-475	SUPPLIES	\$4,000.00	\$3,036.91	\$237.53	\$963.09	75.92%
Active	E 01-200-000-525	RENTAL/LEASE	\$10,867.00	\$10,866.84	\$905.57	\$0.16	100.00%
Active	E 01-200-000-530	DUES AND FEES	\$8,000.00	\$10,800.69	\$150.00	-\$2,800.69	135.01%
SUBDEPT 000			<u>\$443,886.00</u>	<u>\$441,699.83</u>	<u>\$27,416.28</u>	<u>\$2,186.17</u>	<u>99.51%</u>
Total DEPT 200 ADMINISTRATION			\$443,886.00	\$441,699.83	\$27,416.28	\$2,186.17	99.51%
DEPT 201 Assistant Administrator							
Active	E 01-201-000-300	SALARIES	\$93,600.00	\$95,400.00	\$12,600.00	-\$1,800.00	101.92%
Active	E 01-201-000-350	FRINGE BENEFIT	\$37,485.00	\$33,070.64	\$6,025.68	\$4,414.36	88.22%
Active	E 01-201-000-400	TRAVEL AND PER	\$8,000.00	\$5,031.20	\$0.00	\$2,968.80	62.89%
Active	E 01-201-000-425	TELEPHONE	\$1,250.00	\$1,409.44	\$111.80	-\$159.44	112.76%
Active	E 01-201-000-475	SUPPLIES	\$800.00	\$84.87	\$25.41	\$715.13	10.61%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Active	E 01-201-000-525	RENTAL/LEASE	\$10,723.00	\$10,722.96	\$893.58	\$0.04	100.00%
Active	E 01-201-000-530	DUES AND FEES	\$1,500.00	\$680.00	\$0.00	\$820.00	45.33%
SUBDEPT 000			\$153,358.00	\$146,399.11	\$19,656.47	\$6,958.89	95.46%
Total DEPT 201 Assistant Administrator			\$153,358.00	\$146,399.11	\$19,656.47	\$6,958.89	95.46%
DEPT 250 FINANCE DEPARTMENT							
Active	E 01-250-000-300	SALARIES	\$145,000.00	\$88,927.93	(\$5,472.95)	\$56,072.07	61.33%
Active	E 01-250-000-350	FRINGE BENEFIT	\$70,000.00	\$47,716.37	\$8,431.72	\$22,283.63	68.17%
Active	E 01-250-000-380	CONTRACT LABO	\$100,000.00	\$25,587.50	\$1,443.75	\$74,412.50	25.59%
Active	E 01-250-000-400	TRAVEL AND PER	\$8,500.00	\$7,373.30	\$0.00	\$1,126.70	86.74%
Active	E 01-250-000-425	TELEPHONE	\$10,500.00	\$11,480.41	\$980.35	-\$980.41	109.34%
Active	E 01-250-000-450	POSTAGE/SPEED	\$1,050.00	\$788.29	\$278.64	\$261.71	75.08%
Active	E 01-250-000-475	SUPPLIES	\$7,000.00	\$8,831.05	\$355.31	-\$1,831.05	126.16%
Active	E 01-250-000-500	EQUIPMENT	\$0.00	\$126.14	\$0.00	-\$126.14	0.00%
Active	E 01-250-000-525	RENTAL/LEASE	\$6,000.00	\$5,650.00	\$2,250.00	\$350.00	94.17%
Active	E 01-250-000-530	DUES AND FEES	\$2,000.00	\$1,134.00	\$280.00	\$866.00	56.70%
Active	E 01-250-000-550	AUDIT	\$82,500.00	\$93,243.11	\$0.00	-\$10,743.11	113.02%
SUBDEPT 000			\$432,550.00	\$290,858.10	\$8,546.82	\$141,691.90	67.24%
Total DEPT 250 FINANCE DEPARTMENT			\$432,550.00	\$290,858.10	\$8,546.82	\$141,691.90	67.24%
DEPT 650 RESOURCE DEPARTMENT							
Active	E 01-650-000-300	SALARIES	\$190,014.00	\$178,649.99	\$13,977.04	\$11,364.01	94.02%
Active	E 01-650-000-350	FRINGE BENEFIT	\$77,175.00	\$77,333.17	\$13,803.20	-\$158.17	100.20%
Active	E 01-650-000-380	CONTRACT LABO	\$40,000.00	\$33,197.91	\$0.00	\$6,802.09	82.99%
Active	E 01-650-000-400	TRAVEL AND PER	\$20,000.00	\$7,237.69	\$240.55	\$12,762.31	36.19%
Active	E 01-650-000-402	NPFMC MEETING	\$10,000.00	\$0.00	\$0.00	\$10,000.00	0.00%
Active	E 01-650-000-403	BOF Meetings	\$50,000.00	\$46,645.13	\$21,101.29	\$3,354.87	93.29%
Active	E 01-650-000-425	TELEPHONE	\$3,000.00	\$2,843.55	\$223.61	\$156.45	94.79%
Active	E 01-650-000-475	SUPPLIES	\$2,500.00	\$826.70	\$10.83	\$1,673.30	33.07%
Active	E 01-650-000-525	RENTAL/LEASE	\$27,632.00	\$27,631.20	\$2,302.60	\$0.80	100.00%
Active	E 01-650-000-530	DUES AND FEES	\$2,000.00	\$2,894.68	\$210.29	-\$894.68	144.73%
SUBDEPT 000			\$422,321.00	\$377,260.02	\$51,869.41	\$45,060.98	89.33%
Total DEPT 650 RESOURCE DEPARTMENT			\$422,321.00	\$377,260.02	\$51,869.41	\$45,060.98	89.33%
DEPT 651 COMMUNICATION DIRECTOR							
Active	E 01-651-011-300	SALARIES	\$113,515.00	\$115,697.68	\$15,280.83	-\$2,182.68	101.92%
Active	E 01-651-011-350	FRINGE BENEFIT	\$37,660.00	\$35,204.59	\$6,697.01	\$2,455.41	93.48%
Active	E 01-651-011-400	TRAVEL AND PER	\$10,000.00	\$9,634.73	\$0.00	\$365.27	96.35%
Active	E 01-651-011-425	TELEPHONE	\$2,000.00	\$1,399.41	\$111.80	\$600.59	69.97%
Active	E 01-651-011-475	SUPPLIES	\$1,000.00	\$245.85	\$17.42	\$754.15	24.59%
Active	E 01-651-011-525	RENTAL/LEASE	\$11,142.00	\$11,141.52	\$928.46	\$0.48	100.00%
Active	E 01-651-011-530	DUES AND FEES	\$1,100.00	\$827.00	\$0.00	\$273.00	75.18%
Active	E 01-651-011-532	ADVERTISING	\$9,250.00	\$10,635.17	\$0.00	-\$1,385.17	114.97%
Active	E 01-651-011-943	WEB SERVICE	\$3,000.00	\$0.00	\$0.00	\$3,000.00	0.00%
SUBDEPT 011 PUBLIC INFORMATION			\$188,667.00	\$184,785.95	\$23,035.52	\$3,881.05	97.94%
Total DEPT 651 COMMUNICATION DIRECTOR			\$188,667.00	\$184,785.95	\$23,035.52	\$3,881.05	97.94%
DEPT 700 PUBLIC WORKS DEPARTMENT							
Active	E 01-700-000-300	SALARIES	\$76,388.00	\$11,471.66	\$2,695.00	\$64,916.34	15.02%
Active	E 01-700-000-350	FRINGE BENEFIT	\$35,280.00	\$1,505.70	\$746.49	\$33,774.30	4.27%
Active	E 01-700-000-400	TRAVEL AND PER	\$18,000.00	\$0.00	\$0.00	\$18,000.00	0.00%
Active	E 01-700-000-475	SUPPLIES	\$4,000.00	\$4,809.71	\$551.02	-\$809.71	120.24%
Active	E 01-700-000-530	DUES AND FEES	\$1,000.00	\$0.00	\$0.00	\$1,000.00	0.00%
SUBDEPT 000			\$134,668.00	\$17,787.07	\$3,992.51	\$116,880.93	13.21%
Total DEPT 700 PUBLIC WORKS DEPARTMENT			\$134,668.00	\$17,787.07	\$3,992.51	\$116,880.93	13.21%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
DEPT 844 KCAP							
Active	E 01-844-000-380	CONTRACT LABO	\$5,000.00	\$0.00	\$0.00	\$5,000.00	0.00%
Active	E 01-844-000-475	SUPPLIES	\$2,500.00	\$2,281.37	\$0.00	\$218.63	91.25%
Active	E 01-844-000-603	MAINTENANCE	\$115,000.00	\$101,366.94	\$99,000.00	\$13,633.06	88.15%
SUBDEPT 000			<u>\$122,500.00</u>	<u>\$103,648.31</u>	<u>\$99,000.00</u>	<u>\$18,851.69</u>	<u>84.61%</u>
Total DEPT 844 KCAP			\$122,500.00	\$103,648.31	\$99,000.00	\$18,851.69	84.61%
DEPT 850 EDUCATION							
Active	E 01-850-000-700	LOCAL SCHOOL C	\$1,100,000.00	\$1,100,000.00	\$275,000.00	\$0.00	100.00%
Active	E 01-850-000-701	SCHOOL SCHOLA	\$35,000.00	\$34,999.90	\$0.00	\$0.10	100.00%
Active	E 01-850-000-756	STUDENT TRAVE	\$20,000.00	\$20,000.00	\$0.00	\$0.00	100.00%
SUBDEPT 000			<u>\$1,155,000.00</u>	<u>\$1,154,999.90</u>	<u>\$275,000.00</u>	<u>\$0.10</u>	<u>100.00%</u>
Total DEPT 850 EDUCATION			\$1,155,000.00	\$1,154,999.90	\$275,000.00	\$0.10	100.00%
DEPT 900 OTHER							
Active	E 01-900-000-460	Sand Point Pool	\$500,000.00	\$0.00	\$0.00	\$500,000.00	0.00%
Active	E 01-900-000-500	EQUIPMENT	\$22,500.00	\$24,556.29	\$1,631.10	-\$2,056.29	109.14%
Active	E 01-900-000-515	AEB VEHICLES	\$3,000.00	\$1,765.49	\$39.51	\$1,234.51	58.85%
Active	E 01-900-000-526	UTILITIES	\$20,000.00	\$37,015.35	\$1,991.65	-\$17,015.35	185.08%
Active	E 01-900-000-551	LEGAL	\$85,000.00	\$85,878.00	\$18,457.10	-\$878.00	101.03%
Active	E 01-900-000-552	INSURANCE	\$250,000.00	\$263,332.25	\$0.00	-\$13,332.25	105.33%
Active	E 01-900-000-577	FUEL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-600	REPAIRS	\$2,500.00	\$644.67	\$0.00	\$1,855.33	25.79%
Active	E 01-900-000-727	BANK FEES	\$12,000.00	\$3,281.08	\$258.02	\$8,718.92	27.34%
Active	E 01-900-000-750	Operating Transfer	\$0.00	\$4,039,950.14	\$4,039,950.14	-\$4,039,950.14	0.00%
Active	E 01-900-000-751	OPERATING TRA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-752	CONTRIBUTION T	\$150,000.00	\$150,000.00	\$37,500.00	\$0.00	100.00%
Active	E 01-900-000-753	MISC EXPENSE	\$20,000.00	\$8,655.62	\$21.45	\$11,344.38	43.28%
Active	E 01-900-000-757	DONATIONS	\$23,500.00	\$13,350.00	\$0.00	\$10,150.00	56.81%
Active	E 01-900-000-759	KSDP-Contribution	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	100.00%
Active	E 01-900-000-760	REVENUE SHARI	\$16,000.00	\$15,789.00	\$0.00	\$211.00	98.68%
Active	E 01-900-000-770	Depreciation Expen	\$0.00	\$3,451,401.65	\$3,451,401.65	-\$3,451,401.65	0.00%
Active	E 01-900-000-798	PERS Prior Period	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-799	PERS Expense	\$35,000.00	\$192,755.21	\$169,135.14	-\$157,755.21	550.73%
Active	E 01-900-000-943	WEB SERVICE	\$39,500.00	\$43,794.91	\$6,846.36	-\$4,294.91	110.87%
SUBDEPT 000			<u>\$1,189,000.00</u>	<u>\$8,342,169.66</u>	<u>\$7,737,232.12</u>	<u>-\$7,153,169.66</u>	<u>701.61%</u>
Total DEPT 900 OTHER			\$1,189,000.00	\$8,342,169.66	\$7,737,232.12	-\$7,153,169.66	701.61%
Total Fund 01 GENERAL FUND			\$4,929,426.00	\$11,720,349.88	\$8,315,882.07	-\$6,790,923.88	237.76%

Aleutians East Borough
***Revenue Guideline©**

AUDITED

Current Period: JUNE 22-23

		22-23 YTD Budget	22-23 YTD Amt	JUNE MTD Amt	22-23 YTD Balance	% of YTD Budget
Fund 20 GRANT PROGRAMS						
Active	R 20-201 INTEREST REVENUE	\$0.00	\$148,808.97	\$17,110.81	-\$148,808.97	0.00%
Active	R 20-203 OTHER REVENUE	\$0.00	\$22,740.90	\$0.00	-\$22,740.90	0.00%
Active	R 20-204 OPERATING TRANSFER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-270 STATE REVENUE OTHER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-287 KCAP/09-DC-359	\$1,139,624.60	\$171,334.48	\$67,341.00	\$968,290.12	15.03%
Active	R 20-410 HEC	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-420 LATCF	\$1,019,400.00	\$47,835.00	\$47,835.00	\$971,565.00	4.69%
Active	R 20-426 DCCED/Akutan Harbor Floa	\$76,722.01	\$0.00	\$0.00	\$76,722.01	0.00%
Active	R 20-462 Sand Point School Grant	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-605 Grant Project	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-813 Akutan Airport/CIP Trident	\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
Active	R 20-875 PSMFC Grant	\$2,238,265.00	\$617,787.07	\$82,471.93	\$1,620,477.93	27.60%
Active	R 20-876 NFWF Electronic Monitoring	\$398,727.85	\$317,471.65	\$25,465.57	\$81,256.20	79.62%
Active	R 20-897 NFWF EM WGOA4	\$474,690.40	\$57,986.84	\$57,986.84	\$416,703.56	12.22%
Active	R 20-930 APRA	\$648,173.00	\$0.00	(\$227,794.93)	\$648,173.00	0.00%
Active	R 20-931 HRSA	\$2,000,000.00	\$87,454.67	\$31,865.07	\$1,912,545.33	4.37%
Active	R 20-972 TRANSPORTATION PROJ	\$3,105,382.09	\$0.00	\$0.00	\$3,105,382.09	0.00%
Total Fund 20 GRANT PROGRAMS		\$11,758,374.95	\$1,471,419.58	\$102,281.29	\$10,286,955.37	12.51%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 20 GRANT PROGRAMS							
DEPT 220 PermFund Appropriations							
Active	E 20-220-601-888	PROJECT CONTIN	\$630,301.34	\$266,384.77	\$24,662.40	\$363,916.57	42.26%
	SUBDEPT 601 AEB Project Contingency		\$630,301.34	\$266,384.77	\$24,662.40	\$363,916.57	42.26%
Active	E 20-220-603-678	DEFERRED MAIN	\$423,619.61	\$75,535.03	\$0.00	\$348,084.58	17.83%
	SUBDEPT 603 Deferred Maintenance		\$423,619.61	\$75,535.03	\$0.00	\$348,084.58	17.83%
Active	E 20-220-604-679	FISHERIES RESE	\$216,277.44	\$13,350.00	\$0.00	\$202,927.44	6.17%
	SUBDEPT 604 Fisheries Research		\$216,277.44	\$13,350.00	\$0.00	\$202,927.44	6.17%
Active	E 20-220-605-380	CONTRACT LABO	\$50,000.00	\$8,131.11	\$0.00	\$41,868.89	16.26%
	SUBDEPT 605 Mariculture		\$50,000.00	\$8,131.11	\$0.00	\$41,868.89	16.26%
Active	E 20-220-606-680	SAND POINT/AKU	\$1,625,000.00	\$61,970.20	\$26,095.11	\$1,563,029.80	3.81%
	SUBDEPT 606 Sand Point/Akutan Floats		\$1,625,000.00	\$61,970.20	\$26,095.11	\$1,563,029.80	3.81%
Active	E 20-220-607-500	EQUIPMENT	\$74,172.00	\$0.00	\$0.00	\$74,172.00	0.00%
	SUBDEPT 607 Financial Software		\$74,172.00	\$0.00	\$0.00	\$74,172.00	0.00%
Active	E 20-220-608-400	TRAVEL AND PER	\$50,000.00	\$17,398.28	\$2,030.89	\$32,601.72	34.80%
	SUBDEPT 608 Community Travel		\$50,000.00	\$17,398.28	\$2,030.89	\$32,601.72	34.80%
Active	E 20-220-610-850	CAPITAL CONSTR	\$46,998.99	\$0.00	\$0.00	\$46,998.99	0.00%
	SUBDEPT 610 Akutan Harbor		\$46,998.99	\$0.00	\$0.00	\$46,998.99	0.00%
Active	E 20-220-611-688	AKUTAN TSUNAM	\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
	SUBDEPT 611 Akutan Tsunami Shelter		\$100,000.00	\$0.00	\$0.00	\$100,000.00	0.00%
Active	E 20-220-613-900	Community Budget	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 613 Akutan Bulk Fuel Storage		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-220-620-850	CAPITAL CONSTR	\$1,932,555.57	\$0.00	\$0.00	\$1,932,555.57	0.00%
	SUBDEPT 620 Cold Bay Clinic		\$1,932,555.57	\$0.00	\$0.00	\$1,932,555.57	0.00%
Active	E 20-220-621-850	CAPITAL CONSTR	\$150,000.00	\$66,565.00	\$6,656.50	\$83,435.00	44.38%
	SUBDEPT 621 Cold Bay Dock		\$150,000.00	\$66,565.00	\$6,656.50	\$83,435.00	44.38%
Active	E 20-220-623-475	SUPPLIES	\$43,426.46	\$30,645.45	\$0.00	\$12,781.01	70.57%
	SUBDEPT 623 Cold Bay Pre/Education		\$43,426.46	\$30,645.45	\$0.00	\$12,781.01	70.57%
Active	E 20-220-625-603	MAINTENANCE	\$78,432.72	\$0.00	\$0.00	\$78,432.72	0.00%
	SUBDEPT 625 Cold Bay Terminal		\$78,432.72	\$0.00	\$0.00	\$78,432.72	0.00%
Active	E 20-220-626-600	REPAIRS	\$7,969.69	\$0.00	\$0.00	\$7,969.69	0.00%
	SUBDEPT 626 Cold Bay Municipal Building		\$7,969.69	\$0.00	\$0.00	\$7,969.69	0.00%
Active	E 20-220-627-900	Community Budget	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 627 Cold Bay Water Plant Generator		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-220-631-850	CAPITAL CONSTR	\$5,527.92	\$0.00	\$0.00	\$5,527.92	0.00%
	SUBDEPT 631 False Pass Harbor House		\$5,527.92	\$0.00	\$0.00	\$5,527.92	0.00%
Active	E 20-220-636-900	Community Budget	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 636 False Pass Community Fuel		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-220-642-900	Community Budget	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 642 King Cove Rolling Compactor		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-220-653-900	Community Budget	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 653 Nelson Lagoon Municipal Repair		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-220-660-462	Sand Point School	\$1,239,002.00	\$0.00	\$0.00	\$1,239,002.00	0.00%
	SUBDEPT 660 SDP School Grant App		\$1,239,002.00	\$0.00	\$0.00	\$1,239,002.00	0.00%
Active	E 20-220-663-900	Community Budget	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 663 Sand Point Solid Waste		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total DEPT 220 PermFund Appropriations		\$6,673,283.74	\$539,979.84	\$59,444.90	\$6,133,303.90	8.09%
DEPT 410 HEC Grant							
Active	E 20-410-000-605	Grant Project	\$0.00	\$0.00	\$0.00	\$0.00	0.00%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

	22-23 YTD Budget	22-23 YTD Amt	JUNE MTD Amt	22-23 YTD Balance	% of YTD Budget
SUBDEPT 000 NO DESCR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 410 HEC Grant	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
DEPT 420 LATCF					
Active E 20-420-000-850 CAPITAL CONSTR	\$1,019,400.00	\$47,835.00	\$47,835.00	\$971,565.00	4.69%
SUBDEPT 000	\$1,019,400.00	\$47,835.00	\$47,835.00	\$971,565.00	4.69%
Total DEPT 420 LATCF	\$1,019,400.00	\$47,835.00	\$47,835.00	\$971,565.00	4.69%
DEPT 425 ARPA					
Active E 20-425-000-930 APRA	\$648,173.00	\$0.00	(\$383,725.80)	\$648,173.00	0.00%
SUBDEPT 000	\$648,173.00	\$0.00	-\$383,725.80	\$648,173.00	0.00%
Total DEPT 425 ARPA	\$648,173.00	\$0.00	-\$383,725.80	\$648,173.00	0.00%
DEPT 426 DCCED/Akutan Harbor Floats					
Active E 20-426-000-850 CAPITAL CONSTR	\$76,772.01	\$0.00	\$0.00	\$76,772.01	0.00%
SUBDEPT 000	\$76,772.01	\$0.00	\$0.00	\$76,772.01	0.00%
Total DEPT 426 DCCED/Akutan Harbor Floats	\$76,772.01	\$0.00	\$0.00	\$76,772.01	0.00%
DEPT 427 Akutan Harbor Contribution					
Active E 20-427-000-850 CAPITAL CONSTR	\$259,743.66	\$0.00	\$0.00	\$259,743.66	0.00%
SUBDEPT 000	\$259,743.66	\$0.00	\$0.00	\$259,743.66	0.00%
Total DEPT 427 Akutan Harbor Contribution	\$259,743.66	\$0.00	\$0.00	\$259,743.66	0.00%
DEPT 429 HRSA					
Active E 20-429-000-871 OTHER DIRECT C	\$2,000,000.00	\$87,454.67	\$10,222.24	\$1,912,545.33	4.37%
SUBDEPT 000	\$2,000,000.00	\$87,454.67	\$10,222.24	\$1,912,545.33	4.37%
Total DEPT 429 HRSA	\$2,000,000.00	\$87,454.67	\$10,222.24	\$1,912,545.33	4.37%
DEPT 806 CAPITAL - SAND POINT					
Active E 20-806-000-881 ADMINISTRATIVE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-806-000-883 DESIGN SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-806-000-884 CONSTRUCTION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-806-000-885 CONSTRUCTION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-806-000-888 PROJECT CONTIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000 NO DESCR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 806 CAPITAL - SAND POINT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
DEPT 813 Akutan Airport/CIP Trident					
Active E 20-813-000-850 CAPITAL CONSTR	\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
SUBDEPT 000	\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
Total DEPT 813 Akutan Airport/CIP Trident	\$657,390.00	\$0.00	\$0.00	\$657,390.00	0.00%
DEPT 832 AKUTAN					
Active E 20-832-210-972 TRANSPORTATIO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 210 AEB Hovercraft Proceeds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 832 AKUTAN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
DEPT 867 KCC Alternative Road					
Active E 20-867-168-381 ENGINEERING	\$75,591.00	\$0.00	\$0.00	\$75,591.00	0.00%
Active E 20-867-168-850 CAPITAL CONSTR	\$1,014,773.60	\$171,334.48	\$23,775.00	\$843,439.12	16.88%
SUBDEPT 168 KCAP 14-RR-067	\$1,090,364.60	\$171,334.48	\$23,775.00	\$919,030.12	15.71%
Active E 20-867-210-972 TRANSPORTATIO	\$333,620.21	\$94,466.65	\$94,466.65	\$239,153.56	28.32%
SUBDEPT 210 AEB Hovercraft Proceeds	\$333,620.21	\$94,466.65	\$94,466.65	\$239,153.56	28.32%
Total DEPT 867 KCC Alternative Road	\$1,423,984.81	\$265,801.13	\$118,241.65	\$1,158,183.68	18.67%
DEPT 876 NFWF Electronic Monitoring					
Active E 20-876-042-380 CONTRACT LABO	\$369,678.87	\$247,542.94	\$16,718.05	\$122,135.93	66.96%
Active E 20-876-042-475 SUPPLIES	\$25,190.58	\$64,168.01	\$8,747.52	-\$38,977.43	254.73%
Active E 20-876-042-753 MISC EXPENSE	\$0.00	\$22,740.90	\$0.00	-\$22,740.90	0.00%
Active E 20-876-042-871 OTHER DIRECT C	\$3,403.40	\$5,760.70	\$0.00	-\$2,357.30	169.26%
SUBDEPT 042 Trawl EM (WGOA3)	\$398,272.85	\$340,212.55	\$25,465.57	\$58,060.30	85.42%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Active	E 20-876-060-380	CONTRACT LABO	\$367,167.00	\$55,544.24	\$55,544.24	\$311,622.76	15.13%
Active	E 20-876-060-475	SUPPLIES	\$101,261.00	\$0.00	\$0.00	\$101,261.00	0.00%
Active	E 20-876-060-871	OTHER DIRECT C	\$6,262.40	\$2,442.60	\$2,442.60	\$3,819.80	39.00%
SUBDEPT 060 Trawl EM (WGOA4)			\$474,690.40	\$57,986.84	\$57,986.84	\$416,703.56	12.22%
Total DEPT 876 NFWF Electronic Monitoring			\$872,963.25	\$398,199.39	\$83,452.41	\$474,763.86	45.61%
DEPT 880 PSMFC Cod Tagging							
Active	E 20-880-000-300	SALARIES	\$107,608.93	\$9,848.48	\$457.10	\$97,760.45	9.15%
Active	E 20-880-000-350	FRINGE BENEFIT	\$35,921.15	\$3,638.46	\$168.87	\$32,282.69	10.13%
Active	E 20-880-000-380	CONTRACT LABO	\$1,168,663.90	\$165,948.38	\$13,050.00	\$1,002,715.52	14.20%
Active	E 20-880-000-400	TRAVEL AND PER	\$15,130.00	\$2,933.00	\$0.00	\$12,197.00	19.39%
Active	E 20-880-000-475	SUPPLIES	\$800,031.83	\$376,279.06	\$1,799.96	\$423,752.77	47.03%
Active	E 20-880-000-881	ADMINISTRATIVE	\$110,909.19	\$59,139.69	\$56,621.72	\$51,769.50	53.32%
SUBDEPT 000			\$2,238,265.00	\$617,787.07	\$72,097.65	\$1,620,477.93	27.60%
Total DEPT 880 PSMFC Cod Tagging			\$2,238,265.00	\$617,787.07	\$72,097.65	\$1,620,477.93	27.60%
DEPT 900 OTHER							
Active	E 20-900-000-750	Operating Transfer	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-900-000-751	OPERATING TRA	\$0.00	-\$799,284.68	(\$799,284.68)	\$799,284.68	0.00%
SUBDEPT 000			\$0.00	-\$799,284.68	-\$799,284.68	\$799,284.68	0.00%
Total DEPT 900 OTHER			\$0.00	-\$799,284.68	-\$799,284.68	\$799,284.68	0.00%
Total Fund 20 GRANT PROGRAMS			\$15,869,975.47	\$1,157,772.42	-\$791,716.63	\$14,712,203.05	7.30%

Aleutians East Borough
***Revenue Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 22 OPERATIONS							
Active	R 22-160	DEFERRED REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-203	OTHER REVENUE	\$0.00	\$16,947.92	\$16,947.92	-\$16,947.92	0.00%
Active	R 22-204	OPERATING TRANSFER	\$0.00	\$764,279.00	\$764,279.00	-\$764,279.00	0.00%
Active	R 22-210	Helicopter Revenue	\$374,124.00	\$324,573.61	\$28,899.00	\$49,550.39	86.76%
Active	R 22-221	COLD BAY TERMINAL LEA	\$278,000.00	\$234,132.38	\$33,199.38	\$43,867.62	84.22%
Active	R 22-222	COLD BAY TERMINAL OT	\$0.00	\$30,781.77	\$2,665.39	-\$30,781.77	0.00%
Active	R 22-225	ANC OFFICE LEASE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-233	STATE PERS ON-BEHALF	\$0.00	\$1,075.36	\$1,075.36	-\$1,075.36	0.00%
Active	R 22-398	OPEB Expense	\$0.00	-\$2,785.00	(\$2,785.00)	\$2,785.00	0.00%
Active	R 22-399	Pension Expense	\$0.00	\$266.00	\$266.00	-\$266.00	0.00%
Total Fund 22 OPERATIONS			\$652,124.00	\$1,369,271.04	\$844,547.05	-\$717,147.04	209.97%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 22 OPERATIONS							
DEPT 802 CAPITAL - COLD BAY							
Active	E 22-802-200-300	SALARIES	\$55,000.00	\$51,675.00	\$6,825.00	\$3,325.00	93.95%
Active	E 22-802-200-350	FRINGE BENEFIT	\$5,000.00	\$14,199.02	\$10,319.38	-\$9,199.02	283.98%
Active	E 22-802-200-380	CONTRACT LABO	\$8,000.00	\$4,220.00	\$0.00	\$3,780.00	52.75%
Active	E 22-802-200-425	TELEPHONE	\$2,400.00	\$2,545.18	\$185.41	-\$145.18	106.05%
Active	E 22-802-200-475	SUPPLIES	\$15,000.00	\$2,036.72	\$172.66	\$12,963.28	13.58%
Active	E 22-802-200-526	UTILITIES	\$79,500.00	\$102,273.35	\$17,013.11	-\$22,773.35	128.65%
Active	E 22-802-200-576	GAS	\$600.00	\$182.45	\$0.00	\$417.55	30.41%
Active	E 22-802-200-577	FUEL	\$27,500.00	\$35,432.07	\$3,121.81	-\$7,932.07	128.84%
Active	E 22-802-200-603	MAINTENANCE	\$50,000.00	\$9,122.86	(\$9,754.00)	\$40,877.14	18.25%
Active	E 22-802-200-770	Depreciation Expen	\$0.00	\$334,919.83	\$334,919.83	-\$334,919.83	0.00%
Active	E 22-802-200-775	Amortization Expen	\$0.00	\$3,089.28	\$3,089.28	-\$3,089.28	0.00%
Active	E 22-802-200-780	Interest Expense	\$0.00	\$5,906.55	\$5,906.55	-\$5,906.55	0.00%
Active	E 22-802-200-880	LAND	\$6,500.00	\$0.00	(\$7,068.93)	\$6,500.00	0.00%
SUBDEPT 200 COLD BAY TERMINAL			<u>\$249,500.00</u>	<u>\$565,602.31</u>	<u>\$364,730.10</u>	<u>-\$316,102.31</u>	<u>226.69%</u>
Total DEPT 802 CAPITAL - COLD BAY			<u>\$249,500.00</u>	<u>\$565,602.31</u>	<u>\$364,730.10</u>	<u>-\$316,102.31</u>	<u>226.69%</u>
DEPT 845 HELICOPTER OPERATIONS							
Active	E 22-845-300-300	SALARIES	\$50,000.00	\$43,142.18	\$6,203.78	\$6,857.82	86.28%
Active	E 22-845-300-350	FRINGE BENEFIT	\$10,000.00	\$14,769.51	\$9,858.23	-\$4,769.51	147.70%
Active	E 22-845-300-380	CONTRACT LABO	\$914,230.00	\$945,708.18	\$173,352.16	-\$31,478.18	103.44%
Active	E 22-845-300-398	OPEB Expense	\$0.00	-\$9,875.00	(\$9,875.00)	\$9,875.00	0.00%
Active	E 22-845-300-399	Pension Expense	\$0.00	-\$10,153.00	(\$10,153.00)	\$10,153.00	0.00%
Active	E 22-845-300-425	TELEPHONE	\$0.00	\$72.14	\$0.00	-\$72.14	0.00%
Active	E 22-845-300-475	SUPPLIES	\$35,000.00	\$12,145.50	(\$18,784.06)	\$22,854.50	34.70%
Active	E 22-845-300-526	UTILITIES	\$10,000.00	\$0.00	\$0.00	\$10,000.00	0.00%
Active	E 22-845-300-576	GAS	\$14,000.00	\$13,863.80	\$4,501.00	\$136.20	99.03%
Active	E 22-845-300-577	FUEL	\$90,000.00	\$82,174.66	\$42,064.34	\$7,825.34	91.31%
Active	E 22-845-300-770	Depreciation Expen	\$0.00	\$3,792.12	\$3,792.12	-\$3,792.12	0.00%
SUBDEPT 300 HELICOPTER OPERATIONS			<u>\$1,123,230.00</u>	<u>\$1,095,640.09</u>	<u>\$200,959.57</u>	<u>\$27,589.91</u>	<u>97.54%</u>
Total DEPT 845 HELICOPTER OPERATIONS			<u>\$1,123,230.00</u>	<u>\$1,095,640.09</u>	<u>\$200,959.57</u>	<u>\$27,589.91</u>	<u>97.54%</u>
DEPT 900 OTHER							
Active	E 22-900-000-660	Loss On Impairmen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000			<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>0.00%</u>
Total DEPT 900 OTHER			<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>0.00%</u>
Total Fund 22 OPERATIONS			<u>\$1,372,730.00</u>	<u>\$1,661,242.40</u>	<u>\$565,689.67</u>	<u>-\$288,512.40</u>	<u>121.02%</u>

Aleutians East Borough
***Revenue Guideline©**

AUDITED

Current Period: JUNE 22-23

				22-23	22-23	JUNE	22-23	% of YTD
				YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 24 BOND CONSTRUCTION								
Active	R 24-201	INTEREST REVENUE		\$0.00	\$72,325.87	\$1,399.79	-\$72,325.87	0.00%
Active	R 24-203	OTHER REVENUE		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-205	Unrealized Gains/Loss		\$0.00	\$49,208.84	\$12,048.30	-\$49,208.84	0.00%
Active	R 24-259	BOND PROCEEDS		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-270	STATE REVENUE OTHER		\$0.00	\$190,000.00	\$0.00	-\$190,000.00	0.00%
Total Fund 24 BOND CONSTRUCTION				\$0.00	\$311,534.71	\$13,448.09	-\$311,534.71	0.00%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 24 BOND CONSTRUCTION							
DEPT 809 Akutan Airport/Grant							
Active	E 24-809-000-850	CAPITAL CONSTR	\$973,589.00	\$190,000.00	\$0.00	\$783,589.00	19.52%
SUBDEPT 000			\$973,589.00	\$190,000.00	\$0.00	\$783,589.00	19.52%
Total DEPT 809 Akutan Airport/Grant			\$973,589.00	\$190,000.00	\$0.00	\$783,589.00	19.52%
DEPT 817 Airport/FY09 Match							
Active	E 24-817-000-850	CAPITAL CONSTR	\$869,649.00	\$190,000.00	\$0.00	\$679,649.00	21.85%
SUBDEPT 000			\$869,649.00	\$190,000.00	\$0.00	\$679,649.00	21.85%
Total DEPT 817 Airport/FY09 Match			\$869,649.00	\$190,000.00	\$0.00	\$679,649.00	21.85%
DEPT 900 OTHER							
Active	E 24-900-000-380	CONTRACT LABO	\$42,000.00	\$42,842.51	\$3,787.03	-\$842.51	102.01%
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			\$42,000.00	\$42,842.51	\$3,787.03	-\$842.51	102.01%
Total DEPT 900 OTHER			\$42,000.00	\$42,842.51	\$3,787.03	-\$842.51	102.01%
Total Fund 24 BOND CONSTRUCTION			\$1,885,238.00	\$422,842.51	\$3,787.03	\$1,462,395.49	22.43%

Aleutians East Borough
***Revenue Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 30 BOND FUND							
Active	R 30-201	INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-203	OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-204	OPERATING TRANSFER	\$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%
Active	R 30-277	STATE BOND REBATE SC	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-278	STATE BOND REBATE HA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 30 BOND FUND			<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>0.00%</u>

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 30 BOND FUND							
DEPT 900 OTHER							
Active	E 30-900-000-725	BOND INTEREST	\$646,386.00	\$646,386.46	\$0.00	-\$0.46	100.00%
Active	E 30-900-000-726	BOND PRINCIPAL	\$1,830,000.00	\$1,830,000.00	\$0.00	\$0.00	100.00%
Active	E 30-900-000-750	Operating Transfer	\$0.00	-\$2,476,386.46	(\$2,476,386.46)	\$2,476,386.46	0.00%
SUBDEPT 000			<u>\$2,476,386.00</u>	<u>\$0.00</u>	<u>-\$2,476,386.46</u>	<u>\$2,476,386.00</u>	<u>0.00%</u>
Total DEPT 900 OTHER			<u>\$2,476,386.00</u>	<u>\$0.00</u>	<u>-\$2,476,386.46</u>	<u>\$2,476,386.00</u>	<u>0.00%</u>
Total Fund 30 BOND FUND			<u>\$2,476,386.00</u>	<u>\$0.00</u>	<u>-\$2,476,386.46</u>	<u>\$2,476,386.00</u>	<u>0.00%</u>

Aleutians East Borough
***Revenue Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 40 PERMANENT FUND							
Active	R 40-201	INTEREST REVENUE	\$0.00	\$764,207.05	\$317,382.26	-\$764,207.05	0.00%
Active	R 40-203	OTHER REVENUE	\$0.00	\$29,636.00	\$29,636.00	-\$29,636.00	0.00%
Active	R 40-204	OPERATING TRANSFER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 40-205	Unrealized Gains/Loss	\$0.00	\$2,416,512.94	\$1,262,766.80	-\$2,416,512.94	0.00%
Active	R 40-230	LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 40 PERMANENT FUND			\$0.00	\$3,210,355.99	\$1,609,785.06	-\$3,210,355.99	0.00%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 40 PERMANENT FUND							
DEPT 900 OTHER							
Active	E 40-900-000-380	CONTRACT LABO	\$42,000.00	\$42,842.51	\$3,787.03	-\$842.51	102.01%
Active	E 40-900-000-750	Operating Transfer	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 40-900-000-751	OPERATING TRA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000			<u>\$42,000.00</u>	<u>\$42,842.51</u>	<u>\$3,787.03</u>	<u>-\$842.51</u>	<u>102.01%</u>
Total DEPT 900 OTHER			<u>\$42,000.00</u>	<u>\$42,842.51</u>	<u>\$3,787.03</u>	<u>-\$842.51</u>	<u>102.01%</u>
Total Fund 40 PERMANENT FUND			<u>\$42,000.00</u>	<u>\$42,842.51</u>	<u>\$3,787.03</u>	<u>-\$842.51</u>	<u>102.01%</u>

Aleutians East Borough
***Revenue Guideline©**

AUDITED

Current Period: JUNE 22-23

			22-23	22-23	JUNE	22-23	% of YTD
			YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 41 MAINTENANCE RESERVE FUND							
Active	R 41-201	INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-203	OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-204	OPERATING TRANSFER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-230	LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-276	AEB SCHOOL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 41 MAINTENANCE RESERVE FUND			\$0.00	\$0.00	\$0.00	\$0.00	0.00%

Aleutians East Borough
***Expenditure Guideline©**

AUDITED

Current Period: JUNE 22-23

				22-23	22-23	JUNE	22-23	% of YTD
				YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 41 MAINTENANCE RESERVE FUND								
DEPT 900 OTHER								
Active	E 41-900-000-603	MAINTENANCE		\$100,000.00	\$89,175.51	\$412.48	\$10,824.49	89.18%
Active	E 41-900-000-751	OPERATING TRA		\$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%
SUBDEPT 000				<u>\$100,000.00</u>	<u>\$89,175.51</u>	<u>\$412.48</u>	<u>\$10,824.49</u>	<u>89.18%</u>
Total DEPT 900 OTHER				<u>\$100,000.00</u>	<u>\$89,175.51</u>	<u>\$412.48</u>	<u>\$10,824.49</u>	<u>89.18%</u>
Total Fund 41 MAINTENANCE RESERVE FUND				<u>\$100,000.00</u>	<u>\$89,175.51</u>	<u>\$412.48</u>	<u>\$10,824.49</u>	<u>89.18%</u>

INVESTMENT REPORT



ALASKA PERMANENT
CAPITAL MANAGEMENT

Registered Investment Adviser

AEB SERIES E Investment Report

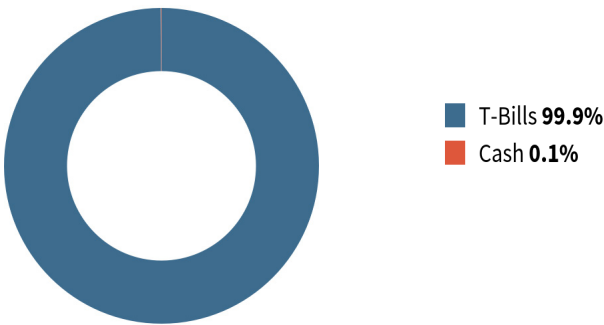
January 2024

Portfolio Overview

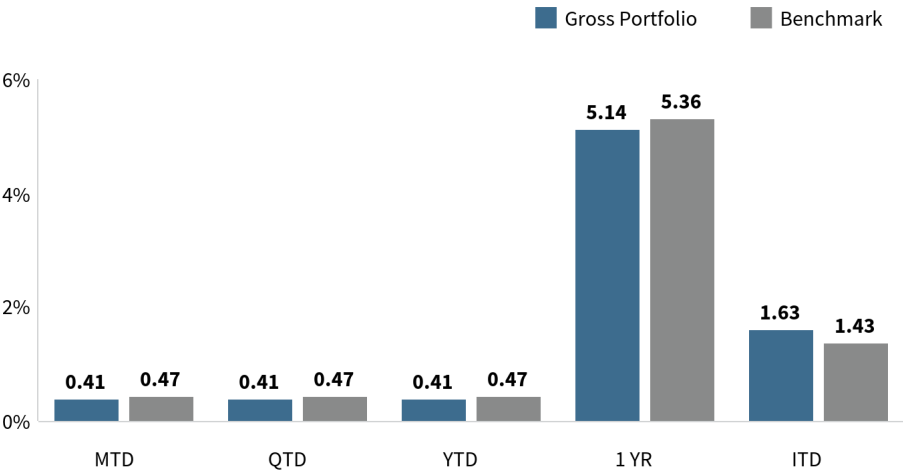
BEGINNING VALUE + ACCRUED	\$2,778,035
TRANSFERS IN/ OUT	-\$512
REALIZED GAINS	\$0
CHANGE IN MARKET VALUE	-\$907
INTEREST INCOME	\$12,288
ENDING VALUE + ACCRUED	\$2,788,903



Portfolio Composition



Investment Performance

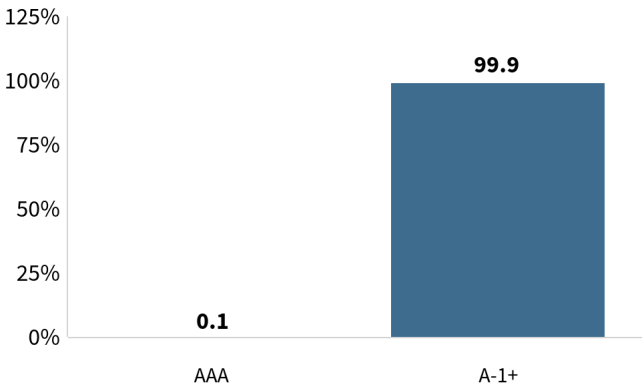


Performance is annualized for periods greater than one year. Inception to date performance begins October 01, 2003
Past performance is not indicative of future results.

Risk Management



Credit Rating Exposure

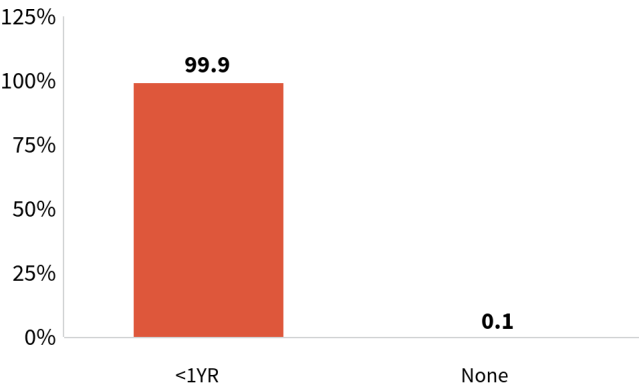


Source: Clearwater Composite Rating

Sector Exposure

	%MV
T-Bills	99.93%
Cash	0.07%

Duration Exposure (Years)



Top 10 Issuer Concentration

	%MV
United States	99.93%
(3140000V3) Federated Government Obligations Tax-Managed Fund	0.07%

This is a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

MARKET VALUE
\$2,788,903

BOOK VALUE
\$2,788,915

UNREALIZED GAIN/LOSS
-\$11

YIELD TO MATURITY
5.28%

COUPON RATE
0.00%

DURATION
0.22

WAL
0.23

MOODY'S RATING
Aaa

Disclosures



S&P 500 Total Return Index

The S&P 500® Index is the Standard & Poor's Composite Index and is widely regarded as a single gauge of large cap U.S. equities. It is market cap weighted and includes 500 leading companies, capturing approximately 80% coverage of available market capitalization.

S&P MidCap 400 Total Return Index

The S&P MidCap 400 Index, more commonly known as the S&P 400, is a stock market index from S&P Dow Jones Indices. The index serves as a barometer for the U.S. mid-cap equities sector and is the most widely followed mid-cap index.

S&P Small Cap 600 Total Return Index

The S&P SmallCap 600® seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

MSCI EAFE Net Total Return USD Index

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets, excluding the United States and Canada. The MSCI EAFE Index consists of the following 21 developed market countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

MSCI Emerging Net Total Return USD Index

The MSCI Emerging Markets Index is a free float-adjusted market capitalization-weighted index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 26 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

STOXX Global Broad Infrastructure Index Net Return USD

The STOXX Global Broad Infrastructure Index is derived from the STOXX. Developed and Emerging Markets Total Market Index (TMI) and offers a diversified representation of companies that generate more than 50% of their revenue from selected infrastructure sectors. STOXX partnered with Revere Data, which defines 17 subsectors for the infrastructure industry. These 17 subsectors are rolled into five supersectors - Communications, Energy, Government Outsourcing/Social, Transportation and Utilities.

S&P USA REIT USD Total Return Index

The S&P United States REIT Index defines and measures the investable universe of publicly traded real estate investment trusts domiciled in the United States.

Bloomberg Commodity Index Total Return

The Bloomberg Commodity Index provides broad-based exposure to commodities, and no single commodity or commodity sector dominates the index. Rather than being driven by micro-economic events affecting one commodity market or sector, the diversified commodity exposure of the index potentially reduces volatility in comparison with non-diversified commodity investments.

Wilshire Liquid Alternative Total Return Index

The Wilshire Liquid Alternative IndexSM measures the collective performance of the five Wilshire Liquid Alternative strategies that make up the Wilshire Liquid Alternative Universe. Created in 2014, with a set of time series of data beginning on December 31, 1999, the Wilshire Liquid Alternative Index (WLIQA) is designed to provide a broad measure of the liquid alternative market by combining the performance of the Wilshire Liquid Alternative Equity Hedge Index (WLIQAEH), Wilshire Liquid Alternative Global Macro Index (WLIQAGM), Wilshire Liquid Alternative Relative Value Index (WLIQARV), Wilshire Liquid Alternative Multi-Strategy Index (WLIQAMS), and Wilshire Liquid Alternative Event Driven Index (WLIQAED).

Bloomberg US Agg Total Return Value Unhedged USD

The Bloomberg U.S. Aggregate Index measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS. It rolls up into other flagship indices, such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

Bloomberg VLI: High Yield Total Return Index Value Unhedged USD

The Bloomberg VLI: High Yield Total Return Index is a component of the US Corp High Yield Index that is designed to track a more liquid component of the USD-denominated, high yield, fixed-rate corporate bond market.

Bloomberg GLA xUSD Float Adj RIC Capped Index TR Index Value Hedged USD

The Bloomberg Barclays Global Aggregate ex-USD Float-Adjusted RIC Capped Index is a customized subset of the Global Aggregate Index that meets the same diversification guidelines that a fund must pass to qualify as a regulated investment company (RIC). This multi-currency benchmark includes fixed-rate treasury, government-related, corporate and securitized bonds from developed and emerging markets issuers while excluding USD denominated debt. The Global Aggregate ex-USD Float Adjusted RIC Capped Index is largely comprised of two major regional aggregate components: the Pan-European Aggregate and the Asian-Pacific Aggregate Index.

FTSE 3 Month Treas Bill Local Currency

The FTSE 3 Month US T Bill Index Series is intended to track the daily performance of 3 month US Treasury bills. The indices are designed to operate as a reference rate for a series of funds.

Disclosures



Bloomberg Muni 1-15 Year Blend (1-17) Total Return Index Value

The Bloomberg Municipal 1-15 Year Index measures the performance of USD-denominated long-term, tax-exempt bond market with maturities of 1-15 years, including state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Intermediate Index measures the performance of the U.S. Treasury and U.S. agency debentures with maturities of 1-10 years. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

Bloomberg 1-5 Yr Gov/Credit Total Return Index Value Unhedge

The Bloomberg US 1-5 year Government/Credit Float-Adjusted Bond Index is a float-adjusted version of the US 1-5 year Government/Credit Index, which tracks the market for investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities.

FTSE High Dividend Yield Total Return Index

The FTSE High Dividend Yield Index is designed to represent the performance of companies with relatively high forecast dividend yields

WisdomTree U.S. MidCap Dividend Index Total Return

The WisdomTree U.S. MidCap Dividend Index is a fundamentally weighted index that measures the performance of the mid-capitalization segment of the US dividend-paying market. The Index is comprised of the companies that compose the top 75% of the market capitalization of the WisdomTree U.S. Dividend Index after the 300 largest companies have been removed. The index is dividend weighted annually to reflect the proportionate share of the aggregate cash dividends each component company is projected to pay in the coming year, based on the most recently declared dividend per share.

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Bloomberg U.S. Long Government/Credit Unhedged USD

The Bloomberg U.S. Government Credit Long Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 10 years and greater, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Credit Intermediate Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 1-10 years, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

Bloomberg Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD

An index designed to measure the performance of tax-exempt U.S. investment grade municipal bonds with remaining maturities between four and six years. Index returns assume reinvestment of distributions, but do not reflect any applicable sales charges or management fees.

MSCI ACWI IMI Net Total Return USD Index

The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The MSCI AXWI IMI includes the following 23 developed market countries : Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, and United States. The MSCI AXWI IMI includes the following 24 emerging market countries: : Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

Bloomberg 1-3 Yr Gov Total Return Index Value Unhedged USD

The Bloomberg U.S. Government/Credit 1-3 Year Index is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years.

Bloomberg 1-5 Yr Gov TR Index

Bloomberg Barclays Municipal 1-5 Yr TR USD includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

ICE BofA US 3-Month Treasury Bill Index

The ICE BofA 3 Month U.S. Treasury Index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

Bloomberg US Treasury TIPS 0-5 Years Total Return Index Unhedged USD

Bloomberg US Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market value-weighted index that measures the performance of inflation-protected securities issued by the US Treasury that have a remaining average life between 0 and 5 years.

Bloomberg U.S. Treasury Bellwethers: 1 Yr

The Bloomberg U.S. Treasury Bellwethers 1 Yr. Index is an unmanaged index representing the on-the-run (most recently auctioned) U.S. Treasury bond with 1 years' maturity.



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Portfolio Manager

Paul Hanson, CFA®

Chartered Financial Analyst® (CFA®) are licensed by the CFA® Institute to use the CFA® mark. CFA® certification requirements: Hold a bachelor's degree from an accredited institution or have equivalent education or work experience, successful completion of all three exam levels of the CFA® Program, have 48 months of acceptable professional work experience in the investment decision-making process, fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors.



ALASKA PERMANENT
CAPITAL MANAGEMENT

Registered Investment Adviser

AEB 2010 SERIES B BOND/AKUTAN Investment Report

January 2024

Portfolio Overview

BEGINNING VALUE
+ ACCRUED **\$801,932**

TRANSFERS IN/
OUT **-\$33**

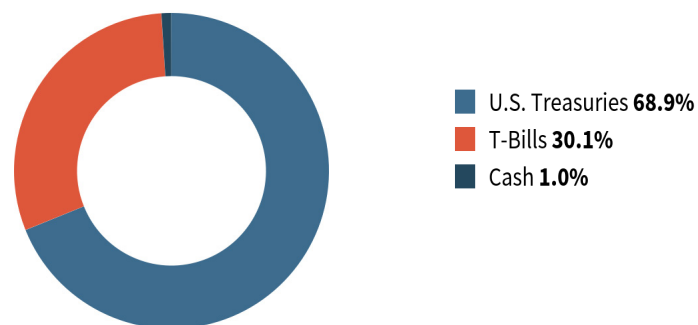
REALIZED GAINS **-\$2,100**

CHANGE IN
MARKET VALUE **\$2,937**

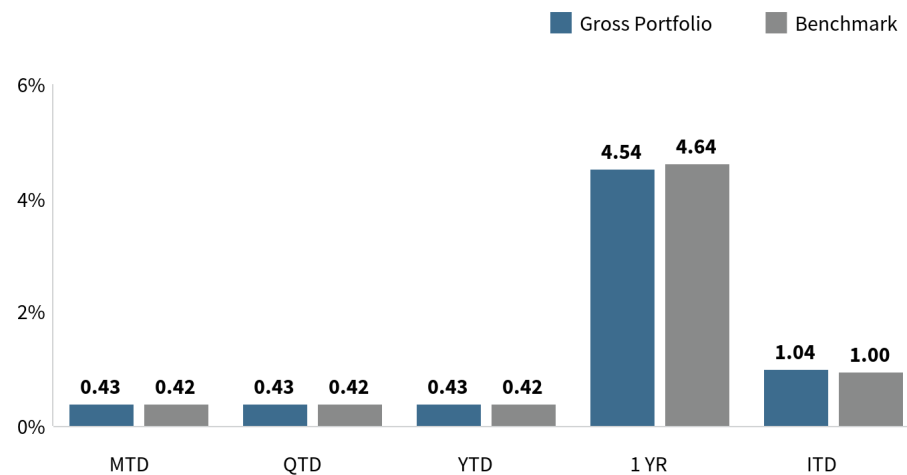
INTEREST INCOME **\$2,612**

ENDING VALUE +
ACCRUED **\$805,348**

Portfolio Composition



Investment Performance

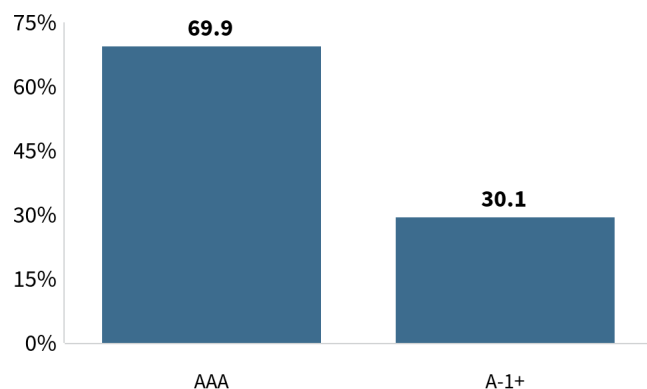


Performance is annualized for periods greater than one year. Inception to date performance begins September 01, 2011
Past performance is not indicative of future results.

Risk Management

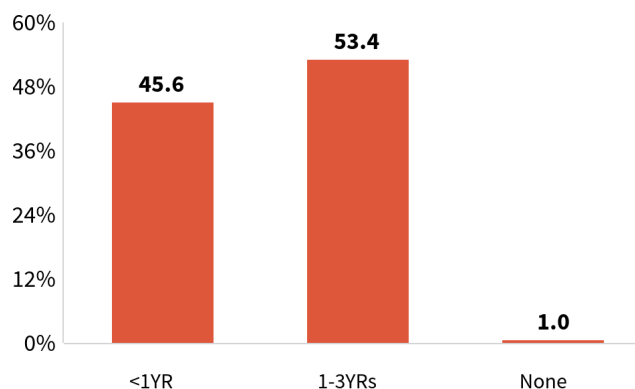


Credit Rating Exposure



Source: Clearwater Composite Rating

Duration Exposure (Years)



Sector Exposure

	%MV
U.S. Treasuries	68.90%
T-Bills	30.08%
Cash	1.02%

Top 10 Issuer Concentration

	%MV
United States	98.98%
(3140000V3) Federated Government Obligations Tax-Managed Fund	1.02%

This is a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

MARKET VALUE

\$802,540

BOOK VALUE

\$803,361

UNREALIZED GAIN/LOSS

-\$821

YIELD TO MATURITY

4.72%

COUPON RATE

2.50%

DURATION

1.16

WAL

1.46

MOODY'S RATING

Aaa

Disclosures



S&P 500 Total Return Index

The S&P 500® Index is the Standard & Poor's Composite Index and is widely regarded as a single gauge of large cap U.S. equities. It is market cap weighted and includes 500 leading companies, capturing approximately 80% coverage of available market capitalization.

S&P MidCap 400 Total Return Index

The S&P MidCap 400 Index, more commonly known as the S&P 400, is a stock market index from S&P Dow Jones Indices. The index serves as a barometer for the U.S. mid-cap equities sector and is the most widely followed mid-cap index.

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Bloomberg GLA xUSD Float Adj RIC Capped Index TR Index Value Hedged USD

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Disclosures



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Bloomberg 1-5 Yr Gov/Credit Total Return Index Value Unhedge

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Bloomberg 1-3 Yr Gov Total Return Index Value Unhedged USD

The Bloomberg U.S. Government/Credit 1-3 Year Index is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years.

Bloomberg 1-5 Yr Gov TR Index

Bloomberg Barclays Municipal 1-5 Yr TR USD includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

ICE BofA US 3-Month Treasury Bill Index

The ICE BofA 3 Month U.S. Treasury Index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

Bloomberg US Treasury TIPS 0-5 Years Total Return Index Unhedged USD

Bloomberg US Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market value-weighted index that measures the performance of inflation-protected securities issued by the US Treasury that have a remaining average life between 0 and 5 years.

Bloomberg U.S. Treasury Bellwethers: 1 Yr

The Bloomberg U.S. Treasury Bellwethers 1 Yr. Index is an unmanaged index representing the on-the-run (most recently auctioned) U.S. Treasury bond with 1 years' maturity.



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Portfolio Manager

Paul Hanson, CFA®

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ALASKA PERMANENT
CAPITAL MANAGEMENT

Registered Investment Adviser

AEB OPERATING RESERVE FUND Investment Report

January 2024

Portfolio Overview

BEGINNING VALUE
+ ACCRUED **\$9,704,543**

TRANSFERS IN/
OUT **-\$747**

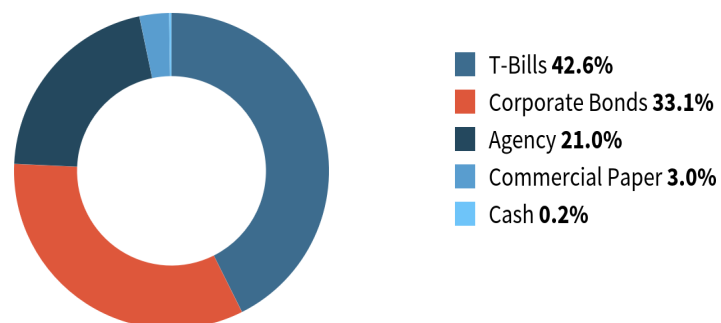
REALIZED GAINS **\$0**

CHANGE IN
MARKET VALUE **-\$1,789**

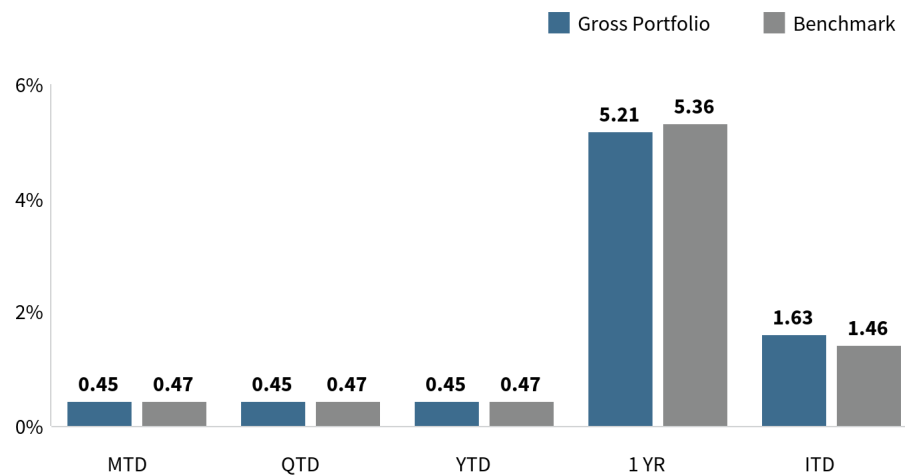
INTEREST INCOME **\$45,266**

ENDING VALUE +
ACCRUED **\$9,747,272**

Portfolio Composition



Investment Performance

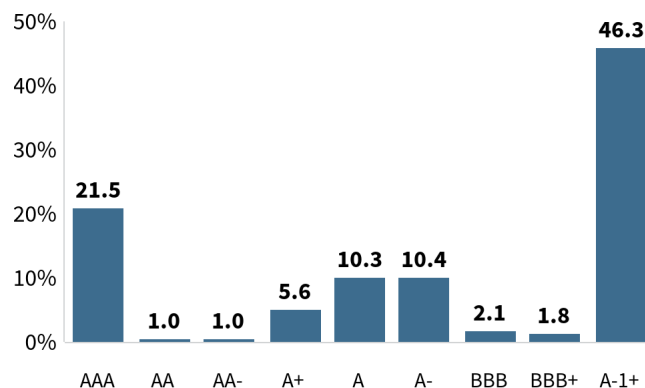


Performance is annualized for periods greater than one year. Inception to date performance begins August 01, 2001. Past performance is not indicative of future results.

Risk Management

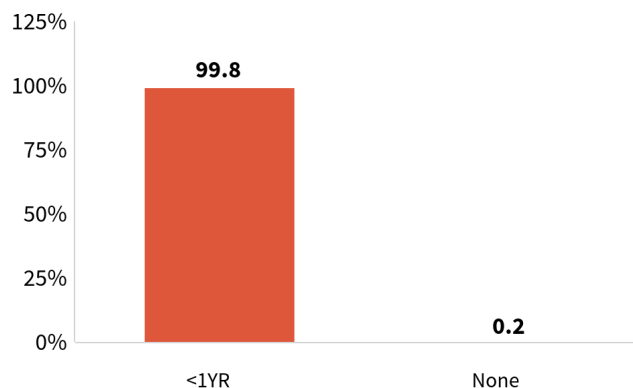


Credit Rating Exposure



Source: Clearwater Composite Rating

Duration Exposure (Years)



Sector Exposure

	%MV
T-Bills	42.61%
Corporate Bonds	33.09%
Agency	21.03%
Commercial Paper	3.04%
Cash	0.23%

Top 10 Issuer Concentration

	%MV
United States	42.62%
Federal Home Loan Banks	12.19%
Farm Credit System	4.51%
Federal National Mortgage Association	4.08%
American Express Company	1.89%
Simon Property Group, Inc.	1.69%
Phillips 66	1.63%
Target Corporation	1.59%
Marsh & McLennan Companies, Inc.	1.57%
The Bank of New York Mellon Corporation	1.55%

This is a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

MARKET VALUE

\$9,702,949

BOOK VALUE

\$9,700,250

UNREALIZED GAIN/LOSS

\$2,699

YIELD TO MATURITY

5.34%

COUPON RATE

1.69%

DURATION

0.22

WAL

0.24

MOODY'S RATING

Aa3

Disclosures



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Bloomberg VLI: High Yield Total Return Index Value Unhedged USD

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Bloomberg GLA xUSD Float Adj RIC Capped Index TR Index Value Hedged USD

The Bloomberg Barclays Global Aggregate ex-USD Float-Adjusted RIC Capped Index is a customized subset of the Global Aggregate Index that meets the same diversification guidelines that a fund must pass to qualify as a regulated investment company (RIC). This multi-currency benchmark includes fixed-rate treasury, government-related, corporate and securitized bonds from developed and emerging markets issuers while excluding USD denominated debt. The Global Aggregate ex-USD Float Adjusted RIC Capped Index is largely comprised of two major regional aggregate components: the Pan-European Aggregate and the Asian-Pacific Aggregate Index.

FTSE 3 Month Treas Bill Local Currency

The FTSE 3 Month US T Bill Index Series is intended to track the daily performance of 3 month US Treasury bills. The indices are designed to operate as a reference rate for a series of funds.

Disclosures

Bloomberg Muni 1-15 Year Blend (1-17) Total Return Index Value

The Bloomberg Municipal 1-15 Year Index measures the performance of USD-denominated long-term, tax-exempt bond market with maturities of 1-15 years, including state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Intermediate Index measures the performance of the U.S. Treasury and U.S. agency debentures with maturities of 1-10 years. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

Bloomberg 1-5 Yr Gov/Credit Total Return Index Value Unhedge

The Bloomberg US 1-5 year Government/Credit Float-Adjusted Bond Index is a float-adjusted version of the US 1-5 year Government/Credit Index, which tracks the market for investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities.

FTSE High Dividend Yield Total Return Index

The FTSE High Dividend Yield Index is designed to represent the performance of companies with relatively high forecast dividend yields

WisdomTree U.S. MidCap Dividend Index Total Return

The WisdomTree U.S. MidCap Dividend Index is a fundamentally weighted index that measures the performance of the mid-capitalization segment of the US dividend-paying market. The Index is comprised of the companies that compose the top 75% of the market capitalization of the WisdomTree U.S. Dividend Index after the 300 largest companies have been removed. The index is dividend weighted annually to reflect the proportionate share of the aggregate cash dividends each component company is projected to pay in the coming year, based on the most recently declared dividend per share.

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Bloomberg U.S. Long Government/Credit Unhedged USD

The Bloomberg U.S. Government Credit Long Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 10 years and greater, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Credit Intermediate Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 1-10 years, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

Bloomberg Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD

An index designed to measure the performance of tax-exempt U.S. investment grade municipal bonds with remaining maturities between four and six years. Index returns assume reinvestment of distributions, but do not reflect any applicable sales charges or management fees.

MSCI ACWI IMI Net Total Return USD Index

The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The MSCI AXWI IMI includes the following 23 developed market countries : Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, and United States. The MSCI AXWI IMI includes the following 24 emerging market countries: : Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

Bloomberg 1-3 Yr Gov Total Return Index Value Unhedged USD

The Bloomberg U.S. Government/Credit 1-3 Year Index is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years.

Bloomberg 1-5 Yr Gov TR Index

Bloomberg Barclays Municipal 1-5 Yr TR USD includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

ICE BofA US 3-Month Treasury Bill Index

The ICE BofA 3 Month U.S. Treasury Index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

Bloomberg US Treasury TIPS 0-5 Years Total Return Index Unhedged USD

Bloomberg US Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market value-weighted index that measures the performance of inflation-protected securities issued by the US Treasury that have a remaining average life between 0 and 5 years.

Bloomberg U.S. Treasury Bellwethers: 1 Yr

The Bloomberg U.S. Treasury Bellwethers 1 Yr. Index is an unmanaged index representing the on-the-run (most recently auctioned) U.S. Treasury bond with 1 years' maturity.



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Portfolio Manager

Paul Hanson, CFA®

Chartered Financial Analyst® (CFA®) are licensed by the CFA® Institute to use the CFA® mark. CFA® certification requirements: Hold a bachelor's degree from an accredited institution or have equivalent education or work experience, successful completion of all three exam levels of the CFA® Program, have 48 months of acceptable professional work experience in the investment decision-making process, fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors.



ALASKA PERMANENT CAPITAL MANAGEMENT

Registered Investment Adviser

ALEUTIANS EAST BOR. PERM FUND Investment Report

January 2024

Portfolio Overview

BEGINNING VALUE
+ ACCRUED **\$44,432,630**

TRANSFERS IN/
OUT **-\$1,064**

REALIZED GAINS/
LOSSES **\$324,732**

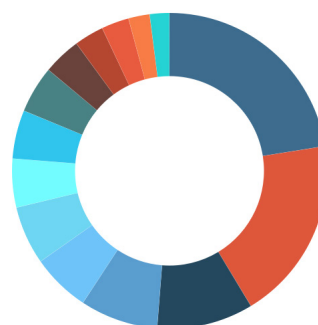
CHANGE IN
MARKET VALUE **-\$477,361**

INTEREST INCOME **\$37,581**

DIVIDEND INCOME **\$0**

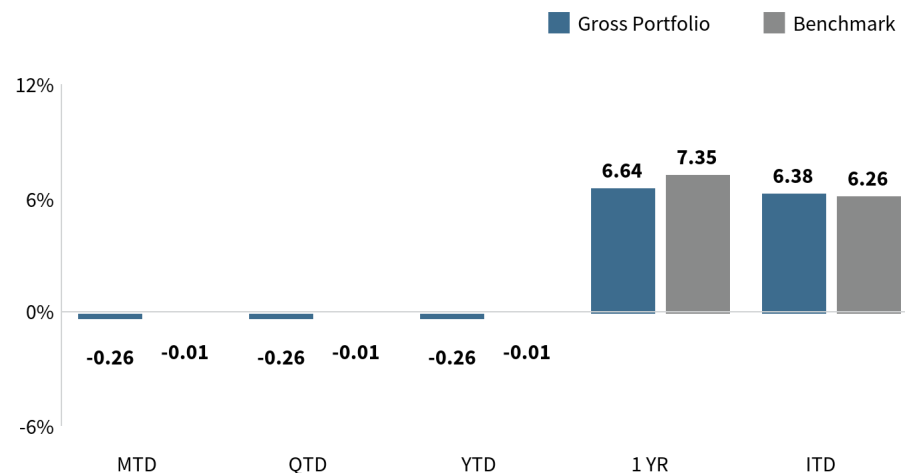
ENDING VALUE +
ACCRUED **\$44,316,519**

Portfolio Composition



- U.S. Large Cap Equity **22.5%**
- U.S. Fixed Income **18.9%**
- U.S. Mid Cap Equity **9.9%**
- Alternative Beta **8.0%**
- Developed International Equity **6.0%**
- International Fixed Income **6.0%**
- Infrastructure **5.0%**
- U.S. High Yield Fixed Income **5.0%**
- U.S. Small Cap Equity **4.8%**
- Emerging Market Equity **3.9%**
- Commodities **3.0%**
- REITs **2.8%**
- Cash **2.2%**
- TIPS **2.0%**

Investment Performance



Performance is annualized for periods greater than one year. Inception to date performance begins August 01, 1993
Past performance is not indicative of future results.

Portfolio Summary and Target

	MARKET VALUE (\$)	ASSETS (%)	TARGET (%)	RANGE
RISK CONTROL				
U.S. Fixed Income	8,361,544	18.9%	18%	8% to 28%
TIPS	889,999	2.0%	2%	0% to 10%
International Fixed Income	2,649,484	6.0%	5%	0% to 10%
Cash	965,477	2.2%	2%	0% to 10%
Risk Control Total	12,866,503	29.0%		
RISK ASSET				
U.S. High Yield Fixed Income	2,210,415	5.0%	5%	0% to 10%
U.S. Large Cap Equity	9,970,550	22.5%	22%	12% to 32%
U.S. Mid Cap Equity	4,387,247	9.9%	10%	5% to 15%
U.S. Small Cap Equity	2,137,005	4.8%	5%	0% to 10%
Developed International Equity	2,663,146	6.0%	6%	0% to 12%
Emerging Market Equity	1,716,799	3.9%	4%	0% to 8%
Risk Asset Total	23,085,161	52.1%		
ALTERNATIVES				
REITs	1,254,374	2.8%	3%	0% to 6%
Alternative Beta	3,547,789	8.0%	10%	0% to 15%
Infrastructure	2,211,307	5.0%	5%	0% to 10%
Commodities	1,351,384	3.0%	3%	0% to 6%
Alternatives Total	8,364,854	18.9%		
TOTAL PORTFOLIO	44,316,519	100.0%		

We urge you compare the account statement we provide with the account statement you receive from your custodian. We cannot guarantee the accuracy of this information for tax purposes. Please verify all information from trade confirmations.

Past performance is not indicative of future results.

Disclosures



S&P 500 Total Return Index

The S&P 500® Index is the Standard & Poor's Composite Index and is widely regarded as a single gauge of large cap U.S. equities. It is market cap weighted and includes 500 leading companies, capturing approximately 80% coverage of available market capitalization.

S&P MidCap 400 Total Return Index

The S&P MidCap 400 Index, more commonly known as the S&P 400, is a stock market index from S&P Dow Jones Indices. The index serves as a barometer for the U.S. mid-cap equities sector and is the most widely followed mid-cap index.

S&P Small Cap 600 Total Return Index

The S&P SmallCap 600® seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

MSCI EAFE Net Total Return USD Index

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets, excluding the United States and Canada. The MSCI EAFE Index consists of the following 21 developed market countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

MSCI Emerging Net Total Return USD Index

The MSCI Emerging Markets Index is a free float-adjusted market capitalization-weighted index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 26 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

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The STOXX Global Broad Infrastructure Index is derived from the STOXX. Developed and Emerging Markets Total Market Index (TMI) and offers a diversified representation of companies that generate more than 50% of their revenue from selected infrastructure sectors. STOXX partnered with Revere Data, which defines 17 subsectors for the infrastructure industry. These 17 subsectors are rolled into five supersectors - Communications, Energy, Government Outsourcing/Social, Transportation and Utilities.

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Chartered Financial Analyst® (CFA®) are licensed by the CFA® Institute to use the CFA® mark. CFA® certification requirements: Hold a bachelor's degree from an accredited institution or have equivalent education or work experience, successful completion of all three exam levels of the CFA® Program, have 48 months of acceptable professional work experience in the investment decision-making process, fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors.



ALASKA PERMANENT CAPITAL MANAGEMENT

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AEB APPROPRIATIONS FUND Investment Report

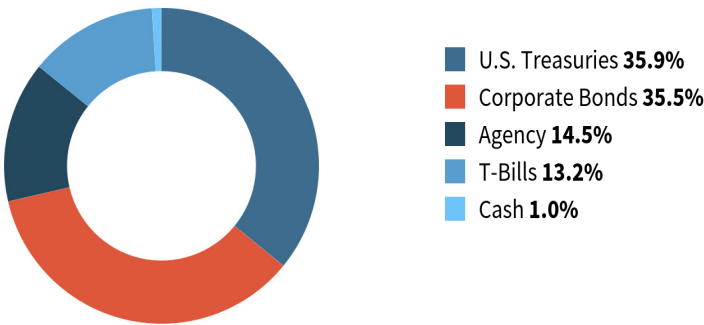
January 2024

Portfolio Overview

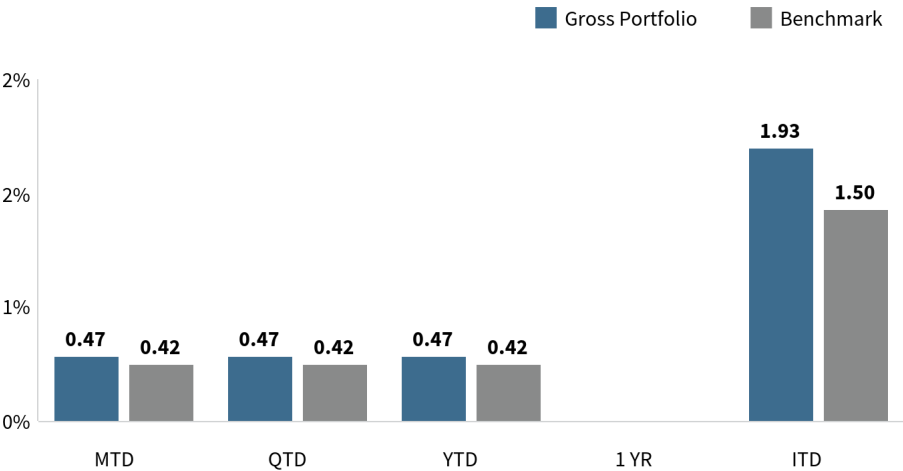
BEGINNING VALUE + ACCRUED	\$3,654,834
TRANSFERS IN/ OUT	\$0
REALIZED GAINS	\$179
CHANGE IN MARKET VALUE	\$503
INTEREST INCOME	\$16,426
ENDING VALUE + ACCRUED	\$3,671,942



Portfolio Composition



Investment Performance

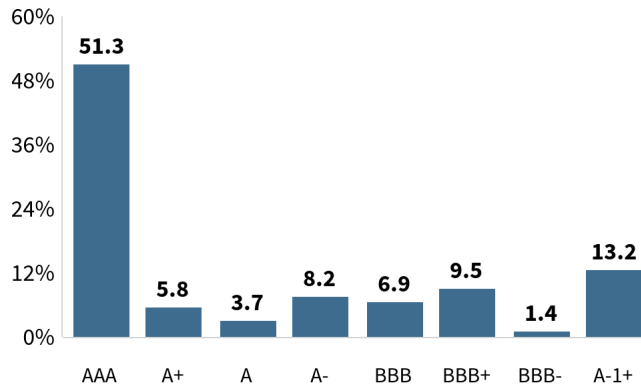


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Risk Management



Credit Rating Exposure

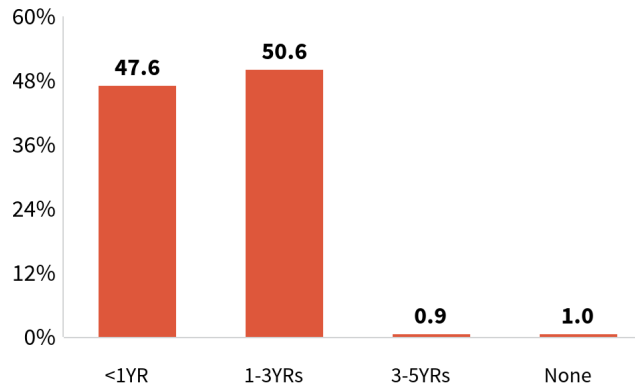


Source: Clearwater Composite Rating

Sector Exposure

	%MV
U.S. Treasuries	35.91%
Corporate Bonds	35.47%
Agency	14.46%
T-Bills	13.21%
Cash	0.96%

Duration Exposure (Years)



Top 10 Issuer Concentration

	%MV
United States	49.12%
Federal Home Loan Banks	13.06%
The Bank of New York Mellon Corporation	1.89%
U.S. Bancorp	1.39%
Farm Credit System	1.39%
American Express Company	1.38%
Morgan Stanley	1.36%
AvalonBay Communities, Inc.	1.34%
The Estée Lauder Companies Inc.	1.33%
Simon Property Group, Inc.	1.32%

This is a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

MARKET VALUE
\$3,653,587

BOOK VALUE
\$3,631,720

UNREALIZED GAIN/LOSS
\$21,867

YIELD TO MATURITY
5.02%

COUPON RATE
2.86%

DURATION
1.12

WAL
1.51

MOODY'S RATING
A1

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The FTSE High Dividend Yield Index is designed to represent the performance of companies with relatively high forecast dividend yields

WisdomTree U.S. MidCap Dividend Index Total Return

The WisdomTree U.S. MidCap Dividend Index is a fundamentally weighted index that measures the performance of the mid-capitalization segment of the US dividend-paying market. The Index is comprised of the companies that compose the top 75% of the market capitalization of the WisdomTree U.S. Dividend Index after the 300 largest companies have been removed. The index is dividend weighted annually to reflect the proportionate share of the aggregate cash dividends each component company is projected to pay in the coming year, based on the most recently declared dividend per share.

WisdomTree U.S. SmallCap Dividend Index Total Return

The WisdomTree U.S. SmallCap Dividend Index is a fundamentally weighted index measuring the performance of the small-capitalization segment of the US dividend-paying market. The Index is comprised of the companies that compose the bottom 25% of the market capitalization of the WisdomTree U.S. Dividend Index after the 300 largest companies have been removed. The index is dividend weighted annually to reflect the proportionate share of the aggregate cash dividends each component company is projected to pay in the coming year, based on the most recently declared dividend per share.

Bloomberg U.S. Long Government/Credit Unhedged USD

The Bloomberg U.S. Government Credit Long Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 10 years and greater, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Credit Intermediate Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 1-10 years, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

Bloomberg Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD

An index designed to measure the performance of tax-exempt U.S. investment grade municipal bonds with remaining maturities between four and six years. Index returns assume reinvestment of distributions, but do not reflect any applicable sales charges or management fees.

MSCI ACWI IMI Net Total Return USD Index

The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The MSCI AXWI IMI includes the following 23 developed market countries : Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, and United States. The MSCI AXWI IMI includes the following 24 emerging market countries: : Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

Bloomberg 1-3 Yr Gov Total Return Index Value Unhedged USD

The Bloomberg U.S. Government/Credit 1-3 Year Index is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years.

Bloomberg 1-5 Yr Gov TR Index

Bloomberg Barclays Municipal 1-5 Yr TR USD includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

ICE BofA US 3-Month Treasury Bill Index

The ICE BofA 3 Month U.S. Treasury Index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

Bloomberg US Treasury TIPS 0-5 Years Total Return Index Unhedged USD

Bloomberg US Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market value-weighted index that measures the performance of inflation-protected securities issued by the US Treasury that have a remaining average life between 0 and 5 years.

Bloomberg U.S. Treasury Bellwethers: 1 Yr

The Bloomberg U.S. Treasury Bellwethers 1 Yr. Index is an unmanaged index representing the on-the-run (most recently auctioned) U.S. Treasury bond with 1 years' maturity.



Client Relationship Manager

Blake Phillips, CFA®

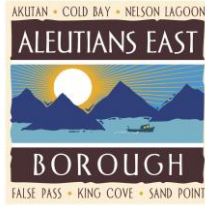
blake@apcm.net

Portfolio Manager

Paul Hanson, CFA®

Chartered Financial Analyst® (CFA®) are licensed by the CFA® Institute to use the CFA® mark. CFA® certification requirements: Hold a bachelor's degree from an accredited institution or have equivalent education or work experience, successful completion of all three exam levels of the CFA® Program, have 48 months of acceptable professional work experience in the investment decision-making process, fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors.

CONSENT AGENDA



RESOLUTION 24-28

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY APPROVING CERTAIN UNINCORPORATED COMMUNITIES AND THEIR RESPECTIVE NATIVE VILLAGE COUNCIL AND/OR INCORPORATED NONPROFIT ENTITY FOR PARTICIPATION IN THE FY25 COMMUNITY ASSISTANCE PROGRAM

WHEREAS, AS 29.60.865 and 3 AAC 180.010 require the assembly of a borough or unified municipality to adopt a resolution identifying those unincorporated communities located within their municipal boundaries that the assembly determines meet the Community Assistance Program eligibility criteria established under AS 29.60.865, AS 29.60.879, and 3 AAC 180.110; and

WHEREAS, the unincorporated community has either a Native village council or incorporated nonprofit entity that will agree to receive and spend the Community Assistance payment for the public benefit of the unincorporated community; and

WHEREAS, the unincorporated community has 25 or more residents residing as a social unit; and

WHEREAS, at least three of the following services; fire protection, emergency medical, water and sewer, solid waste management, public road or ice road maintenance, public health, and search and rescue; are generally available to all residents of the unincorporated community and each of the three services, in any combination, are provided by one or more qualifying Native village council or incorporated nonprofit entity or are substantially paid for by the residents of the unincorporated community through taxes, charges, or assessments levied or authorized by the borough or unified municipality;

NOW THEREFORE BE IT RESOLVED THAT: The Assembly by this resolution hereby certifies that the following unincorporated communities and their respective Native village council or incorporated nonprofit entity are eligible for funding under the FY25 Community Assistance Program:

Unincorporated Community

Native village council or nonprofit entity

Nelson Lagoon Village Council

PASSED AND ADOPTED by a duly constituted quorum of the Aleutians East Borough on this 14th day of March, 2024.

Alvin D. Osterback, Mayor

ATTEST:

Beverly Rosete, Clerk

**Department of Commerce,
Community and Economic
Development
FY25 Community Assistance Program
(CAP)**

**APPLICATION DUE NO LATER THAN
JUNE 1, 2024**



**State of Alaska
Mike Dunleavy, Governor**

**Department of Commerce, Community,
and Economic Development
Julie Sande, Commissioner**

**Division of Community and Regional Affairs
Sandra Moller, Director**

**Instructions for FY 25 Community Assistance Program (CAP)
Borough Application**

Due June 1, 2024:

To receive FY25 CAP payment the borough is required to submit the following documents no later than 4:30PM on June 1, 2024. Email is the preferred method for receiving the forms, see special instructions for submitting by email.

- ✓ Requirements and Certifications Application form (included in this packet). Check or initial each box indicating the borough understands the requirements for payment. Be certain the form is signed and dated before submitting.
- ✓ Proposed CAP budget (included in this packet) for the coming year's CAP payment.
- ✓ Statement of Expenditures (included in this packet) of the prior year's CAP payment.

Due prior to CAP Payment:

The following documents are not subject to the June 1st deadline however, the required forms should be submitted at the earliest opportunity as they become available. Community assistance payment will not be distributed until the following required documents have been received to the following email:

CAA@alaska.gov , provide email, hard copy, or website link of:	StateAssessor@alaska.gov , forms for the most recently completed annual budget cycle as of July 1:	LBC@alaska.gov : For all changes in FY24
✓ FY25 Annual Budget, including non-code ordinance adopting the budget	✓ Municipal Tax Report	✓ Maps and descriptions of all annexed or detached territory
✓ FY23 Annual Audit/CFS	✓ Municipal Debt Report	
	✓ Copy of taxpayer notice	

Special instructions for email submission: Use the above email to provide the corresponding documents. Subject line: "Entity name – CAP – FY Document Name" Example: "Icy Borough – CAP – FY25 Application".

If unable to email, mail to: DCCED DCRA, 550 W. 7th Ave Ste 1650 Anchorage, AK 99501 or Fax: (907) 269-4539

State Assessor forms can be found at:

<https://www.commerce.alaska.gov/web/dcra/OfficeoftheStateAssessor/ReportsandForms.aspx>.

If there are questions, contact Lindsay Reese at (907) 269-7906 or email caa@alaska.gov.

Statutes, regulations, and forms are available at:

<https://www.commerce.alaska.gov/web/dcra/GrantsSection/CommunityRevenueSharing.aspx>

FY 2025 COMMUNITY ASSISTANCE PROGRAM REQUIREMENTS AND CERTIFICATION

BOROUGH APPLICATION

DEADLINE: JUNE 1, 2024

NAME OF BOROUGH	CONTACT NAME
MAILING ADDRESS	CONTACT EMAIL ADDRESS
CITY, STATE, ZIP CODE	CONTACT PHONE & FAX NUMBER

ACKNOWLEDGE THE REQUIREMENTS BY CHECKING OR INITIALING EACH BOX:

- ☐ The community assistance payment will be used only for a public purpose as required under AS 29.60.850(a) and the borough agrees to make available a service or facility with the funds under AS 29.60.855 – 29.60.879 to every person in the community.
- ☐ The borough will maintain, as required by 3 AAC 180.010 (4), all records relating to receipt and expenditure of a community assistance payment for at least three years, or longer if there is an unresolved audit finding, questioned costs, litigation or a grievance.
- ☐ A statement of expenditures of the prior year's community assistance payment and a budget form for current year's application.
- ☐ Acknowledge reports due prior to FY25 CAP payment may be released (see instructions for details):

Reports to CAA@alaska.gov:

- ☐ FY25 Annual Budget
- ☐ FY23 Annual Audit

Reports to StateAssessor@alaska.gov:

- ☐ FY24 Tax assessment and tax levy figures
- ☐ Summary of optional property tax exemptions and estimate of revenue lost to exemptions
- ☐ Copy of taxpayer notice

Reports to LBC@alaska.gov:

- ☐ Maps and descriptions of all annexed or detached territory

CERTIFICATION:

As the highest ranking official, I certify the _____ understands the
(Name of Borough)

requirements for receiving the community assistance payment and agrees to comply with all laws and regulations (AS 29.60.850 – 879; 3 AAC 180.010 – 900) governing the community assistance funds.

Signature

Date

Printed Name and Title

**FY 2025 PROPOSED
COMMUNITY ASSISTANCE PROGRAM BUDGET**

Name of Borough

Please describe below how your organization proposes to utilize the estimated FY 2025 Community Assistance Program distribution.

FUEL	\$_____
ELECTRICITY	\$_____
INSURANCE	\$_____
EDUCATION	\$_____
EMS	\$_____
WATER/SEWER	\$_____
PUBLIC SAFETY	\$_____
FIRE	\$_____
ROAD MAINTENANCE	\$_____
HARBORS	\$_____
HEALTH	\$_____
GENERAL ADMINISTRATION	\$_____
OTHER_____	\$_____
OTHER_____	\$_____
OTHER_____	\$_____

FY 2025 ESTIMATED PAYMENT \$_____

FY 2024 COMMUNITY ASSISTANCE PROGRAM
Statement of Expenditures for Prior Year Payment

Name of Borough

Please detail below how your organization utilized the FY 2024 Community Assistance Payment.

FUEL	\$ _____
ELECTRICITY	\$ _____
INSURANCE	\$ _____
EDUCATION	\$ _____
EMS	\$ _____
WATER/SEWER	\$ _____
PUBLIC SAFETY	\$ _____
FIRE	\$ _____
ROAD MAINTENANCE	\$ _____
HARBORS	\$ _____
HEALTH	\$ _____
GENERAL ADMINISTRATION	\$ _____
OTHER _____	\$ _____
OTHER _____	\$ _____
OTHER _____	\$ _____
OTHER _____	\$ _____
OTHER _____	\$ _____
SAVINGS/NOT SPENT	\$ _____

FY 2024 TOTAL PAYMENT \$ _____

RESOLUTION # _____
APPROVING UNINCORPORATED COMMUNITIES
FOR PARTICIPATION IN THE
FY25 COMMUNITY ASSISTANCE PROGRAM

A RESOLUTION APPROVING CERTAIN UNINCORPORATED COMMUNITIES AND THEIR RESPECTIVE NATIVE VILLAGE COUNCIL AND/OR INCORPORATED NONPROFIT ENTITY FOR PARTICIPATION IN THE FY25 COMMUNITY ASSISTANCE PROGRAM.

WHEREAS, AS 29.60.865 and 3 AAC 180.010 require the assembly of a borough or unified municipality to adopt a resolution identifying those unincorporated communities located within their municipal boundaries that the assembly determines meet the Community Assistance Program eligibility criteria established under AS 29.60.865, AS 29.60.879, and 3 AAC 180.110; and

WHEREAS, the unincorporated community has either a Native village council or incorporated nonprofit entity that will agree to receive and spend the Community Assistance payment for the public benefit of the unincorporated community; and

WHEREAS, the unincorporated community has 25 or more residents residing as a social unit; and

WHEREAS, at least three of the following services; fire protection, emergency medical, water and sewer, solid waste management, public road or ice road maintenance, public health, and search and rescue; are generally available to all residents of the unincorporated community and each of the three services, in any combination, are provided by one or more qualifying Native village council or incorporated nonprofit entity or are substantially paid for by the residents of the unincorporated community through taxes, charges, or assessments levied or authorized by the borough or unified municipality;

NOW THEREFORE BE IT RESOLVED THAT: The Assembly by this resolution hereby certifies that the following unincorporated communities and their respective Native village council or incorporated nonprofit entity are eligible for funding under the FY25 Community Assistance Program:

Unincorporated Community	Native village council or nonprofit entity
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

PASSED AND APPROVED by a duly constituted quorum of the Assembly of the

_____ this ____ day of _____, 20____
(Borough)

SIGNED: _____
(Mayor)

ATTEST: _____
(Clerk)

Eligibility Requirements for Unincorporated Communities Located Within Boroughs and Unified Municipalities

Alaska Statutes AS 29.60.865 – .879 and Alaska Administrative Code 3 AAC 180.010

Sec. 29.60.865. Eligibility requirements for reserves and communities.

(a) The department, with advice from the Department of Law, shall determine whether there is in each community or reserve an incorporated nonprofit entity or a Native village council that will agree to receive and spend the community assistance payment. If there is more than one qualified entity in a reserve or community in the unorganized borough, the department shall pay the money to the entity that the department finds most qualified to receive and spend the money on behalf of the reserve or community. The department may not make a community assistance payment to a Native village council unless the council waives immunity from suit for claims arising out of activities of the council related to the payment. A waiver of immunity from suit under this section must be on a form provided by the Department of Law. If there is no qualified incorporated nonprofit entity or Native village council in a reserve or community that is willing to receive the community assistance payment and use the payment on behalf of that reserve or community, the payment for that reserve or community may not be paid. Neither this section nor any action taken under it enlarges or diminishes the governmental authority or jurisdiction of a Native village council.

(b) The department may make a community assistance payment on behalf of a community in a borough or unified municipality only to the municipality for payment by the municipality to an incorporated nonprofit entity or Native village council that has been approved by the assembly and meets the requirements of (a) of this section. The department shall have written evidence of the assembly approval. If there is more than one qualified entity in a community in a borough or unified municipality, one of the entities may receive the entire payment, or the payment may be shared between two or more of the qualified entities, as determined by the assembly.

(c) A community in a borough or unified municipality is eligible for a community assistance payment only if at least three of the following services are generally available to all residents of the community and each of the three services, in any combination, are provided by one or more qualifying incorporated nonprofit entities or a Native village council or are substantially paid for by the residents of the community through taxes, charges, or assessments levied or authorized by the borough or unified municipality:

- (1) fire protection;
- (2) emergency medical;
- (3) water and sewer;
- (4) solid waste management;
- (5) public road or ice road maintenance;
- (6) public health;
- (7) search and rescue.

Sec. 29.60.879. Definitions.

In AS 29.60.850 - 29.60.879

(1) "community" means a place in the unorganized borough, in a borough, or in a unified municipality that is not incorporated as a municipality, that is not a reserve, and in which 25 or more individuals reside as a social unit;

(2) "reserve" means a place that is organized under federal law as an Indian reserve that existed before enactment of 43 U.S.C. 1618(a) and is continued in existence under that subsection.

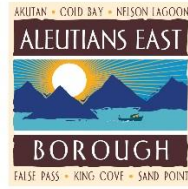
3 AAC 180.010(b) and (c)

(b) In addition to making the certification and agreement on the form provided under (a) of this section, a borough or unified municipality that will receive community assistance payments on behalf of communities in the borough or unified municipality must

- (1) submit to the department a resolution adopted by the assembly that clearly identifies
 - (A) the communities that the borough or unified municipality has determined meet the eligibility criteria under AS 29.60.865, 29.60.879, and 3 AAC 180.110; and
 - (B) the village council or incorporated nonprofit entity located within each community listed under (A) of this paragraph that the borough or unified municipality has approved as the recipient of the community assistance payment; and

(2) certify that at least three of the services required under AS 29.60.865(c) are generally available to all residents of the community.

(c) In addition to making the certification and agreement on the form provided under (a) of this section and receiving any identification required under (b) of this section, a reserve or village council must submit to the department a waiver of sovereign immunity in accordance with AS 29.60.865(a) and 3 AAC 180.130.



MEMORANDUM

To: Alvin D. Osterback, Mayor and Assembly

From: Anne Bailey, Borough Administrator

Date: February 13, 2024

Re: Resolution 24-29, Accepting the Financial Statements, Required Supplementary Information, Supplementary Information and Single Audit Reports for Year Ended June 30, 2023

The Aleutians East Borough hired BDO to audit the financial statements of the government activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Borough as of and for the year ending June 30, 2023.

BDO has completed the audit for FY2023 and, in their opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Aleutians East Borough, Alaska, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The audit required a few journal entry adjustments and no restatements. For the FY 2023 Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards* there were no material weakness and two significant deficiencies. For the FY 2023 Federal Award Findings and Questioned Costs there were no material weaknesses or significant deficiencies. For the FY 2023 State Single Audit there were no material weaknesses or significant deficiencies. The findings and corrective action plan are as follows:

Finding 2023-01 Segregation of Duties - Internal Control over Financial Reporting - Significant Deficiency

Corrective Action Plan Prior to fiscal year end 2023, management established policies requiring all transactions be reviewed and approved by a second individual who is knowledgeable of the transaction prior to disbursement, and that

documentation of this review be retained. Dual control within the ACH system has been established.

*Expected
Completion Date* June 30, 2023

**Finding 2023-002 General Ledger Reconciliation and External Financial Reporting -
Significant Deficiency**

*Corrective Action
Plan* The Aleutians East Borough has hired a contract accountant to assist management with monthly and year-end reconciliations, closing entries, and audit preparation. The contract accountant has sufficient skills, knowledge and experience to assist management in ensuring that all accounts are properly reconciled, and all necessary year-end adjusting entries are posted prior to commencement of the financial statement audit.

*Expected
Completion Date* June 30, 2023

RECOMMENDATION

Administration recommends approval of Resolution 24-29, Accepting the Financial Statements, Required Supplementary Information, Supplementary Information and Single Audit Reports for Year Ended June 30, 2023.

Aleutians East Borough, Alaska

**Basic Financial Statements, Required
Supplementary Information, Supplementary
Information and Single Audit Reports
Year Ended June 30, 2023**

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



Aleutians East Borough, Alaska

Basic Financial Statements, Required Supplementary Information,
Supplementary Information and Single Audit Reports
Year Ended June 30, 2023

Aleutians East Borough, Alaska

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Aleutians East Borough, Alaska

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Independent Auditor's Report

Honorable Mayor and Borough Assembly
Aleutians East Borough, Alaska

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Aleutians East Borough (The Borough), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Borough, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the schedules of the Borough's proportionate share of the net pension and OPEB liability or asset and Borough contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying combining and individual fund financial statements and schedules, and schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Schedule of State Financial Assistance as required by the *State of Alaska Single Audit Guide and Compliance Supplement for State Single Audits* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules, and Schedule of Expenditures of Federal Awards, and the Schedule of State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2024 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

BDO USA, P.C.

Anchorage, Alaska
February 7, 2024

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Basic Financial Statements

Aleutians East Borough, Alaska

Statement of Net Position

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	School District
<i>June 30, 2023</i>				
Assets and Deferred Outflows of Resources				
Assets				
Cash and investments	\$ 80,220,030	\$ 565,361	\$ 80,785,391	\$ 4,727,180
Receivables, net of allowance for uncollectible accounts:				
State of Alaska	455,829	-	455,829	503,685
Accrued interest	60,362	3,082	63,444	-
Other	209,075	38,554	247,629	-
Taxes	251,841	-	251,841	-
Prepaid items	18,619	-	18,619	466,166
Inventory	-	-	-	39,637
Restricted cash and investments:				
Unspent bond proceeds	3,658,634	-	3,658,634	-
Accrued interest	3,410	-	3,410	-
Investment in Southwest Governments, LLC	415,322	-	415,322	-
Net other postemployment benefits asset	650,097	29,557	679,654	1,919,366
Lease receivable	484,368	740,061	1,224,429	-
Capital assets not being depreciated	6,414,921	-	6,414,921	-
Other capital assets, net of accumulated depreciation	62,391,110	5,828,936	68,220,046	144,198
Total Assets	155,233,618	7,205,551	162,439,169	7,800,232
Deferred Outflows of Resources				
Related to pensions	187,072	8,505	195,577	413,406
Related to other postemployment benefits	64,191	2,919	67,110	177,868
Deferred charge on refunding	200,931	-	200,931	-
Total Deferred Outflows of Resources	452,194	11,424	463,618	591,274
Total Assets and Deferred Outflows of Resources	\$ 155,685,812	\$ 7,216,975	\$ 162,902,787	\$ 8,391,506
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Accounts payable	\$ 368,273	\$ 137,763	\$ 506,036	\$ -
Payable to US ACOE	3,795,792	-	3,795,792	-
Accrued payroll and taxes	-	-	-	78,496
Accrued interest	53,205	-	53,205	-
Unearned revenue	1,154,180	-	1,154,180	42,106
Noncurrent liabilities:				
Due within one year:				
Leases payable	111,225	1,221	112,446	-
Bonds payable, including premium	2,250,720	-	2,250,720	-
Accrued leave	114,389	-	114,389	55,292
Due in more than one year:				
Leases payable	389,801	115,748	505,549	-
Bonds payable, including premium	12,413,542	-	12,413,542	-
Net pension liability	1,638,054	74,475	1,712,529	3,855,531
Total Liabilities	22,289,181	329,207	22,618,388	4,031,425
Deferred Inflows of Resources				
Related to leases	474,169	713,394	1,187,563	-
Related to pensions	-	-	-	6,590
Related to other postemployment benefits	51,708	2,351	54,059	145,849
Total Deferred Inflows of Resources	525,877	715,745	1,241,622	152,439
Net Position				
Net investment in capital assets	57,500,308	5,711,967	63,212,275	144,198
Restricted:				
Construction	643,898	-	643,898	-
Trust Fund	51,609,781	-	51,609,781	-
Unrestricted	23,116,767	460,056	23,576,823	4,063,444
Total Net Position	132,870,754	6,172,023	139,042,777	4,207,642
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 155,685,812	\$ 7,216,975	\$ 162,902,787	\$ 8,391,506

See accompanying notes to basic financial statements.

Aleutians East Borough, Alaska
Statement of Activities

Exhibit A-2

Year Ended June 30, 2023	Program Revenues				Net Revenue (Expense) and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants & Contri- butions	Capital Grants & Contri- butions	Primary Government		School District	
					Govern- mental Activities	Business- type Activities		Total
Primary Government								
Governmental Activities								
General government	\$ 2,527,915	\$ 23,468	\$ 1,096,803	\$ -	\$ (1,407,644)	\$ -	\$ (1,407,644)	
Public works	155,214	-	-	-	(155,214)	-	(155,214)	
Education	2,245,232	-	628,587	-	(1,616,645)	-	(1,616,645)	
Community services	189,139	-	-	-	(189,139)	-	(189,139)	
Health and welfare	-	-	-	-	-	-	-	
Infrastructure	4,759,290	-	-	171,334	(4,587,956)	-	(4,587,956)	
Interest on long-term debt	423,892	-	-	-	(423,892)	-	(423,892)	
Total Governmental Activities	10,300,682	23,468	1,725,390	171,334	(8,380,490)	-	(8,380,490)	
Business-type Activities								
Terminal	565,602	264,914	-	-	-	(300,688)	(300,688)	
Helicopter	1,098,426	324,574	1,341	-	-	(772,511)	(772,511)	
Total Business-type Activities	1,664,028	589,488	1,341	-	-	(1,073,199)	(1,073,199)	
Total Primary Government	11,964,710	612,956	1,726,731	171,334	(8,380,490)	(1,073,199)	(9,453,689)	
Component Unit - School District	\$ 9,381,348	\$ 348,580	\$ 1,313,309	\$ -				\$ (7,719,459)
General Revenues								
Borough fish tax					4,824,614	-	4,824,614	-
Unrestricted investment income					1,039,366	-	1,039,366	-
Restricted investment income					3,180,720	-	3,180,720	-
Local contributions					-	-	-	1,341,746
State grants and entitlements not restricted to specific program					3,150,063	-	3,150,063	4,389,550
Federal grants and entitlements not restricted to specific program					16,879	-	16,879	2,432,938
Payment in lieu of taxes					719,988	-	719,988	-
E-rate					-	-	-	916,800
Miscellaneous					729,345	-	729,345	147,297
Capital contributions from governmental activities to business-type activities					(16,948)	16,948	-	-
Transfers					(764,279)	764,279	-	-
Total General Revenues and Transfers					12,879,748	781,227	13,660,975	9,228,331
Change in Net Position					4,499,258	(291,972)	4,207,286	1,508,872
Net Position, beginning					128,371,496	6,463,995	134,835,491	2,698,770
Net Position, ending					\$ 132,870,754	\$ 6,172,023	\$ 139,042,777	\$ 4,207,642

See accompanying notes to basic financial statements.

Aleutians East Borough, Alaska

Exhibit B-1

Governmental Funds
Balance Sheet

	Major Funds					Total Govern- mental Funds
	General	Trust Permanent	Capital Improve- ments Project	Bond Construc- tion Capital Project	Nonmajor Funds	
<i>June 30, 2023</i>						
Assets						
Cash and investments	\$ 30,291,029	\$ 45,757,656	\$ 3,346,819	\$ -	\$ 824,526	\$ 80,220,030
Receivables, net:						
State of Alaska	388,488	-	67,341	-	-	455,829
Accrued interest	4,399	55,963	-	-	-	60,362
Taxes	251,841	-	-	-	-	251,841
Other	7,694	-	201,381	-	-	209,075
Lease receivable	484,368	-	-	-	-	484,368
Due from other funds	-	5,381,070	-	-	-	5,381,070
Restricted cash and investments:						
Unspent bond proceeds	-	-	-	3,658,634	-	3,658,634
Accrued interest	-	-	-	3,410	-	3,410
Investment in Southwest Governments, LLC	-	415,322	-	-	-	415,322
Prepaid items	16,632	-	-	-	1,987	18,619
Total Assets	\$ 31,444,451	\$ 51,610,011	\$ 3,615,541	\$ 3,662,044	\$ 826,513	\$ 91,158,560
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts payable	\$ 80,846	\$ 230	\$ 287,197	\$ -	\$ -	\$ 368,273
Payable to US ACOE	-	-	-	3,795,792	-	3,795,792
Unearned revenue	-	-	971,565	-	182,615	1,154,180
Due to other funds	3,024,291	-	2,356,779	-	-	5,381,070
Total Liabilities	3,105,137	230	3,615,541	3,795,792	182,615	10,699,315
Deferred Inflows of Resources						
Related to leases	474,169	-	-	-	-	474,169
Fund Balances						
Nonspendable	16,632	-	-	-	1,987	18,619
Restricted:						
Trust fund	-	51,609,781	-	-	-	51,609,781
King Cove access project	-	-	-	-	280,770	280,770
Various capital projects	-	-	-	3,658,634	-	3,658,634
Assigned:						
Maintenance	-	-	-	-	361,141	361,141
Unassigned (deficit)	27,848,513	-	-	(3,792,382)	-	24,056,131
Total Fund Balances	27,865,145	51,609,781	-	(133,748)	643,898	79,985,076
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 31,444,451	\$ 51,610,011	\$ 3,615,541	\$ 3,662,044	\$ 826,513	\$ 91,158,560

See accompanying notes to basic financial statements.

Aleutians East Borough, Alaska
Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position
June 30, 2023

Total fund balances for governmental funds	\$ 79,985,076
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The total net position reported for governmental activities in the Statement of Net Position is different because:

Capital assets (shown here, net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the funds.	68,806,031
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Certain other postemployment benefits (OPEB) plans have been funded in excess of the required contributions. These assets are not financial resources and therefore are not reported in the funds	
Net other postemployment asset	650,097

Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds:

Lease liabilities	(501,026)	
Accrued leave	(114,389)	
Accrued interest on bonds	(53,205)	
Bonds payable, including unamortized premium	(14,664,262)	
Deferred charge on refunding	200,931	
Net pension liability	(1,638,054)	
Total long-term liabilities		(16,770,005)

Certain changes in net pension, and net other postemployment benefits liabilities and assets are deferred rather than recognized immediately. These items are amortized over time:

Deferred outflows of resources related to pensions	187,072	
Deferred outflows of resources related to other postemployment benefits	64,191	
Deferred inflows of resources related to other postemployment benefits	(51,708)	
Total deferred pension and other postemployment benefits items		199,555

Total Net Position of Governmental Activities	\$ 132,870,754
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See accompanying notes to basic financial statements.

Aleutians East Borough, Alaska
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances

	Major Funds						Total Govern- mental Funds
	General	Trust Permanent	Debt Service	Capital Improve- ments Capital Project	Bond Construc- tion Capital Project	Nonmajor Funds	
<i>Year Ended June 30, 2023</i>							
Revenues							
Federal government	\$ 736,867	\$ -	\$ -	\$ 1,128,536	\$ -	\$ 465,558	\$ 2,330,961
State of Alaska	3,802,302	-	-	171,334	-	-	3,973,636
Borough raw fish tax	4,824,614	-	-	-	-	-	4,824,614
Investment income	917,831	3,180,720	-	-	121,535	-	4,220,086
Other	42,601	29,636	-	191,550	-	-	263,787
Total Revenues	10,324,215	3,210,356	-	1,491,420	121,535	465,558	15,613,084
Expenditures							
Current:							
General government	2,794,113	42,843	-	-	-	-	2,836,956
Public works	123,902	-	-	-	-	89,176	213,078
Education	1,699,032	-	-	-	-	-	1,699,032
Community services	189,139	-	-	-	-	-	189,139
Infrastructure	-	-	-	1,243,015	564,583	-	1,807,598
Debt service:							
Principal	-	-	1,830,000	-	-	-	1,830,000
Interest	-	-	646,386	-	-	-	646,386
Capital outlay	-	-	-	1,047,687	-	465,558	1,513,245
Total Expenditures	4,806,186	42,843	2,476,386	2,290,702	564,583	554,734	10,735,434
Excess of Revenues Over (Under) Expenditures	5,518,029	3,167,513	(2,476,386)	(799,282)	(443,048)	(89,176)	4,877,650
Other Financing Sources (Uses)							
Transfers in	-	-	2,476,386	799,282	-	-	3,275,668
Transfers out	(4,039,947)	-	-	-	-	-	(4,039,947)
Net Other Financing Sources (Uses)	(4,039,947)	-	2,476,386	799,282	-	-	(764,279)
Net Change in Fund Balances	1,478,082	3,167,513	-	-	(443,048)	(89,176)	4,113,371
Fund Balances, beginning	26,387,063	48,442,268	-	-	309,300	733,074	75,871,705
Fund Balances (deficit), ending	\$ 27,865,145	\$ 51,609,781	\$ -	\$ -	\$ (133,748)	\$ 643,898	\$ 79,985,076

See accompanying notes to basic financial statements.

Aleutians East Borough, Alaska
Reconciliation of Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2023

Net change in fund balances - All governmental funds \$ 4,113,371

The change in net position reported for governmental activities in the Statement of Activities is different because:

Governmental funds report capital outlays as expenditures. However, on the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation, and amortization expense. Additionally, transfers of capital assets to proprietary funds is not a current use of resources and is not reported on the fund financial statements.

Amount by which depreciation, and amortization expense of \$3,569,142 exceeded capital outlays of \$1,426,926 in the current period	\$ (2,142,216)	
Capital asset transferd from governmental fund for use in the Terminal Enterprise Fund	(16,948)	(2,159,164)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effects of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Repayment of principal on bonds	1,830,000	
Decrease in unamortized bond premium	278,931	
Decrease in lease liabilities	105,812	
Decrease in deferred charge on refunding	(36,533)	
	2,178,210	2,178,210

Certain revenue and expenses reported in the Statement of Activities do not represent the receipt or use of current financial resources and therefore, are not reported as revenues or expenditures in the governmental funds:

Increase in accrued leave	(821)	
Decrease in accrued interest	8,035	
Decrease in net pension liability and related deferred outflows and inflows of resources	192,696	
Decrease in net other postemployment benefits liability, asset and related deferred outflows and inflows of resources	166,931	
	366,841	366,841

Total Change in Net Position of Governmental Activities \$ 4,499,258

See accompanying notes to basic financial statements.

Aleutians East Borough, Alaska

Enterprise Funds

Statement of Net Position

June 30, 2023	Major Funds		Total
	Terminal	Helicopter	
Assets and Deferred Outflows of Resources			
Current Assets			
Cash and investments	\$ 475,111	\$ 90,250	\$ 565,361
Leases receivable - current portion	244,833	-	244,833
Receivables, net	3,082	38,554	41,636
Total Current Assets	723,026	128,804	851,830
Noncurrent Assets			
Leases receivable	495,228	-	495,228
Net other postemployment benefits asset	-	29,557	29,557
Depreciable assets, net of accumulated depreciation	5,792,364	36,572	5,828,936
Total Noncurrent Assets	6,287,592	66,129	6,353,721
Total Assets	7,010,618	194,933	7,205,551
Deferred Outflows of Resources			
Related to pensions	-	8,505	8,505
Related to other postemployment benefits	-	2,919	2,919
Total Deferred Outflows of Resources	-	11,424	11,424
Total Assets and Deferred Outflows of Resources	\$ 7,010,618	\$ 206,357	\$ 7,216,975
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities			
Accounts payable	\$ -	\$ 137,763	\$ 137,763
Leases payable	1,221	-	1,221
Total Current Liabilities	1,221	137,763	138,984
Noncurrent Liabilities			
Lease liability	115,748	-	115,748
Net pension liability	-	74,475	74,475
Total Noncurrent Liabilities	115,748	74,475	190,223
Total Liabilities	116,969	212,238	329,207
Deferred Inflows of Resources			
Related to leases	713,394	-	713,394
Related to other postemployment benefits	-	2,351	2,351
Total Deferred Inflows of Resources	713,394	2,351	715,745
Net Position			
Net Investment in capital assets	5,675,395	36,572	5,711,967
Unrestricted (deficit)	504,860	(44,804)	460,056
Total Net Position	6,180,255	(8,232)	6,172,023
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 7,010,618	\$ 206,357	\$ 7,216,975

See accompanying notes to basic financial statements.

Aleutians East Borough, Alaska

Enterprise Funds

Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2023	Major Funds		Total
	Terminal	Helicopter	
Operating Revenues	\$ 264,914	\$ 324,574	\$ 589,488
Operating Expenses			
Salaries and benefits	70,094	40,669	110,763
Professional services	-	945,708	945,708
Telephone	2,545	72	2,617
Supplies	2,037	12,146	14,183
Utilities	102,273	-	102,273
Fuel	35,614	96,039	131,653
Maintenance	9,123	-	9,123
Depreciation and amortization	338,009	3,792	341,801
Total Operating Expenses	559,695	1,098,426	1,658,121
Operating Loss	(294,781)	(773,852)	(1,068,633)
Nonoperating Revenues and (Expenses)			
Transfer of capital assets from governmental activities	16,948	-	16,948
Transfers in	-	764,279	764,279
Interest expense	(5,907)	-	(5,907)
State PERS relief	-	1,341	1,341
Total Nonoperating Revenues (Expenses)	11,041	765,620	776,661
Change in Net Position	(283,740)	(8,232)	(291,972)
Net Position, beginning	6,463,995	-	6,463,995
Net Position, ending	\$ 6,180,255	\$ (8,232)	\$ 6,172,023

See accompanying notes to basic financial statements.

Aleutians East Borough, Alaska

Enterprise Funds
Statement of Cash Flows

Year Ended June 30, 2023	Major Funds		Total
	Terminal	Helicopter	
Cash Flows from (for) Operating Activities			
Receipts from customers	\$ 261,008	\$ 318,860	\$ 579,868
Payments for goods and services	(151,592)	(1,012,996)	(1,164,588)
Payments for salaries and benefits	(70,094)	(56,837)	(126,931)
Net cash flows from (for) operating activities	39,322	(750,973)	(711,651)
Cash Flows for Capital and Related Financing Activities			
Acquisition and construction of capital assets	(9,753)	(21,484)	(31,237)
Payment of leases	(1,162)	-	(1,162)
Interest paid	(5,907)	-	(5,907)
Net cash flows for capital and related financing activities	(16,822)	(21,484)	(38,306)
Cash Flows from Noncapital Financing Activities			
Transfers in	-	764,279	764,279
Net Increase (decrease) in Cash	22,500	(8,178)	14,322
Cash and Cash Equivalents, beginning	452,611	98,428	551,039
Cash and Cash Equivalents, ending	\$ 475,111	\$ 90,250	\$ 565,361
Reconciliation of Operating Loss to Net			
Cash Flows from (for) Operating Activities			
Operating Loss	\$ (294,781)	\$ (773,852)	\$ (1,068,633)
Adjustments to reconcile operating loss to net cash flows from (for) operating activities:			
Depreciation and amortization	338,009	3,792	341,801
Noncash expense - PERS relief	-	1,341	1,341
(Increase) decrease in assets and deferred outflows of resources:			
Receivables, net	36	(5,714)	(5,678)
Leases receivable	8,210	-	8,210
Net other postemployment benefits asset	-	14,575	14,575
Deferred outflows of resources related to pensions	-	1,180	1,180
Deferred outflows of resources related to other postemployment benefits	-	(837)	(837)
Increase (decrease) in liabilities and deferred inflows of resources:			
Accounts payable	-	40,969	40,969
Net pension liability	-	12,940	12,940
Deferred inflows of resources related to leases	(12,152)	-	(12,152)
Deferred inflows of resources related to pensions	-	(24,539)	(24,539)
Deferred inflows of resources related to other postemployment benefits	-	(20,828)	(20,828)
Net Cash Flows from (for) Operating Activities	\$ 39,322	\$ (750,973)	\$ (711,651)
Noncash Capital and Related Financing Activities			
Capital assets acquired with leases	\$ 11,144	\$ -	\$ 11,144
Capital assets transferred from governmental activities	16,948	-	16,948

See accompanying notes to basic financial statements.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements June 30, 2023

1. Summary of Significant Accounting Policies

The financial statements of the Aleutians East Borough, Alaska (the Borough) have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

(a) Reporting Entity

The Aleutians East Borough, Alaska (the Borough) was incorporated October 23, 1987, under the laws of the State of Alaska as a second-class borough. All significant activities with which the Borough exercises oversight responsibilities have been included in the Borough's government-wide financial statements.

The accompanying financial statements include all activities of the Borough (the primary government) and the Aleutians East Borough School District (School District). The Borough Assembly, as the oversight authority, approves the total annual budget of the School District and also makes annual contributions to it. Based on financial interdependence, budget approval, responsibility for debt, and accountability and control of fiscal matters, the School District is a component unit of the Borough. The School District's audited financial statements may be obtained from their office at the address below:

Aleutians East Borough School District
PO Box 429
Sand Point, Alaska 99661-0429

No other entities exist over which the Borough has oversight responsibility.

(b) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all nonfiduciary activities of the Borough. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those clearly identifiable with a specific function or segment. Program revenues include grants and contributions that are restricted to meeting the operations or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental and proprietary funds are reported in separate columns in the fund financial statements.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements report used the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Borough considers revenues to be available if they are collected within 180 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to accrued leave, pension and other postemployment benefits are recorded only to the extent they have matured.

Major revenue sources susceptible to accrual include intergovernmental revenues and investment income. In general, other revenues are recognized when cash is received.

When both restricted and unrestricted resources are available for use, it is the Borough's policy to use restricted resources first, then unrestricted resources as needed.

(d) Major Funds

The Borough reports the following major governmental funds:

- General Fund - Reports as the primary operating fund of the Borough. This fund is used to account for all financial resources not reported in other funds.
- Trust Permanent Fund - Accounts for all investment activity, deposits and disbursements related to the Trust Permanent Fund established by the Assembly. The Borough Assembly may, in any fiscal year, appropriate an amount not to exceed four percent (4%) of the five-year average fund market value, to be computed using the prior five calendar years market value. Additional income is added to the fund. The fund corpus is to be held in perpetuity except in circumstances of natural disaster or financial emergency.
- Debt Service Fund - Accounts for all expenditures made for the retirement of and interest on general obligation bonds.
- Capital Improvements Capital Project Fund - Accounts for all revenue received and expenditures made for the development and administration of capital projects.
- Bond Construction Capital Project Fund - Accounts for all expenditures made on projects funded by bond proceeds.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

The Borough reports the following major proprietary funds:

- Terminal Enterprise Fund - Accounts for all activity associated with construction, operation, and maintenance of the airport terminal located in Cold Bay.
- Helicopter Enterprise Fund - Accounts for all activity associated with helicopter operations in Akutan.

(e) Budgetary Information

The Borough Assembly is required to approve an annual budget before the start of the new fiscal year. Public hearings are conducted to obtain taxpayer comments. The budget is legally enacted through passage of an ordinance. Budgets are prepared and presented on the modified accrual basis of accounting. Any revisions to the budget must be approved by passage of an ordinance by the Assembly. The Borough Assembly authorizes formal budget revisions several times each year to adjust revenues and expenditures to available resources and program needs. The final revised and approved budget is presented in these financial statements. The General Fund has a legally adopted annual budget. The other governmental funds, including special revenue funds, do not have legally adopted annual budgets.

(f) Assets and Liabilities

Cash and Investments

For purposes of the statements of cash flows, the Borough considers all cash and investments to be cash equivalents. The central treasury, which holds cash and investments, is used essentially as a cash management pool by each fund.

Investments are stated at fair value. Investments of all funds outside of the Trust Permanent Fund are managed within the Borough's central treasury.

Investments in Southwest Governments, LLC

The Borough's investment in Southwest Governments, LLC is accounted for under the equity method. Under the equity method, original investments are recorded at cost and adjusted by the Borough's share of undistributed earnings or losses. The Borough would recognize an impairment loss when there is a loss in value in the equity method investment which is other than a temporary decline.

Receivables

All receivables are shown net of an allowance for uncollectible accounts.

Interfund Receivables and Payables

All outstanding balances between funds are reported as "due to/from other funds." These balances represent the numerous transactions that occur during the course of operations between individual funds for goods provided or services rendered. All amounts due to/from other funds are short-term in nature. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

The Borough's property, plant, equipment, and infrastructure with useful lives of more than 1 year are stated at historical cost and comprehensively reported in the government-wide financial statements. The Borough maintains infrastructure asset records consistent with all other capital assets. Donated assets are recorded at the acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The Borough generally capitalizes assets with a cost of \$5,000 or more as purchase and construction outlays occur.

Costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives in years for depreciable assets are as follows:

Buildings and improvements	25 years
Infrastructure	30 years
Furniture, vehicles and equipment	3-7 years

Accrued Leave

It is the Borough's policy to permit employees to accumulate earned but unused annual leave. Compensated absences are reported as accrued in government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

Unearned Revenue

Amounts for which asset recognition criteria have been met but for which revenue recognition criteria have not been met are recorded as unearned revenue.

Long-term Debt

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Governmental fund financial statements recognize proceeds of debt and premiums as other financing sources of the current period.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

(g) Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension and OPEB liabilities, assets, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and additions to/from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(h) Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Generally, the Borough reports deferred charges on bond refunding and pension and OPEB related items as deferred outflows of resources. These items are amortized to expense over time.

In addition to the liabilities, the financial statements may also present deferred inflows of resources. Deferred inflows of resources represent an acquisition of fund balance or net position that applies to a future period and will not be recognized until later. The Borough reports certain lease and OPEB related items as deferred inflows of resources in the government-wide financial statements. In the governmental funds, the Borough reports deferred inflows related to leases. These items are amortized as a reduction of expense over varying periods of time based on their nature.

(i) Leases

Lessor

The Borough is a lessor for ten noncancellable leases of office space, land and buildings. Remaining lease terms range from 3 to 32 years with fixed payments due monthly or annually. The Borough recognizes leases receivable and a deferred inflow of resources in the government-wide, proprietary fund, and governmental fund financial statements. The Borough does not consider its leasing activities to be a significant component of their principal ongoing operations.

At the commencement of a lease, the Borough initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the leases receivable and adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Borough determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Borough uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the leases receivable are composed of fixed payments from the lessees.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

The Borough monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the leases receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the leases receivable.

Lessee

The Borough is a lessee under three noncancellable leases of land, buildings, and equipment. The Borough recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary fund financial statements. The Borough recognizes lease liabilities with an initial term of greater than twelve months and an individual value of \$5,000 or more. Remaining lease terms range from 3 to 38 years with fixed payments due monthly or annually.

At the commencement of a lease, the Borough initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Borough determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Borough uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Borough generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Borough is reasonably certain to exercise.

The Borough monitors changes in circumstances that would require a remeasurement of its lease payable and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

(j) Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact. The spendable portion of the fund balances comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted

Reflects funds with externally imposed constraints placed on them by either creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Committed

These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Assembly. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those requirements. Committed amounts cannot be used for any other purpose unless the Borough Assembly removes the constraint through a subsequent formal modification or rescinding action.

Assigned

This classification reflects the amounts constrained by the Borough's assembly members' "intent" to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned

This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Borough's policy to use externally restricted resources first, then unrestricted resources - committed, assigned, and unassigned - in order as needed.

Deficit Fund Balance

As of June 30, 2023 the Bond Construction Capital Project Fund had a deficit in fund balance of \$3,792,382 due to cumulative expenditures being more than revenues. Management is evaluating options to address the fund balance deficit in future periods.

(k) Net Position

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Net Investment in Capital Assets

This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted

This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Unrestricted

This consists of net position that does not meet the definition of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the Borough's policy to use restricted resources first, then unrestricted resources as needed.

(l) Use of Estimates

Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(m) Grants and Other Intergovernmental Revenues

In applying the measurable and available concept to grants and intergovernmental revenues, legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts are considered "earned"; therefore, revenues are recognized based on expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the measurable and available criteria are met.

2. Cash and Investments

The Borough utilizes a central treasury that is available for use by all funds. Each fund's portion of the central treasury is displayed on the balance sheet or statement of net position as "Cash and investments", or in the case of "negative cash", is included in "Due to other funds".

Reconciliation of Deposit and Investment Balances

The following is a reconciliation of the Borough's deposit and investment balances to the financial statements as of June 30, 2023.

	Book Balance	Bank Balance
Bank deposits and petty cash	\$ 3,410,131	\$ 3,523,222
Investments	81,033,894	81,033,894
Total Cash and Investments	\$ 84,444,025	\$ 84,557,116
Cash and investments	\$ 80,785,391	
Restricted cash and investments - unspent bond proceeds	3,658,634	
Total Cash and Investments	\$ 84,444,025	

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Cash and investments are further categorized as follows:

	Bank Deposits and Petty Cash	Investments	Total
Unrestricted cash and investments	\$ 3,284,607	\$ 31,743,128	\$ 35,027,735
Restricted cash and investments	96,620	3,562,014	3,658,634
General cash and investments	3,381,227	35,305,142	38,686,369
Trust Permanent Fund	28,905	45,728,751	45,757,656
Total Cash and Investments	\$ 3,410,132	\$ 81,033,893	\$ 84,444,025

General Investments

Investment Policy

The investment policy for funds other than the Trust Permanent Fund authorizes the Borough to invest only in the following instruments: U.S. Treasury securities; other obligations guaranteed by the U.S. government or its agencies or instrumentalities; repurchase agreements with financial institutions; certificates of deposits and other deposits at banks and savings and loan associations (collateralized); uncollateralized deposits at banks and savings and loan associations to the extent that the deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation; bonds and notes issued by any state or political subdivision thereof graded A or higher by Moody's Investor's Service, Inc. or Standard and Poor's Corporation; prime commercial paper graded A1 or higher by Moody's Investor's Service, Inc. or P1 or higher by Standard and Poor's Corporation; obligations of corporations graded "Baa" or higher by Moody's Investor's Service, Inc. or Standard and Poor's Corporation and issued in the United States and denominated in U.S. dollars; the Alaska Municipal League Investment Pool (AMLIP); and income producing real estate investments.

General investment balances and maturities at June 30, 2023 are as follows:

Investment Type	Fair Value	Investment Maturities (in years)	
		Less than 1	1-5
Money market funds	\$ 1,440,505	\$ 1,440,505	\$ -
U.S. treasuries	6,575,108	6,195,064	380,044
U.S. mortgage back securities	343,213	343,213	-
U.S. government agencies	704,930	704,930	-
Local government investment pool (AMLIP)	26,241,386	26,241,386	-
Total General Investments	\$ 35,305,142	\$ 34,925,098	\$ 380,044

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Fair Value Measurement

The Borough categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

For its general investments, the Borough has the following recurring fair value measurements as of June 30, 2023:

U.S. treasury securities of \$6,538,277 are valued using models with various inputs such as but not limited to daily cash flow, snapshots of market indices and spread scales (Level 2 inputs).

The Borough has investments in money market funds totaling \$1,440,505 that are not held at fair value, but instead recorded at amortized cost, as of June 30, 2023. The Borough's investment in AMLIP of \$26,241,420 is measured at net asset value, as of June 30, 2023. Management believes these values approximate fair value.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the duration of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Borough has no formal policy relating to interest rate risk.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill the obligation to the holder of the investments. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The Borough's investments in U.S. treasury bonds are rated AA+ by Standard and Poor's. The AMLIP is an external investment pool and is rated AAAm for credit risk purposes. Alaska Statute 37.23 establishes regulatory oversight of the Pool. The law sets forth numerous requirements regarding authorized investments and reporting. The Pool is incorporated in the State of Alaska as a nonprofit corporation and reports to a board of directors. Alaska Statute 37.23.050 requires the retention of an investment manager. The manager is required to produce monthly disclosure statements on the Pool. The Pool also has retained an investment adviser who monitors the performance of the investment manager to ensure compliance with investment policies. All participation in the Pool is voluntary. The Pool must maintain a dollar-weighted average maturity of 90 days or less, and only purchase instruments having remaining maturities of 397 days or less. On a monthly basis, the investments in the Pool are reviewed for fair value by an independent pricing service. As of June 30, 2023, the fair value of the investments in the Pool approximates amortized cost and is equal to the value of Pool shares.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Borough's deposits may not be returned to it. The Borough's deposit policy for custodial credit risk is to collateralize its primary demand deposit account. As of June 30, 2023, the Borough had no bank deposits that were not insured or collateralized.

Custodial Credit Risk - Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Borough has no debt securities exposed to custodial credit risk at June 30, 2023 because the investments were held by a custodian in the name of the Borough.

Concentration of Credit Risk

The Borough aims to diversify and limit concentration investment risk by investing in a variety of issuers and fixed income securities; however, the Borough has no formal policy addressing concentration of credit risk. The Borough has no investments from any one issuer that represents 5% or more of total investments.

Trust Permanent Fund Investments

The Trust Permanent Fund is reporting \$45,757,656 in cash and investments at June 30, 2023.

Investment Policy

The investment policy for the Trust Permanent Fund authorizes the Borough to invest in domestic (U.S.) equities (both large cap and mid cap), international equities, emerging market equities, real estate investment trusts, and fixed income investments. For 2023, the target allocation was 22% U.S. equities (large cap), 10% U.S. equities (mid-cap), 5% U.S. equities (small-cap), 6% international equities, 4% emerging market equities, 3% real estate investment trusts, 5% infrastructure, 3% commodities, 10% alternative beta, 18% U.S. fixed income, 5% U.S. high yield credit, 2% U.S. TIPS, 5% international fixed income, and 2% cash. A range of 12-32% for U.S. equities (large cap), 5-15% for U.S. equities (mid-cap), 0-10% for U.S. equities (small-cap), 0-12% international equities, 0-8% emerging market equities, 0-6% real estate investment trusts, 0-10% infrastructure, 0-6% commodities, 0-15% alternative beta, 8-28% U.S. fixed income, 0-10% U.S. high yield credit, 0-10% U.S. TIPS, 0-10% international fixed income, and 0-10% cash are allowed to accommodate normal market fluctuations and prevent frequent rebalancing.

Interest Rate Risk

Because the Trust Permanent Fund is designed to hold principal investments perpetually in trust for the future earnings to benefit the present and future generations of Borough residents, there are no maturity limitations in the policy. The policy focuses more on limiting interest rate risk by diversification in many investment types. A segmented time distribution of all investment types is presented below in an effort to disclose those investment types and amounts that are subject to interest rate risk.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Trust Permanent Fund investment balances and maturities at June 30, 2023 are as follows:

<i>Investment Type</i>	Fair Value	Investment Maturities (in years)			
		Less than 1	1-5	6-10	More than 10
U.S. treasuries	\$ 6,009,247	\$ 549,806	\$ 3,657,720	\$ 1,801,721	\$ -
U.S. TIPS	1,600,046	1,600,046	-	-	-
U.S. Agencies	304,015	-	136,049	167,966	-
Mortgage backed securities	256,243	-	95,593	144,353	16,297
Corporate bonds	2,057,890	445,663	910,543	701,684	-
Total Subject to Interest					
Rate Risk	10,227,441	\$2,595,515	\$ 4,799,905	\$ 2,815,724	\$ 16,297
U.S. equities (large cap)	10,072,155				
U.S. equities (mid cap)	5,037,906				
U.S. equities (small cap)	2,281,100				
International equities	2,745,157				
Emerging market equities	1,828,412				
Real estate investment trusts	922,651				
Infrastructure	2,292,959				
Commodities	1,372,071				
Alternative beta	4,064,856				
U.S. high yield credit	2,168,541				
International fixed income	2,285,628				
Money market funds	429,874				
Total Trust Permanent Fund	\$ 45,728,751				

As of June 30, 2023, an actual asset allocation to target allocation is presented below. All categories fell within the allowable range at June 30, 2023.

<i>Investment Type</i>	Actual \$	Actual vs. Target Allocation			
		% Actual	% Target	% Difference	% out of Policy Range
U.S. equities (large cap)	\$ 10,072,155	22.01%	22.00%	0.01 %	n/a
U.S. equities (mid cap)	5,037,906	11.01%	10.00%	1.01 %	n/a
U.S. equities (small cap)	2,281,100	4.98%	5.00%	(0.02)%	n/a
International equities	2,745,157	6.00%	6.00%	0.00 %	n/a
Emerging market equities	1,828,412	4.00%	4.00%	0.00 %	n/a
Real estate investment trusts	922,651	2.02%	3.00%	(0.98)%	n/a
Infrastructure	2,292,959	5.01%	5.00%	0.01 %	n/a
Commodities	1,372,071	3.00%	3.00%	0.00 %	n/a
Alternative beta	4,064,856	8.88%	10.00%	(1.12)%	n/a
U.S. high yield credit	2,168,541	4.74%	5.00%	(0.26)%	n/a
International fixed income	2,285,628	5.00%	5.00%	0.00 %	n/a
U.S. fixed income	8,627,395	18.85%	18.00%	0.85 %	n/a
U.S. TIPS	1,600,046	3.50%	2.00%	1.50 %	n/a
Money market funds	429,874	1.00%	2.00%	(1.00)%	n/a
Total Investments	\$ 45,728,751	100.00%	100.00%	0.00 %	n/a

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Fair Value Measurement

The Borough categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

For its Trust Permanent Fund investments, the Borough has the following recurring fair value measurements as of June 30, 2023:

Investments are classified in the fair value hierarchy as follows:

<i>Investments by Fair Value Level</i>	Fair Value	Level 1	Level 2
U.S. treasuries	\$ 6,009,247	\$ -	\$ 6,009,247
U.S. TIPS	1,600,046	-	1,600,046
U.S. agencies	304,015	-	304,015
Mortgage backed securities	256,243	-	256,243
Corporate bonds	2,057,890	-	2,057,890
U.S. equities (large cap)	10,072,155	10,072,155	-
U.S. equities (mid cap)	5,037,906	5,037,906	-
U.S. equities (small cap)	2,281,100	2,281,100	-
International equities	2,745,157	2,745,157	-
Emerging market equities	1,828,412	1,828,412	-
Real estate investment trusts	922,651	922,651	-
Infrastructure	2,292,959	2,292,959	-
Commodities	1,372,071	1,372,071	-
Alternative beta	4,064,856	4,064,856	-
U.S. high yield credit	2,168,541	2,168,541	-
International fixed income	2,285,628	2,285,628	-
Total Investments by Fair Value Level	45,298,877	\$ 35,071,436	\$ 10,227,441
<i>Investments Measured at Amortized Cost -</i>			
Money market funds	429,874		
Total Investments	\$ 45,728,751		

The Trust Permanent Fund's investments classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Investments classified as Level 2 of the fair value hierarchy are valued using models with various inputs such as but not limited to daily cash flow, snapshots of market indices and spread scales.

The Borough's investments in infrastructure and commodities asset classes are held in exchange-traded funds.

The Borough has investments in money market funds totaling \$429,874 that are not held at fair value but are instead recorded at amortized cost as of June 30, 2023.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill the obligation to the holder of the investments. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

<i>Investment Type</i>	Fair Value	Credit Quality Ratings		
		Moody's		Not Rated
		Aaa to A3	Baa1 to Baa3	
U.S. fixed income	\$ 16,250,645	\$ 14,087,115	\$ 664,531	\$ 1,498,999
U.S. TIPS	1,600,046	-	-	1,600,046
Total Subject to Interest Rate Risk	17,850,691	\$ 14,087,115	\$ 664,531	\$ 3,099,045
Investments Not Subject to Credit Risk	27,878,060			
Total Investments	\$ 45,728,751			

The Trust Permanent Fund policies specifically limit the types of investments that can be purchased in an effort to limit credit risk. The policies allow for the investment in U.S. treasuries and U.S. agencies and obligations guaranteed by the U.S. government or its agencies and instrumentalities. The policies limit corporate bonds to those investments graded "B-" or higher by Moody's Investor's Service, Inc. or Standard and Poor's Corporation and issued in the United States and denominated in U.S. dollars. Not more than 15% of the fixed income portfolio may be held in B- rated securities.

Concentration of Credit Risk

The Trust Permanent Fund aims to diversify and limit concentration investment risk by investing in a variety of issuers and fixed income securities; however, the Trust Permanent Fund has no formal policy addressing concentration of credit risk. The Borough had the following investments that were greater than 5% of total investments, including iShares Core S&P 500 ETF with 22.03%, iShares Core S&P Mid-Cap ETF with 10.01%, iShares Core MSCI EAFE ETF with 6.00%, U.S. Treasury Department, including United States Treasury NTS with 13.14%, and Flexshares Stoxx Global Broad Infrastructure, with 5.01%.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Trust Permanent Fund has no formal policy addressing foreign currency risk. As of June 30, 2023, a total of \$4,573,569 (9.99%) of the total fund value is invested in international and emerging market equities that are considered subject to foreign currency risk. Such investments are held in dollar-denominated exchange-traded funds or index mutual funds, which are broadly diversified across currencies, which effectively limits the foreign currency risk.

Custodial Credit Risk

This is the risk that, in the event of the failure of the counterparty, the Borough will not be able to recover the value of its investments that are in the possession of an outside party. The Borough has no investments exposed to custodial credit risk at June 30, 2023 because the investments were held by a custodian in the name of the Borough.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

3. Investments in Southwest Governments, LLC

The Borough has an interest in Southwest Governments, LLC. The partnership was formed by the City of Akutan (40%), the City of Sand Point (20%), the City of King Cove (10%), and the Borough (30%). The Borough leases office space from the partnership. There was one withdrawal payment from the partnership in 2023 in the amount of \$60,000. The Borough's share of the partnership's net income in 2023 was \$29,636. This amount was recorded as other income in the Trust Permanent Fund. The balance of the Borough's investment at June 30, 2023 was \$415,322.

4. Capital Assets

Capital asset activity for the year ended June 30, 2023 is as follows:

Governmental Activities	Balance July 1, 2022	Additions	Deletions and Transfers	Balance June 30, 2023
Capital assets not being depreciated:				
Land	\$ 5,443,288	\$ -	\$ -	\$ 5,443,288
Construction in progress	696,417	762,806	(487,590)	971,633
Total capital assets not being depreciated	6,139,705	762,806	(487,590)	6,414,921
Capital assets being depreciated or amortized:				
Buildings and improvements	43,365,252	521,992	-	43,887,244
Right of use assets	710,130	-	-	710,130
Infrastructure	101,648,145	612,770	-	102,260,915
Furniture and equipment	238,750	-	-	238,750
Vehicles	497,424	-	-	497,424
Total capital assets being depreciated or amortized:	146,459,701	1,134,762	-	147,594,463
Less accumulated depreciation	81,516,471	3,451,402	-	84,967,873
Less accumulated amortization	117,740	117,740	-	235,480
Total accumulated depreciation and amortization	81,634,211	3,569,142	-	85,203,353
Total capital assets being depreciated or amortized, net	64,825,490	(2,434,380)	-	62,391,110
Governmental Activities				
Capital Assets, net	\$ 70,965,195	\$ (1,671,574)	\$ (487,590)	\$ 68,806,031

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Business-type Activities	Balance July 1, 2022	Additions and Transfers	Deletions	Balance June 30, 2023
Capital assets being depreciated or amortized:				
Terminal	\$ 9,420,006	\$ 26,702	\$ -	\$ 9,446,708
Right to use assets - Terminal	108,656	11,144	-	119,800
Helicopter	23,597	21,484	-	45,081
Total capital assets being depreciated or amortized	9,552,259	59,330	-	9,611,589
Less accumulated depreciation	3,437,993	338,712	-	3,776,705
Less accumulated amortization	2,859	3,089	-	5,948
Total accumulated depreciation and amortization	3,440,852	341,801	-	3,782,653
Total capital assets being depreciated or amortized, net	6,111,407	(282,471)	-	5,828,936
Business-type Activities				
Capital Assets, net	\$ 6,111,407	\$ (282,471)	\$ -	\$ 5,828,936

Depreciation and amortization expense was charged to the functions as follows for the year ended June 30, 2023:

Governmental Activities

Public works	\$ 33,021
General government	124,548
Education	546,200
Infrastructure	2,865,373
Total Depreciation and Amortization Expense - Governmental Activities	\$ 3,569,142

Business-type Activities

Terminal	\$ 338,009
Helicopter	3,792
Total Depreciation and Amortization Expense - Business-type Activities	\$ 341,801

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

5. Interfund Transfers

Interfund receivables and payables are shown as “due from other funds” and “due to other funds” in each individual fund. These balances at June 30, 2023, were as follows:

	Due from Other Funds	Due to Other Funds
Governmental Funds:		
General Fund	\$ -	\$ 2,981,202
Capital Improvements Capital Project Fund	-	2,399,868
Trust Permanent Fund	5,831,070	-
Total Interfund Balances	\$ 5,831,070	\$ 5,831,070

A schedule of interfund transfers for the year ended June 30, 2023, follows:

From the General Fund to:

Capital Improvements Capital Project Fund for capital projects and acquisitions	\$ 799,282
Debt Service Fund for debt service	2,476,386
Helicopter Enterprise Fund for operating subsidy	764,279
Total Transfers from the General Fund	\$ 4,039,947

In addition to the transfers noted above, the Borough transferred capital assets with a book value of \$16,948 from governmental activities into the Terminal Enterprise Fund.

6. Long-term Liabilities

Following is a summary of the changes in long-term liabilities of the Borough for the year ended June 30, 2023:

Governmental Activities	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Bonds Payable:					
General Obligation bonds	\$ 15,680,000	\$ -	\$ (1,830,000)	\$ 13,850,000	\$ 1,965,000
Issuance premiums	1,093,193	-	(278,931)	814,262	285,720
Total bonds payable	16,773,193	-	(2,108,931)	14,664,262	2,250,720
Leases payable	606,838	-	(105,812)	501,026	111,225
Accrued leave	113,568	72,989	(72,168)	114,389	114,389
Total Governmental Activities	\$ 17,493,599	\$ 72,989	\$ (2,286,911)	\$ 15,279,677	\$ 2,476,334

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

For governmental activities, accrued leave is generally liquidated by the General Fund.

General obligation bonds payable at June 30, 2023, are comprised of the following:

\$2,205,000 - 2015 Refunding series one bonds, due in annual installments ranging from \$95,000 to \$245,000 through October 1, 2025; interest rate is 5.0 percent	\$ 360,000
\$17,155,000 - 2016 Refunding series three bonds, due in annual installments ranging from \$990,000 to \$2,155,000 through December 1, 2028; interest rate is variable from 4.0 to 5.0 percent	11,160,000
\$2,895,000 - 2021 Refunding series for refinancing of 2010 series three general obligation bonds, due in annual installments ranging from \$285,000 to \$305,000 through December 1, 2030; interest rate is variable from 0.2 to 2.0 percent	2,330,000

Total Bonds Payable	\$ 13,850,000
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Annual required installments on all Borough general obligation bonds as of June 30 are as follows:

<i>Year Ending June 30,</i>	Principal	Interest	Total
2024	\$ 1,965,000	\$ 564,525	\$ 2,529,525
2025	2,075,000	476,149	2,551,149
2026	2,200,000	381,158	2,581,158
2027	2,220,000	281,852	2,501,852
2028	2,340,000	178,323	2,518,323
2029-2031	3,050,000	80,677	3,130,677
	\$ 13,850,000	\$ 1,962,684	\$ 15,812,684

Business-type Activities	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Leases payable:	\$ 106,987	\$ 11,144	\$ (1,162)	\$ 116,969	\$ 1,221

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

7. Leases Receivable and Leases Payable

Leases Receivable

During the current fiscal year, the Borough, as lessor, had leases for office space, land, and tidelands. The leases range for two to thirty-two years and the Borough will receive annual payments listed in the table below. The Borough recognized lease revenue and interest revenue during the current fiscal year related to all leases as stated in the table below. Also, the Borough has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term.

	Payment Amount	Lease Revenue	Lease Interest	Leases Receivable	Deferred Inflows
General Fund	\$ 111,265	\$ 84,103	\$ 27,162	\$ 484,368	\$ 474,169
Terminal Fund	\$ 223,695	\$ 189,366	\$ 34,329	\$ 740,061	\$ 713,394

Included in the balances above are subleases of office space between the Borough and related parties the City of Akutan, City of King Cove, and City of Sand Point. As of June 30, 2023 the outstanding receivables for the City of Akutan, City of King Cove, and City of Sand Point were \$155,127, \$75,859, and \$35,943, respectively.

Schedule of future payments that are included in the measurement of the lease receivable for the General fund is as follows:

<i>Year Ending June 30,</i>	Principal	Interest	Total
2024	\$ 88,362	\$ 22,893	\$ 111,255
2025	94,173	18,379	112,552
2026	70,426	13,565	83,991
2027	75,521	9,931	85,452
2028	9,576	7,510	17,086
2029-2033	19,585	34,715	54,300
2034-2038	24,996	29,304	54,300
2039-2043	31,902	22,398	54,300
2044-2048	37,356	13,584	50,940
2049-2053	32,471	5,029	37,500
	\$ 484,368	\$ 177,308	\$ 661,676

Schedule of future payments that are included in the measurement of the lease receivable for the terminal fund is as follows:

<i>Year Ending June 30,</i>	Principal	Interest	Total
2024	\$ 244,833	\$ 31,443	\$ 276,276
2025	257,360	18,916	276,276
2026	110,435	9,385	119,820
2027	54,875	5,125	60,000
2028	57,682	2,318	60,000
2029	14,876	124	15,000
	\$ 740,061	\$ 67,311	\$ 807,372

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Leases Payable

The Borough has multiple lease agreements ranging from three to thirty-seven years as lessee for the use of copiers, an airport terminal, and office building space. As of June 30, 2023, the value of the lease liability was \$617,994. During the year, the Borough made interest and principal payments of \$140,820. The leases have an incremental borrowing rate of 5%. The value of the right-to-use asset as of the end of the current fiscal year was \$588,566 and had accumulated amortization of \$241,364. For the year ended June 30, 2023 the Borough had amortization expense of \$117,740 and \$3,089 in the General fund and Terminal fund, respectively.

	Initial Lease Liability	June 30, 2023 Lease Liability	Principal and Interest Payments	Net Book Value of Right-to-use Asset	Accumulated Amortization
Governmental Activities	\$ 710,130	\$ 501,026	\$ 133,751	\$ 474,650	\$ 235,480
Business-type Activities	\$ 108,656	\$ 116,969	\$ 7,069	\$ 113,852	\$ 5,948

The future principal and interest lease payments for the General Fund as of June 30, 2023 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 111,225	\$ 22,526	\$ 133,751
2025	118,866	16,785	135,651
2026	125,118	10,710	135,828
2027	134,299	4,246	138,545
2028	11,518	48	11,566
Totals	\$ 501,026	\$ 54,315	\$ 555,341

The future principal and interest lease payments for the Terminal Fund as of June 30, 2023 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 1,221	\$ 5,848	\$ 7,069
2025	1,282	5,787	7,069
2026	1,346	5,723	7,069
2027	1,413	5,656	7,069
2028	1,484	5,585	7,069
2029-2033	8,607	26,737	35,344
2034-2038	10,985	24,359	35,344
2039-2043	14,020	21,324	35,344
2044-2048	17,894	17,451	35,345
2049-2053	22,838	12,507	35,345
2054-2058	29,147	6,197	35,344
2059	6,732	337	7,069
Totals	\$ 116,969	\$ 137,511	\$ 254,480

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

8. Pension and Other Postemployment Benefits Plans

(a) Defined Benefit (DB) Pension Plan

General Information About the Plan

The Borough participates in the Alaska Public Employees' Retirement System (PERS). PERS is a cost-sharing multiple-employer plan which covers eligible State and local government employees, other than teachers. The Plan was established and is administered by the State of Alaska Department of Administration. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature.

The Plan is included in a comprehensive annual financial report that includes financial statements and other required supplemental information. That report is available via the internet at <https://drb.alaska.gov/docs/reports/>. Actuarial valuation reports, audited financial statements, and other detailed plan information are also available on this website.

The Plan provides for retirement, death and disability, and postemployment healthcare benefits. There are three tiers of employees, based on entry date. For all tiers within the Defined Benefit (DB) plan, full retirement benefits are generally calculated using a formula comprised of a multiplier times the average monthly salary (AMS) times the number of years of service. The multiplier is increased at longevity milestone markers for most employees. Peace/Fire employees accrue benefits at an accelerated rate. The tiers within the Plan establish differing criteria regarding normal retirement age, early retirement age, and the criteria for calculation of AMS, COLA adjustments, and other postemployment benefits (OPEB). A complete benefit comparison chart is available at the website noted above.

The PERS DB Plan was closed to new entrants effective July 1, 2006. New employees hired after that date participate in the PERS Defined Contribution (DC) Plan described later in these notes.

Historical Context and Special Funding Situation

In April 2008, the Alaska Legislature passed legislation converting the previously existing PERS plan from a DB agent-multiple-employer plan to a DB cost-sharing plan with an effective date of July 1, 2008. In connection with this conversion, the State of Alaska passed additional legislation which statutorily capped the employer contribution rate, established a state funded "on-behalf" contribution (subject to funding availability), and required that employer contributions be calculated against all PERS eligible wages, including wages paid to participants of the PERS Tier IV defined contribution plan described later in these notes. The Alaska Legislature has the power and authority to change the aforementioned statute through the legislative process.

Alaska Statute 39.35.280 requires the State of Alaska to contribute to the Plan an amount such that, when combined with the employer contribution, is sufficient to pay the Plan's past service liability contribution rate as adopted by the Alaska Retirement Management Board (ARM Board). As such, the Plan is considered to be in a special funding situation as defined by GASB, and management has recorded all pension related liabilities, deferred inflows/outflows of resources, and disclosures on this basis.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

The Borough recorded the related on-behalf contributions as revenue and expense or expenditures as prescribed by GAAP, pursuant to the relevant basis of accounting based on fund type.

Employee Contribution Rates

Regular employees are required to contribute 6.75% of their annual covered salary. Peace officers and firefighters are required to contribute 7.50% of their annual covered salary.

Employer and Other Contribution Rates

There are several contribution rates associated with the pension contributions and related liabilities. These amounts are calculated on an annual basis.

Employer Effective Rate: This is the contractual employer pay-in rate. Under current legislation, the amount calculated for the statutory employer effective contribution rate is 22% on eligible wages. This 22% rate is calculated on all PERS participating wages, including those wages attributable to employees in the DC plan. Contributions derived from the DC employee payroll is referred to as the Defined Benefit Unfunded Liability or DBUL contribution.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25-year term which ends in 2039. This change results in a lower ARM Board Rates than previously adopted.

State Contribution Rate: This is the rate paid in by the State as an on-behalf payment under the current statute. The statute requires the State to contribute, based on funding availability, an on-behalf amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. In the governmental fund financial statements, on-behalf contribution amounts have been recognized as additional revenues and expenditures. In the proprietary funds and government-wide financial statements, the on-behalf amounts reflect revenue and expense only during the measurement period in which the Plan recognizes the payments, resulting in a significant timing difference between the cash transfers and revenue and expense recognition.

Contribution rates for the year ended June 30, 2023 were determined in the June 30, 2021 actuarial valuations. The Borough's contribution rates for the 2023 fiscal year were as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	14.57%	24.79%	2.79%
Postemployment healthcare (ARHCT)	7.43%	-%	-%
Total Contribution Rates	22.00%	24.79%	2.79%

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

In 2023, the Borough was credited with the following contributions to the pension plan:

	Measurement Period July 1, 2021 to June 30, 2022	Borough Fiscal Year July 1, 2022 to June 30, 2023
Employer contributions (including DBUL)	\$ 148,427	\$ 146,615
Nonemployer contributions (on-behalf)	79,730	24,727
Total Contributions	\$ 228,157	\$ 171,342

In addition, employee contributions to the Plan totaled \$46,553 during the Borough's fiscal year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Borough reported a liability for its proportionate share of the net pension liability (NPL) that reflected a reduction for State pension support provided to the Borough. The amount recognized by the Borough for its proportional share, the related State proportion, and the total portion of the net pension liability that was associated with the Borough were as follows:

Borough proportionate share of NPL	\$ 1,712,529
State's proportionate share of NPL associated with the Borough	472,305
Total Net Pension Liability	\$ 2,184,834

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 to calculate the net pension liability as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, including the State, actuarially determined. At the June 30, 2022 measurement date, the Borough's proportion was 0.03360 percent, which was a(n) decrease (increase) of 0.00417 from its proportion measured as of June 30, 2021.

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Aleutians East Borough, Alaska

Notes to Basic Financial Statements

For the year ended June 30, 2023, the Borough recognized pension expense of \$(196,989) and on-behalf revenue of \$(6,126) for support provided by the State. At June 30, 2023, the Borough reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 48,962	\$ -
Borough contributions subsequent to the measurement date	146,615	-
Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	\$ 195,577	\$ -

The \$146,615 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,

2023	\$ (5,821)
2024	(14,920)
2025	(35,817)
2026	105,520
Total Amortization	\$ 48,962

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Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. Assumptions at the measurement date of June 30, 2022:

Actuarial cost method	Entry Age Normal
Amortization method	Unfunded Accrued Actuarial Liability, level percent of pay basis
Inflation	2.50% per year
Salary increases	For peace officer/firefighter, increases range from 8.50% to 3.85% based on service. For all others, increases range from 6.75% to 2.85% based on service.
Allocation methodology	Amounts for the June 30, 2022 measurement date were allocated to employers based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions for the Plan for the fiscal years 2023 to 2039.
Investment rate of return	7.25%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real return of 4.75%.
Mortality	<p>Peace Officer/Firefighter: Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, amount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 70% of the time.</p> <p>Post-commencement mortality rates were based on:</p> <ul style="list-style-type: none">Healthy Retirees - Pub-2010 General Retiree table, amount-weighted, and projected with MP-2021 generational improvement.Disabled Retirees - Pub-2010 Non-Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement.Beneficiaries - Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement, applied after the death of original member. <p>Others: Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, amount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 35% of the time.</p>

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Post-commencement mortality rates were based on:

Healthy Retirees - Based on 98% of male and 106% of female rates of Pub-2010 General Retiree table, amount-weighted, and projected with MP-2021 generational improvement.

Disabled Retirees - Pub-2010 Non-Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement.

Beneficiaries - Based on 102% of male and 108% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement, applied after the death of original member.

The actuarial assumptions used in the June 30, 2022 actuarial valuation were based on the results of an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The updated demographic and economic assumptions were adopted by the Board in June 2022 based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The new assumptions were adopted to better reflect expected future experience and are effective June 30, 2022.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return, excluding the inflation component of 2.50%, for each major asset class included in the pension plan's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad domestic equity	27%	6.51%
Global equity (non-U.S.)	18%	5.70%
Aggregate bonds	21%	0.31%
Opportunistic	6%	0.00%
Real assets	14%	3.71%
Private equity	14%	9.61%
Cash equivalents	-%	(0.50%)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The discount rate used did not change from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Borough's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	Proportional Share	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Borough's proportionate share of the net pension liability	0.03360%	\$ 2,308,433	\$ 1,712,529	\$ 1,212,590

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

(b) Defined Contribution (DC) Pension Plan

Employees hired after July 1, 2006 participate in PERS Tier IV, a DC plan. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the DB plan noted above. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. The Alaska Retirement Management Board may also amend contribution requirements. Included in the Plan are individual pension accounts, a retiree medical insurance plan and a separate Health Reimbursement Arrangement account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan. This Plan is included in the comprehensive annual financial report for PERS, and at the following website <https://drb.alaska.gov/docs/reports/>.

Contributions to the DC plan consist solely of employer and employee contributions with no special funding or other nonemployer contributions. In addition, actual remittances to the PERS system require that the Borough contribute at 22%. After deducting the DC plan contributions (and related OPEB contributions), the remaining remittance (the DBUL) is deposited into the DB plan as noted earlier.

Benefit Terms

Employees are immediately vested in their own contributions and vest 25% with two years of service, plus an additional 25% per year thereafter for full vesting at five years of service. Nonvested employer contributions are forfeited upon termination of employment from the Plan. Such forfeitures were applied in the year ended June 30, 2023 to cover a portion of the Borough's employer match contributions. For the year ended June 30, 2023, forfeitures reduced pension expense by zero.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Employee Contribution Rate

Employees are required to contribute 8% of their annual covered salary. This amount goes directly to the individual's account.

Employer Contribution Rate

For the year ended June 30, 2023, the Borough was required to contribute 5% of covered salary into the Plan.

The Borough and employee contributions to PERS for pensions for the year ended June 30, 2023 were \$29,096 and \$46,553, respectively. The Borough contribution amount was recognized as pension expense/expenditures.

(c) Defined Benefit OPEB Plans

As part of its participation in PERS, the Borough participates in the following cost-sharing multiple-employer defined benefit OPEB plans: Alaska Retiree Healthcare Trust (ARHCT), Retiree Medical Plan (RMP) and Occupational Death and Disability Plan (ODD).

The ARHCT, a healthcare trust fund, provides major medical coverage to retirees of the DB plan. The ARHCT is self-funded and self-insured. The ARHCT was closed to all new members effective July 1, 2006. Benefits vary by Tier level. The RMP provides major medical coverage to retirees of the PERS DC Plan (Tier IV). The RMP is self-insured. Members are not eligible to use the Plan until they have at least 10 years of service and are Medicare age eligible. The ODD provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within PERS. The Plans are administered by the State of Alaska, Department of Administration. The OPEB plans are included in the comprehensive annual financial report for PERS, at the following website <https://drb.alaska.gov/docs/reports/>.

Employer Contribution Rate

Employer contribution rates are actuarially determined and adopted by and may be amended by the Board. Employees do not contribute.

Employer contribution rates for the year ended June 30, 2023 were as follows:

	Other	Peace/Fire
Alaska Retiree Healthcare Trust	0.00%	0.00%
Retiree Medical Plan	1.10%	1.10%
Occupational Death and Disability Benefits	0.30%	0.68%
Total Contribution Rates	1.40%	1.78%

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

In 2023, the Borough was credited with the following contributions to the OPEB plans:

	Measurement Period July 1, 2021 to June 30, 2022	Borough Fiscal Year July 1, 2022 to June 30, 2023
Employer contributions - ARHCT	\$ 35,523	\$ -
Employer contributions - RMP	5,626	6,188
Employer contributions - ODD	1,630	1,687
Total Contributions	\$ 42,779	\$ 7,875

OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Plans

At June 30, 2023, the Borough reported an asset for its proportionate share of the net OPEB asset (NOA) that reflected a reduction for State OPEB support provided to the Borough. The amount recognized by the Borough for its proportional share, the related State proportion, and the total were as follows:

Borough's proportionate share of NOA - ARHCT	\$ 655,721
Borough's proportionate share of NOA - RMP	11,548
Borough's proportionate share of NOA - ODD	12,385

Total Borough's Proportionate Share of Net OPEB Asset	\$ 679,654
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State's proportionate share of the ARHCT NOA associated with the Borough	188,495
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Total Net OPEB Asset	\$ 868,149
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The total OPEB assets for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 to calculate the net OPEB assets as of that date. The Borough's proportion of the net OPEB assets is based on a projection of the Borough's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

	June 30, 2021 Measurement Date Employer Proportion	June 30, 2022 Measurement Date Employer Proportion	Change
Borough's proportionate share of the net OPEB assets:			
ARHCT	0.03794%	0.03333%	(0.00461)%
RMP	0.03174%	0.03325%	0.00151 %
ODD	0.02696%	0.02825%	0.00129 %

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

For the year ended June 30, 2023, the Borough recognized OPEB expense of \$(165,824). Of this amount, \$(64,030) was recorded as on-behalf revenue and expense for support provided by the ARHCT plan. OPEB expense and on-behalf revenue is listed by plan in the table below:

<i>Plan</i>	OPEB Expense	On-behalf Revenue
ARHCT	\$ (168,314)	\$ (64,030)
RMP	2,597	-
ODD	(107)	-
Total	\$ (165,824)	\$ (64,030)

At June 30, 2023, the Borough reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

<i>Deferred Outflows of Resources</i>	ARHCT	RMP	ODD	Total
Difference between expected and actual experience	\$ -	\$ 572	\$ -	\$ 572
Changes in assumptions	-	2,236	-	2,236
Difference between projected and actual investment earnings	37,201	1,647	419	39,267
Changes in proportion and differences between Borough contributions and proportionate share of contributions	16,445	181	534	17,160
Borough contributions subsequent to the measurement date	-	6,188	1,687	7,875
Total Deferred Outflows of Resources Related to OPEB Plans	\$ 53,646	\$ 10,824	\$ 2,640	\$ 67,110

<i>Deferred Inflows of Resources</i>	ARHCT	RMP	ODD	Total
Difference between expected and actual experience	\$ (4,641)	\$ (454)	\$ (4,063)	\$ (9,158)
Changes in assumptions	(30,092)	(13,846)	(79)	(44,017)
Changes in proportion and differences between Borough contributions and proportionate share of contributions	-	(132)	(752)	(884)
Total Deferred Inflows of Resources Related to OPEB Plans	\$ (34,733)	\$ (14,432)	\$ (4,894)	\$ (54,059)

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Amounts reported as deferred outflows of resources related to OPEB plans resulting from Borough contributions subsequent to the measurement date will be recognized as an increase in the net OPEB assets in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>Year Ending June 30,</i>	ARHCT	RMP	ODD	Total
2023	\$ (24,536)	\$ (1,639)	\$ (793)	\$ (26,968)
2024	(13,047)	(1,720)	(814)	(15,581)
2025	(29,391)	(1,974)	(880)	(32,245)
2026	85,886	220	(244)	85,862
2027	-	(2,108)	(534)	(2,642)
Thereafter	-	(2,574)	(676)	(3,250)
Total Amortization	\$ 18,912	\$ (9,795)	\$ (3,941)	\$ 5,176

Actuarial Assumptions

The total OPEB asset for each plan was determined by actuarial valuations as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The updated demographic and economic assumptions were adopted by the Board in June 2022 based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The new assumptions were adopted to better reflect expected future experience and are effective June 30, 2022:

Actuarial cost method	Entry Age Normal
Amortization method	Unfunded Accrued Actuarial Liability, level percent of pay basis
Inflation	2.50% per year
Salary increases	Graded by service, from 8.50% to 3.85% for Peace Officer/Firefighter. Graded by service from 6.75% to 2.85% for all others.
Allocation methodology	Amounts for the June 30, 2022 measurement date were allocated to employers based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions for the Plan for the fiscal years 2023 to 2039.
Investment rate of return	7.25%, net of postemployment healthcare plan investment expenses. This is based on an average inflation rate of 2.50% and a real return of 4.75%.
Healthcare cost trend rates	Pre-65 medical: 7.0% grading down to 4.5% Post-65 medical: 5.5% grading down to 4.5% Prescription drug: 7.5% grading down to 4.5% EGWP: 7.5% grading down to 4.5%

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Mortality

Peace Officer/Firefighter: Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, headcount-weighted, and projected with MP-2021 generational improvement.

Post-commencement mortality rates were based on:

Healthy Retirees - Pub-2010 Safety Retiree table, headcount-weighted, and projected with MP-2021 generational improvement.

Disabled Retirees - Pub-2010 Safety Disabled Retiree table, headcount-weighted, and projected with MP-2021 generational improvement.

Beneficiaries - Pub-2010 Contingent Survivor table, headcount-weighted, and projected with MP-2021 generational improvement, applied after the death of original member.

Others: Pre-commencement mortality rates were based on the Pub-2010 General Retiree table, headcount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 35% of the time.

Post-commencement mortality rates were based on:

Healthy Retirees - Based on 98% of male and 106% of female rates of Pub-2010 General Retiree table, headcount-weighted, and projected with MP-2021 generational improvement.

Disabled Retirees - Pub-2010 Non-Safety Disabled Retiree table, headcount-weighted, and projected with MP-2021 generational improvement.

Beneficiaries - Based on 102% of mail and 108% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement, applied after the death of original member.

(ODD Plan)

Deaths are assumed to be occupational 75% of the time for peace officers/firefighters, 40% of the time for all others. Post-disability mortality in accordance with the RP-2014 Disabled Table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.

Participation (ARHCT)

100% of system paid of members and their spouses are assumed to elect the healthcare benefits paid as soon as they are eligible. 20% of nonsystem paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

The actuarial assumptions used in the June 30, 2022 actuarial valuation were based on the results of an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The updated demographic and economic assumptions were adopted by the Board in June 2022 based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The new assumptions were adopted to better reflect expected future experience and are effective June 30, 2022. The actuarial assumptions used in the June 30, 2021 actuarial valuation are the same as those used in the June 30, 2020 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of postretirement healthcare plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic rates of return, excluding the inflation component of 2.50% for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2022 are summarized in the following table:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
Broad domestic equity	27%	6.51 %
Global equity (non-U.S.)	18%	5.70 %
Aggregate bonds	21%	0.31 %
Opportunistic	6%	0.00 %
Real assets	14%	3.71 %
Private equity	14%	9.61 %
Cash equivalents	-%	(0.50)%

Discount Rate

The discount rate used to measure the total OPEB asset for each plan as of June 30, 2022 was 7.25%. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the fiduciary net position for each plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset for each plan.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate

The following presents the Borough's proportionate share of the net OPEB asset calculated using the discount rate of 7.25%, as well as what the Borough's proportionate share of the respective plan's net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Proportional Share	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Borough's proportionate share of the net OPEB liability:				
ARHCT	0.03333%	\$ 359,593	\$ 655,721	\$ 878,893
RMP	0.03325%	\$ (2,124)	\$ 11,548	\$ 19,155
ODD	0.02825%	\$ 11,667	\$ 12,385	\$ 12,947

Sensitivity of the Net OPEB Asset to Changes in the Healthcare Cost Trend Rates

The following presents the Borough's proportionate share of the net OPEB asset calculated using the healthcare cost trend rates as summarized in the 2020 actuarial valuation reports as well as what the Borough's proportionate share of the respective plan's net OPEB asset would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	Proportional Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Borough's proportionate share of the net OPEB liability:				
ARHCT	0.03333%	\$ 905,147	\$ 655,721	\$ 357,858
RMP	0.03325%	\$ 23,406	\$ 11,548	\$ (4,424)
ODD	0.02825%	\$ n/a	\$ n/a	\$ n/a

OPEB Plan Fiduciary Net Position

Detailed information about each OPEB plan's fiduciary net position is available in the separately issued PERS financial report.

(d) Defined Contribution OPEB Plans

PERS DC Pension Plan participants (PERS Tier IV) also participate in the Health Reimbursement Arrangement Plan (HRA Plan). The HRA Plan allows for medical care expense to be reimbursed from individual savings accounts established for eligible persons. The HRA Plan became effective July 1, 2006 at which time contributions by employers began.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

Contribution Rate

AS 39.30.370 establishes this contribution amount as “three percent of the average annual employee compensation of *all employees of all employers* in the plan”. As of July 1, 2022, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates \$2,237 per year for each full-time employee, and \$1.43 per hour for part-time employees.

Annual Postemployment Healthcare Cost

In fiscal year 2023, the Borough contributed \$16,964 in DC OPEB costs. These amounts have been recognized as expense/expenditures.

9. Deferred Compensation Plan

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The Plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. In accordance with the Internal Revenue Code, all assets and income of the Plan are held in trust for the exclusive benefit of participants and their beneficiaries.

10. Contribution to Aleutians East Borough School District

During the year ended June 30, 2023, the Borough contributed \$1,361,746 to the Aleutians East Borough School District, which is a component unit of the Borough. Of this amount, \$1,155,000 was for a local contribution and \$206,746 was for in-kind support related to facility maintenance, insurance and usage of space.

11. Commitments and Contingencies

(a) Grants

The Borough participates in a number of federal and state grant programs. These programs are subject to program compliance audits by grantors or their representatives. The amount, if any, of expenditures that may be disallowed by granting agencies cannot be determined at this time, although the Borough expects such amounts, if any, to be immaterial.

(b) Helicopter Transportation Contract

During fiscal year 2014, the Borough entered into a contract to transport people and mail from Akutan Airport to the City of Akutan. On January 30, 2019, the Borough entered into a Helicopter Services Agreement with Maritime Helicopters (Maritime). Maritime agreed to provide Essential Air Service (EAS) between Akutan, and the Akutan Airport located on Akun Island and the Borough agreed to pay 50% of the EAS costs for the services provided by Maritime. The original term of this agreement began on February 1, 2020 and ended on December 31, 2020. This agreement was extended two times with a termination on March 31, 2023. On March 28, 2023, the Borough and Maritime entered into another Helicopter Services Agreement, which began on April 1, 2023 and ends March 31, 2024. For the services outlined in the agreement, the Borough agrees to pay Maritime

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

a monthly rate of \$86,676 for the period of April 1, 2023 through March 31, 2024 totaling \$1,040,113; a monthly rate of \$91,507 for the period of April 1, 2024 through March 31, 2025 totaling \$1,098,078 and a monthly rate of \$96,016 for the period of April 1, 2025 through March 31, 2026 totaling \$1,152,195. In turn, Maritime agrees to pay the Borough a monthly payment for fuel, transportation and hangar usage services.

(c) Litigation

A restitution payable by the Army Corps of Engineers of \$20,650,253 was awarded on December 5, 2017 in regard to the claim from Kelly-Ryan, Inc., against the Army Corps of Engineers arising from a contract dispute relating to the construction of the False Pass Harbor. Originally the project cooperation agreement between the Department of the Army and the Borough provided for cost sharing on the part of the Borough, which made the Borough liable for part of the restitution awarded. However, in December 2020, the President signed the Omnibus/COVID Bill into law. The legislation included the WRDA Bill, and the False Pass provision, which states:

“In a case in which the Armed Services Board of Contract Appeals or other court of competent jurisdiction has rendered a decision during the period beginning on December 1, 2017, and ending on December 31, 2022, awarding damages to a contractor relating to the adjudication of claims arising from the construction of an authorized water resources development project, notwithstanding the terms of the Project Partnership Agreement, the Secretary shall waive payment of the share of the non-Federal interest of those damages, including attorney’s fees, if - (1)(A) the contracting officer was instructed by the Corps of Engineers to modify the terms of the contract or terminate the contract; and (B) the Armed Services Board of Contract Appeals or other court of competent jurisdiction determined that the failure of the contracting officer to timely take the action described in subparagraph (A) was a material breach of the contract that resulted in damages to the contractor awarded by the Armed Services Board of Contract Appeals or the court, as applicable; or (2) the claims arose from construction of a project deauthorized under this title.”

Therefore, the Borough is no longer responsible for the restitution award.

The Borough entered into a Project Partnership Agreement with the Army Corps of Engineers for the False Pass Harbor Project. In August 2022, the Borough received notification from the Army Corps of Engineers stating that the project accounting has been completed and adjusted for the provisions of Section 349 of the WRDA bill. That provision removed the contract claim judgment from the project cost share.

The Corps completed their accounting and determined that the final amount owed by the Borough for the second 10% is \$612,770. The Corps stated that the second 10% could be paid for now or over a period of 30 years utilizing the Federal finance rate as defined by Section 106 of WRDA 1986. The Borough Assembly decided to pay the second 10% in full. In October 2022, the Borough paid the Corps \$612,770.

12. Subsequent Events

In preparing these financial statements, the Borough has evaluated all other events and transactions for potential recognition or disclosure through February 7, 2024, the date the financial statements were issued.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

13. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several new accounting standards with upcoming implementation dates (effective dates are adjusted for the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The following new accounting standards were considered and if applicable, implemented by the Borough for 2023 reporting:

GASB Statement No. 91 - *Conduit Debt Obligations* - Effective for year-end June 30, 2022. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit obligations, and related note disclosures. This Statement clarifies the definition of a conduit debt obligation and establishes standards for related accounting and financial reporting.

GASB Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* - Effective for year-end June 30, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs) and also provides guidance for accounting and financial reporting for availability payment arrangements (APA).

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements* - Effective for year-end June 30, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement, among other things, defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability, provides capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA.

GASB Statement No. 99 - *Omnibus 2022* - Provisions of this Statement related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, classification of certain provisions in Statement No. 34, as amended, and terminology updates related to Statement No. 53 and Statement No. 63 are effective upon issuance. The effective date for the provisions of this Statement related to leases, PPPs, and SBITAs are to be implemented for year-end June 30, 2023. The effective date for the provisions of this Statement related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53, are to be implemented for year-end June 30, 2024.

The following accounting standards have upcoming implementation dates. Management has not yet fully evaluated these statements, and actual impacts have not yet been determined:

GASB Statement No. 100 - *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62 - Effective for year-end June 30, 2024. Earlier application is encouraged. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Statement No. 101 - *Compensated Absences* - Effective for year-end June 30, 2025. Earlier application is encouraged. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Aleutians East Borough, Alaska

Notes to Basic Financial Statements

GASB Statement No. 102 - Certain Risk Disclosures - Effective for year-end June 30, 2025. Earlier application is encouraged. The objective of this Statement is to provide users of the government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact.

Required Supplementary Information

Aleutians East Borough, Alaska
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2023</i>	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Federal government	\$ 630,000	\$ 630,000	\$ 736,867	\$ 106,867
State of Alaska	2,545,087	3,289,444	3,802,302	512,858
Borough raw fish tax	3,500,000	4,000,000	4,824,614	824,614
Investment income	15,000	15,000	917,831	902,831
Other	75,000	75,000	42,601	(32,399)
Total Revenues	6,765,087	8,009,444	10,324,215	2,314,771
Expenditures				
Current:				
General government	2,829,258	3,339,258	2,794,113	545,145
Public works	259,168	259,168	123,902	135,266
Education	1,155,000	1,155,000	1,699,032	(544,032)
Community services	177,500	199,500	189,139	10,361
Total Expenditures	4,420,926	4,952,926	4,806,186	146,740
Excess of Revenues Over Expenditures	2,344,161	3,056,518	5,518,029	2,461,511
Other Financing Uses				
Transfers out	-	-	(4,039,947)	(4,039,947)
Net Change in Fund Balance	\$2,344,161	\$ 3,056,518	1,478,082	\$ (1,578,436)
Fund Balance, beginning			26,387,063	
Fund Balance, ending			\$ 27,865,145	

See accompanying notes to Required Supplementary Information.

Aleutians East Borough, Alaska
Public Employees' Retirement System - Pension Plan
Schedule of the Borough's Proportionate Share of the Net Pension Liability

<i>Years Ended June 30,</i>	2023	2022	2021	2020	2019	2018	2017	2016	2015
Borough's Proportion of the Net Pension Liability	0.03360%	0.03777%	0.02968%	0.02944%	0.02926%	0.03046%	0.03650%	0.03284%	0.02858%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,712,529	\$ 1,385,594	\$ 1,751,249	\$ 1,611,440	\$ 1,453,693	\$ 1,574,500	\$ 2,040,097	\$ 1,592,614	\$ 1,332,935
State of Alaska Proportionate Share of the Net Pension Liability	472,305	189,274	725,062	641,549	419,234	588,884	260,943	426,877	782,704
Total Net Pension Liability	\$ 2,184,834	\$ 1,574,868	\$ 2,476,311	\$ 2,252,989	\$ 1,872,927	\$ 2,163,384	\$ 2,301,040	\$ 2,019,491	\$ 2,115,639
Borough's Covered Payroll	\$ 976,541	\$ 998,652	\$ 953,677	\$ 925,266	\$ 871,241	\$ 532,514	\$ 616,773	\$ 576,627	\$ 498,241
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Payroll	175.37%	138.75%	183.63%	174.16%	166.85%	295.67%	330.77%	276.19%	267.53%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.97%	76.46%	61.61%	63.42%	65.19%	63.37%	59.55%	63.96%	63.37%

Schedule of the Borough's Contributions

<i>Years Ended June 30,</i>	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 146,615	\$ 148,427	\$ 154,895	\$ 145,741	\$ 156,444	\$ 144,604	\$ 117,153	\$ 135,690	\$ 126,858
Contributions Relative to the Contractually Required Contribution	146,615	148,427	154,895	145,741	156,444	144,604	117,153	135,690	126,858
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 907,112	\$ 976,541	\$ 998,652	\$ 953,677	\$ 925,266	\$ 871,241	\$ 532,514	\$ 616,773	\$ 576,627
Contributions as a Percentage of Covered Payroll	16.16%	15.20%	15.51%	15.28%	16.91%	16.60%	22.00%	22.00%	22.00%

See accompanying notes to Required Supplementary Information.

Aleutians East Borough, Alaska

Public Employees' Retirement System - ARHCT OPEB Plan

Schedule of the Borough's Proportionate Share of the Net OPEB Liability (Asset)

Years Ended June 30,	ARHCT					
	2023	2022	2021	2020	2019	2018
Borough's Proportion of the Net OPEB Liability (Asset)	0.03333%	0.03794%	0.02973%	0.02949%	0.02921%	0.03052%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ (655,721)	\$ (973,329)	\$ (134,651)	\$ 43,757	\$ 299,740	\$ 257,835
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	(188,495)	(123,597)	(56,002)	17,287	87,351	96,277
Total Net OPEB Liability (Asset)	\$ (844,216)	\$ (1,096,926)	\$ (190,653)	\$ 61,044	\$ 387,091	\$ 354,112
Borough's Covered Payroll	\$ 450,750	\$ 533,861	\$ 521,918	\$ 512,113	\$ 497,243	\$ 532,514
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-145.47%	-182.32%	-25.80%	8.54%	60.28%	48.42%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	128.51%	135.54%	106.15%	98.13%	88.12%	89.68%

Schedule of the Borough's Contributions

Years Ended June 30,	ARHCT					
	2023	2022	2021	2020	2019	2018
Contractually Required Contributions	\$ -	\$ 35,523	\$ 47,845	\$ 57,219	\$ 53,413	\$ 45,399
Contributions Relative to the Contractually Required Contribution	-	35,523	47,845	57,219	53,413	45,399
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 344,607	\$ 450,750	\$ 533,861	\$ 521,918	\$ 512,113	\$ 497,243
Contributions as a Percentage of Covered Payroll	0.00%	7.88%	8.96%	10.96%	10.43%	9.13%

See accompanying notes to Required Supplementary Information.

Aleutians East Borough, Alaska

Public Employees' Retirement System - RMP OPEB Plan

Schedule of the Borough's Proportionate Share of the Net OPEB Liability (Asset)

Years Ended June 30,	RMP					
	2023	2022	2021	2020	2019	2018
Borough's Proportion of the Net OPEB Liability (Asset)	0.03325%	0.03174%	0.03195%	0.03314%	0.03305%	0.03299%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ (11,548)	\$ (8,520)	\$ 2,266	\$ 7,928	\$ 4,205	\$ 1,721
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	-	-	-	-	-	-
Total Net OPEB Liability (Asset)	\$ (11,548)	\$ (8,520)	\$ 2,266	\$ 7,928	\$ 4,205	\$ 1,721
Borough's Covered Payroll	\$ 525,791	\$ 464,790	\$ 431,760	\$ 413,153	\$ 373,998	\$ 532,514
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-2.20%	-1.83%	0.52%	1.92%	1.12%	0.32%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	120.08%	115.10%	95.23%	83.17%	88.71%	93.98%

Schedule of the Borough's Contributions

Years Ended June 30,	RMP					
	2023	2022	2021	2020	2019	2018
Contractually Required Contributions	\$ 6,188	\$ 5,626	\$ 5,891	\$ 5,699	\$ 3,889	\$ 3,852
Contributions Relative to the Contractually Required Contribution	6,188	5,626	5,891	5,699	3,889	3,852
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 562,505	\$ 525,791	\$ 464,790	\$ 431,760	\$ 413,153	\$ 373,998
Contributions as a Percentage of Covered Payroll	1.10%	1.07%	1.27%	1.32%	0.94%	1.03%

See accompanying notes to Required Supplementary Information.

Aleutians East Borough, Alaska

Public Employees' Retirement System - ODD OPEB Plan

Schedule of the Borough's Proportionate Share of the Net OPEB Liability (Asset)

Years Ended June 30,	ODD					
	2023	2022	2021	2020	2019	2018
Borough's Proportion of the Net OPEB Liability (Asset)	0.02825%	0.02696%	0.02560%	0.02633%	0.03305%	0.03299%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ (12,385)	\$ (11,882)	\$ (6,978)	\$ (6,385)	\$ (6,418)	\$ (4,681)
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	-	-	-	-	-	-
Total Net OPEB Liability (Asset)	\$ (12,385)	\$ (11,882)	\$ (6,978)	\$ (6,385)	\$ (6,418)	\$ (4,681)
Borough's Covered Payroll	\$ 525,791	\$ 464,790	\$ 431,760	\$ 373,998	\$ 373,998	\$ 532,514
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-2.36%	-2.56%	-1.62%	-1.71%	-1.72%	-0.88%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	348.80%	374.22%	283.80%	297.43%	270.62%	212.97%

Schedule of the Borough's Contributions

Years Ended June 30,	ODD					
	2023	2022	2021	2020	2019	2018
Contractually Required Contributions	\$ 1,687	\$ 1,630	\$ 1,438	\$ 1,123	\$ 1,075	\$ 598
Contributions Relative to the Contractually Required Contribution	1,687	1,630	1,438	1,123	1,075	598
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 562,505	\$ 525,791	\$ 464,790	\$ 431,760	\$ 413,153	\$ 373,998
Contributions as a Percentage of Covered Payroll	0.30%	0.31%	0.31%	0.26%	0.26%	0.16%

See accompanying notes to Required Supplementary Information.

Aleutians East Borough, Alaska

Notes to Required Supplementary Information Year Ended June 30, 2023

1. Budgetary Comparison Schedule

The budgetary comparison schedule is presented on the modified accrual basis of accounting.

The COVID-19 Special Revenue Fund, Trust Permanent Fund, Capital Improvements Capital Project Fund, and Bond Construction Capital Project Fund do not have a legally adopted budget; therefore, no budgetary comparison schedule has been presented for these funds.

2. Public Employees' Retirement System Pension Plan

Schedule of the Borough's Proportionate Share of the Net Pension Liability

These tables are presented based on the Plan measurement date. For June 30, 2023, the Plan measurement date is June 30, 2022.

Changes in Assumptions:

The total pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The updated demographic and economic assumptions were adopted by the Board in June 2022 based on the results of an actuarial experience study for the period July 1, 2017 to June 30, 2021. The new assumptions were adopted to better reflect expected future experience and are effective June 30, 2022.

In 2022, the discount rate was lowered from 7.38% to 7.25%.

Amounts reported reflect a change in assumptions between 2016 and 2017 in the method of allocating the net pension liability from actual contributions to present value of projected future contributions.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the Borough will present only those years for which information is available.

Schedule of the Borough's Contributions

These tables are based on the Borough's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the Borough will present only those years for which information is available.

Aleutians East Borough, Alaska

Notes to Required Supplementary Information, continued

3. Public Employees' Retirement System OPEB Plans

Schedule of the Borough's Proportionate Share of the Net OPEB Asset and Liability

This table is presented based on the Plan measurement date. For June 30, 2023, the Plan measurement date is June 30, 2022.

Changes in Assumptions:

The total OPEB liability for each plan was determined by actuarial valuations as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The updated demographic and economic assumptions were adopted by the Board in June 2022 based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The new assumptions were adopted to better reflect expected future experience and are effective June 30, 2022. The actuarial assumptions used in the June 30, 2021 actuarial valuation are the same as those used in the June 30, 2020 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

In 2022, the discount rate was lowered from 7.38% to 7.25%.

In 2019, an Employer Group Waiver Plan (EGWP) was implemented effective January 1, 2019. This arrangement replaced the Retiree Drug Subsidy (RDS) under Medicare Part D and resulted in largest projected subsidies to offset the cost of prescription drug coverage.

GASB requires ten years of information be presented. However, until a full 10 years of information is available, the Borough will present only those years for which information is available.

Schedule of the Borough's Contributions

This table is based on the Borough's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the Borough will present only those years for which information is available.

Supplementary Information

Aleutians East Borough, Alaska

Nonmajor Governmental Funds
Combining Balance Sheet

<i>June 30, 2023</i>	Covid-19 Special Revenue	Maint- enance Reserve Capital Project	King Cove Access Capital Project	Total Nonmajor Govern- mental Funds
Assets				
Cash and investments	\$ 182,615	\$ 361,141	\$ 280,770	\$ 824,526
Prepaid items	-	1,987	-	1,987
Total Assets	\$ 182,615	\$ 363,128	\$ 280,770	\$ 826,513
Liabilities and Fund Balances				
Liabilities				
Unearned revenue	\$ 182,615	\$ -	\$ -	\$ 182,615
Total Liabilities	182,615	-	-	182,615
Fund Balance				
Nonspendable	\$ -	\$ 1,987	\$ -	\$ 1,987
Restricted:				
King Cove access project	-	-	280,770	280,770
Assigned:				
Maintenance reserve	-	361,141	-	361,141
Total Fund Balances	-	363,128	280,770	643,898
Total Liabilities and Fund Balances	\$ 182,615	\$ 363,128	\$ 280,770	\$ 826,513

Aleutians East Borough, Alaska

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

<i>Year Ended June 30, 2023</i>	Covid-19 Special Revenue	Maint- enance Reserve Capital Project	King Cove Access Capital Project	Total Nonmajor Govern- mental Funds
Revenues:				
Federal Government	\$ 465,558	\$ -	\$ -	\$ 465,558
Expenditures				
Current:				
Public Works - maintenance	\$ -	\$ 89,176	\$ -	\$ 89,176
Capital outlay	465,558	-	-	465,558
Total expenditures	465,558	89,176	-	554,734
Net Change in Fund Balances	-	(89,176)	-	(89,176)
Fund Balances, beginning	-	452,304	280,770	733,074
Fund Balances, ending	\$ -	\$ 363,128	\$ 280,770	\$ 643,898

Aleutians East Borough, Alaska
General Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2023</i>	Budget	Actual	Variance
Revenues			
Federal government:			
Payments in lieu of taxes	\$ 615,000	\$ 719,988	\$ 104,988
Fish and Wildlife grants	15,000	16,879	1,879
Total Federal government	630,000	736,867	106,867
State of Alaska:			
Raw fish tax	2,244,357	2,244,357	-
State fish landing tax	100,000	70,702	(29,298)
State extraterritorial fish tax	1,500	129,756	128,256
PERS on-behalf	-	23,652	23,652
Debt reimbursement	628,587	628,587	-
Community assistance	315,000	705,248	390,248
Total State of Alaska	3,289,444	3,802,302	512,858
Borough raw fish tax	4,000,000	4,824,614	824,614
Investment income	15,000	917,831	902,831
Other	75,000	42,601	(32,399)
Total Revenues	8,009,444	10,324,215	2,314,771
Expenditures			
General government:			
Mayor's Office:			
Salaries	87,729	94,476	(6,747)
Fringe benefits	44,652	43,931	721
Travel and per diem	33,000	34,665	(1,665)
Telephone	1,000	1,007	(7)
Dues and fees	2,000	1,300	700
Supplies	1,000	474	526
Lobbying	120,600	118,796	1,804
Total Mayor's Office	289,981	294,649	(4,668)
Assembly:			
Salaries	43,000	34,200	8,800
Fringe benefits	149,000	137,024	11,976
Travel and per diem	60,000	41,872	18,128
Dues and fees	5,000	1,876	3,124
Supplies	1,000	697	303
Total Assembly	258,000	215,669	42,331

Aleutians East Borough, Alaska
General Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual, continued

<i>Year Ended June 30, 2023</i>	Budget	Actual	Variance
Expenditures, continued:			
Clerk and planning management:			
Salaries	\$ 71,995	\$ 74,286	\$ (2,291)
Fringe benefits	30,000	30,961	(961)
Travel and per diem	10,000	14,541	(4,541)
Telephone	10,000	13,833	(3,833)
Postage	1,000	190	810
Supplies	3,000	3,603	(603)
Utilities	17,000	25,095	(8,095)
Dues and fees	3,500	4,514	(1,014)
Elections	10,000	8,496	1,504
Total clerk and planning management	156,495	175,519	(19,024)
Administration:			
Salaries	205,000	190,654	14,346
Fringe benefits	84,919	88,429	(3,510)
Engineering	25,000	45,143	(20,143)
Contractual	90,000	72,644	17,356
Travel and per diem	10,000	15,427	(5,427)
Telephone	5,350	4,590	760
Postage	750	110	640
Supplies	4,000	3,037	963
Rent	10,867	10,867	-
Dues and fees	8,000	10,801	(2,801)
Total administration	443,886	441,702	2,184
Assistant administrator:			
Salaries	93,600	95,400	(1,800)
Fringe benefits	37,485	33,071	4,414
Travel and per diem	8,000	5,031	2,969
Telephone	1,250	1,409	(159)
Supplies	800	85	715
Dues and fees	1,500	680	820
Rent	10,723	10,723	-
Total assistant administrator	153,358	146,399	6,959

Aleutians East Borough, Alaska
General Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual, continued

<i>Year Ended June 30, 2023</i>	Budget	Actual	Variance
Expenditures, continued:			
Finance:			
Salaries	\$ 145,000	\$ 88,928	\$ 56,072
Fringe benefits	70,000	47,716	22,284
Contractual	100,000	25,588	74,412
Travel and per diem	8,500	7,373	1,127
Telephone	10,500	11,480	(980)
Postage	1,050	788	262
Supplies	7,000	8,957	(1,957)
Rent	6,000	5,650	350
Utilities	4,500	5,592	(1,092)
Dues and fees	2,000	1,134	866
Audit	82,500	93,243	(10,743)
Total finance	437,050	296,449	140,601
Resource department:			
Salaries	190,014	178,650	11,364
Fringe benefits	77,175	77,333	(158)
Contractual	40,000	33,198	6,802
Travel and per diem	20,000	7,238	12,762
Telephone	3,000	2,844	156
NPFMC	10,000	-	10,000
Supplies	2,500	827	1,673
Dues and fees	2,000	2,895	(895)
BOF meeting	50,000	46,645	3,355
Rent	27,632	27,631	1
Total resource department	422,321	377,261	45,060
Communications manager:			
Salaries	113,515	115,698	(2,183)
Fringe benefits	37,660	35,205	2,455
Travel and per diem	10,000	9,635	365
Telephone	2,000	1,399	601
Supplies	1,000	246	754
Dues and fees	1,100	827	273
Rent	11,142	11,142	-
Advertising	9,250	10,635	(1,385)
Website	3,000	-	3,000
Total communications manager	188,667	184,787	3,880
Other:			
Repairs	2,500	645	1,855
Utilities	20,000	37,015	(17,015)
Equipment	22,500	24,556	(2,056)
AEB vehicles	3,000	1,765	1,235
Legal	85,000	85,878	(878)
Insurance	250,000	263,332	(13,332)
Bank fees	12,000	3,281	8,719
Web service	39,500	43,795	(4,295)
PERS expenditures	35,000	192,755	(157,755)
Sand Point Pool	500,000	-	500,000
Miscellaneous	20,000	8,656	11,344
Total other	989,500	661,678	327,822
Total general government:	3,339,258	2,794,113	545,145

Aleutians East Borough, Alaska
General Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual, continued

<i>Year Ended June 30, 2023</i>	Budget	Actual	Variance
Expenditures, continued:			
Public works:			
Salaries	\$ 76,388	\$ 11,472	\$ 64,916
Fringe benefits	35,280	1,506	33,774
Travel and per diem	18,000	-	18,000
Supplies	4,000	4,810	(810)
Dues and fees	1,000	-	1,000
Utilities	2,000	2,466	(466)
King Cove access project:			
Supplies	2,500	2,281	219
Maintenance	115,000	101,367	13,633
Contractual	5,000	-	5,000
Total public works	259,168	123,902	135,266
Education:			
Local school contribution	1,100,000	1,644,032	(544,032)
Student scholarships	35,000	35,000	-
Student travel	20,000	20,000	-
Total education	1,155,000	1,699,032	(544,032)
Community services:			
Contribution to Eastern Aleutians Tribes	150,000	150,000	-
Community assistance - Nelson Lagoon	16,000	15,789	211
Donations	23,500	13,350	10,150
KSDP contribution	10,000	10,000	-
Total community services	199,500	189,139	10,361
Total Expenditures	4,952,926	4,806,186	146,740
Excess of Revenues Over Expenditures	3,056,518	5,518,029	2,461,511
Other Financing Uses			
Transfers out	-	(4,039,947)	(4,039,947)
Net Change in Fund Balance	\$ 3,056,518	1,478,082	\$ (1,578,436)
Fund Balance, beginning		26,387,063	
Fund Balance, ending		\$ 27,865,145	

Aleutians East Borough, Alaska

Trust Permanent Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2023

Revenues

Investment income	\$ 3,180,720
Other income	29,636

Total Revenues	3,210,356
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Expenditures - current - general government - management fee	42,843
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Net Change in Fund Balance	3,167,513
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Fund Balance, beginning	48,442,268
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Fund Balance, ending	\$ 51,609,781
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Aleutians East Borough, Alaska
Capital Improvements Capital Project Fund
Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2023

Revenues

Federal government	\$ 1,128,536
State of Alaska	171,334
Other	191,550

Total Revenues	1,491,420
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Expenditures

Current - infrastructure:	
Salaries	13,486
Contractual	665,419
Travel	2,933
Repairs	561,177
Capital outlay	1,047,687

Total Expenditures	2,290,702
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Excess of Revenues Over (Under) Expenditures	(799,282)
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Other Financing Sources

Transfers in	799,282
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Net Change in Fund Balance	-
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Fund Balance, beginning	-
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Fund Balance, ending	\$ -
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Aleutians East Borough, Alaska
Bond Construction Capital Project Fund
Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2023

Revenues

Investment income	\$	121,535
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Total Revenues		121,535
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Expenditures

Current - infrastructure - contractual		564,583
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Excess of Revenues Over (Under) Expenditures		(443,048)
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Other Financing Sources

Transfers in		-
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Net Change in Fund Balance		(443,048)
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Fund Balance, beginning		309,300
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Fund Balance (Deficit), ending	\$	(133,748)
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Aleutians East Borough, Alaska
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Award Amount	Provided to Subre- cipients	Total Federal Expend- itures
Department of the Treasury					
Local Assistance and Tribal Consistency Fund	21.032		\$2,038,800	\$ -	\$ 47,835
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund	21.027		648,173	-	465,558
Total Department of the Treasury					513,393
Department of Commerce					
Passed through the National Fish and Wildlife Foundation:					
Unallied Science Program	11.472	0303.22.073568	521,062	-	317,472
Unallied Science Program	11.472	0303.23.076659	474,690	-	57,987
Total Assistance Listing 11.472				-	375,459
Total Department of Commerce				-	375,459
Department Health and Human Services					
Congressional Directives	93.493		2,000,000	-	87,455
Total Expenditures of Federal Awards				\$ -	\$ 976,307

See accompanying notes to the Schedule of Expenditures of Federal Awards.

Aleutians East Borough, Alaska

Notes to the Schedule of Expenditures of Federal Awards Year Ended June 30, 2023

1. Basis of Presentation

The accompanying schedules of expenditures of federal awards (the "Schedules") includes the federal award activity of Aleutians East Borough, Alaska (the Borough) excluding its component unit, Aleutians East Borough School District, under programs of the federal government for the year ended June 30, 2023. The information in the Schedules is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedules presents only a selected portion of the operations of the Borough, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Borough.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedules are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedules, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

3. Indirect Cost Rate

The Borough has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Aleutians East Borough, Alaska
Schedule of State Financial Assistance
Year Ended June 30, 2023

State Agency/Program Title	Award Number	Total Award Amount	Passed Through to Subrecipients	State Expend- itures
Department of Commerce, Community and Economic Development				
King Cove Access Project	14-RR-067	\$ 1,958,992	\$ -	\$ 171,334
Department of Education and Early Development				
* Debt Retirement Program	N/A	-	-	628,587
Department of Transportation and Public Facilities				
Harbor Bond Reimbursement	N/A	388,488		388,488
Total State Financial Assistance			\$ -	\$ 1,188,409

* Denotes major program

The accompanying notes are an integral part of this schedule.

Aleutians East Borough, Alaska

Notes to the Schedule of State Financial Assistance Year Ended June 30, 2023

1. Basis of Presentation

The accompanying Schedule of State Financial Assistance (the “Schedule”) includes the state award activity of Aleutians East Borough, Alaska (the Borough) excluding its component unit, Aleutians East Borough School District, under programs of the State of Alaska for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of the Borough, it is not intended to and does not present the financial position, changes in net position or cash flows of the Borough.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedules are reported on the modified accrual basis of accounting.

Single Audit Section



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Honorable Mayor and Borough Assembly
Aleutians East Borough, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Aleutians East Borough, (the Borough) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated February 7, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we and the other auditors did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 that we consider to be significant deficiencies.



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Borough's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Borough's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Borough's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, P.C.

Anchorage, Alaska
February 7, 2024



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

Honorable Mayor and Borough Assembly
Aleutians East Borough, Alaska

Report on Compliance

Opinion on Compliance for Each Major Federal Program

We have audited Aleutians East Borough's (the Borough) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Borough's major federal programs for the year ended June 30, 2023. The Borough's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Borough complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Borough's compliance with the compliance requirements referred to above.



Other Matter - Federal Expenditures Not Included in the Compliance Audit

The Borough's basic financial statements include the operations of its discretely presented component unit, the Aleutians East Borough School District (the School District) which expended \$3,432,453 in federal awards, which are not included in the Borough's schedule of federal awards during the year ended June 30, 2023. Our compliance audit, described in the "Opinion on Each Major Federal Program," does not include the operations of the School District because it was subjected to a separate audit in accordance with Uniform Guidance for the year ended June 30, 2023.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Borough's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Borough's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Borough's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Borough's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Borough's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BDO USA, P.C.

Anchorage, Alaska
February 7, 2024

Independent Auditor's Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; and Report on the Schedule of State Financial Assistance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*

Honorable Mayor and Borough Assembly
Aleutians East Borough, Alaska

Report on Compliance for Each Major State Program

Opinion on Compliance for Each Major State Program

We have audited Aleutians East Borough's (the Borough) compliance with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of the Borough's major state programs for the year ended June 30, 2023. The Borough's major state programs are identified in the accompanying Schedule of State Financial Assistance.

In our opinion, the Borough complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Our responsibilities under those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the Borough's compliance with the types of compliance requirements referred to above.



Other Matter - State Expenditures Not Included in the Compliance Audit

The Borough's basic financial statements include the operations of its component unit, the Aleutians East Borough School District (the School District) which expended \$4,860,150 of state awards which is not included in the Schedule of State Financial Assistance for the year ended June 30, 2023. Our compliance audit, described in the Opinion on Each Major State Program, did not include the operations of the School District because it was subjected to a separate audit in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* for the year ended June 30, 2023.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Borough's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Borough's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the types of compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Borough's compliance with the requirements of the state program as a whole.



In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Borough's compliance with the types of compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Borough's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.



Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Accordingly, this report is not suitable for any other purpose.

BDO USA, P.C.

Anchorage, Alaska
February 7, 2024

Aleutians East Borough, Alaska

Schedule of Findings and Questioned Costs Year Ended June 30, 2023

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified? ☒ yes ☐ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ yes ☒ no

Identification of major federal programs:

Federal Assistance

Listing Number	Name of Federal Program or Cluster	Agency
21.027	Coronavirus State and Local Fiscal Recovery Funds	Department of the Treasury

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? ☐ yes ☒ no

State Financial Assistance

Type of auditor's report issued on compliance for major State programs: Unmodified

Internal control over major state programs:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified? ☐ yes ☒ no

Dollar threshold used to determine a state major program: \$ 750,000
Auditee qualified as low-risk auditee? ☐ yes ☒ no

Aleutians East Borough, Alaska

Schedule of Findings and Questioned Costs, continued Year Ended June 30, 2023

Section II - Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards

<u>Finding 2023-001</u>	Segregation of Duties - Internal Control over Financial Reporting - Significant Deficiency
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<i>Criteria</i>	<i>Government Auditing Standards</i> states that management is responsible for establishing and maintaining effective internal control to help ensure that appropriate goals and objectives are met; using resources efficiently, economically, effectively, and equitably, and safeguarding resources; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Internal controls over financial reporting should allow management to prevent or detect and correct misstatements on a timely basis.
<i>Condition</i>	We noted that while management began taking steps in 2022 to improve segregation of duties between initiation and review/approval of cash disbursements prior to posting, the finance director has the ability to initiate and approve wire transfers, and ACH transactions without secondary approval.
<i>Cause</i>	Internal controls were not in place throughout the entire fiscal year to ensure that all transactions were reviewed and approved by an individual who did not initiate the transaction.
<i>Effect or potential effect</i>	Lack of proper internal controls related to cash disbursements and segregation of duties increases the risk that inappropriate or inaccurate transactions will be recorded to the general ledger.
<i>Recommendation</i>	Management should establish policies requiring all transactions to be reviewed and approved by a second individual who is knowledgeable of the transaction prior to disbursement, and that documentation of this review be retained.
<i>Views of responsible officials</i>	Management concurs with the finding and has established policies requiring all transactions be reviewed and approved by a second individual who is knowledgeable of the transaction prior to disbursement.

Aleutians East Borough, Alaska

Schedule of Findings and Questioned Costs, continued Year Ended June 30, 2023

<u>Finding 2023-002</u>	General Ledger Reconciliation and External Financial Reporting - Significant Deficiency
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<i>Criteria</i>	Management is responsible for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP); this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement. The general ledger and accounting records should accurately report financial transactions and year-end balances in accordance with GAAP.
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<i>Condition</i>	A significant adjustment was made to the general ledger and the financial statements during the course of the audit. Specifically, the adjustment was required to properly record PERS benefits expense and accounts receivable from state sources.
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<i>Cause</i>	Internal controls were not operating effectively to ensure that all general ledger accounts were properly reconciled and adjusted at year-end for GAAP-based financial reporting.
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<i>Effect or potential effect</i>	PERS expense and accounts receivable accounts were misstated, requiring adjustment. Without such adjustment, the financial statements would have been misstated.
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<i>Recommendation</i>	Management should closely review the activity in the general ledger. Information should be reviewed for completeness and accuracy. Year-end balances should be reviewed in a timely manner.
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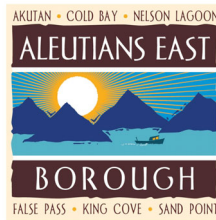
<i>Views of responsible officials</i>	Management concurs with the finding and has hired a full charge bookkeeper to assist with timely reconciliation of the general ledger.
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Section III - Federal Award Findings and Questioned Costs
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There were no findings and questioned costs for federal awards (as defined in 2 CFR 200.516(a)) that are required to be reported.

Section IV - State Award Findings and Questioned Costs

There were no findings and questioned costs for State of Alaska awards (as defined in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*) that are required to be reported.



Aleutians East Borough, Alaska

Summary Schedule of Prior Audit Findings Year Ended June 30, 2023

Finding 2022-001 **General Ledger Reconciliation and External Financial Reporting - Material Weakness in Internal Control**

Finding Internal controls were not established to ensure that all general ledger accounts were properly reconciled and adjusted at year-end for GAAP-based financial reporting.

Status Aleutians East Borough has hired a full-charge bookkeeper to assist management with year-end reconciliations, closing entries, and audit preparation. The bookkeeper has sufficient skills, knowledge, and experience to assist management in ensuring that all accounts are properly reconciled, and all necessary year-end adjusting entries are posted timely prior to commencement of the financial statement audit. We consider this finding partially resolved. See finding 2023-002 in the current year.

Finding 2022-002 **Segregation of Duties - Internal Control over Financial Reporting - Significant Deficiency**

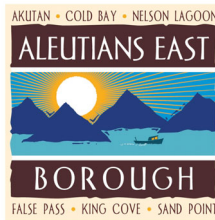
Finding Internal controls were not in place throughout the entire fiscal year to ensure that all transactions were reviewed and approved by an individual who did not initiate the transaction.

Status Aleutians East Borough has taken steps to ensure expense transactions are reviewed and approved prior to being posted to the general ledger. However, the finance director has the ability to initiate and approve ACH transactions without secondary approval. We consider this finding partially resolved. See finding 2023-001 in the current year.

Finding 2022-003 **Journal Entry Review - Internal Control over Financial Reporting - Significant Deficiency**

Finding Internal controls were not established to ensure that all journal entries are reviewed and approved by an individual who did not prepare the entry and who is knowledgeable of the facts and circumstances related to the entry.

Status This finding has been resolved.



Aleutians East Borough, Alaska

Summary Schedule of Prior Audit Findings, continued Year Ended June 30, 2023

Finding 2022-004 **Noncompliance and Significant deficiency in Internal Control - Subrecipient Monitoring**

Finding Internal controls were not in place throughout the entire fiscal year to ensure that all required subrecipient monitoring responsibilities took place.

Status This finding has been resolved.

Finding 2022-005 **Deadline for Federal Single Audit - Noncompliance and Internal Control over Compliance - Significant Deficiency**

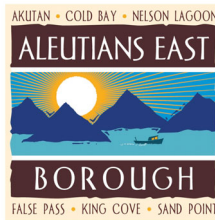
Finding The Form SF-SAC for the fiscal year ended June 30, 2022 was not filed on time.

Status This finding has been resolved.

Finding 2022-006 **Deadline for State Single Audit - Noncompliance and Internal Control over Compliance - Significant Deficiency**

Finding The Borough's audit in accordance with 2 AAC 45 was not completed within nine months after the audit period.

Status This finding has been resolved



Aleutians East Borough, Alaska

Corrective Action Plan Year Ended June 30, 2023

Name of Contact Person Anne Bailey, Borough Administrator
abailey@aeboro.org
 907-274-7580

Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards
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**Finding 2023-001 Segregation of Duties - Internal Control over Financial Reporting -
Significant Deficiency**

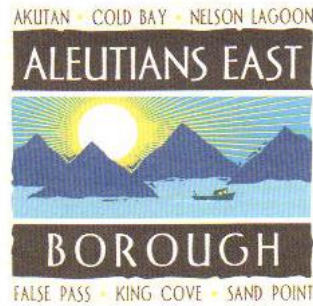
Corrective Action Plan Prior to fiscal year end 2023, management established policies requiring all transactions be reviewed and approved by a second individual who is knowledgeable of the transaction prior to disbursement, and that documentation of this review has been retained. Dual control within the ACH system has been established.

Expected Completion Date June 30, 2023

**Finding 2023-002 General Ledger Reconciliation and External Financial Reporting -
Significant Deficiency**

Corrective Action Plan The Aleutians East Borough has hired a contract accountant to assist management with monthly and year-end reconciliations, closing entries, and audit preparation. The contract accountant has sufficient skills, knowledge and experience to assist management in ensuring that all accounts are properly reconciled, and all necessary year-end adjusting entries are posted timely prior to commencement of the financial statement audit.

Expected Completion Date June 30, 2023



RESOLUTION NO. 24-29

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY ACCEPTING THE BASIC FINANCIAL STATEMENTS, REQUIRED SUPPLEMENTARY INFORMATION, SUPPLEMENTARY INFORMATION AND SINGLE AUDIT REPORTS FOR YEAR ENDED JUNE 30, 2023

WHEREAS, the Aleutians East Borough hired BDO to audit the financial statements of the government activities, business -type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Borough as of and for the year ending June 30, 2023; and

WHEREAS, BDO has completed the audit for FY2023 and, in their opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Alaska East Borough, Alaska, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America; and

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

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

WHEREAS, Borough Administration has reviewed the FY2023 audit and submitted the Corrective Action Plan; and

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

NOW, THEREFORE, BE IT RESOLVED by the Aleutians East Borough Assembly accepts the basic financial statements, required supplementary information, supplementary information and single audit reports for year ended June 30, 2023.

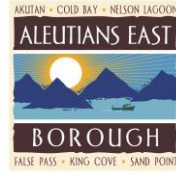
PASSED AND APPROVED BY THE ALEUTIANS EAST BOROUGH ASSEMBLY
on this 14th day of March 2024.

ALEUTIANS EAST BOROUGH, ALASKA

Alvin D. Osterback, Mayor

ATTEST:

Beverly Rosete, Clerk



RESOLUTION 24-30

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH URGING THE GOVERNOR AND THE ALASKA LEGISLATURE TO AMEND ALASKA STATUTE 29.60.800 RAISING THE MAXIMUM HARBOR FACILITY GRANT FUND AWARD TO \$7,500,000 PER ELIGIBLE PROJECT

WHEREAS, Senate Bill 291 established the Municipal Harbor Facility Grant Program on July 1st, 2006 in which the total amount of grant money made available to a municipality was limited to not exceed \$5,000,000 in a fiscal year; and

WHEREAS, the Municipal Harbor Facility Grant is the single most significant funding tool available to the Borough to plan, maintain and recapitalize port and harbor infrastructure; and

WHEREAS, testimony from a legislator advocate stated “SB 291 would establish the municipal harbor facility grant fund to which the Legislature would make an annual appropriation from the watercraft fuel tax account and from the state portion of the fisheries business tax. Both sources come from the marine industry so harbor users would generate the revenue for the program”; and

WHEREAS, Senate Bill 291 was envisioned to cap the funds that can be used per community per year at \$5 million so that a large community couldn't take all the available funds in any given year. The expectation is that communities would establish, maintain, and run an enterprise fund into perpetuity; and

WHEREAS, the State of Alaska over the past nearly 30 years has transferred ownership of most of these State-owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

WHEREAS, these harbor facilities continue to require substantial municipal financial investment to maintain and for capital improvement projects; and

WHEREAS, construction, shipping and mobilization costs to remote portions of Alaska have outpaced the national consumer price index since the pandemic; and,

WHEREAS, the United States Bureau of Labor Statistics CPI calculator indicates that \$5M in July 2006 when the Senate Bill 291 was enacted would be inflated to \$7,511,000 as of July 2023.

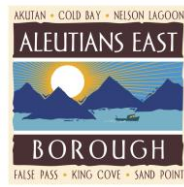
NOW THEREFORE, BE IT RESOLVED, that the Aleutians East Borough urges the Governor and the Alaska Legislature to amend AS 29.60.800 raising the maximum Harbor facility grant fund award to \$7,500,000 per eligible project.

PASSED AND ADOPTED by the Aleutians East Borough on this 14th Day of March 2024.

Alvin D. Osterback, Mayor

ATTEST:

Beverly Rosete, Clerk



Agenda Statement

Date: March 5, 2024

To: Mayor Osterback and Assembly

From: Anne Bailey, Administrator

Re: Resolution 24-34 approving the projects and initiatives identified on the Borough Strategic Plan

The Aleutians East Borough (Borough) conducted a Planning Work Session on January 10 and 11, 2024, to review projects and initiatives that would be included on the Borough's Strategic Plan. Assembly members and staff were in attendance and actively engaged in conversations about the Borough's role in community projects. The result of those conversations is the draft Borough Strategic Plan for March 1, 2024 to February 28, 2025, which is presented with Resolution 24-34 for your review and approval.

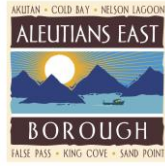
Mayor Osterback, staff, and PGS consultants defined which projects would be part of the Borough's strategic plan based on the information shared to the Assembly during the work session. Many of the projects identified on the plan are currently being pursued or actively being completed. The plan also defines project leads, quarterly project outcomes, and year-end targets. This will ensure accountability and transparency through the next year of project activities.

The plan is intended to be a living document and subject to modification by the project leads. Modifications could include changes in personnel or moving certain project components to a different quarter. PGS will hold a 6-month review with the Assembly to report on progress and to make any major modifications.

The 2024-2025 vision navigation chart is attached outlining the Borough projects and initiatives.

RECOMMENDATION

Administration recommends approval of Resolution 24-34 approving the projects and initiatives identified on the Borough Strategic Plan



RESOLUTION 24-34

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY APPROVING THE PROJECTS AND INITIATIVES IDENTIFIED ON THE BOROUGH STRATEGIC PLAN

WHEREAS, the Aleutians East Borough (Borough) conducted a Planning Work Session on January 10 and 11, 2024, to review Borough projects and initiatives; and

WHEREAS, Assembly Members and Borough staff participated in the work session and created a comprehensive list of ongoing and future projects and initiatives within the Borough; and

WHEREAS, the projects and initiatives have been compiled into the Borough Strategic Plan for March 1, 2024 to February 28, 2025, a copy of which is attached hereto; and

WHEREAS, the Strategic Plan identifies projects and initiatives that are important in fulfilling the Borough's vision and purpose; and

WHEREAS, the Strategic Plan will provide a foundation to identify, execute, and complete project components that will help the Borough reach targeted goals; and

WHEREAS, the Strategic Plan is intended to be a living document, subject to modification by project leaders.

NOW THEREFORE, BE IT RESOLVED, the Borough Assembly approves the projects and initiatives identified on the Borough Strategic Plan and authorizes project leaders to make necessary modifications to project components that will help the Borough reach targeted goals.

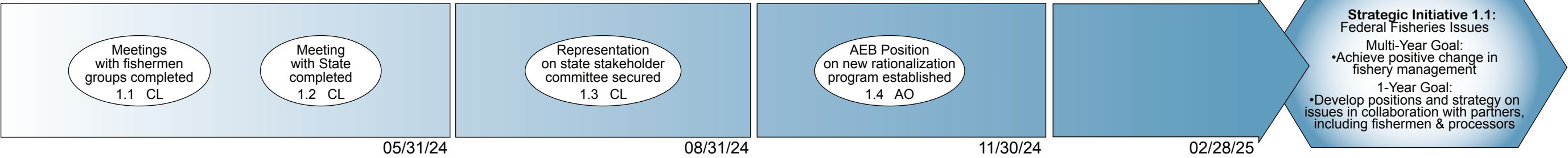
PASSED AND ADOPTED by the Aleutians East Borough on this 14th day of March, 2024.

Alvin D. Osterback, Mayor

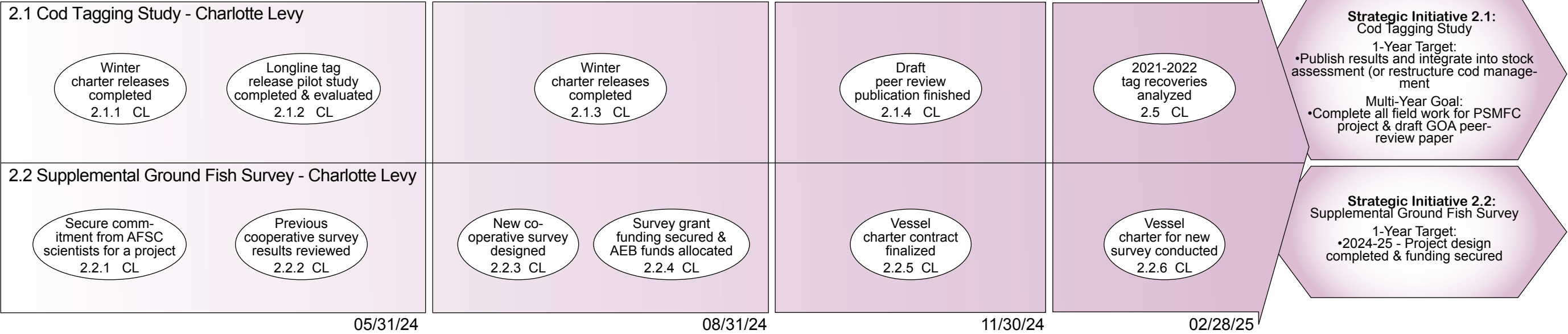
ATTEST:

Beverly Rosete, Clerk

Fisheries Advocacy - Federal Fisheries Issues - Ernie Weiss



Fisheries Research - Charlotte Levy



Vision Navigation®
Chart #1

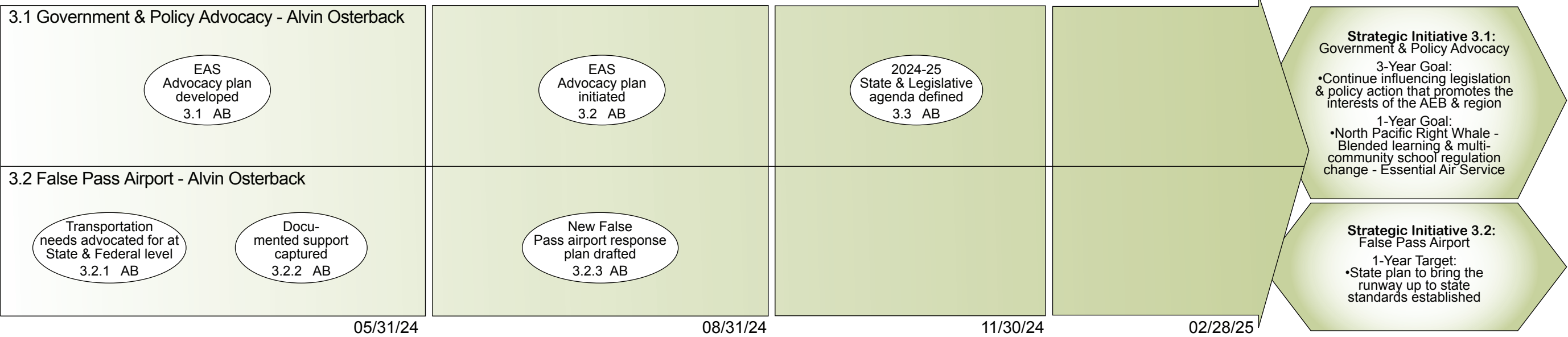
03/01/24 - 02/28/25

Purpose:
To ensure the standard of living, well-being & future of our communities

Our Vision:
Healthy People, Healthy Schools, Healthy Communities

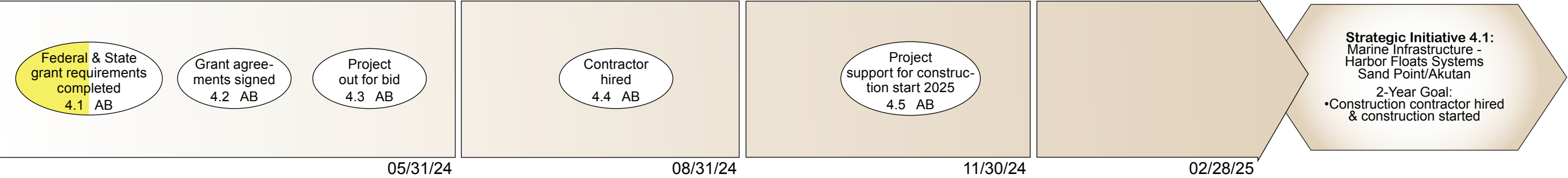
- ★ Diversification of industry including our natural resources & community flexibility for borough stability
- ★ Healthy people with a strong cultural identity
- ★ Our schools & community are providing quality education including secondary education & vocational skills within the communities
- ★ Planned infrastructure projects completed
- ★ Availability, utilization & development of connectivity (physical & electronic)

Government & Policy Advocacy - Alvin Osterback



- AB Anne Bailey
- JB Jacki Brandell
- GD Glennora Dushkin
- TJ Talia Jean-Louis
- CL Charlotte Levy
- AO Alvin Osterback
- BR Beverly Rosete
- LT Laura Tanis
- EW Ernie Weiss

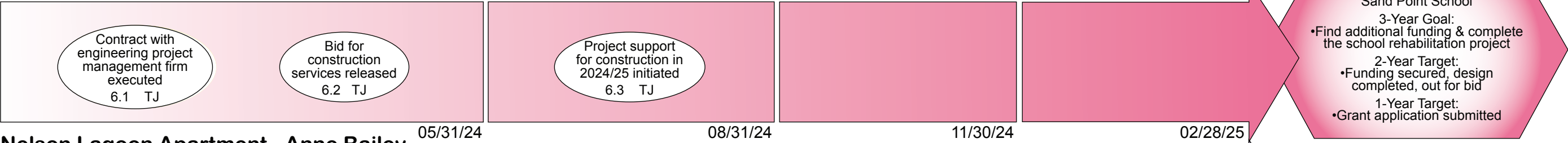
Marine Infrastructure - Harbor Floats Systems Sand Point/Akutan - Anne Bailey



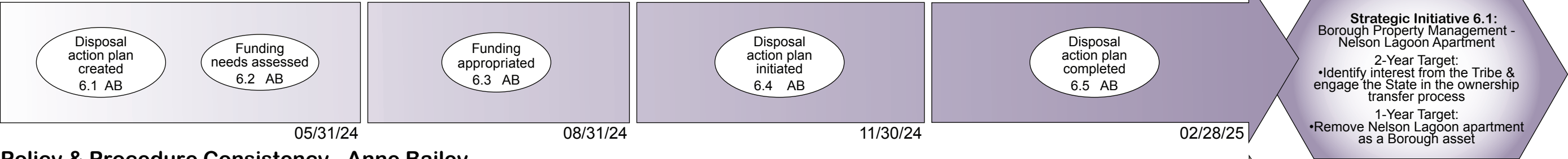
Maintenance - Anne Bailey



Sand Point School - Talia Jean-Louis



Nelson Lagoon Apartment - Anne Bailey



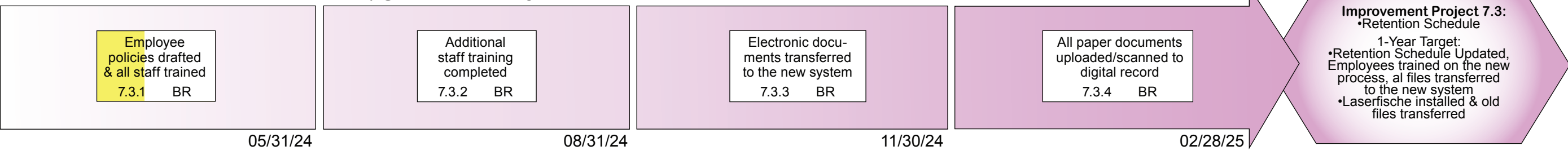
Policy & Procedure Consistency - Anne Bailey



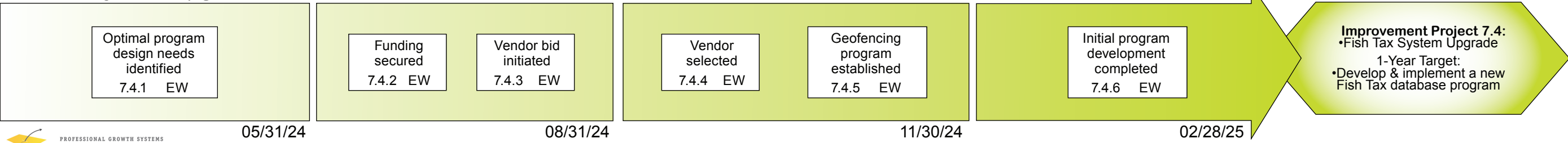
Financial Policies & Procedures - Jacki Brandell



Retention Schedule & Laserfische Upgrade - Beverly Rosete



Fish Tax System Upgrade - Ernie Weiss



Vision Navigation® Chart #1
03/01/24 - 02/28/25

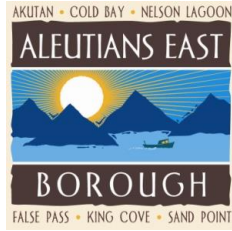
Purpose:
To ensure the standard of living, well-being & future of our communities

Our Vision:
Healthy People, Healthy Schools, Healthy Communities

- ★ Diversification of industry including our natural resources & community flexibility for borough stability
- ★ Healthy people with a strong cultural identity
- ★ Our schools & community are providing quality education including secondary education & vocational skills within the communities
- ★ Planned infrastructure projects completed
- ★ Availability, utilization & development of connectivity (physical & electronic)

- AB Anne Bailey
- JB Jacki Brandell
- GD Glennora Dushkin
- TJ Talia Jean-Louis
- CL Charlotte Levy
- AO Alvin Osterback
- BR Beverly Rosete
- LT Laura Tanis
- EW Ernie Weiss

PUBLIC HEARING



Agenda Statement

Meeting Date: March 14, 2024

To: Mayor Alvin D. Osterback and Borough Assembly

From: Anne Bailey, Administrator

Re: **Ordinance 24-03 Amending Title 6, Chapter 6.08, Section 6.08.030 of the Aleutians East Borough Code of Ordinances**

APCM recommends amending Title 6, Chapter 6.08, Section 6.08.030 of the Borough Code of Ordinances to amend the Borough's authorized investments.

The main changes are to the following sections:

- 6.08.030 A (5); Uncollateralized deposits at banks and savings and loan associations to the extent that the deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, **or the National Credit Union Administration,**

Per APCM, this addition makes the statement more complete. The authorized investments are allowed for CDs from credit unions, but the NCUA is actually the one who insures those deposits – not the FDIC or FSLIC as already included in the statement.

- 6.08.030 A (7): ~~Prime commercial~~ **Commercial** paper graded ~~A1~~ **P1** or higher by Moody's Investor's Service, Inc., or ~~P1~~ **A1** or higher by Standard and Poor's Corporation~~-,~~

APCM has provided the following explanation for the change:

1. We recommended the word "Prime" be removed in order to clarify that buying Commercial Paper on the secondary market is allowed. The Primary Commercial Paper market generally requires a minimum investment of \$20 million per piece of Commercial Paper. We do not participate in that market regularly and primarily trade in the secondary market.
 - a. There is a definition of "Prime Commercial Paper" out there which simply means 'investment grade Commercial Paper' and includes Commercial Paper rated as low as A3/P3. The client specification of A1/P1 minimum guarantees that we will always meet this definition of "Prime Commercial Paper".
2. For Authorized Investments #7, the grades for Moody's and S&P are flipped and incorrectly shown as A1 for Moody's and P1 for S&P.
 - a. The correct designation should be A1 for S&P and P1 for Moody's.

The proposed changes are attached and additions are shown in red.

Recommendation

The administration recommends that the Assembly introduce and approve Ordinance 24-03 amending Title 6, Chapter 6.08, Section 6.08.030 of the Aleutians East Borough Code of Ordinances. The amendment has been recommended by APCM.

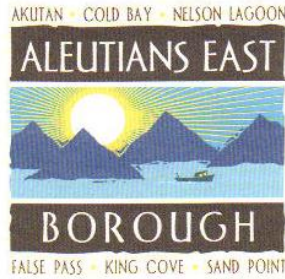
Changes are shown in red.

6.08.030 Authorized Investments.

A. Borough monies shall be invested only in the following instruments:

- (1) U.S. Treasury securities,
- (2) Other obligations guaranteed by the U.S. Government or its agencies or Instrumentalities,
- (3) Repurchase agreements with financial institutions for the sale and repurchase of securities specified in subsections (1) and (2) of this section,
- (4) Certificates of deposits and other deposits at banks and savings and loan associations collateralized as provided in section 6.08.040,
- (5) Uncollateralized deposits at banks and savings and loan associations to the extent that the deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, **or the National Credit Union Administration,**
- (6) Bonds and notes which are issued by any state or political subdivision thereof and which are graded A or higher by Moody's Investor's Service, Inc., or Standard and Poor's Corporation, ~~and~~
- (7) ~~Prime commercial~~ **Commercial** paper graded ~~A+~~ **P1** or higher by Moody's Investor's Service, Inc., or ~~P+~~ **A1** or higher by Standard and Poor's Corporation~~;~~,
- (8) Obligations of corporations, provided the obligations are graded "Baa" or higher by Moody's Investor's Service Inc., or Standard and Poor's Corporation and issued in the United States and denominated in US dollars. Not more than 15% of the fixed income portfolio may be held in Baa rated securities,
- (9) The Alaska Municipal League Investment Pool, Inc.,
- (10) Income producing real estate investments.

(Ord. 05-02, (Amended Ord. 96-5), Sec. 6.08.030)



ORDINANCE SERIAL NO. 24-03

AN ORDINANCE OF THE ALEUTIANS EAST BOROUGH AMENDING TITLE 6, CHAPTER 6.08, SECTION 6.08.030 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, Chapter 6.08 of the Code of the Aleutians East Borough of Alaska outlines Investment and Securities; and

WHEREAS, Sec. 6.08.030 of the Code of the Aleutians East Borough of Alaska outlines the Authorized Investments, specifically what instruments the Borough monies shall be invested in; and

WHEREAS, Sec. 6..08.030 currently says::

A. Borough monies shall be invested only in the following instruments:

- (1) U.S. Treasury securities,
- (2) Other obligations guaranteed by the U.S. Government or its agencies or instrumentalities,
- (3) Repurchase agreements with financial institutions for the sale and repurchase of securities specified in subsections (1) and (2) of this section,
- (4) Certificates of deposits and other deposits at banks and savings and loan associations collateralized as provided in section 6.08.040,
- (5) Uncollateralized deposits at banks and savings and loan associations to the extent that the deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation,

- (6) Bonds and notes which are issued by any state or political subdivision thereof and which are graded A or higher by Moody's Investor's Service, Inc., or Standard and Poor's Corporation, and
- (7) Prime commercial paper graded A1 or higher by Moody's Investor's Service, Inc., or P1 or higher by Standard and Poor's Corporation.
- (8) Obligations of corporations, provided the obligations are graded "Baa" or higher by Moody's Investor's Service Inc., or Standard and Poor's Corporation and issued in the United States and denominated in US dollars. Not more than 15% of the fixed income portfolio may be held in Baa rated securities,
- (9) The Alaska Municipal League Investment Pool, Inc.
- (10) Income producing real estate investments.

WHEREAS, this amendment to Sec. 6.08.030 is intended to make changes to how Borough monies are authorized to be invested.

NOW THEREFORE, BE IT ENACTED AS FOLLOWS:

Section 1. That Section 6.08.030 of the Borough Municipal Code is hereby amended to read as follows:

A. Borough monies shall be invested only in the following instruments:

- (1) U.S. Treasury securities,
- (2) Other obligations guaranteed by the U.S. Government or its agencies or instrumentalities,
- (3) Repurchase agreements with financial institutions for the sale and repurchase of securities specified in subsections (1) and (2) of this section,
- (4) Certificates of deposits and other deposits at banks and savings and loan associations collateralized as provided in section 6.08.040,
- (5) (5) Uncollateralized deposits at banks and savings and loan associations to the extent that the deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration,

- (6) Bonds and notes which are issued by any state or political subdivision thereof and which are graded A or higher by Moody's Investor's Service, Inc., or Standard and Poor's Corporation,
- (7) Commercial paper graded P1 or higher by Moody's Investor's Service, Inc., or A1 or higher by Standard and Poor's Corporation,
- (8) Obligations of corporations, provided the obligations are graded "Baa" or higher by Moody's Investor's Service Inc., or Standard and Poor's Corporation and issued in the United States and denominated in US dollars. Not more than 15% of the fixed income portfolio may be held in Baa rated securities,
- (9) The Alaska Municipal League Investment Pool, Inc.,
- (10) Income producing real estate investments.

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 6.08.030 is hereby repealed and Code Section 6.08.030 as annexed hereto as part of this ordinance is hereby adopted as Code Section 6.08.030 of the Code of Ordinances of the Aleutians East Borough

INTRODUCED: _____

ADOPTED: _____

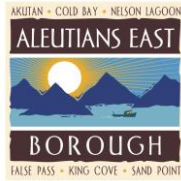
Alvin D. Osterback, Mayor

ATTEST:

Beverly Rosete, Clerk

(SEAL)

ORDINANCES



Agenda Statement

Date: March 1, 2024

To: Mayor Osterback and Assembly

From: Anne Bailey, Administrator

Re: Ordinance 24-04 authorizing the Mayor to negotiate and execute a sublease within the Cold Bay Terminal for volcanic hazard mitigation

The Alaska Volcano Observatory (AVO) currently has equipment located in the Cold Bay Terminal to monitor volcanic activity throughout the state and mitigate impacts from volcanic eruptions. In 2020, the Borough and AVO were working on formalizing an agreement for their equipment in the Cold Bay Terminal and then COVID occurred and the discussion halted. In February 2024, AVO contacted the Borough and expressed a desire to enter into an agreement for a portion of the Cold Bay Terminal Building for the purpose of providing volcanic hazard mitigation services.

AVO has equipment located in the terminal and they are facing a telecommunication problem and would like to request permission to install additional equipment in the terminal to resolve it. They have been using a commercial T1 circuit for nearly 20 years. The national telco contract (Networx) expires in May, and AVOS needs to either A) carry on use of the existing circuit and pay for it independently, B) establish a new/different circuit, or C) establish satellite data service. Neither options A nor B, are cost viable; therefore, AVO would like to initiate Option C and establish a satellite data service.

Administration recommends approving AVO's request now to allow them to install their new system prior to May 2024 and in conjunction initiate a Sublease with them.

The Aleutians East Borough Code Section 50.10.060 provides that "[d]isposal of real property may be by sealed bids, outcry auction, lottery, first-come, first-served, negotiation, or such other method as the assembly may provide in the resolution authorizing the disposal." On February 11, 2021, the Assembly approved Resolution 21-30 authorizing the Mayor to dispose of real property at the Cold Bay Terminal by negotiation to entities that house equipment related to air-to-ground communications, ground station support to commercial airlines and/or weather data collection. Upon final approval by the Assembly, Ordinance 24-04, would authorize the Mayor

to begin negotiations with AVOS for a sublease within the terminal. If the Ordinance is introduced, the public hearing will be held at the April 11, 2024 Assembly Meeting.

RECOMMENDATION

Administration recommends approval of Ordinance 24-04 authorizing the Mayor to negotiate and execute a sublease within the Cold Bay Terminal for volcanic hazard mitigation.



ALEUTIANS EAST BOROUGH

ORDINANCE SERIAL NO. 24-04

AN ORDINANCE AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A SUBLEASE WITHIN THE COLD BAY TERMINAL FOR VOLCANIC HAZARD MITIGATION

WHEREAS, Alaska Volcano Observatory (AVO) has expressed its desire to enter into a sublease with the Aleutians East Borough (“Borough”) for a portion of the Cold Bay Terminal Building (“Terminal”), as generally depicted on the attached Exhibit “A”, for the purpose of providing volcanic hazard mitigation services; and

WHEREAS, the Borough has entered into a Lease Agreement No. ADA-08250 as Lessee with the State of Alaska, Department of Transportation and Public Facilities (DOT&PF) as the Lessor for the following described property, located on the Cold Bay Airport, in Section 36, Township 57 South, Range 89 West, Seward Meridian, within the Aleutian Island Recording District, Third Judicial District, Alaska; Lot 1A, Block 23 consisting of approximately 66,688 square feet of land, at Cold Bay Terminal and adjacent Apron; and

WHEREAS, AEBMC Sec. 50.10.060 provides that “[d]isposal of real property may be by sealed bids, outcry auction, lottery, first-come, first-served, negotiation, or such other method as the assembly may provide in the resolution authorizing the disposal”; and

WHEREAS, AEBMC 50.10.100(7) provides that ““Real Property” includes interests in real property as well as rights to real property, and includes, but is not limited to, leases, easements, security interests, licenses, permits and options.”; and

WHEREAS, AEBMC Sec. 50.10.050 provides for the disposal of real property owned by the Borough mandating that the disposal of real property not covered by other sections within chapter 50.10 “must be authorized by ordinance and must contain” the following:

- (1) a description of the property,
- (2) a finding and the facts that supports the finding that the property or interest is no longer required for a public purpose if the property or interest is or was used for a government purpose,
- (3) the type of interest to be disposed of if less than a fee interest,
- (4) conditions and reservations that are to be imposed upon the property,

- (5) the fair market value of the property,
- (6) the minimum disposal price of the real property,
- (7) the method of disposal, including time, place and dates when relevant,
- (8) special conditions for the disposal, including, when relevant, special qualifications of purchasers and purchase terms, and
- (9) a finding and the facts supporting the finding of the public benefits to be derived if the disposal is to be for less than market value; and

WHEREAS, AEBMC Sec. 50.10.070(a) provides that “[u]nless otherwise provided in the resolution authorizing the disposal, the disposal shall be at not less than the fair market value as determined by a fee appraisal, by the borough’s assessor’s valuation, or by such reasonable estimates as the mayor or assembly, as appropriate, finds to be reliable or appropriate under the circumstances; and

WHEREAS, the Assembly finds that the lease of the property to AVO is in the best interest of the Borough, and will help provide volcanic hazard mitigation services to the region; and

WHEREAS, at the February 11, 2021 Assembly Meeting the Assembly approved Resolution 21-30 authorizing the disposal of the real property via negotiations for a portion of the terminal building to entities that house equipment related to air-to-ground communications, ground station support to commercial airlines and/or weather data collection; and

WHEREAS, AEBMC Sec. 2.16.020 provides that “[t]he Mayor shall... (A) Direct and supervise the business of the borough to assure that all ordinances and resolutions are executed; and

WHEREAS, AEBMC Sec. 50.10.090 provides that “[t]he Mayor may establish procedures and forms for the processing of requests, applications and disposals under this chapter.

NOW THEREFORE, BE IT ENACTED:

Section 1. Classification. This is a non-code ordinance.

Section 2. Authorization to Lease. Based upon the above findings, the Mayor is authorized to negotiate and execute a sublease with the AVO for a portion of the Cold Bay Terminal located on the Cold Bay Airport, in Section 36, Township 57 South, Range 89 West, Seward Meridian, within the Aleutian Island Recording District, Third Judicial District, Alaska; Lot 1A, Block 23 consisting of approximately 66,688 square feet of land, as generally depicted in Exhibits “A.”

Section 3. Minimum Essential Terms and Conditions. The sublease is subject to the following minimum essential terms and conditions:

- (a) The sublease shall be subject to the covenants, provisions, conditions, and base terms of the Lease Agreement ADA-08250, "Base Lease" between the State of Alaska, Department of Transportation and Public Facilities and the Borough;
- (b) The term of this sublease is contingent on the Borough's Base Lease extension with the State of Alaska;
- (c) The leased property shall be used by the Alaska Volcano Observatory for the purpose of providing volcanic hazard mitigation services;
- (d) The sublease term will be determined during the negotiations with the airlines;
- (e) The sublease rents, fees, and charges will be determined during the negotiations;
- (f) The Alaska Volcano Observatory shall be responsible for obtaining all necessary permits and approvals for its operations on the leased property;
- (g) The Alaska Volcano Observatory shall, to the fullest extent of the law, indemnify, defend, and hold harmless both the Borough and the State of Alaska, their agents, elected officials, volunteers, and employees from and against any and all claims related to or arising out of the Alaska Volcano Observatory's use of the leased property; and
- (h) The sublease shall include all provisions of Borough Code of Ordinances not in conflict with this ordinance; and any other provisions that the Borough Mayor determines to be in the public interest.

Section 4. This Ordinance shall take effect upon adoption by the Aleutians East Borough Assembly.

INTRODUCED: _____

ADOPTED: _____

ALEUTIANS EAST BOROUGH, ALASKA

Alvin D. Osterback, Mayor

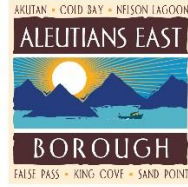
Date: _____

ATTEST:

Beverly Rosete, Clerk

Date: _____

RESOLUTIONS



MEMORANDUM

To: Alvin D. Osterback, Mayor and Assembly

From: Anne Bailey, Borough Administrator

Date: March 6, 2024

Re: Resolution 24-31, Authorizing the Mayor to negotiate and execute a services agreement with BDO to provide professional auditing services to the Aleutians East Borough for Fiscal Year 2024, in an amount not to exceed \$97,500

On January 16, 2023, the Borough issued a Request for Proposal (RFP) from qualified audit firms to audit the Borough's financial statements for FY23 and FY24, with the option to continue the contract for the next three subsequent fiscal years. RFP responses were due on February 16, 2023.

We received two proposals and BDO held the highest overall score and was selected. BDO conducted the FY23 audit and we would like to now enter into a contract for FY24. BDO's costs for the FY24 audit work is \$84,000, which excluded travel expenses, out of pocket expenses, and any unexpected work that may be needed due to audit findings. An additional \$13,500 has been added to the price to allow for those costs, totaling \$97,500 as the not-to-exceed amount for the FY 24 contract.

BDO anticipates that preliminary FY24 audit work will be in April 2024 with a planning meeting, followed by four to five months of work that may include travel to King Cove. This schedule is subject to change.

RECOMMENDATION

Administration recommends approval of Resolution 24-31, Authorizing the Mayor to negotiate and execute a services agreement with BDO to provide professional auditing services to the Aleutians East Borough for Fiscal Year 2024, in an amount not to exceed \$97,500.

March 6, 2024

Ms. Anne Bailey, Borough Administrator
Aleutians East Borough, Alaska
Street Address
Anywhere, USA

Dear Ms. Bailey:

We are pleased to continue as independent auditors for Aleutians East Borough, Alaska. We look forward to continuing to provide you with the high-quality services you expect from your professional service providers.

Our commitment to delivering superior service means that we strive to demonstrate initiative, anticipate problems, propose solutions, and communicate effectively with you and other members of management throughout the year. In addition, during our audit we will be alert for opportunities to bring insightful and constructive suggestions for improving management information, operating and accounting procedures, and controls.

Attached to this letter is an agreement describing our services. If you have questions about any of the matters discussed in that agreement, please give us a call. If you find the arrangements acceptable, please acknowledge your agreement to the understanding by signing this letter via the DocuSign link that we provide. Alternatively, if you are receiving hard copies of this engagement letter and DocuSign will not be used, please sign and return to us one of the two enclosed copies. The other copy is for your files.

Again, it is a pleasure for us to continue to serve you. We look forward to many more years of pleasant association with you and Aleutians East Borough, Alaska.

Very truly yours,

(Signed BDO USA)

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BDO USA, P.C. is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

March 6, 2024

Ms. Anne Bailey, Borough Administrator
Aleutians East Borough, Alaska
Street Address
Anywhere, USA

Dear Ms. Bailey:

Agreement to Provide Services

This agreement to provide services (the “Agreement”) is intended to describe the nature and scope of our services.

Objective and Scope of the Audit

As agreed, BDO USA (“BDO” or “we”) will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Aleutians East Borough (the “Borough” or “you”) as of and for the year ending June 30, 2024. The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, to issue an auditor’s report that includes our opinion, and to report on the fairness of the supplementary information referred to below when considered in relation to the basic financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (“GAAS”) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our audit also include reporting on the Borough’s:

- Internal control related to the financial statements and compliance with federal statutes, regulations, and the terms and conditions of the federal awards, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and issuance of an opinion on whether the Borough complied with federal statutes, regulations, and the terms and conditions of the federal awards that could have a direct and material effect on each major program in accordance with the Uniform Guidance.
- Internal control related to major programs and issuance of an opinion on whether the Borough complied with state statutes, regulations, and the terms and conditions of the state awards that could have a direct and material effect on each major program in accordance with the State Single Audit Guide.

BDO USA refers to BDO USA, P.C., a Virginia professional corporation, also doing business in certain jurisdictions with an alternative identifying abbreviation, such as Corp. or P.S.C.

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BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate context. As part of our engagement, we will apply certain limited procedures to the Borough's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtain during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required and will be subjected to certain limited procedures, but will not be audited:

1. Budgetary Comparison Schedules:
 - a. General Fund
 - b. Each Major Special Revenue Fund
2. Public Employees' Retirement System:
 - a. Schedule of the Borough's Proportionate Share of Net Pension Liability
 - b. Schedule of the Borough's Contributions
 - c. Schedule of the Borough's Proportionate Share of the Net Other Postemployment Benefit Liability (Asset) - ARHCT, RMP and ODD Plans
 - d. Schedule of the Borough's Contributions - ARHCT, RMP and ODD Plans

We understand that it is the Borough's intent to not prepare or present the required Management's Discussion and Analysis. The omission will not effect our audit opinion.

Also, the supplementary information accompanying the basic financial statements, as listed below, will be subjected to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS, and our auditor's report will provide an opinion on it in relation to the basic financial statements as a whole.

1. Individual and combining fund statements and schedules
2. Schedule of Expenditures of Federal Awards
3. Schedule of State Financial Assistance

Responsibilities of BDO

We will conduct our audit in accordance with GAAS. Note that BDO may utilize entities owned in whole or in part by BDO (each, an "Affiliate") to assist in the audit or perform internal and/or administrative support ancillary to the services, but BDO will remain responsible for and supervise

all such services. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a reasonable basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we will express no such opinion. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses in internal control. However, we will communicate to you and those charged with governance in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

Our audit will also be conducted in accordance with the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance or UG), and *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* (State Audit Guide) and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance and State of Alaska requirements, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. The Uniform Guidance and State Audit Guide requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable federal and state statutes, regulations, and the terms and conditions of the federal and state awards that may have a direct and material effect on each of its major programs. Our procedures will consist of the applicable procedures described in the Office of Management and Budget's (OMB) *Compliance Supplement* for the types of compliance requirements that could have a direct and material effect

on each of the Borough's major programs. As required by the Uniform Guidance and State Audit Guide, our audit will include tests of transactions related to major federal and state award programs for compliance with applicable federal and state statutes, regulations, and the terms and conditions of federal and state awards. The purpose of these procedures will be to express an opinion on the Borough's compliance with requirements applicable to major programs in our report on compliance issued pursuant to the Uniform Guidance.

Our work will be based primarily upon selected tests of evidence supporting the amounts and disclosures in the financial statements and, therefore, will not include a detailed check of all of the Borough's transactions for the period. Also, an audit is not designed to detect errors or fraud or violations of federal and state statutes and regulations that are immaterial to the financial statements or major programs. However, we will inform you of any material errors or fraud that come to our attention. We will also inform you of possible illegal acts that come to our attention unless they are clearly inconsequential. We will also include such matters in the reports required for an audit performed under the Uniform Guidance and State Audit Guide. In addition, during the course of our audit, financial statement misstatements relating to accounts or disclosures may be identified, either through our audit procedures or through communication by your employees to us, and we will bring these misstatements to your attention as proposed adjustments. At the conclusion of our audit we will communicate to those charged with governance (as defined below) all uncorrected misstatements. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

The term "those charged with governance" is defined as the person(s) with responsibility for overseeing the strategic direction of the Borough and obligations related to the accountability of the Borough, including overseeing the financial reporting process. For the Borough, we agree that the Borough Assembly meets that definition.

We will perform test of controls, as required by the Uniform Guidance and State Audit Guide, to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with each direct and material compliance requirement applicable to each of the Borough's major federal and state award programs. However, our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance and State Audit Guide.

We are also responsible for communicating with those charged with governance what our responsibilities are under GAAS, an overview of the planned scope and timing of the audit, and significant findings from the audit.

Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that you and the Borough Assembly acknowledge and understand that you and the Borough Assembly have responsibility (1) for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; (2) for the design, implementation, and maintenance

of internal control relevant to the preparation and fair presentation of financial statements and relevant to federal and state award programs that are free from material misstatement, whether due to error or fraud; (3) for identifying and ensuring that the Borough complies with the laws and regulations applicable to its activities; and (4) to provide us with access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters, additional information we may request for the purpose of the audit, and unrestricted access to persons within the Borough from whom the auditor determines it is necessary to obtain audit evidence.

Management is also responsible for preparation of the schedule of federal expenditures of federal awards and the schedule of state financial assistance, including the notes, noncash assistance received and other required information, in accordance with the requirements of the Uniform Guidance and State Audit Guide. Management is responsible for identifying all federal and state awards expended during the period including federal and state awards and funding increments received prior to December 26, 2014, and those received subsequent to December 26, 2014 in accordance with the audit requirements of the Uniform Guidance and State Audit Guide. You acknowledge and understand your responsibility for the preparation of all supplementary information, including the schedule of expenditures of federal awards and schedule of state financial assistance, in accordance with the applicable criteria. Management is responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements, in accordance with the Uniform Guidance and State Audit Guide. Management is also responsible for (1) establishing and maintaining effective internal control, including internal control over compliance and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met, (2) compliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards, (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements, and (4) ensuring that management and financial information is reliable and properly reported. You also agree to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information. You also agree to present the supplementary information with the audited financial statements, or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and our report thereon.

Management's responsibilities also include identifying and informing us of significant contractor relationships in which the contractor is responsible for program compliance and for the accuracy and completeness of that information.

Management is responsible for adjusting the financial statements to correct material misstatements relating to accounts or disclosures, after evaluating their propriety based on a review of both the applicable authoritative literature and the underlying supporting evidence from the Borough's files; or otherwise concluding and confirming in a representation letter (as further described below) provided to us at the conclusion of our audit that the effects of any uncorrected misstatements are, both individually and in the aggregate, immaterial to the financial statements taken as a whole. Additionally, as required by the Uniform Guidance, it is

management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

As required by GAAS, we will request certain written representations from management at the close of our audit to confirm oral representations given to us and to indicate and document the continuing appropriateness of such representations and reduce the possibility of misunderstanding concerning matters that are the subject of the representations. Because of the importance of management's representations to an effective audit, the Borough agrees, subject to prevailing laws and regulations, to release and indemnify BDO and its shareholders, principals, employees, Affiliates, contractors, agents, and Permitted Assignees (as defined herein under "Assignment") (collectively, the "BDO Group") from and against all claims, liabilities, damages, or expenses (including attorneys' fees) of any kind relating to the services or this Agreement, whether arising in contract, statute, tort (including, without limitation, negligence), or otherwise (collectively, the "Claims") attributable to any knowing misrepresentations by management.

Management is also responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Borough involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a direct and material effect on the financial statements and/or schedule of expenditures of federal and state awards. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Borough complies with applicable federal and state statutes, regulations, and the terms and conditions of the federal and state awards. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of federal and state statutes, regulations and the terms and conditions of the federal and state awards, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying to us, previous financial audit attestation engagements, performance audits, or other studies related to our audit objectives. This responsibility includes communicating to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

At the conclusion of the engagement, we will complete the appropriate sections of and electronically certify the Data Collection Form that summarizes our audit findings. We will provide a final copy of our reports in a PDF file to the Government; however, it is management's responsibility to upload the PDF version of the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) and complete the appropriate sections of the Data Collection Form. Management is responsible for electronically certifying the Data Collection Form and electronically submitting the completed Data Collection Form to the Federal Audit Clearinghouse

(FAC). The financial reporting package must be text searchable, unencrypted, and unlocked to be accepted by the FAC. The Data Collection Form and the reporting package must be submitted electronically within the earlier of 30 days after receipt of the auditor's reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the oversight agency for audit. Both BDO and management are responsible for ensuring that in their respective parts of the reporting package there is no protected personally identifiable information. We understand that we must make copies of the Data Collection Form and reporting package available for public inspection.

Expected Form and Content of the Auditor's Report

At the conclusion of our audit, we will submit to you a report containing our opinion as to whether the financial statements, taken as a whole, are fairly presented based on accounting principles generally accepted in the United States of America. If, during the course of our work, it appears for any reason that we will not be in a position to render an unmodified opinion on the financial statements or the Uniform Guidance or State Audit Guide compliance, or that our report will require an Emphasis of Matter or Other Matter paragraph, we will discuss this with you. It is possible that, because of unexpected circumstances, we may determine that we cannot render a report or otherwise complete the engagement. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or decline to issue a report as a result of the engagement. If, in our professional judgment, the circumstances require, we may resign from the engagement prior to completion.

The reports on internal control and compliance will each include a statement that the purpose of these reports is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of *Government Auditing Standards* (GAS) and the Uniform Guidance and State Audit Guide and are not suitable for any other purpose.

Termination

Upon notice to the Borough, BDO may terminate this Agreement if BDO reasonably determines that it is unable to perform the services described in this Agreement in accordance with applicable professional standards, laws, or regulations. If we elect to terminate our services for any reason provided for in this Agreement, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. If the Agreement is terminated, the Borough agrees to compensate BDO for the services performed and expenses incurred through the effective date of termination. Those provisions in this Agreement that, by their very nature, are intended to survive termination shall survive after the termination of the Agreement, including, but not limited to, the parties' obligations related to any of the following provisions: indemnification, limitations on liability, confidentiality, dispute resolution, payment and reimbursement obligations, and limitations on use or reliance.

Client Continuance Matters

BDO is retaining the Government as a client in reliance on information obtained during the course of our client continuance procedures. Bikky Shrestha, a BDO assurance principal, has been assigned the primary responsibility for the engagement and for issuing the appropriate report on

the Government's financial statements on behalf of BDO. If such assignment changes during the course of our engagement, we will notify management and those charged with governance.

Email Communication

BDO disclaims and waives, and you release the BDO Group from, all liability for the interception or unintentional disclosure of email transmissions or for the unauthorized use or failed delivery of emails transmitted or received by BDO in connection with the services we are being engaged to perform under this Agreement.

External Computing Options

If, at the Government's request, any member of the BDO Group agrees to use certain external commercial services, including but not limited to services for cloud storage, remote control, and/or file sharing options (collectively "External Computing Options"), that are outside of BDO's standard security protocol, the Government acknowledges that such External Computing Options may be associated with heightened security and privacy risks. Accordingly, the BDO Group disclaims and the Government agrees to release the BDO Group from, and indemnify the BDO Group for, all liability arising out of or related to the use of such External Computing Options.

Use of BDO Advantage Extraction Scripts or Services

With your approval, BDO may use BDO Advantage Extraction Scripts or Services to extract certain general ledger and subledger information from your financial accounting system to facilitate performance of our services. The BDO Advantage Extraction Scripts or Services and all information, content, materials, products (including software), and other services included in or otherwise made available to you through the BDO Advantage Extraction Scripts or Services are provided by BDO on an "as is" and "as available" basis, unless otherwise specified in writing. BDO makes no representations or warranties of any kind, expressed or implied, as to the operation of the BDO Advantage Extraction Scripts or Services, or the information, content, materials, products (including software), or other services included in or otherwise made available to you through the BDO Advantage Extraction Scripts or Services, unless otherwise specified in writing. You expressly agree that your use of the BDO Advantage Extraction Scripts or Services is at your sole risk, and you release the BDO Group from any liability connected therewith. BDO shall not share or sell any of the extracted information to third parties, and BDO shall use such information solely to facilitate performance of the services described in this Agreement.

Ownership of Working Papers

In connection with the performance of our services, we will prepare documents that support our work and include items such as work programs and analyses that do not constitute part of the Government's records ("Working Papers"). The Working Papers prepared pursuant to this Agreement are the property of BDO. The Working Papers constitute confidential, proprietary, and trade secret information, and will be retained by BDO in accordance with our policies and procedures and all applicable laws.

However, pursuant to authority given by law or regulation, we may be requested to make certain Working Papers available to the Government's oversight agency, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such Working Papers will be provided under the supervision of BDO personnel and at a location designated by BDO. Furthermore, upon request, we may provide photocopies of selected Working Papers to the aforementioned parties. These parties may intend or decide to distribute the photocopies of information contained therein to others, including other governmental agencies. If a Working Paper access request is received from a regulator, we will ask you and the regulator, and any designees, including third party accounting firms, to acknowledge, in writing, the conditions under which we will provide such access; and you agree to provide such written acknowledgment.

Reproduction of Auditor's Report

If the Government plans any reproduction or publication of a document that includes our report, or any portion of it, and that is assembled differently from any paper or electronic version that we have previously reviewed and approved for the Government (e.g., by the addition of financial statements and/or accompanying information that you have produced), a copy of the entire document in its final form should be submitted to us in sufficient time for our review and written approval before printing. You also agree to provide us with a copy of the final reproduced material for our written approval before it is distributed. If, in our professional judgment, the circumstances require, we may withhold our written approval.

Posting of Auditor's Report and Financial Statements on Your Website

You agree that, if you plan to post an electronic version of the financial statements and auditor's report on your website, you will ensure that there are no differences in content between the electronic version of the financial statements and auditor's report on your website and the signed version of the financial statements and auditor's report provided to management by BDO. You also agree to indemnify the BDO Group for all claims that may arise from any differences between the electronic and signed versions.

Availability of Records and Personnel

You agree that all records, documentation, and information we request in connection with our audit will be made available to us (including those pertaining to related parties), that all material

information will be disclosed to us, and that we will have the full cooperation of, and unrestricted access to, your personnel during the course of the engagement.

You also agree to ensure that any third-party valuation reports that you provide to us to support amounts or disclosures in the financial statements (a) indicate the purpose for which they were intended, which is consistent with your actual use of such reports; and (b) do not contain any restrictive language that would preclude us from using such reports as audit evidence.

Assistance by Your Personnel and Internet Access

We also ask that your personnel prepare various schedules and analyses for our staff. However, except as otherwise noted by us, no personal information other than names related to Government employees and/or customers should be provided to us. In addition, we ask that you provide high-speed Internet access to our engagement team, if practicable, while working on the Government's premises. This assistance will serve to facilitate the progress of our work and minimize costs to you.

Peer Review Reports

Government Auditing Standards requires that we provide you with a copy of our most recent quality control review report. Our latest peer review report accompanies this letter.

Other Services

We are always available to meet with you and other executives at various times throughout the year to discuss current business, operational, accounting, and auditing matters affecting the Government. Whenever you feel such meetings are desirable, please let us know. We are also prepared to provide services to assist you in any of these areas. We will also be pleased, at your request, to attend governing board meetings.

In addition to the audit services described above, you have requested that we provide the following non-attest services:

We will assist the Borough in preparing and submitting the required Form SF-SAC Data Collection Form and the GASB 68 & 75 entries and related footnote disclosures.

Independence

Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to the Government in the performance of our services. Any discussions that you have with personnel of BDO regarding employment could pose a threat to our independence. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

In order for us to remain independent, professional standards require us to maintain certain respective roles and relationships with you with respect to the non-attest services described

above. Prior to performing such services in conjunction with our audit, management must acknowledge its acceptance of certain responsibilities.

We will not perform management functions or make management decisions on behalf of the Government. However, we will provide advice and recommendations to assist management of the Government in performing its functions and fulfilling its responsibilities.

The Government agrees to perform the following functions in connection with our performance of the required Form SF-SAC Data Collection Form submission, and the preparation of the GASB 68 & 75 entries and footnote disclosures:

- a. Make all management decisions and perform all management functions with respect to the required Form SF-SAC Data Collection Form submission, and the preparation of the GASB 68 & 75 entries and footnote disclosures provided by us.
- b. Assign Jacki Brandell, Finance Director, to oversee the required Form SF-SAC Data Collection Form submission, and the preparation of the GASB 68 & 75 entries and footnote disclosures and evaluate the adequacy and results of the services.
- c. Accept responsibility for the results of required Form SF-SAC Data Collection Form submission, and the preparation of the GASB 68 & 75 entries and footnote disclosures.

The services are limited to those outlined above. We, in our professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as making management decisions or performing management functions. The Government must make all decisions with regard to our recommendations. By signing this Agreement, you acknowledge your acceptance of these responsibilities.

Limitation of Liability

Except to the extent finally determined to have resulted from the fraud or intentional misconduct of any member of the BDO Group, the BDO Group's aggregate liability to the Government for all direct or third party Claims shall not exceed the aggregate amount of fees paid by the Government to BDO during the 12 months preceding the date of the Claim for the services giving rise to the Claim. In no event shall the BDO Group be liable for consequential, special, indirect, incidental, punitive, or exemplary losses or damages relating to this Agreement.

Dispute Resolution Procedure

Any dispute or claim between you and BDO arising out of or relating to the Agreement or a breach of the Agreement, including, without limitation, claims for breach of contract, professional negligence, breach of fiduciary duty, misrepresentation, fraud, or claims based in whole or in part on any other common-law, statutory, regulatory, legal, or equitable theory, and disputes regarding all fees, including attorneys' fees of any type, and/or costs charged under this Agreement ("Arbitration Claims") (except to the extent provided below) shall be submitted to binding arbitration administered by the American Arbitration Association ("AAA"), in accordance with its Commercial Arbitration Rules. Arbitration Claims

shall be brought in a party's individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding. Arbitration Claims shall be heard by a panel of three (3) arbitrators, to be chosen as follows: within fifteen (15) days after the commencement of arbitration, each party shall select one person to act as arbitrator; thereafter, the two individually selected arbitrators shall select a third arbitrator within ten (10) days of their appointment, or any extension of that time agreed to by the individually selected arbitrators. If the arbitrators selected by the parties are unable or fail to agree upon the third arbitrator within the aforementioned time, the third arbitrator shall be selected by the AAA. The arbitration panel shall have the power to rule upon its own jurisdiction and authority, including any objection to the initial or continuing existence, validity, effectiveness, or scope of this arbitration agreement. The arbitration panel may not consolidate more than one person's claims and may not otherwise preside over any form of a representative or class proceeding. The arbitration panel shall have no authority to award non-monetary or equitable relief, but nothing herein shall be construed as a prohibition against a party from pursuing non-monetary or equitable relief in a federal or state court. The place of arbitration shall be the city in which the BDO office providing the majority of the services involved under this Agreement is located, unless the parties agree in writing to a different location. Regardless of where the arbitration proceeding actually takes place, all aspects of the arbitration and the Agreement shall be governed by the provisions of the laws of the State of New York (except if there is no applicable state law providing for such arbitration, then the Federal Arbitration Act shall apply) and the procedural and substantive law of such state shall be applied without reference to conflicts of law rules. The parties shall bear their own legal fees and costs for all Arbitration Claims. The award of the arbitrators shall be accompanied by a reasoned opinion, and judgment on the award rendered by the arbitration panel may be entered in any court having jurisdiction thereof. Except as may be required by law or to enforce an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of the parties to the Agreement. The parties to the Agreement acknowledge that by agreeing to this arbitration provision, they are giving up the right to litigate claims against each other, and important rights that would be available in litigation, including the right to trial by judge or jury, to extensive discovery and to appeal an adverse decision. The parties acknowledge that they have read and understand this arbitration provision, and that they voluntarily agree to binding arbitration.

The Government shall bring no Arbitration Claim more than one (1) year following the completion of the services provided under this Agreement to which the Arbitration Claim relates. This paragraph will shorten, but in no event extend, any otherwise legally applicable period of limitations on such Arbitration Claims.

Fees

Our charges to the Government for the services described above for the year ending **June 30, 2024**, will be \$84,000 (\$75,600 for the financial statements audit, \$5,250 and \$3,150 assuming 1 federal and 1 state program respectively) plus engagement-related out-of-pocket expenses, travel expenses, and other related costs and expenses incurred to deliver the services described above, including communication, data and technology, printing, and other direct engagement costs. The following is an agreed-upon schedule of payments:

Prior to commencement of engagement	\$20,000
At start of final fieldwork	\$40,000 plus incurred expenses
Upon completion of final fieldwork	Balance plus incurred expenses

This fee (range) is based on the following assumptions:

- Your personnel will prepare certain schedules and analyses for us and make available to us documents for our examination as and when requested and will utilize our BDO portal to provide us such documents.
- Our planned audit timing as agreed upon with you does not change and the client-prepared information and documents are available at the beginning of our fieldwork date(s).
- There will be no significant changes in the internal controls, key personnel, or structure of the organization.
- There will be no significant changes in critical systems affecting key financial statement accounts (e.g., significant upgrade, systems integration, and/or systems implementation).
- There will be no significant acquisitions or disposals of businesses.
- The number of audit adjustments identified will be minimal.
- There will not be significant amendments to the Government's debt or financing arrangements requiring significant accounting analysis and/or "debt compliance letters."
- There will not be any unanticipated increases in current operations requiring significant additional audit time.

Should we encounter any unforeseen problems that will warrant additional time or expense, we will notify you of the situation and provide an estimate of our additional fees.

This fee structure does not take into consideration effects that any future standards promulgated by the Governmental Accounting Standards Board and/or other professional bodies will have on our audit procedures. As we become aware of additional audit procedures resulting from these circumstances, we will notify you of the circumstances requiring additional procedures and the resulting additional fee estimates.

Invoices are payable upon receipt. If we do not receive any written notice of dispute within 10 days of your receipt of the invoice, we will conclude that you have seen the invoice and find it acceptable. Invoices that are unpaid 30 days past the invoice date are deemed delinquent and we reserve the right to charge interest on the past due amount at the lesser of (a) 1.0% per month or (b) the maximum amount permissible by applicable law. Interest shall accrue from the date

the invoice is delinquent. We reserve the right to suspend our services, withhold any deliverables, or withdraw from this engagement entirely if any of our invoices are delinquent. In the event that any collection action is required to collect unpaid balances due to us, you agree to reimburse us for all our costs of collection, including without limitation, attorneys' fees.

This engagement includes only those services specifically described in this Agreement; any additional services not specified herein will be agreed to in a separate letter. In the event you request us to object to or respond to, or we receive and respond to, a validly issued third party subpoena, court order, government regulatory inquiry, or other similar request or legal process against the Government or its management for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this or any prior engagements with the Government, you agree to compensate us for all time we expend in connection with such response, at our standard rates, and to reimburse us for all related out-of-pocket costs (including outside attorneys' fees) that we incur.

Assignment

BDO shall have the right to assign its rights to perform a portion of the services described above to any of its independent BDO Alliance USA members, member firms of the international BDO network, or unaffiliated third-party contractors (a "Permitted Assignee"). If such assignment is made, the Government agrees that, unless it enters into an engagement letter directly with the Permitted Assignee, all of the applicable terms and conditions of this Agreement shall apply to the Permitted Assignee. We agree that we shall not permit the Permitted Assignee or any Affiliate to perform any work relating to the services until it agrees to be bound by the applicable terms and conditions of this Agreement. We further agree that we will remain primarily responsible for the services described above, unless we and the Government agree otherwise, and we ensure that the work of the Permitted Assignee or Affiliate is performed in accordance with this Agreement. From time to time, and depending on the circumstances, personnel from an Affiliate or Permitted Assignees located in other countries may participate in the services we provide to personnel from a BDO subsidiary or the Government. In some cases, we may transfer information to or from the United States or another country. Although applicable privacy laws may vary depending on the jurisdiction, and may provide less or different protection than those of the Government's home country, we require that all such Affiliates and Permitted Assignees agree to maintain the confidentiality of the Government's information and observe our policies concerning any confidential client information that we provide to them.

The Government may not assign this Agreement to another party without our prior written consent.

Third-Party Use

All services hereunder shall be solely for the Government's use and benefit pursuant to our client relationship. This engagement does not create privity between BDO and any person or party other than the Government, and is not intended for the express or implied benefit of any third party. No third party is entitled to rely, in any manner or for any purpose, on the services of BDO hereunder.

Confidentiality

Each of the parties hereto shall treat and keep all of the “Confidential Information” (defined below) as confidential, with at least the same degree of care as it accords to its own confidential information, but in no event less than a reasonable degree of care. Each party shall disclose the Confidential Information only to its employees, principals, contractors, consultants, agents, or its legal or other advisors, provided that they have: (A) each been informed of the confidential, proprietary, and secret nature of the Confidential Information, or are subject to a binding, preexisting obligation of confidentiality no less stringent than the requirements of this Agreement, and (B) a demonstrable need to review such Confidential Information. “Confidential Information” means all non-public information that is marked as “confidential” or “proprietary” or has commercial value in the party’s business and is obtained by one party (the “Receiving Party”) from the other party (the “Disclosing Party”). All terms of this Agreement are considered Confidential Information. Notwithstanding the foregoing, Confidential Information shall not include any information that was or is: (a) known to the Receiving Party prior to disclosure by the Disclosing Party; (b) as of the time of its disclosure, or thereafter becomes, part of the public domain through a source other than the Receiving Party; (c) made known to the Receiving Party by a third person who is not subject to any confidentiality obligation known to Receiving Party and such third party does not impose any confidentiality obligation on the Receiving Party with respect to such information; (d) required to be disclosed pursuant to governmental authority, professional obligation, law, decree regulation, subpoena, or court order; or (e) independently developed by the Receiving Party. If BDO is providing tax services for the Government, in no case shall the tax treatment or the tax structure of any transaction be treated as confidential as provided in Treas. Reg. sec. 1.6011-4(b)(3). If disclosure is required pursuant to subsection (d) above, the Receiving Party shall (other than in connection with routine supervisory examinations by regulatory authorities with jurisdiction and without breaching any legal or regulatory requirement), to the extent legally permissible, provide prior written notice thereof to allow the Disclosing Party to seek a protective order or other appropriate relief. Upon the request of the Disclosing Party, the Receiving Party shall return or destroy all of the Confidential Information except for (i) copies retained in working paper files retained to comply with a party’s professional or legal obligations and (ii) such Confidential Information retained in accordance with the Receiving Party’s normal data back-up procedures. Notwithstanding the foregoing, BDO shall have the right to use the Government’s Confidential Information in connection with performing BDO’s obligations hereunder, and also to use de-identified and aggregated key performance indicators derived from BDO’s work product in efforts to improve the services generally, including for benchmarking and analytical purposes, so long as such information remains in a de-identified aggregated form and such use does not violate any of BDO’s obligations of confidentiality hereunder. BDO shall not share or sell any of the de-identified Government information to third parties, and shall store such information in such a way that neither the Government nor any of the Government’s staff or customers can be identified.

Subject to applicable professional standards, our engagement by the Government will in no way preclude us from being engaged by any other party in the future. Notwithstanding anything contained in confidentiality provisions set forth herein, BDO shall be permitted to disclose that it is engaged to provide the services to the Government under this Agreement if BDO in its reasonable professional judgment determines that such disclosure is required in connection with BDO’s provision of services on behalf of other clients of BDO, including, without limitation,

professional services engagements under which BDO personnel act as professionals in legal proceedings that require disclosures, as arbitrators in post-acquisition disputes, or as expert witnesses.

Restricted Federal Data

The parties agree that the services are not intended to involve the processing, storage, disclosure, or transmissions of Restricted Federal Data, defined as data or information subject to laws, regulations, or government-wide policies that require safeguarding or dissemination controls, including but not limited to the Federal Acquisition Regulations (“FAR”), the Defense Federal Acquisition Regulation Supplement (“DFARS”), the International Traffic in Arms Regulation (“ITAR”), the Export Administration Regulations (“EAR”), and the Arms Export Control Act (“AECA”) , and any other data or information that is restricted for dissemination or disclosure to foreign nationals. For clarity, and without limiting the foregoing, controlled unclassified information (“CUI”) shall be included in the definition of Restricted Federal Data. Because BDO relies on this information in order to fulfill its own compliance obligations, the Government shall not provide or otherwise make available Restricted Federal Data to BDO or its employees unless expressly agreed to in advance in writing by BDO. If the Government becomes aware that any known or suspected Restricted Federal Data will be or has been disclosed to BDO by the Government or otherwise in connection with the Services, the Government will (a) immediately notify BDO in writing to regulatedgovtdata@bdo.com and will cease any further transfer of such data unless and until BDO expressly agrees in writing, (b) identify which documents at which pages contain such information, (c) identify which export control regulations apply where applicable, and (d) identify the relevant export control classifications that apply to the information in question. The Government will fully cooperate with BDO in the investigation of and response to any known or suspected Restricted Federal Data that the Government has disclosed to BDO notwithstanding the foregoing. The Government further agrees that it will be responsible for all fees, costs, and expenses associated with processing, storage, disclosure, or transmissions of such Restricted Federal Data, including without limitation additional fees, costs, and expenses related to compliance with obligations with respect to such Restricted Federal Data.

Licensing Representation

To the extent necessary for BDO to perform its obligations described herein, the Government represents and warrants that it will obtain, maintain, and comply with all of the licenses, consents, permits, approvals, and authorizations that are necessary to allow BDO and its employees, contractors, and subcontractors to access and use the services or software provided for the benefit of the Government under the Government’s third-party services contracts, licenses, or other contracts granting the Government the right to access, use, or receive services or software (each a “Licensing Representation”). Upon BDO’s request, the Government will provide BDO any references available evidencing the Licensing Representation (e.g., order number, customer support identifier). Tools subject to this Licensing Representation are hereby deemed External Computing Options (as defined in this Agreement). The Government hereby releases the BDO Group from, and indemnifies the BDO Group for, all claims and liabilities resulting from: (i) BDO’s reliance on a Licensing Representation; and (ii) the functionality of any third-party software or services used or accessed by BDO.

Intellectual Property

BDO shall retain the right to reuse the ideas, concepts, know-how, and techniques derived from the rendering of the services under this Agreement so long as it does not require the disclosure of any of the Government's Confidential Information (as defined above). BDO shall be entitled to all protections afforded under State and Federal statutory or common law with respect to any report, computer program (source code and object code) or programming and/or material documentation, manual, chart, specification, formula, database architecture, template, system model, copyright, diagram, description, screen display, schematic, blueprint drawing, tape, license, listing, invention, record, development frameworks, code libraries, best practices, general knowledge, skills and experience, or other materials preexisting the execution of this Agreement ("BDO Intellectual Property"). Unless otherwise specifically stated in this Agreement, the reproduction, distribution, or transfer, by any means or methods, whether direct or indirect, of any of BDO's or its agents' Intellectual Property or proprietary information by the Government is strictly prohibited.

Miscellaneous

This Agreement sets forth the entire agreement between the parties with respect to the subject matter herein, superseding all prior agreements, negotiations, or understandings, whether oral or written, with respect to the subject matter herein. This Agreement may not be changed, modified, or waived in whole or part except by an instrument in writing signed by both parties. This Agreement is intended to cover only the services specified herein, although we look forward to many more years of pleasant association with the Government. This engagement is a separate and discrete event and any future services will be covered by a separate agreement to provide services.

Many banks have engaged a third party to electronically process cash or debt audit confirmation requests, and certain of those banks have mandated the use of this service. Further, such third party confirmation processors also provide for the electronic (and manual) processing of other confirmation types (e.g., legal, accounts receivable, and accounts payable). To the extent applicable, the Government hereby authorizes BDO to participate in such confirmation processes, including through the third party's website (e.g., by entering the Government's bank account information to initiate the process and then accessing the bank's confirmation response), and agrees that the BDO Group shall have no liability in connection therewith.

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable laws, regulations, professional standards, or related published interpretations (including, without limitation, the independence rules of the American Institute of Certified Public Accountants, Securities and Exchange Commission, Public Company Accounting Oversight Board, and Government Auditing Standards), but if any provision of this Agreement shall be deemed void, prohibited, invalid, or otherwise unenforceable in whole or in part for any reason under such applicable laws, regulations, professional standards, published interpretations, or any reason whatsoever, such provisions or portion(s) thereof shall be ineffective only to the extent of such prohibition, invalidity, or unenforceability and shall be amended to the minimum extent required to make the provision enforceable, and such revised provision shall be made a part of this Agreement as if it was specifically set forth herein.

Furthermore, the provisions of the foregoing sentence shall not invalidate the remainder of such provision or the other provisions of this Agreement, which shall remain in full force and effect.

The Government's signature below represents and warrants that it has the full power and authority to enter into this Agreement on behalf of the Government. The Government represents and warrants that this Agreement constitutes the legal, valid, and binding obligation of the Government. The Government agrees to release, indemnify, and hold harmless BDO Group against any Claim to the extent arising out of its breach of any representation or warranty contained in this paragraph.

This Agreement may be transmitted in electronic format and shall not be denied legal effect solely because it was formed or transmitted, in whole or in part, by electronic record; however, this Agreement must then remain capable of being retained and accurately reproduced, from time to time, by electronic record by the parties to this Agreement and all other persons or entities required by law. An electronically transmitted signature to this Agreement will be deemed an acceptable original for purposes of consummating this Agreement and binding the party providing such electronic signature.

* * * * *

We believe the foregoing correctly sets forth our understanding; however, if you have any questions, please let us know. If you find the foregoing arrangements acceptable, please acknowledge this by signing this letter via the DocuSign link that we provide. Alternatively, if you are receiving hard copies of this engagement letter and DocuSign will not be used, please return to us a copy of this Agreement and retain a copy for your files.

Very truly yours,

(Signed BDO USA)

Acknowledged:

Aleutians East Borough

By: _____
Anne Bailey, Borough Administrator

Date: _____

The BDO USA Client Data Privacy Policy is located at <https://www.bdo.com/legal-privacy/client-data-privacy-policy>. If you have questions about this Privacy Policy, please contact us at privacy@bdo.com.



Report on the Firm's System of Quality Control

November 22, 2021

To the Partners of BDO USA, LLP and the National Peer Review Committee:

We have reviewed the system of quality control for the accounting and auditing practice of BDO USA, LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (the Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, an audit performed under FDICIA, an audit of a broker-dealer, and examinations of service organizations (SOC 1 and SOC 2 engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of BDO USA, LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. BDO USA, LLP has received a peer review rating of *pass*.

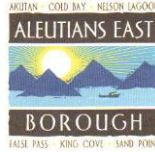
Baker Tilly US, LLP

Baker Tilly US, LLP, trading as Baker Tilly, is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

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BDO USA, P.C. is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.



RESOLUTION NO. 24-31

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A SERVICES AGREEMENT WITH BDO TO PROVIDE PROFESSIONAL AUDITING SERVICES TO THE ALEUTIANS EAST BOROUGH FOR FISCAL YEAR 2024, IN AN AMOUNT NOT TO EXCEED \$97,500

WHEREAS, on January 16, 2024, the Aleutians East Borough (Borough) issued a Request for Proposal (RFP) from qualified audit firms to audit the Borough's financial statements for FY23 and FY24, with the option of auditing the Borough's financial statements for the next three years (3) subsequent fiscal years; and

WHEREAS, the Borough received two proposals and selected BDO; and

WHEREAS, BDO has completed the FY23 audit; and

WHEREAS, the Borough requests the Assembly's authorization for the Mayor or his designee to negotiate and execute a Services Agreement with BDO to provide professional auditing services for Fiscal Year 2024, in an amount not to exceed \$97,500 which includes the base cost of \$84,000 and \$13,500 for anticipated travel expenses and additional work performed if required by the audit findings.

NOW, THEREFORE, BE IT RESOLVED the Aleutians East Borough Assembly authorizes the Mayor or his designee to negotiate and execute a Services Agreement with BDO to provide professional auditing services for Fiscal Year 2024, in an amount not to exceed \$97,500.

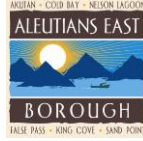
PASSED AND APPROVED BY THE ALEUTIANS EAST BOROUGH ASSEMBLY on this 14th day of March 2024.

ALEUTIANS EAST BOROUGH, ALASKA

Alvin D. Osterback, Mayor

ATTEST:

Beverly Rosete, Clerk



Agenda Statement

Date: February 23, 2024

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

Re: Resolution 24-32, Endorsing the Army Corps of Engineers Recommended Plan for the Akutan Harbor Navigational Improvement Study

In July 2021, the Borough, Akutan Tribe and the Army Corps of Engineers signed a Tribal Partnership Agreement to conduct an Akutan Harbor Navigational Improvements Study. The Corps has now begun its final Agency Technical Review of the Integrated Feasibility Report and Environmental Assessment. This milestone represents the culmination of nearly three years of cooperation and collaborative efforts and marks the near completion of the Feasibility phase of this project.

On February 22, 2024, the Corp has requested the Borough's formal endorsement of the Project Team's Recommended Plan, which is attached. The Plan outlines the plan components, the dredged & excavated material storage location; construction considerations; dredging; operation, maintenance, repair, replacement and rehabilitation; aids to navigation; integration of environmental operating principles; foster sustainability as a way of life throughout the organization; proactively consider environmental consequences of all USACE activities and act accordingly; create mutually supporting economic and environmentally sustainable solutions; continue to meet our corporate responsibility and accountability under the law for activities undertaken by USACE, which may impact human and natural environments; consider the environment in employing a risk management and systems approach throughout the life cycles of projects and programs; leverage scientific, economic, and social knowledge to understand the environment context and effects of USACE actions in a collaborative manner; employ an open, transparent process that respects the views of individuals and groups interested in USACE activities; real estate considerations; project staging areas; land acquisition; design vessel; project depth/optimization; project cost and cost apportionment.

Administration received a letter dated March 7, 2024 a decision and anticipated deviation from the recommended plan with regards to the temporary material placement area. Within the current Recommended Plan, it states that the Corps analyzed and are putting for the recommendation that any materials generated during construction of the project be temporarily kept north of the project site across the salmon stream. This plan was developed in September 2023 upon a recommendation from the Native Village of Akutan, however in January 2024 the Corps was told that this would not be a preferred location and that we should consider the Akutan Airport Quarry Site instead. At this time the Corps does not have the necessary time or funding to

explore this potential site, so the District of Alaska made the decision to keep the current location as part of the Recommended Plan but intends to analyze the alternate site during Preconstruction, Engineering and Design. These types of decisions, or deviations are typical. The purpose of the feasibility report is to prove that there exists a feasible project, and not for the purpose of producing a complete design.

Administration has reviewed the Recommended Plan and recommends that the Assembly formally endorses the plan via a resolution.

RECOMMENDATION:

Administration recommends the approval of Resolution 24-32, Endorsing the Army Corps of Engineers Recommended Plan for the Akutan Harbor Navigational Improvement Study.



DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
P.O. BOX 6898
JOINT BASE ELMENDORF-RICHARDSON, ALASKA 99506-0898

February 22, 2024

Honorable Anne Bailey
Administrator, Aleutians East Borough
3380 C Street, Suite 205
Anchorage, Alaska 99503

Dear Ms. Bailey:

Thank you for your continued sponsorship throughout the Akutan Harbor Navigational Improvement Study, our Team here at the District of Alaska, U.S. Army Corps of Engineers, has begun its final Agency Technical Review of the Integrated Feasibility Report and Environmental Assessment (IFREA). This milestone represents the culmination of nearly three years of cooperation and collective collaboration and marks the near completion of the Feasibility phase of this project.

The purpose of this letter is to request your formal endorsement of our Project Team's Recommended Plan, which has been provided to you as an attachment to this letter. Although we do not anticipate any significant changes to occur there may be some details that change because of our Agency Technical Review. Regardless, should any significant changes occur, I will inform you directly.

Please understand that it is essential that we receive your formal endorsement no later than March 14, 2024. This is so we can transmit the final IFREA package to the Pacific Ocean Division, U.S. Army Corps of Engineers, by April 04, 2024, without significant impact to schedule or budget.

Should you have any questions or if I can be of any further assistance to you, please don't hesitate to contact me directly at (907) 753-2507 or by my email at matthew.a.ripperger@usace.army.mil.

Sincerely,

Matthew A. Ripperger
Captain, U.S. Army
Project Manager

Attachment 1: Recommended Plan

Recommended Plan

Alternative 2 was presented as the Tentatively Selected Plan at the ADM on 16 January 2024 and received an endorsement from the HQUSACE Chief of Planning and Policy Division to be carried forward as the Recommended Plan. Alternative 2 includes constructing a harbor below the Akutan Airport in Surf Bay which consists of a rubble-mound breakwater, an entrance channel, and turning basin (Figure 1). Also included in the project are a mooring basin and dolphins, a rubble mound causeway, sheet pile dock, a small pad for parking and freight loading/unloading, and a road connecting the pad to an area near the Surf Bay Inn.

Plan components are typically categorized into General Navigation Features and Local Service Facilities. The GNF and LSF are important to identify during the study because design and construction costs for GNF are cost shared between the Federal Government and Non-Federal Sponsors, but the LSF are the sole responsibility of the Non-Federal Sponsor for construction, operation, and maintenance cost. This topic is discussed in more detail in the Cost Sharing section. Additionally, both GNF and LSF are assessed for potential environmental impacts.

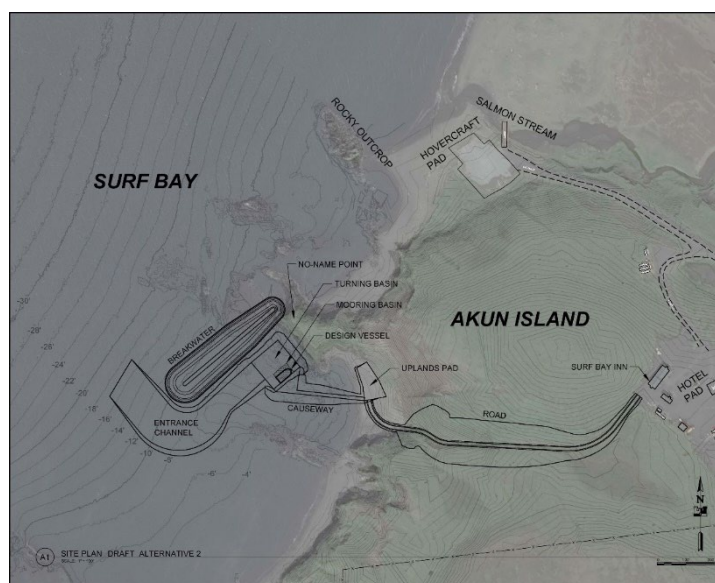


Figure 1. Alternative 2, the Recommended Plan.

Plan Components

The GNF in the Recommended Plan include a harbor entrance channel, turning basin, and breakwater. The turning basin encompasses the mooring basin, described below. The harbor can accommodate a design vessel with a length of 58 feet and draft of 8 feet, but a larger vessel may utilize the harbor at pilot's discretion.

The harbor entrance channel width varies from a minimum of 60 feet to a maximum of 120 feet at the turn. The entrance channel depth is -17 feet MLLW. The harbor turning basin is 120 feet by 120 feet minus a 60-foot by 40-foot mooring basin that is a local service facility (Figure 1). The turning basin depth is -14 feet MLLW. It is anticipated that blasting would be required for the turning basin and part of the entrance channel in this location. The harbor will be protected by a 400-foot-long rubble mound breakwater. A typical cross-section is shown in Figure 2.

Attachment 1: Recommended Plan

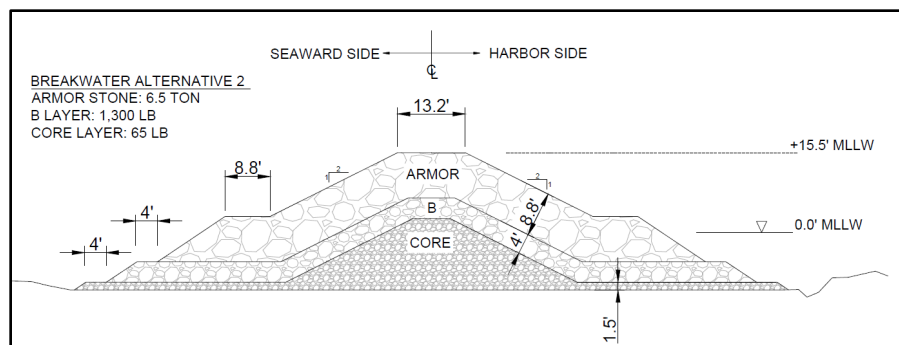


Figure 2. Typical Breakwater Section with Water Level Components.

Local service facilities required would include a 560 foot long by 12-foot-wide rubble mound causeway, sheet pile dock, 60-foot by 40-foot mooring basin with mooring dolphins, 7,000 square foot pad for loading/unloading freight, and a 1,100-foot-long road connecting the harbor areas with the existing hotel pad.

Dredged & Excavated Material Storage Location

A potential temporary upland storage area has been identified to the northeast of the existing hovercraft pad (Figure 3). One of the non-federal sponsors, the Native Village of Akutan, has expressed an interest in the dredged and excavated material as it is usable for construction projects and there is a need for it on the island (i.e., proposed roads to Trident Bay and Lost Harbor). It is costly to import road-building material from remote locations and can make construction projects cost-prohibitive. Placement of dredged materials in an upland site for future use by the non-federal sponsor would be a beneficial use of the material.

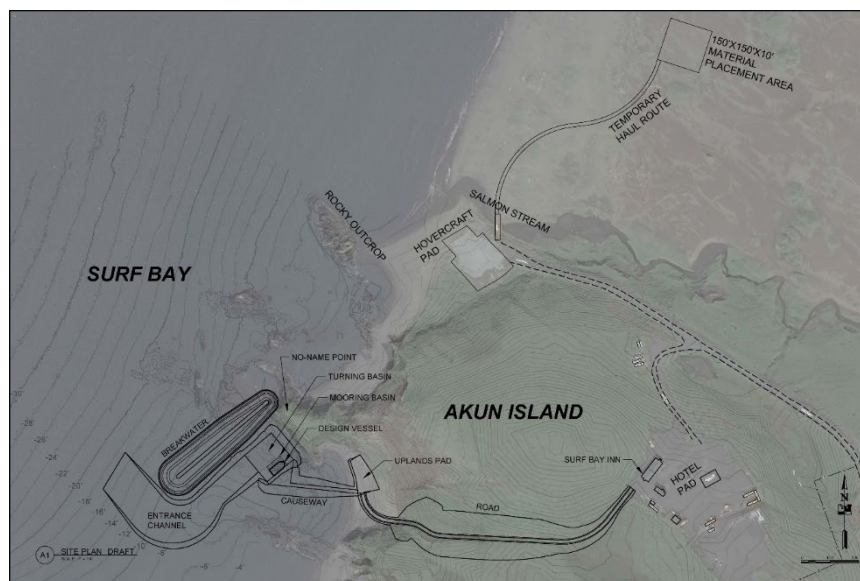


Figure 3. Temporary Upland Materials Storage Location.

Open water placement of dredged material in Surf Bay was considered during the planning process for this project. Field studies indicated a site in Surf Bay approximately one mile away from the project location could be a viable placement site for rocky habitat creation and thus a beneficial use. As the project planning process developed, it became clear that upland placement for future use by the non-federal sponsor made the most sense in terms of constructability and cost. The shallow depths that exist

Attachment 1: Recommended Plan

at the project alternative sites, the extreme wave exposure and the likely need to use dredged material to create a pad for drilling and blasting made the in-water placement for beneficial use unrealistic. Operation of a dump scow near shore in a volatile wave environment in shallow depths (and then dump scow disposal in rough seas) made this placement option problematic.

The Federal Standard is defined in USACE regulations as the least costly dredged material disposal or placement alternative (or alternatives) identified by USACE that is consistent with sound engineering practices and meets all federal environmental requirements, including those established under the Clean Water Act and the Marine Protection, Research, and Sanctuaries Act (see 33 CFR 335.7, 53 FR 14902). Based on equipment and methods anticipated for initial construction, upland placement is likely cheaper than in-water placement, considering the economic benefits of providing construction material to the NFS. These factors make upland placement for beneficial use consistent with the Federal Standard. However, O&M dredged material placement in the future may result in open water placement being the least cost method.

Construction Considerations

Construction is expected to be phased over 3 years of 6-month construction seasons. In-water work will likely occur during the summer due to frequent winter storms. The type of dredge equipment used to perform the work will not be specified in the contract. It is anticipated that the bidders on the project will have experience blasting since it will likely be used in this project, although the government will not require blasting so long as the contractor provides a plan to remove the hard material using mechanical means. To attract several bidders, it is recommended that the project be advertised early to interest dredging contractors in bidding on this project. The work season length, wave climate, remote site location, and hard material removal are just some of the conditions that a contractor would need to consider when proposing on this contract.

Dredging

Typical blasting and dredging operations utilize a barge and dump scow. Given the wave environment, shallow depths, and rocky outcrops in the project area, it is possible that that dredging operations could occur either from a barge/dump scow, from the breakwater (constructed before nearshore dredging), or from shore or the same temporary fill pads.

Initial dredging quantities associated with the Recommended Plan are estimated to be 9,840 CY. Alternatives 2 is located within known bedrock prisms and will likely require blasting. Dredging limits were determined based on vessel maneuvering characteristics as a function of length, beam, turning radii, and wind conditions. Side slopes of 2H:1V were assumed based on the rocky material anticipated, and further geotechnical analysis will likely allow for even steeper side slopes. Mechanical dredging in combination with heavy ripping and/or drilling and blasting will be required to remove material from the proposed entrance channel, turning basin and mooring basin.

Anticipated dredging conditions consist of approximately 5 to 10 feet of loose to medium dense unconsolidated sediment at the surface transitioning into bedrock at varying depths. Based in the information presented in the 2003 Geophysical Report by WSP Golder, it is anticipated that the depth of bedrock ranges from approximately -5 feet MLLW along the eastern portion of the proposed entrance channel to -20 feet MLLW along the western portion of the proposed entrance channel. The sediment material can be mechanically dredged by clamshell or long-reach excavator. For estimating purposes, we anticipate dense sediments, weathered bedrock, or bedrock will be encountered within the dredge prism. The type of equipment required to remove dense sediments or weathered bedrock could consist of an excavator-mounted pneumatic or hydraulic rock breaker, rock ripper, or rock ripping bucket. After dense sediment or weathered bedrock is loosened or ripped, it can be mechanically dredged by clamshell or long-reach excavator. Bedrock and hard materials are expected to require drilling and controlled blasting before they can be mechanically dredged.

Attachment 1: Recommended Plan

Operations, Maintenance, Repair, Replacement, and Rehabilitation

The non-Federal operator of the harbor would be responsible for the operation and maintenance of the mooring basin, causeway, and sheet pile dock. The Federal Government would be responsible for the maintenance of the breakwaters (except for docks and other local service facilities), entrance channel and mooring basin. The Alaska District, USACE, would visit the site periodically to inspect the breakwaters and perform hydrographic surveys at 3- to 5-year intervals for the dredged areas. The hydrographic surveys would be used to verify whether the predicted minimal maintenance dredging was warranted for the entrance channel and maneuvering areas. Maintenance requirements for breakwaters would be determined from the surveys and inspections. Local and Federal dredging requirements, if necessary, would likely be combined, so there would be only a single mobilization and demobilization cost.

The breakwaters were designed to be stable for the 50-year predicted wave conditions and no significant loss of stone from the rubble mound structures is expected over the life of the project. Stone quality is strictly specified in construction contracts to control stone degradation. However, it is anticipated that up to 5 percent of the armor stone could need to be replaced every 25 years. This results in an average of 2,000 cubic yards of armor rock required for replacement for the three alternatives at year 25.

Maintenance dredging would be conducted on an estimated 10-year cycle. The entrance channel and turning basin would require dredging of approximately 900 cubic yards. A dredged material management plan would be developed for the project in which a long-term disposal option would be identified. For purposes of this study, it is assumed that the entrance channel and turning basin material would be disposed of at the uplands site preliminarily identified. Clamshell bucket dredging equipment with a scow barge would likely be used for maintenance dredging. Dredged material is generally unconsolidated and should be easier to remove than construction material, and no blasting would be required for maintenance.

Aids to Navigation

Coordination with the U.S. Coast Guard Aids to Navigation Office would be conducted in PED to ensure that necessary marking of the new entrance channels is considered.

Integration of Environmental Operating Principles

The following environmental operating principles have been integrated into the planning process:

Foster sustainability as a way of life throughout the organization: This project would increase access and moorage days, fostering a sustainable subsistence-cash economy utilizing marine resources in the Bering Sea. The future without-project condition sees continued inefficiencies in transit between Akun and Akutan Islands and residents of Akutan continuing to experience reliability concerns with transportation, medical supplies, and freight. By constructing the Recommended Plan, these negative impacts on the viability of the Native Village of Akutan could be reduced.

Proactively consider environmental consequences of all USACE activities and act accordingly: Environmental consequences were considered throughout the planning process, and every effort has been made to avoid, minimize, or mitigate anticipated impacts.

Create mutually supporting economic and environmentally sustainable solutions: No NED plan was identified for this project, but the Section 2006 authority affords the PDT the flexibility to use CE/ICA in the absence of a NED plan. The Recommended Plan, Alternative 2, is a best buy plan based on the CE/ICA. This project was formulated in a way that makes it lasting, requires limited maintenance and avoids long term environmental impacts wherever possible. The sediments removed from the entrance channel, turning basin, and mooring basin would potentially be placed in a temporary stockpile in a

Attachment 1: Recommended Plan

natural dune area north of the Salmon Stream. The Native Village of Akutan has also expressed interest in utilizing these materials for beneficial use; specifically, for building roads on Akun Island.

Continue to meet our corporate responsibility and accountability under the law for activities undertaken by USACE, which may impact human and natural environments: A full environmental assessment (EA) was conducted as required by the National Environmental Policy Act (NEPA), and a Finding of No Significant Impact (FONSI) was prepared. Additionally, a Programmatic Agreement (PA) under the National Historic Preservation Act (NHPA) has been executed. The principles of avoidance, minimization, and mitigation will be enacted to the extent possible.

Consider the environment in employing a risk management and systems approach throughout the life cycles of projects and programs: For this study, extensive coordination has taken place to determine the impacts and subsequent mitigative actions regarding environmental impacts.

Leverage scientific, economic, and social knowledge to understand the environmental context and effects of USACE actions in a collaborative manner: USACE worked closely with the Native Village of Akutan and Aleutians East Borough throughout this study. Coordination with agencies is ongoing and may be completed in PED, and per the proposed USACE policy exception regarding completing MMPA/ESA consultation during the Feasibility study, which is currently under review.

Employ an open, transparent process that respects the views of individuals and groups interested in USACE activities: USACE made every effort to be responsive to stakeholder concerns. Public input has been solicited and used for both environmental and economic analysis purposes. Section 9.1 details USACE outreach to date.

Real Estate Considerations

There are no other existing federal projects that lie fully or partially within the lands, easements, rights-of-way, relocations, and disposals (LERRD) required for this project (Figure 4).

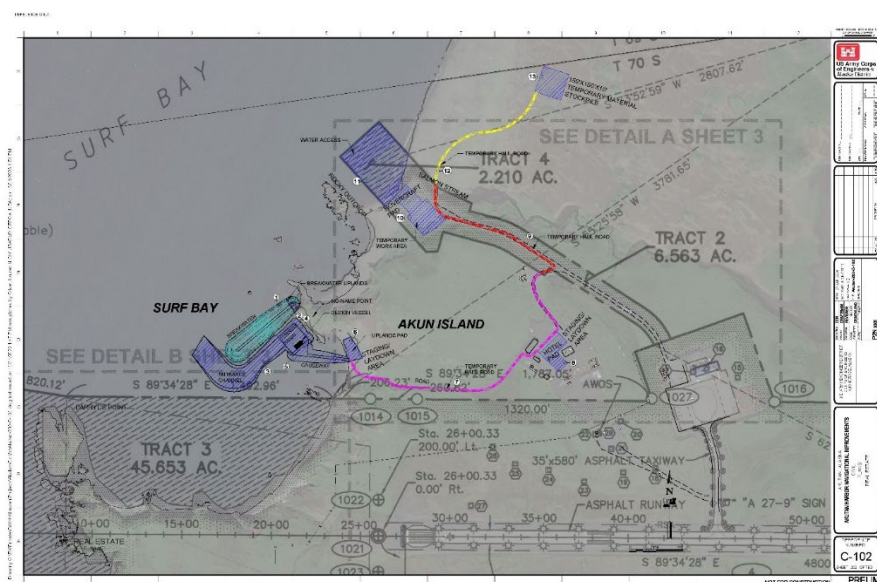


Figure 4. Map showing LERRD required for the project.

Attachment 1: Recommended Plan

Per 33 Code of Federal Regulations (CFR) § 329.4, navigable waters of the U.S. are those waters that are subject to the ebb and flow of the tide and/or are presently used, or have been used in the past, or maybe susceptible for use to transport interstate or foreign commerce.

Project Staging Areas

The construction of the harbor and dredge placement may require access from the uplands (Table 1). The LERRD cost for these upland features has not been determined.

Table 1. Upland Real Estate Requirements.

Tract No	Features	Acres	Landowner	Estate Required	Value
	Laydown Yard	0.42 within the highlighted area	City of Akutan	Standard Estate #15	TBD
	Access Road	0.48	City of Akutan	Standard Estate #11	TBD

Land Acquisition

LERRD necessary to implement this project are lands owned by the State of Alaska and the City of Akutan (Table 2). The NFS will negotiate to secure and acquire all necessary real estate interest for uplands. The Government's dominant right of navigation servitude would be exercised for project tidelands below the MHW line for the general navigation features.

Attachment 1: Recommended Plan

Table 2. LERRD Required for the Recommended Plan.

Tract No.	Feature	Acres	Owners Type	Minimum Estate Required	Estimated Cost
1	Breakwater	1.28	State of Alaska	Navigation Servitude	NA
2	Upland Breakwater	0.05	City	Standard Estate #8	\$430
3	Entrance Channel	1.73	State of Alaska	Navigation Servitude	NA
4	Turning Basin	0.46	State of Alaska	Navigation Servitude	NA
5	Causeway	0.51	State of Alaska	Navigation Servitude	NA
6	Staging Area Beach	0.19	City	Standard Estate #15	\$1536
7	Haul Road	0.48	City	Standard Estate #11	\$5,726
8	Staging/laydown Area	0.42	City	Standard Estate #15	\$3,357
9	Haul Road - State Land	0.27	State of Alaska - DOT&PF	Standard Estate #11	\$3,193
10	Work Area - Hovercraft Pad	0.85	State of Alaska - DOT&PF	Standard Estate #15	\$6,838
11	Water Access to Work Area	2.17	State of Alaska - DOT&PF	Standard Estate #15	\$17,348
12	Haul Road to Disposal Site		City	Standard Estate #11	\$2,742
13	Temporary Material Stockpile	0.52	City	Standard Estate #28	\$4,132

The NFS for the project will be providing any creditable LERRD, which includes only the LERRD necessary for the GNF.

Design Vessel

While the PDT has made informed decisions regarding selection of a design vessel, ultimately the vessel that would provide ferry services would be determined by which contractors are interested in bidding on a ferry service contract and which vessels they have access to. To account for this uncertainty, the contract cost that is the foundation of the transportation cost reduction analysis includes a range of potential contract fees as informed by the MDC ferry analysis as well as surveying local vendors.

Project Depth/Optimization

Project depth was formulated to accommodate both environmental factors such as tide, RSLC, and set down as well as ship factors such as squat, response to waves, and safety clearance.

The harbor is designed to be accessible during tides of MLLW 0 feet or greater. The intermediate RSCL scenario of -0.92 feet, rounded to 1 of depth, will be incorporated at construction to account for sea level rise. Set-down, or a lowering of water surface elevation due to wind stresses, was not included as the conditions that would cause set-down would likely preclude the ferry from operating. Vessel squat, or the lowering of vessel draft due moving through shallow water, was calculated to be 1 foot of depth. Vessel response to waves, or the vertical movement of pitch, roll, and heave, was calculated to be 1 foot of

Attachment 1: Recommended Plan

depth. USACE guidance recommends 3 feet of net underkeel clearance for hard bottom conditions such as rock. An allowable over depth of 2 feet is reasonable to accommodate imprecisions of the anticipated dredging method of blasting.

The result is a harbor basin depth of 14 feet (-14 feet MLLW) with a max payline of 16 feet (-16 feet MLLW) and an entrance channel depth of 17 feet (-17 feet MLLW) with a max payline of 19 feet (-19 feet MLLW). See Appendix A: Hydraulics & Hydrology for further information on harbor depth calculations. Depth can be optimized throughout the study process, but the impact of this uncertainty would be expected to be similarly borne by the full suite of alternatives and is unlikely to impact plan selection. The project depth for the basin and entrance channel may continue to be optimized during PED.

Project Cost

Cost analyses indicate that the Recommended Plan would have an average annual equivalent cost of approximately \$2.7 million. Maximum annual benefits for the Recommended Plan are estimated between \$362,000 and \$772,000. Total project first cost with contingency is \$63,232,000. The total National Economic Development cost, including the cost of operations and maintenance and interest during construction, is \$72,909,000.

Cost Apportionment

Construction of the project would be apportioned in accordance with the Water Resources Development Act of 1986, as amended. GNF is cost-shared between the Federal government and the non-Federal sponsors. LSF features are solely the responsibility of the non-Federal sponsor. The cost-share summary is based on the project's first cost with contingency. Section 1156 of Water Resources Development Act 1986, Cost Sharing Provisions for the Territories, as amended, provides a cost-sharing waiver to Indian tribes of an inflation-adjusted amount for studies and projects. This study has a \$511,000 cost share waiver (the amount at the time the FCSA was signed in 2021). The NFS cost-share of construction costs for an authorized project would also be subject to the waiver under Section 1156 (at whatever amount is applicable on the date a Project Partnership Agreement is executed).

Attachment 1: Recommended Plan

Table 3. Cost Share Breakdown

Preliminary Cost Share Table (October 1, 2023, Price Levels, Program Year (FY) 2024) ¹			
Description	Total (Project Cost w/Contingency)	Federal Share	Non-Federal Share
Mobilization/Demobilization	\$9,188,000	\$8,269,000	\$919,000
Breakwaters	\$21,078,000	\$18,970,000	\$2,108,000
Navigation Ports and Harbors (GNF Dredging)	\$15,360,000	\$13,824,000	\$1,536,000
Preconstruction, Engineering and Design (PED) ²	\$5,375,000	\$4,838,000	\$538,000
Construction Management (S&A) ²	\$4,031,000	\$3,628,000	\$403,000
Archaeological Monitoring & Mitigation ⁹	\$850,000	\$850,000	
Subtotal Construction of GNF	\$55,882,000	\$50,379,000	\$5,503,000
LEERD Cost ³	\$73,000		\$73,000
Section 1156 Waiver ⁴		\$665,000	
Ability to Pay Reduction to 25% ⁵		\$3,629,000	
Total Project First Costs	\$55,955,000	\$54,672,000	\$1,282,000
Aids to Navigation ⁶			
Credit for LERRD ⁷		\$73,000	
Post-Construction 2.5% Payback (10% of the 25% Ability to Pay) ^{5, 8}		(\$913,000)	\$913,000
Roads and Docks (Akutan Side) - LSF	\$1,500,000		\$1,500,000
Uplands (Causeway and Access Road) - LSF	\$5,282,000		\$5,282,000
Navigation Ports and Harbors - LSF	\$496,000		\$496,000
Total Cost Apportionment	\$63,232,000	\$53,832,000	\$9,401,000



DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
P.O. BOX 6898
JOINT BASE ELMENDORF-RICHARDSON, ALASKA 99506-0898

March 07, 2024

Honorable Anne Bailey
Administrator, Aleutians East Borough
3380 C Street, Suite 205
Anchorage, Alaska 99503

Dear Ms. Bailey:

Greeting, this letter is to inform you of a decision that our Project Team has made regarding the Akutan Harbor Navigational Improvement Study and the recommended location for the Temporary Material Placement Area detailed within the Integrated Feasibility Report and Environmental Assessment (IFREA) Report that is scheduled to be signed on April 04, 2024.

The Temporary Material Placement Area is the formally designated area to temporarily store materials generated during construction of the project, such as gravels and soils. The designation of this location is necessary to be able to propose a complete and feasible recommendation within the IFREA but does not represent a final decision regarding this matter. Although, we understand that this may not appear to be the case when reading the IFREA, it is important that we communicate to you our intentions, which are that we fully intend to analyze alternative locations during the next phase of Preconstruction, Engineering, and Design (PED).

The currently designated Temporary Material Placement Area on Akun is templated to be just north of the project location and across an east-to-west running salmon stream as shown in Figure 1. This site was recommended to us by our Stakeholders in early September of 2023, following which we conducted a full analysis of this location and implementing it into the formulation of our recommended plan. Until in December of 2023, when it was communicated to us by our Stakeholders that this location would not be suitable as there are already plans for this location. Instead, it was recommended that we analyze the quarry site formally used for the construction of the Akutan Airport, see Figure 2. However, at that point in our schedule, budget, and in the finalizing of our IFREA we are unable to perform the analysis necessary to be able to include this alternative location into our recommended plan.

It was considering these facts that our Team decided that it would proceed with the currently formulated plan, which includes the Temporary Material Placement Area just north of the east-to-west running salmon stream detailed in the IFREA's Recommended Plan. However, our Project Team will consider and further analyze alternative locations during PED when it is not as limited by budget and schedule restraints.

Thank you for your continued sponsorship and steadfast cooperation throughout this study, our Team here at the District of Alaska values the relationships we have with our communities and its commitment to transparency with our Sponsors throughout all our decision making.

If you should have any further questions or concerns regarding this decision, please do not hesitate to contact me directly at (907) 753-2507 or at matthew.a.ripperger@usace.army.mil.

Sincerely,

Matthew A. Ripperger
Captain, U.S. Army
Project Manager

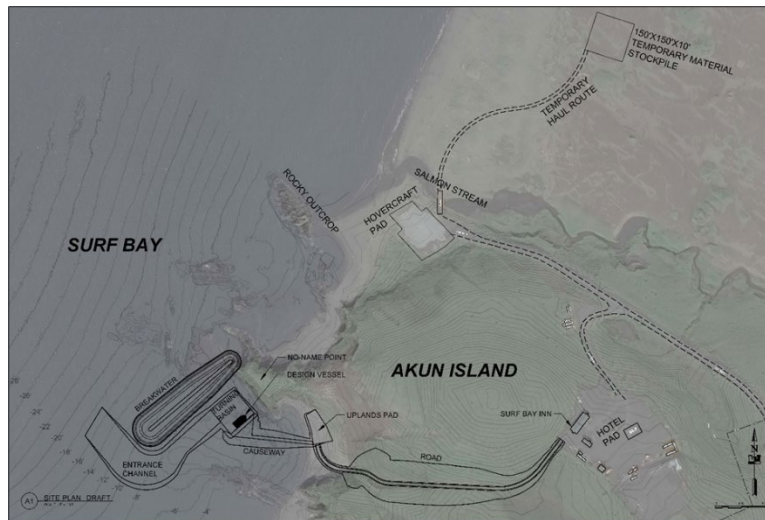
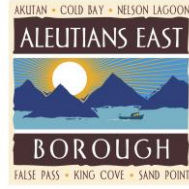


Figure 1. Temporary Material Placement Area (Top Right) designated in IFREA Report.



Figure 2. Potential Temporary Material Placement Area to be analyzed during PED.



RESOLUTION 24-32

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY ENDORSING THE ARMY CORPS OF ENGINEERS RECOMMENDED PLAN FOR THE AKUTAN HARBOR NAVIGATIONAL IMPROVEMENT STUDY

WHEREAS, in July 2021 the Borough, Akutan Tribe and the Army Corps of Engineers signed a Tribal Partnership Agreement to conduct an Akutan Harbor Navigational Improvements Study; and

WHEREAS, the Army Corps has begun its final Agency Technical review of the Integrated Feasibility Report and Environmental Assessment, which represents three years of cooperation and collaborative efforts and marks the near completion of the Feasibility phase of the project; and

WHEREAS, the Army Corps has requested the Borough's formal endorsement of the Recommended Plan; and

WHEREAS, the Corps sent a letter detailing a decision and anticipated deviation from the recommended plan with regards to the temporary material placement area, but the final decision will be determined during the Preconstruction, Engineering and Design phase; and

WHEREAS, the Recommended Plan may change some more as the Corps progresses through their Agency Technical Review, but significant changes are not anticipated; and

WHEREAS, Administration has reviewed the Recommended Plan and recommends that the Assembly formally endorse the plan.

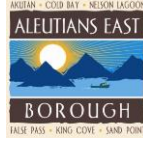
NOW THEREFORE, BE IT RESOLVED, the Aleutians East Borough Assembly endorses the Army Corps of Engineers Recommended Plan for the Akutan Harbor Navigational Improvement Study.

PASSED AND ADOPTED by the Aleutians East Borough on this 14th day of March, 2024.

Alvin D. Osterback, Mayor

ATTEST:

Beverly Rosete, Clerk



Agenda Statement

Date: February 29, 2024

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

Re: Resolution 24-33, Authorizing the Mayor to negotiate and execute a Programmatic Agreement among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Office, Native Village of Akutan, Aleutians East Borough and the City of Akutan regarding the Proposed Navigation Improvements at Akutan Harbor, Akun Island, Alaska

The U.S. Army Corps of Engineers, Alaska District (USACE), the Native Village of Akutan, and the Aleutians East Borough partnered on a Feasibility Study to investigate potential navigation improvements at Akutan Harbor, Akun Island, Alaska. The Feasibility Report recommends constructing navigation improvements at Akun Island.

During the study, Areas of Potential Effects in regard to historic preservation were identified on Akun and it was determined that the recommended navigation improvements are likely to have an adverse effect during the project. Due to the uncertain location of subsurface cultural materials, the Corps and the State Historic Preservation Office concluded that it would be appropriate to develop a Programmatic Agreement to identify stipulations to resolve specific adverse effects that may occur during implementation and undertaking.

The Borough, Native Village of Akutan, City of Akutan, the Advisory Council on Historic Preservation, the Akutan Corporation, the Aleutian Pribilof Island Association, the Aleut Corporation, the Museum of the Aleutians and Dr. Haliehana Stepetin were invited to participate in the development of the Programmatic Agreement as a concurring party.

The Agreement outlines the area of potential effect; monitoring; phased identification; data recovery; discovery and notification; timing and submittals; annual reporting requirements, professional standards, dispute resolution, amendments, public objection, termination, mutual agreements and understandings; applicable laws and duration.

The Corps will need to have this document completed by March 29, 2024 so it can be appended to the Final Integrated Environmental Assessment & Feasibility Report by the April 2024 deadline. This agreement does not commit the Borough to construct the facility.

Administration and the Borough Attorney have reviewed the Programmatic Agreement and recommend Assembly approval.

RECOMMENDATION:

Administration recommends the approval of Resolution 24-33, Authorizing the Mayor to negotiate and execute a Programmatic Agreement among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Office, Native Village of Akutan, Aleutians East Borough and the City of Akutan regarding the Proposed Navigation Improvements at Akutan Harbor, Akun Island, Alaska.

**PROGRAMMATIC AGREEMENT
AMONG THE U.S. ARMY CORPS OF ENGINEERS, ALASKA STATE HISTORIC
PRESERVATION OFFICER, NATIVE VILLAGE OF AKUTAN,
ALEUTIANS EAST BOROUGH, AND CITY OF AKUTAN
REGARDING THE PROPOSED NAVIGATION IMPROVEMENTS AT
AKUTAN HARBOR, AKUN ISLAND, ALASKA**

- 1 **WHEREAS**, the U.S. Army Corps of Engineers, Alaska District (USACE), the Native Village of Akutan, and the Aleutians East Borough partnered on a Feasibility Study to investigate potential navigation improvements at Akutan Harbor, Akun Island, Alaska under Section 203 of the Water Resources Development Act (WRDA) of 2000, as amended [33 USC § 2269], Section 1156 of WRDA 1986, as amended [33 USC § 2310], and Section 2006 of WRDA 2007, as amended [33 USC § 2242]; and
- 2 **WHEREAS**, the resulting Feasibility Report recommends constructing navigation improvements at Akun Island, Alaska; and
- 3 **WHEREAS**, USACE determined and documented the Area of Potential Effects (APE; see Appendix B) in compliance with the implementing regulations for Section 106 of the National Historic Preservation Act [36 CFR § 800.4.(a)(1)] for purposes of planning and, as engineering and design are refined, will revise the APE to include the total geographic area within which the undertaking may directly or indirectly cause alterations in the character of historic properties; and
- 4 **WHEREAS**, USACE determined that the Surf Bay Archaeological District (UNI-00103) and Sanağan (UNI-00125) are within the APE and the Alaska State Historic Preservation Officer (SHPO) concurred; and
- 5 **WHEREAS**, Surf Bay Archaeological District (UNI-00103) is eligible for listing in the National Register of Historic Places and Sanağan (UNI-00125) is a contributing property to UNI-00103; and
- 6 **WHEREAS**, USACE determined that the recommended navigation improvements undertaking is likely to have an adverse effect on UNI-00103 and UNI-00125 and the SHPO concurred; and
- 7 **WHEREAS**, due to the uncertain location of subsurface cultural materials associated with UNI-00103 and UNI-00125, USACE, in consultation with the SHPO, concluded that it would be appropriate to develop a Programmatic Agreement (PA) in accordance with 36 CFR § 800.14(b)(1)(ii) to identify stipulations to resolve specific adverse effects that may occur during implementation of the undertaking; and
- 8 **WHEREAS**, the Native Village of Akutan, a Federally-recognized Tribe and a Non-Federal Sponsor of the proposed navigation improvements undertaking, was invited to participate in the development of this PA as an *invited signatory* and has accepted; and

- 9 **WHEREAS**, the Aleutians East Borough, which is a Non-Federal Sponsor of the proposed navigation improvements undertaking, was invited to participate in the development of this PA as an *invited signatory* and has accepted; and
- 10 **WHEREAS**, the known locations of UNI-00103 and UNI-00125 within the APE are on land owned by the City of Akutan; and
- 11 **WHEREAS**, the City of Akutan was invited to participate in the development of this PA as an *invited signatory* and has **accepted**; and
- 12 **WHEREAS**, per 36 CFR § 800.6(a)(1)(i)(C), the Advisory Council on Historic Preservation (ACHP) was invited to participate in the development of this PA as a *signatory* and has declined; and
- 13 **WHEREAS**, the Akutan Corporation, the Alaska Native village corporation associated with the project area and owner of lands near the project area, was invited to participate in the development of this PA as a *concurring party* and has **accepted**; and
- 14 **WHEREAS**, the Aleutian Pribilof Islands Association (APIA), an Alaska Native non-profit regional corporation that provides services throughout the region associated with the APE, was invited to participate in the development of this PA as a *concurring party* and has **accepted**; and
- 15 **WHEREAS**, the Aleut Corporation, an Alaska Native regional corporation which provides services throughout the region associated with APE, has been invited to participate in the development of this PA as a *concurring party* and has **accepted**; and
- 16 **WHEREAS**, the Museum of the Aleutians, a cultural history institution for the Aleutians Islands, has been invited to participate in the development of this PA as a *concurring party* and has **accepted**; and
- 17 **WHEREAS**, Dr. Haliehana Stepetin, a concerned community member, has been invited to participate in the development of this PA as a *concurring party* and has **accepted**; and
- 18 **WHEREAS**, the stipulations of this PA shall be appended to and made part of the Final Integrated Feasibility Report & Environmental Assessment and mitigated Finding of No Significant Impact approving the undertaking, and USACE will use this PA to resolve adverse effects to the Surf Bay Archaeological District (UNI-00103) and Sanağan (UNI-00125) caused by the recommended navigation improvements undertaking; and
- 19 **NOW, THEREFORE**, USACE and the SHPO agree that the undertaking shall be implemented in accordance with the following stipulations in order to take into account the effect of the undertaking on historic properties.

STIPULATIONS

The following stipulations are agreed upon:

I. DEFINITIONS

- A.** The definitions found in the implementing regulations at 36 CFR § 800.16 shall apply throughout this PA and any subsequent documents prepared pursuant to this PA.
- B.** A “Consulting Party” is a Signatory, Invited Signatory, or Concurring Party to this PA.

II. AREA OF POTENTIAL EFFECT

- A.** The Area of Potential Effect (APE) is defined as the total geographic area or areas within which the undertaking may directly or indirectly cause alterations in the character or use of historic properties per 36 CFR § 800.16(d). In consultation with the SHPO, USACE has determined and documented the APE for purposes of planning and analysis in Appendix B to this document and the Draft Integrated Feasibility Report & Environmental Assessment (dated July 2023); however, it may be necessary to further refine and document the APE as the Pre-Construction, Design, and Engineering (PED) phase is authorized and funded. USACE shall, in consultation with the SHPO, determine and document modifications to the APE. Further refinement of the APE shall consider at minimum:
 - 1.** The extent of all construction activities required to build the navigation improvements and associated infrastructure; and
 - 2.** The right-of-way/easements obtained by the Non-Federal Sponsors and USACE as part of the undertaking; and
 - 3.** All areas used for borrow material, except for commercial quarries; and
 - 4.** All construction staging areas, access routes, spoil areas, and stockpiling areas.
- B.** USACE will finalize the APE for purposes of completing assessment of adverse effects pursuant to 36 CFR § 800.4 – 800.5 upon completion of the PED phase. At that time, USACE will update Appendix B to this document and will distribute copies of the final APE to the consulting parties.
 - 1.** For the purposes of this PA, updating Appendix B will not be considered an Amending action nor require that consulting parties re-execute this PA.

III. MONITORING

- A. During all ground-disturbing soil investigations and construction that do not occur in water (“upland construction”), USACE will provide for an Archaeological Monitor to be on site. The Archaeological Monitor will meet the minimum professional qualifications listed in the *Secretary of the Interior’s Historic Preservation Professional Qualification Standards* [48 FR 44738]. Their responsibilities will include:
1. Work-stop authority in the event of discovery of cultural materials associated with UNI-00103 or UNI-00125.
 2. Notification of USACE by phone within 24 hours of the discovery of cultural materials. USACE will then notify all pertinent consulting parties within 48 hours of the discovery by phone and email (see Stipulation VI).
 3. Those duties described in Stipulations VI.A and VI.B of this document.
- B. If cultural materials associated with UNI-00103 or UNI-00125 are discovered, or if there is an unanticipated human remains discovery, USACE will invite **the Native Village of Akutan to send a** Cultural Monitor to be on site during continued work activities.
1. The Cultural Monitor shall be a member of the Native Village of Akutan.
 2. USACE will make every effort to provide logistical support for a Cultural Monitor to be on site, with the understanding that no additional costs may be incurred by the Government.

IV. PHASED IDENTIFICATION

- A. Proposed Road Route.
1. Investigation of Soil Cores.
 - a. During geotechnical investigations along the proposed access road route, the Archaeological Monitor shall closely observe the recovered soil cores to identify any cultural features, cultural materials, or cultural soil horizons.
 2. Analysis.
 - a. If any cultural features, materials, or horizons are identified, the Archaeological Monitor shall include their analysis in the Monitoring Report (see Stipulation VII.B).
 - b. The City of Akutan, who owns the cultural materials, will provide USACE access to the materials for analysis. The City of Akutan shall

have final say over whether destructive testing is conducted on any recovered materials (e.g., radiocarbon dating of charcoal or animal bone). The Native Village of Akutan shall be consulted prior to the destructive testing of any recovered materials.

3. Curation.

- a.** USACE will ensure that all recovered cultural materials and associated original field documentation (e.g., field notebooks, excavation level forms) are curated at the City Museum in Akutan, Alaska, or the Museum of the Aleutians in Unalaska, Alaska.

V. DATA RECOVERY

A. Sanağan (UNI-00125).

1. Excavation.

- a.** If cultural materials associated with UNI-00103 or UNI-00125 are identified by the Archaeological Monitor during ground-disturbing activities, USACE will conduct a data recovery excavation at the Sanağan site (UNI-00125).
- b.** The data recovery excavation will be conducted in accordance with a Research Design developed by USACE per Stipulation VII.C.1. **The excavation is anticipated to consist of a:**
 - i. 2 x 1 meter test unit.**
- c. If USACE finds, through phased investigations or inadvertent discoveries, that the 2 x 1 meter test unit is no longer commensurate with the undertaking's effect, USACE will revise the excavation in consultation with the SHPO and the City of Akutan.**
- d.** The City of Akutan will provide USACE access to UNI-00125, as appropriate.

2. Analysis.

- a.** USACE will conduct an analysis of a representative sample of recovered cultural materials.
 - i. 100% of all recovered formal tools.**
 - ii. At least 25% of all recovered debitage.**
 - iii. At least 25% of all recovered faunal remains.**

iv. If charcoal or other materials appropriate for radiocarbon dating are recovered, up to 5 samples will be submitted for Accelerator Mass Spectrometry radiocarbon dating.

- b. USACE will prepare a Final Report of Investigations on the archaeological data recovery, outlining the excavation, analysis, interpretation, and importance of UNI-00125. USACE shall ensure that the report meets professional standards and the *Secretary of the Interior's Format Standards for Final Reports of Data Recovery Programs* [42 CFR § 5377-79].
- c. The City of Akutan, who owns the cultural materials, will provide USACE access to the materials for analysis. The City of Akutan shall have final say over whether destructive testing is conducted on any recovered materials (e.g., radiocarbon dating of charcoal or animal bone). The Native Village of Akutan shall be consulted prior to the destructive testing of any recovered materials.

3. Curation.

- a. USACE will ensure that all recovered cultural materials and associated original field documentation (e.g., field notebooks, excavation level forms) are curated at the City Museum in Akutan, Alaska, or the Museum of the Aleutians in Unalaska, Alaska.
 - i. The City of Akutan, who owns the cultural materials, will inform USACE of their chosen repository at least 30 days prior to the start of construction.
 - (1) If the Museum of the Aleutians is the chosen repository, the City of Akutan will formalize an agreement with the Museum of the Aleutians prior to the start of construction.

VI. DISCOVERY AND NOTIFICATION

- A. In accordance with 36 CFR § 800.13(a)(1), should any previously unknown cultural site or object be discovered during construction, USACE will notify the consulting parties to this PA by phone within 48 hours of the discovery (see Appendix A, Points of Contact). All work that may affect the cultural site or object, as determined by the Archaeological Monitor, shall cease until:
 - 1. USACE determines the site or object's eligibility for listing in the National Register of Historic Places (NRHP) in consultation with the parties to this document; and

2. If the site or object is eligible for listing in the NRHP, USACE assesses the potential effect of the undertaking on it in consultation with the consulting parties; and
 3. If the site or object is eligible for listing in the NRHP and the undertaking will adversely affect it, mitigation measures developed in consultation with the consulting parties are completed.
 - a. USACE will notify the ACHP of any newly discovered NRHP-eligible properties that will be adversely affected and the mitigation measures that have been carried out.
 - b. Work that does not impact the NRHP-eligible property may continue.
 - c. Work may resume at the NRHP-eligible property after on-site mitigation measures have been completed.
 4. Consultation under Section 106 of the National Historic Preservation Act with consulting parties will be carried out in an expeditious manner so as to avoid unnecessary delays to the navigation improvements.
- B.** Should there be an inadvertent discovery of human remains during soil investigations or construction, USACE will follow standard operating procedures in accordance with *Alaska Statute (AS) 12.65.005(a)(1)*, *AS 18.50.250*, the *Memorandum of Understanding among the Alaska Office of History and Archaeology, Alaska State Medical Examiner, and Alaska State Troopers*, and the USACE's *Guidelines for Human Remains Discovery*.
1. Upon discovery all activity in the vicinity of the human remains must cease and the site will be secured against further disturbance.
 2. The person making the discovery will immediately inform the Archaeological Monitor and Site Supervisor, who will immediately stop work at the discovery site and contact the USACE Archaeologist and USACE Project Manager.
 3. Per *AS 12.65.005(a)(1)*, the USACE Archaeologist or Project Manager will notify a peace officer (Alaska State Trooper/Missing Persons Clearinghouse), the Alaska State Medical Examiner by phone. The USACE Archaeologist or Project Manager will also notify the consulting parties. Notifications will be completed within 48 hours of discovery.
 4. A qualified person with the appropriate level of expertise as decided by the USACE Archaeologist and either the State Medical Examiner or SHPO must examine the remains to determine postmortem interval.
 - a. If remains are determined to be "ancient" (postmortem interval >100 years), USACE will notify the consulting parties by phone within 24

hours of determination, followed by written notification. USACE will consult with the Native Village of Akutan and City of Akutan regarding treatment and disposition of the remains and will comply with all appropriate Federal and State regulations.

- b.** If remains are determined to be “recent” (postmortem interval <100 years), USACE will notify the consulting parties within 24 hours of determination, and follow the direction of the Alaska State Troopers, State Medical Examiner, or local peace officer regarding their treatment and disposition, in accordance with appropriate Federal and State regulations.
- 5.** Regardless of their likely age, no photographs shall be taken of the remains without express permission from the Native Village of Akutan.
- 6.** Should the remains need to be removed, relocated, transported, or reburied, the USACE Archaeologist will contact the Alaska Bureau of Vital Statistics, Alaska Department of Health and Social Services, to obtain a disinterment and reinterment permit and/or burial-transit permit per *AS 18.50.250*.

VII. TIMING AND SUBMITTALS

A. APE Revision.

1. Upon completion of the PED phase, USACE will determine whether the APE must be updated. USACE shall submit a draft APE figure to the SHPO **and all consulting parties**. It will include a written discussion about any changes to the navigation improvements undertaking that necessitate the revised APE.
 - a. Upon receipt, the SHPO **and consulting parties** shall have 30 days to review the draft APE and submit comments to USACE.
2. If USACE determines, in consultation with SHPO, that the stipulations in the PA no longer provide mitigation commensurate with the potential adverse effects associated with the updated APE, USACE shall request an Amendment of this PA in accordance with Stipulation XI.

B. Monitoring.

- 1.** USACE will submit draft Monitoring Plans (one per mobilization) to the consulting parties for comment no later than 90 days prior to implementation.
 - a.** Upon receipt, the consulting parties shall have 45 days to review the draft and submit comments to USACE. USACE will take into consideration timely comments when drafting the final Monitoring Plan. If no comments are received, then the draft will be considered final.

2. USACE will submit a Monitoring Report to the consulting parties no later than 180 days after each mobilization ends. Final report submittals will consist of:
 - a. One printed color copy and one digital copy submitted to each of the signatories and concurring parties.

C. Data Recovery.

1. Research Design.

- a. USACE will submit a digital copy of the draft archaeological data recovery research design to the SHPO **and all consulting parties** for their review no later than 120 days prior to construction mobilization.
 - i. Upon receipt, the SHPO **and consulting parties** shall have 30 days to review the draft and submit comments to USACE.
- b. USACE shall carefully consider timely comments. If comments are substantial, USACE will submit a final draft version of the research design to the SHPO for their review.
 - i. Upon receipt, the SHPO shall have 15 days to review the final draft and submit comments to USACE.
- c. USACE shall submit one digital copy of the Final Research Design to all consulting parties no later than 30 days prior to construction mobilization.

2. Excavation Revision.

- a. **In accordance with Stipulation V.A.1.c, if USACE determines, in consultation with the SHPO and the City of Akutan, that the excavation size should be revised for the data recovery effort to be commensurate with the undertaking's effect, USACE will notify all consulting parties.**
 - i. **Upon receipt, the consulting parties shall have 15 days to review the proposed revision and submit comments to USACE.**

3. Final Report of Investigations.

- a. USACE shall submit one digital copy of the draft archaeological data recovery report to each of the consulting parties within 12 months of the excavation for their review.

- i. Upon receipt, the consulting parties shall have 45 days to review the draft and submit comments to USACE.
 - b. USACE shall carefully consider timely comments by all consulting parties.
 - c. Submittal of the Final Report of Investigations will occur no later than 90 days after receipt of comments. Final report submittals will consist of:
 - i. One printed color copy and one digital copy submitted to each of the consulting parties.
 - ii. One printed color copy submitted to each of the following: the Alaska State Library and the Alaska Resource Library and Information Service (ARLIS).
- 4. Alaska Heritage Resources Survey (AHRS) Card.
 - a. USACE will submit updated AHRS Cards to the Alaska State Office of History and Archeology for UNI-000103 or UNI-00125 as appropriate no later than 90 days after submission of the Final Report of Investigations.
- 5. Curation.
 - a. USACE will relinquish possession of recovered cultural materials to the City of Akutan's chosen repository no later than 6 months after submission of the Final Report of Investigations.
 - b. Photologs, excavation level forms, field notebooks, and all other documentation of the excavation will be digitized; electronic copies will be held by USACE while the original documents will be accessioned to the repository with the recovered cultural materials.

VIII. ANNUAL REPORTING REQUIREMENTS

USACE will provide the consulting parties an annual report that summarizes the actions under this agreement by January 31 every calendar year that this document is in effect.

IX. PROFESSIONAL STANDARDS

All work pursuant to this PA will be developed by or under the direct supervision of a person or persons meeting the minimum professional qualifications listed in the *Secretary of the Interior's Historic Preservation Professional Qualification Standards* [48 FR 44716].

X. DISPUTE RESOLUTION

Should any consulting party to this PA object at any time to any actions proposed or the manner which the terms of this PA are implemented, USACE shall consult with such party to resolve the objection. If USACE determines that such objection cannot be resolved, USACE will:

- A. Forward all documentation relevant to the dispute, including USACE's proposed resolution, to the ACHP. The ACHP shall provide USACE with its advice on the resolution of the objection within 30 days of receiving adequate documentation. Prior to reaching a final decision on the dispute, USACE shall prepare a written response that takes into account any timely advice or comments regarding the dispute from the ACHP and consulting parties, and will provide them with a copy of this written response. USACE will then proceed according to its final decision.
- B. If the ACHP does not provide its advice regarding the dispute within the 30 day time period, USACE may make a final decision on the dispute and proceed accordingly. Prior to reaching such a final decision, USACE shall prepare a written response that takes into account any timely comments regarding the dispute from the consulting parties to the PA, and will provide them and the ACHP with a copy of such written response.
- C. USACE's responsibility to carry out all other actions subject to the terms of this PA that are not the subject of the dispute remain unchanged.

XI. AMENDMENT

Any signatory or invited signatory to this PA may request in writing that this PA be amended, whereupon USACE will consult with all consulting parties to consider such amendment.

- A. The amendment will be effective on the date a copy signed by all the signatories is filed with the ACHP.
- B. In accordance with Stipulations V.A and VII.C.2, if no objections are received from the consulting parties within 15 days, the revised excavation size may be accepted without formal amendment of the PA.**
- C. In accordance with Stipulations II.B and VII.A, if no objections are received from the consulting parties within 30 days, the revised APE (Appendix B) may be accepted without formal amendment of the PA.**
- D. Updates to contact information in Appendix A may be accepted without formal amendment of the PA.**
- E. All revisions or updates accepted without formal amendment of the PA will be identified in the annual report.**

XII. PUBLIC OBJECTION

If at any time during implementation of the articles identified in this PA, should any objection to any such measure or its manner of implementation be raised by a member of the public, USACE will take the objection into account and consult as needed with the objecting party, the Native Village of Akutan, the Aleutians East Borough, the City of Akutan, and the SHPO to resolve the objection.

- A. USACE shall prepare a written response that takes into account any timely advice or comments regarding the objection by the signatories to the PA. A copy of this written response will be provided to the consulting parties to this PA. USACE will then proceed according to its final decision.

XIII. TERMINATION

If any signatory or invited signatory to this PA determines that its terms will not or cannot be carried out, that party shall immediately notify the consulting parties to this PA to begin consultation regarding developing an amendment per Stipulation XI.

- A. If within 30 days an amendment cannot be reached, any signatory to this PA may terminate this agreement by preparing a written explanation for the termination. A copy of this written explanation will be provided to the consulting parties to this PA.

XIV. ANTI-DEFICIENCY ACT

All requirements set forth in this PA requiring the expenditure of USACE funds are expressly subject to the availability of appropriations and the requirements of the Anti-Deficiency Act [31 USC § 1341]. No obligation undertaken by USACE under the terms of this PA will require or be interpreted to require a commitment to expend funds not obligated for a particular purpose.

- A. In the event that any obligation under the PA cannot be performed due to the unavailability of funds, USACE agrees to utilize its best efforts to renegotiate the provision.

XV. MUTUAL AGREEMENTS AND UNDERSTANDINGS

- A. Nothing contained in this PA shall be construed or interpreted in any way so as to waive the sovereign immunity of any consulting party.
- B. Nothing contained in the PA shall be construed or interpreted in any way so as to diminish or alter USACE's trust responsibilities to the Native Village of Akutan as a sovereign nation.
- C. Points of Contact are listed in Appendix A.

- D.** This PA may be executed in one or more counterparts, including electronic pdf or facsimile counterparts, each of which shall, for all purposes, be deemed an original, and all such counterparts, taken together, shall constitute one and the same instrument.

XVI. APPLICABLE LAWS

This PA and all documents and actions pursuant to it shall be governed by the applicable statutes, regulations, directives, and procedures of the United States of America.

XVII. DURATION

This PA shall become effective **on the date of the last signature written below and will** remain in effect for 10 years, or until the PA is amended in accordance with Stipulation XI or terminated in accordance with Stipulation XIII, or until authorization for the undertaking is rescinded. **The consulting parties will conduct a review of operating satisfaction and document their findings in a supplement to the 10th year annual report (Stipulation VIII). If no critical problems are identified, the PA will remain in effect an additional 5 years, for a total of 15 years, at which point it may be renewed, revised, or terminated.**

SIGNATORY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Jeffrey S. Palazzini
Colonel, Corps of Engineers
District Commander, Alaska District

Date

SIGNATORY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Judith Bittner
State Historic Preservation Officer
Office of History and Archaeology, State of Alaska

Date

INVITED SIGNATORY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Joe Bereskin
President
Native Village of Akutan

Date

INVITED SIGNATORY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Alvin Osterback
Mayor
Aleutians East Borough

Date

INVITED SIGNATORY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Joe Bereskin
Mayor
City of Akutan

Date

CONCURRING PARTY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Josephine Shangin
President
Akutan Corporation

Date

CONCURRING PARTY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Dimitri Philemonof
President & Chief Executive Officer
Aleutian Pribilof Islands Association

Date

CONCURRING PARTY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Skoey Vergen
President & Chief Executive Officer
Aleut Corporation

Date

CONCURRING PARTY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Virginia Hatfield
Executive Director
Museum of the Aleutians

Date

CONCURRING PARTY

Programmatic Agreement

**Among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Officer,
Native Village of Akutan, and Aleutians East Borough, and City of Akutan
Regarding the Proposed Navigation Improvements at Akutan Harbor,
Akun Island, Alaska**

Haliehana Stepetin
Assistant Professor, Alaska Native Studies
University of Alaska Anchorage

Date

APPENDIX A: Points of Contact

U.S. Army Corps of Engineers

Ms. Kelly Eldridge
Alaska District Archaeologist
CEPOA-PMC-E (Eldridge)
P.O. Box 6898
Joint Base Elmendorf-Richardson, Alaska 99506
Phone: (907) 753-2672
Email: kelly.a.eldridge@usace.army.mil

U.S. Army Corps of Engineers

Mr. Sean O'Donnell
Alaska District Tribal Liaison
CEPOA-Z (O'Donnell)
P.O. Box 6898
Joint Base Elmendorf-Richardson, Alaska 99506
Phone: (907) 753-5582
Email: sean.m.odonnell@usace.army.mil

Alaska State Historic Preservation Officer

Ms. Sarah Meitl
Review and Compliance Coordinator
Alaska Department of Natural Resources
Office of History and Archaeology
550 W. 7th Avenue, Suite 1310
Anchorage, Alaska 99501
Phone: (907) 269-8720
Email: sarah.meitl@alaska.gov or oha.revcomp@alaska.gov

Native Village of Akutan

Ms. Sarah Kachigaâ Stepetin
Director of Tribal Transportation
P.O. Box 89
Akutan, Alaska 99553
Phone: (907) 698-2300
Email: gigii-gun.transportation@outlook.com

Aleutians East Borough

Ms. Anne Bailey
Borough Administrator
3380 C Street, Suite 205
Anchorage, Alaska 99503
Phone: (907) 274-7580
Email: abailey@aeboro.org

City of Akutan

Ms. Amanda Tcheripanoff
City Clerk
P.O. Box 109

Akutan, Alaska 99553
Phone: (907) 698-2228
Email: amanda.t@akutanak.us

Akutan Corporation

Ms. Josephine Shangin
President
P.O. Box 8
Akutan, Alaska 99553
Phone: (907) 381-6014
Email: jta_s@hotmail.com

Aleutian Pribilof Islands Association

Ms. Karen Pletnikoff
Environmental & Safety Program Manager
1131 E. International Airport Road
Anchorage, Alaska 99518
Phone: (907) 276-2700
Email: karenp@api.ai.org

Aleut Corporation

Mr. Ben Leon-Guerrero
Lands Manager
4000 Old Seward Highway, Suite 300
Anchorage, Alaska 99503
Phone: (907) 273-3429
Email: bguerrero@aleutrealstate.com

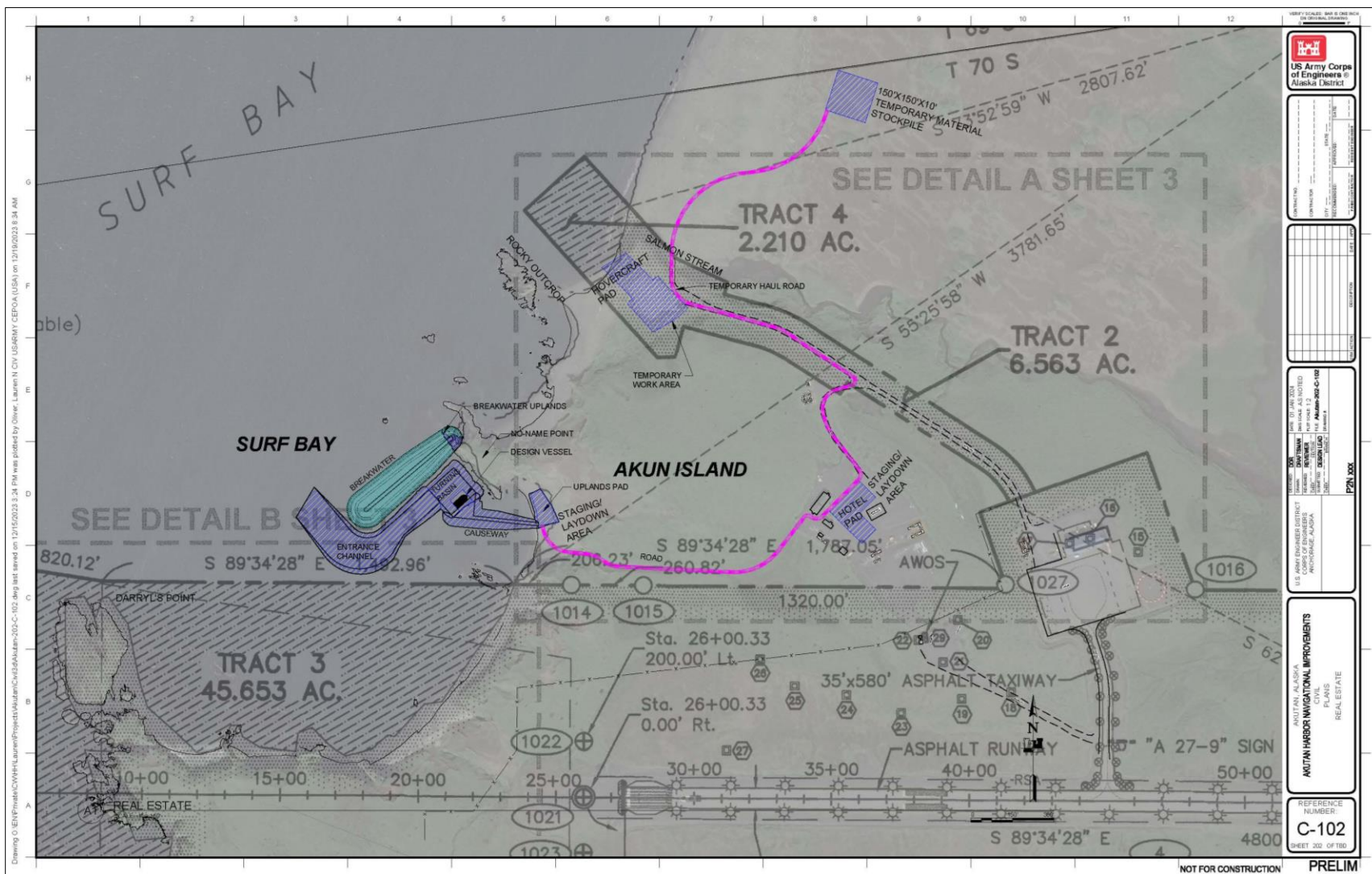
Museum of the Aleutians

Dr. Virginia Hatfield
Executive Director
314 Salmon Way
Unalaska, Alaska 99685
Phone: (907) 581-5150
Email: virginiahatfield@aleutians.org

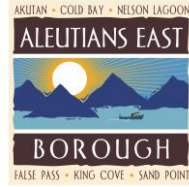
Concerned Citizen

Dr. Haliehana Stepetin
Assistant Professor of Arctic Security Studies
Ted Stevens Center for Arctic Security Studies
U.S. Department of Defense
8414 McGuire Avenue
Anchorage, AK 99508
Phone:
Email: haliehana.stepetin@us.af.mil

APPENDIX B: Area of Potential Effect



The Area of Potential Effect (APE) encompasses the teal polygon (breakwater construction), the purple polygons (in-water dredging locations and upland staging areas), and the pink line (proposed access routes).



RESOLUTION 24-33

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A PROGRAMMATIC AGREEMENT AMONG THE U.S. ARMY CORPS OF ENGINEERS, ALASKA HISTORIC PRESERVATION OFFICE, NATIVE VILLAGE OF AKUTAN, ALEUTIANS EAST BOROUGH AND THE CITY OF AKUTAN REGARDING THE PROPOSED NAVIGATION IMPROVEMENTS AT AKUTAN HARBOR, AKUN ISLAND, ALASKA

WHEREAS, the U.S. Army Corps of Engineers, the Native Village of Akutan and the Aleutians East Borough partnered on a Feasibility Study to investigate potential navigation improvements at Akutan Harbor, Akun Island, Alaska; and

WHEREAS, the Feasibility Report recommends constructing navigation improvements at Akun Island; and

WHEREAS, USACE determined and documented the Area of Potential Effects (APE; see Appendix B) in compliance with the implementing regulations for Section 106 of the National Historic Preservation Act [36 CFR § 800.4.(a)(1)] for purposes of planning and, as engineering and design are refined, will revise the APE to include the total geographic area within which the undertaking may directly or indirectly cause alterations in the character of historic properties; and

WHEREAS, USACE determined that the Surf Bay Archaeological District (UNI-00103) and Sanağan (UNI-00125) are within the APE and the Alaska State Historic Preservation Officer (SHPO) concurred; and

WHEREAS, Surf Bay Archaeological District (UNI-00103) is eligible for listing in the National Register of Historic Places and Sanağan (UNI-00125) is a contributing property to UNI-00103; and

WHEREAS, USACE determined that the recommended navigation improvements undertaking is likely to have an adverse effect on UNI-00103 and UNI-00125 and the SHPO concurred; and

WHEREAS, due to the uncertain location of subsurface cultural materials associated with UNI-00103 and UNI-00125, USACE, in consultation with the SHPO, concluded that it would be appropriate to develop a Programmatic Agreement (PA) in accordance with 36 CFR § 800.14(b)(1)(ii) to identify stipulations to resolve specific adverse effects that may occur during implementation of the undertaking; and

WHEREAS, the Native Village of Akutan, a Federally-recognized Tribe and a Non-Federal Sponsor of the proposed navigation improvements undertaking, was invited to participate in the development of this PA as an *invited signatory* and has accepted; and

WHEREAS, the Borough, Native Village of Akutan, City of Akutan, the Advisory Council on Historic Preservation, the Akutan Corporation, the Aleutian Pribilof Island Association, the Aleut Corporation, the Museum of the Aleutians and Dr. Haliehana Stepetin were invited to participate in the development of the Programmatic Agreement as a concurring party; and

WHEREAS, the stipulations of this PA shall be appended to and made part of the Final Integrated Feasibility Report & Environmental Assessment and mitigated Finding of No Significant Impact approving the undertaking, and USACE will use this PA to resolve adverse effects to the Surf Bay Archaeological District (UNI-00103) and Sanağan (UNI-00125) caused by the recommended navigation improvements undertaking; and

WHEREAS, the Programmatic Agreement will outline the stipulations that will need to be implemented to take into account the effect of the project on historic properties; and

WHEREAS, signing the Programmatic Agreement does not commit the Borough to construct the Navigation Improvements on Akun Island.

NOW THEREFORE, BE IT RESOLVED, the Aleutians East Borough Assembly authorizes the Mayor to negotiate and execute a Programmatic Agreement among the U.S. Army Corps of Engineers, Alaska State Historic Preservation Office, Native Village of Akutan, Aleutians East Borough and the City of Akutan regarding the Proposed Navigation Improvements at Akutan Harbor, Akun Island, Alaska.

PASSED AND ADOPTED by the Aleutians East Borough on this 14th day of March, 2024.

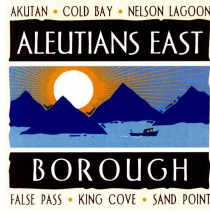
Alvin D. Osterback, Mayor

ATTEST:

Beverly Rosete, Clerk

OLD BUSINESS

NEW BUSINESS



MEMORANDUM

To: Mayor Osterback, Aleutians East Borough Assembly
From: Charlotte Levy, Fishery Analyst
Date: March 14th, 2024
RE: New Business AFA Pollock Single Geographic Location Requirement

Mayor Osterback and the Natural Resources Department met with Joe Sullivan on 1/29/24 to receive an update on his investigation into the AFA pollock location requirements. Mr. Sullivan will attend the March 14th Assembly Meeting Workshop to discuss the preliminary findings and potential next steps. Included below is a summary of the preliminary findings, and following this memo are the relevant source documents referenced.

- The June 1999 Council motion included a *Single Geographic Location* provision, stipulating that onshore processors could only receive BSAI pollock in the same physical location where processing occurred during the 1996-1997 qualifying years.
- Then, the December 1999 Council motion moved to expedite the first rule as emergency order so it could be in place for 2000 - and included a revision that would restrict **shorebased floating processors** to a single geographic location in a *fishing year* (instead of tying it to the location of the qualifying years), to make it comparable to inshore-offshore regulations.
- Then, in the January 2000 published Emergency Rule, the *Single Geographic Location* requirement language was again revised, extending the revised language from just shorebased floating processors to include **shoreside (land-based) processors**.
- As the regulation is currently written, shoreside processors are only restricted to a single geographic location in a *fishing year* - and not tied to the location where the processing occurred during the qualifying years of 1996-1997.

**MINUTES
NPFMC
JUNE 1999**

The main motion carried, 9 to 2, with Austin and Pereyra voting against.

During a discussion of timing for the analyses and implementation of crab processor sideboards, staff pointed out that the Act requires implementation on January 1, 2000. This timing will only allow analysis and implementation of the measures currently in the AFA. If the Council wishes to change those measures, a trailing amendment will be required.

Dave Benton moved to request that staff review the current AFA analysis for processor sideboards, paying particular attention to crab processing sideboards and to supplement the analysis, if necessary, to assure adequate analysis of crab processor sideboards to consider at the October meeting, and to ask NMFS to provide the Council the opportunity to comment on the draft regulations for crab processor sideboards, which will go forward as prescribed in the AFA, at the October meeting. The motion was seconded and carried, 9 to 2, with Mace and Pereyra voting against.

Under discussion of this subject, Dennis Austin moved that, in absence of preemptive concerns on the part of the Board of Fisheries, that the Council petition the Board to rescind the recent changes in the opening date for the Bristol Bay red king crab fishery as well as the stand-down provisions, in light of action taken by the Council to achieve most of the objectives and concerns of the Board when they implemented those measures. The motion was seconded by Wally Pereyra and failed, 8 to 3, with Austin, Mace and Pereyra voting in favor. Council members felt that because the Council and Board have already agreed to a joint meeting to discuss these issues, it would be premature to petition them at this time.

Non-Sideboard Provisions

Single Geographic Location

Bob Mace moved that the Council clarify that AFA-eligible inshore processors may only receive BSAI pollock at the same physical location at which that onshore processor received BSAI pollock during the qualifying years of 1996 and 1997. The motion was seconded carried without objection.

Wally Pereyra pointed out that if a processor is in a cooperative arrangement the Council should not be concerned about where they process pollock because the amount they can take is fixed. Mr. Pereyra moved to amend the motion to apply only when a vessel is not in a cooperative arrangement. The amendment was seconded and carried without objection.

The main motion, as amended, carried without objection.

After receiving further information and advice from NOAA General Counsel, Kevin O'Leary moved to reconsider the motion. The motion to reconsider carried with Mace objecting (Pereyra was out of the room for this vote).

Kevin O'Leary moved to approve the original motion, without the Pereyra amendment. The motion was seconded and carried without objection.

Later in the meeting, Dennis Austin moved to reconsider his vote on this motion. The motion to reconsider carried, however, a motion to re-instate Wally Pereyra's original amendment failed, with Austin and Pereyra voting against.

MINUTES
NPFMC
DECEMBER 1999

DISCUSSION/ACTION

Linda Behnken moved to express Council support to the move the first rule ahead as an emergency because it addresses AFA permit application requirements for AFA-eligible catcher processor vessels, catcher vessels, motherships, shoreside processors, stationary floating processors, and inshore cooperatives which will be necessary so inshore co-ops and sideboards can be in place for 2000. The motion was seconded and carried with Sue Salveson objecting. In discussing the need for implementation by emergency rule, it was pointed out that the AFA deadline is not the critical issue, but the need to get co-ops and other protections in place to spatially and temporally distribute the fisheries for Steller sea lion protection measures. Additionally, the AFA mandates that measures are fair and equitable among and between the sectors and this will ensure that the inshore sector has the same co-op opportunities as the offshore sector.

Joe Kyle moved to approve the second Emergency Rule with the following revisions:

- AFA-eligible shorebased floating processors would be restricted to a single geographic location in Alaska state waters during a fishing year, as they are under the inshore-offshore regulations. This action under the emergency rule would also constitute Council preference to the Secretary in the Proposed Rule on this particular issue.
- There would be no exemptions in the Gulf of Alaska to the sideboards.
- Under 679.61, Inshore Pollock Cooperatives, add the following language: "(4) provisions that require cooperative members to comply with the traditional harvest level restrictions of Section 211(c)(1)(a) of the Act, as the same may be implemented by the Council and NMFS from time to time." In addition, that text would be substituted for the relevant operative language of Section 679.6(c)(4), Mothership and Catcher Processor Cooperatives.

Sue Salveson asked that the Council state their intent for this change so that NMFS can fashion the regulatory language to achieve Council intent, although the language may not exactly mirror Mr. Kyle's motion. She indicated that NMFS believes the intent of the Council would be to ensure that the Council and the Agency's expectations for compliance with sideboard limits will comport with the specified provisions upon which those limits are based. In other words, if sideboards in the future are based on total catch versus landed catch, co-ops and individuals would be expected to comply. Council members agreed with this concept.

Mr. Kyle referenced public comments in supporting the single location issue and pointed out that this would restore status quo with regard to floating processors as under the inshore-offshore regime and without this action AFA operations would inadvertently be penalized. With regard to the exemption issue, it has become clear that the Council's earlier action would have unintended consequences, as pointed out in extensive public comment. After co-ops have operated for a time, it may be necessary to grant exemptions but at this time the Council doesn't have enough information.

The motion was seconded by John Bundy.

(Motion passed, 7-4)

(b) * * *
(3) * * *

(i) **DAS allocation.** A vessel qualified and electing to fish under the small vessel category may retain up to 300 lb (136.1 kg) of cod, haddock, and yellowtail flounder, combined, and one Atlantic halibut per trip, without being subject to DAS restrictions. Such a vessel is not subject to a possession limit for other NE multispecies.

6. In § 648.86, lift the suspension placed at 64 FR 42045 (August 3, 1999) on paragraphs (b)(1)(i), (b)(1)(ii)(A), and (b)(3), revise paragraphs (b)(1)(i) and (b)(1)(ii)(A) to read as set forth below, and remove paragraphs (b)(1)(iv) and (b)(5).

§ 648.86 Multispecies possession restrictions.

(b) * * *
(1) * * *

(i) Except as provided in paragraph (b)(1)(ii) and (b)(4) of this section, and subject to the call-in provision specified in Sec. 648.10(f)(3)(i), a vessel fishing under a NE multispecies DAS may land only up to 400 lb (181.8 kg) of cod during the first 24-hr period after the vessel has started a trip on which cod were landed (e.g., a vessel that starts a trip at 6 a.m. may call out of the DAS program at 11 a.m. and land up to 400 lb (181.8 kg), but the vessel cannot land any more cod on a subsequent trip until at least 6 a.m. on the following day). For each trip longer than 24 hr, a vessel may land up to an additional 400 lb (181.8 kg) for each additional 24-hr block of DAS fished, or part of an additional 24-hr block of DAS fished, up to a maximum of 4,000 lb (1,818.2 kg) per trip (e.g., a vessel that has been called into the DAS program for 48 hr or less, but more than 24 hr, may land up to, but no more than 800 lb (363.6 kg) of cod). A vessel that has been called into only part of an additional 24-hr block of a DAS (e.g., a vessel that has been called into the DAS program for more than 24 hr but less than 48 hr) may land up to an additional 400 lb (181.8 kg) of cod for that trip. Cod on board a vessel subject to this landing limit must be separated from other species of fish and stored so as to be readily available for inspection.

(ii) * * *
(A) The vessel operator does not call out of the DAS program as described under Sec. 648.10(c)(3) and does not depart from a dock or mooring in port, unless transiting as allowed in paragraph (b)(3) of this section, until the rest of the additional 24-hr block of the DAS has elapsed regardless of whether all of the cod on board is offloaded (e.g., a vessel that has been called into the

DAS program for 25 hr, at the time of landing, may land only up to 800 lb (363.6 kg) of cod, provided the vessel does not call out of the DAS program or leave port until 48 hr have elapsed from the beginning of the trip).

7. In § 648.88: Paragraph (a)(1) is revised effective November 15, 1999 to read as set forth below; paragraph (a)(3) is removed.

§ 648.88 Multispecies open access permit restrictions.

(a) * * *
(1) The vessel may possess and land up to 300 lb (136.1 kg) of cod, haddock, and yellowtail flounder, combined, one Atlantic halibut, per trip, and unlimited amounts of the other NE multispecies, provided that the vessel does not use or possess on board gear other than rod and reel or handlines while in possession of, fishing for, or landing NE multispecies, and provided it has at least one standard tote on board.

[FR Doc. 99-34026 Filed 12-29-99; 3:45 pm]

BILLING CODE 3510-22-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 991228352-9352-01; I.D. 121099C]

RIN 0648-AM83

Fisheries of the Exclusive Economic Zone Off Alaska; Permit Requirements for Vessels, Processors, and Cooperatives Wishing to Participate in the Bering Sea and Aleutian Islands Pollock Fishery Under the American Fisheries Act

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Emergency interim rule; request for comments.

SUMMARY: NMFS issues an emergency interim rule to implement permit requirements for vessels, processors, and cooperatives wishing to participate in the Bering Sea and Aleutian Islands management area (BSAI) pollock fishery under the American Fisheries Act (AFA). This emergency interim rule is necessary to provide participants in the BSAI pollock fishery with the opportunity to apply for permits to participate in the BSAI pollock fishery prior to the scheduled start of the fishery on January 20, and to implement

sideboard restrictions to protect other Alaska fisheries from negative impacts as a result of fishery cooperatives formed under the AFA.

DATES: Effective December 30, 1999 through June 27, 2000. Comments on the emergency rule must be received by January 20, 2000.

ADDRESSES: Comments must be sent to Sue Salvesson, Assistant Administrator, Sustainable Fisheries Division, NMFS, Alaska Region, P.O. Box 21668, Juneau, AK 99802, Attn: Lori Gravel. Comments also may be sent via facsimile (fax) to 907-586-7465. Comments will not be accepted if submitted via e-mail or Internet. Courier or hand delivery of comments may be made to NMFS in the Federal Building, Room 453, 709 West 9th Street, Juneau, AK 99801, and marked Attn: Lori Gravel.

Copies of the Environmental Assessment/Regulatory Impact Review/Initial Regulatory Flexibility Analysis (EA/RIR/IRFA) prepared for Amendments 61/61/13/8 and for this action may be obtained from North Pacific Fishery Management Council, 605 West 4th Ave, Suite 306, Anchorage, AK 99501, 907-271-2809. Send comments on collection-of-information requirements to the NMFS, Alaska Region, and to the Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Washington, DC 20503, Attn: NOAA Desk Officer.

FOR FURTHER INFORMATION CONTACT: Kent Lind, 907-586-7228 or kent.lind@noaa.gov

SUPPLEMENTARY INFORMATION:

NMFS manages the U.S. groundfish fisheries in the exclusive economic zone of the BSAI and Gulf of Alaska (GOA) under the fishery management plans for the groundfish fisheries of the BSAI and GOA (FMPs). With Federal oversight, the State of Alaska manages the FMPs for Commercial King Crab and Tanner Crab fisheries in the BSAI and the Scallop Fishery off Alaska. The North Pacific Fishery Management Council (Council) prepared, and NMFS approved, the FMPs under the authority of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act). Regulations implementing the FMPs appear at 50 CFR part 679. General regulations governing U.S. fisheries also appear at 50 CFR 600.

American Fisheries Act—Background Information

The AFA made profound changes in the management of the groundfish fisheries of the BSAI and, to a lesser extent, the groundfish fisheries of the

regardless of sector and regardless of participation in a cooperative except that catcher vessels less than 125 ft whose annual BSAI pollock landings averaged less than 1700 mt from 1995–1997 (i.e., landed less than 5,100 mt of pollock over the 3-year period) are exempt from BSAI Pacific cod sideboards if they made 30 or more legal landings of BSAI Pacific cod in the BSAI directed fishery for Pacific cod. In addition, AFA catcher vessels that meet the same vessel length and BSAI pollock landing criteria and that made 40 or more legal landings of GOA groundfish would be exempt from groundfish sideboards in the GOA.

In recommending these exemptions, the Council noted that many of the AFA catcher vessels with relatively low catch histories of BSAI pollock have traditionally targeted BSAI Pacific cod and GOA groundfish during much of the year and may be only minor participants in the BSAI pollock fishery. The Council believed that imposing aggregate sideboards on such vessels in the BSAI Pacific cod fishery and GOA groundfish fisheries could severely harm the owners of such vessels given their historically high levels of participation in non-pollock fisheries, and the fact that their historic dedication to fisheries other groundfish fisheries may account for their lower catch histories of BSAI pollock during the AFA qualifying years. The owners of vessels who believe their vessel may be eligible for one or both of these exemptions must apply for the sideboard exemption on their AFA catcher vessel permit application form.

AFA Mothership Permits

Under subsection 208(d) of the AFA, three motherships are authorized by vessel name to process pollock harvested in the BSAI directed pollock fishery for delivery to motherships. Under this emergency interim rule, NMFS will issue to the owner of a mothership an AFA mothership permit if the mothership is listed by name in sections 208(d)(1) through (3) of the AFA. However, the owner of a mothership wishing to process pollock harvested by a fishery cooperative also must apply for and receive a cooperative processing endorsement on its AFA mothership permit. This requirement is necessary because NMFS must identify and place crab processing restrictions on any entity that owns or controls an AFA mothership or an AFA inshore processor that receives pollock harvested by a cooperative.

Subsection 211(c)(2)(A) of the AFA imposes crab processing restrictions on the owners of AFA mothership and AFA

inshore processors that receive pollock from a fishery cooperative. Under the AFA, these processing limits extend not only to the AFA processing facility itself, but also to any entity that directly or indirectly owns or controls a 10-percent or greater interest in the AFA mothership or in the AFA inshore processor. To implement the crab processing restrictions contained in subsection 211(c)(2)(A) of the AFA, NMFS is requiring that applicants for AFA mothership and AFA inshore processor permits disclose on their permit applications all entities directly or indirectly owning or controlling a 10-percent or greater interest in the AFA mothership or AFA inshore processor and the names of BSAI crab processors in which such entities directly or indirectly own or control a 10-percent or greater interest. An applicant for an AFA mothership or an AFA inshore processor permit who does not disclose this crab processor ownership information may receive an AFA mothership permit or an AFA inshore processor permit but will be denied an endorsement authorizing the processor to receive and process pollock harvested by a fishery cooperative.

AFA Inshore Processor Permits

Under the AFA, inshore processors are authorized to receive and process BSAI pollock harvested in the directed fishery, based on their levels of processing in 1996 and 1997. NMFS will provide to an applicant an unrestricted AFA inshore processor permit if the Administrator, Alaska Region, NMFS (Regional Administrator) determines that the inshore processing facility annually processed more than 2,000 metric tons (mt) round weight of pollock harvested in the inshore directed pollock fishery in each of 1996 and 1997. NMFS will provide to an applicant a restricted AFA inshore processor permit if the Regional Administrator determines that the inshore processing facility processed pollock harvested in the inshore directed pollock fishery during 1996 or 1997, but did not process annually more than 2,000 mt round weight of pollock in each of 1996 and 1997. A restricted AFA inshore processor permit will prohibit the inshore processing facility from processing more than 2,000 mt round weight of BSAI pollock harvested in the directed fishery in any one year.

The owner of an AFA inshore processor wishing to process pollock harvested by a fishery cooperative must also have a cooperative processing endorsement on the AFA inshore processing permit. The requirements for an AFA inshore processor cooperative

processing endorsement are the same as those listed for AFA motherships above.

At its June 1999 meeting, the Council also recommended that each AFA inshore processor be restricted to operating in the single geographic location in which it operated in 1996 or 1997 when processing pollock harvested in the BSAI directed pollock fishery. However, at its December 1999 meeting, the Council changed its June 1999 recommendation and recommended instead that inshore processors be held to a single geographic location during a fishing year. This revised recommendation would allow a stationary floating processor to change locations between fishing years instead of holding them to the location in which they operated in 1996 or 1997.

The purpose of this recommendation is to implement section 210(f)(1)(A) of the AFA, which includes vessels in a single geographic location in Alaska state waters. To implement this restriction, this emergency rule limits shoreside (land-based) processors to operating in the physical location in which the facility first processed pollock during a fishing year. Stationary floating processors are restricted to operating in a location within Alaska state waters that is within 5 nautical miles (nm) of the position in which the stationary floating processor first processed BSAI pollock harvested in the BSAI directed pollock fishery during a fishing year. NMFS believes that 5 nm is an appropriate distance for this requirement because it allows the operator of a floating processor some flexibility in choosing an appropriate anchorage, but it still requires that the processor be located in the same body of water for the duration of a fishing year.

Inshore Cooperative Fishing Permits

Under this emergency interim rule, NMFS will issue to an inshore catcher vessel cooperative formed for the purpose of cooperatively managing directed fishing for pollock during 2000 an AFA inshore cooperative fishing permit if NMFS receives the cooperative's completed application by December 31, 1999, and the Regional Administrator approves it. Applications for an inshore cooperative fishing permit must be accompanied by a copy of the cooperative contract itself and by a copy of a letter from a party to the contract requesting a business review letter on the fishery cooperative from the Department of Justice and any response to such request. The Regional Administrator will not approve applications for an inshore cooperative fishing permit that are not received by

have harvested a combined total of less than 5,100 mt of BSAI pollock, and have made 30 or more legal landings of Pacific cod in the BSAI directed fishery for Pacific cod during the combined years 1995, 1996, and 1997.

(2) *GOA groundfish species.* For a catcher vessel to qualify for an exemption from AFA catcher vessel sideboards in the GOA groundfish fisheries, the catcher vessel must be less than 125 ft LOA, have harvested a combined total of less than 5,100 mt of BSAI pollock and made 40 or more legal landings of GOA groundfish during the combined years 1995, 1996, and 1997.

(F) *Certification of notary and applicant.* Owner signature(s), date of signature, printed name(s), and stamp and signature of a notary public.

(4) *AFA mothership permits.* NMFS will issue to an owner of a mothership an AFA mothership permit if the mothership is one of the following (as listed in paragraphs 208(d)(1) through (3) of the AFA):

EXCELLENCE (USCG documentation number 967502);

GOLDEN ALASKA (USCG documentation number 651041); and

OCEAN PHOENIX (USCG documentation number 296779).

(i) *Cooperative processing endorsement.* The owner of an AFA mothership who wishes to process pollock harvested by a fishery cooperative formed under § 679.60 must apply for and receive a cooperative processing endorsement on the vessel's AFA mothership permit.

(ii) *Application for AFA mothership permit.* A completed application for an AFA mothership permit must contain:

(A) *Type of permit requested.* Type of processor and whether requesting an AFA co-operative endorsement.

(B) *Mothership information.* The mothership name, ADF&G processor code, USCG documentation number, Federal fisheries permit number, gross tons, shaft horsepower, and registered length (in feet).

(C) *Owner information.* Owner name(s), tax ID number(s), business mailing address(es), business telephone number(s), business fax number(s), business e-mail address(es), and managing company (if any);

(D) *AFA crab facility ownership information.* If the applicant is applying for a cooperative pollock processing endorsement, the AFA mothership application must list the name, type of facility, ADF&G processor code, and percentage of ownership or control of each of each AFA crab facility that is owned or controlled by the AFA mothership entity that owns or controls the AFA mothership; and

(E) *Certification of notary and applicant.* Owner signature(s), date of signature, printed name(s), and notary stamp and signature of a notary public.

(5) *AFA inshore processor permits.* NMFS will issue to an owner of a shoreside processor or stationary floating processor an AFA inshore processor permit upon receipt and approval of a completed application.

(i) *Qualifying criteria—(A) Unrestricted processors.* NMFS will issue an unrestricted AFA inshore processor permit to a shoreside processor or stationary floating processor if the Regional Administrator determines that the processor facility processed annually more than 2,000 mt round-weight of pollock harvested in the inshore component of the directed BSAI pollock fishery during each of 1996 and 1997.

(B) *Restricted processors.* NMFS will issue a restricted AFA inshore processor permit to a shoreside processor or stationary floating processor if the Regional Administrator determines that the facility processed pollock harvested in the inshore component of the directed BSAI pollock fishery during 1996 or 1997, but did not process annually more than 2,000 mt round-weight of BSAI pollock during each of 1996 and 1997.

(ii) *Cooperative processing endorsement.* The owner of an AFA inshore processor who wishes to process pollock harvested by a fishery cooperative formed under § 679.61 must apply for and receive a cooperative processing endorsement on the AFA inshore processor permit.

(iii) *Single geographic location requirement.* An AFA inshore processor permit authorizes the processing of pollock harvested in the BSAI directed pollock fishery in only a single geographic location during a fishing year. For the purpose of this paragraph, single geographic location means:

(A) *Shoreside processors.* The physical location at which the land-based shoreside processor first processed BSAI pollock harvested in the BSAI directed pollock fishery during a fishing year;

(B) *Stationary floating processors.* A location within Alaska state waters that is within 5 nm of the position in which the stationary floating processor first processed BSAI pollock harvested in the BSAI directed pollock fishery during a fishing year.

(iv) *Application for permit.* A completed application for an AFA inshore processor permit must contain:

(A) *Type of permit requested.* Type of processor, whether requesting an AFA cooperative endorsement, and amount

of BSAI pollock processed in 1996 and 1997;

(B) *Stationary floating processor information.* The vessel name, ADF&G processor code, USCG documentation number, Federal processor permit number, gross tons, shaft horsepower, registered length (in feet), and business telephone number, business FAX number, and business E-mail address used onboard the vessel.

(C) *Shoreside processor information.* The processor name, Federal processor permit number, ADF&G processor code, business street address; business telephone and FAX numbers, and business e-mail address.

(D) *Owner information.* Owner name(s), tax ID number(s), business mailing address(es), business telephone number(s), business fax number(s), business e-mail address(es), and managing company (if any);

(E) *AFA crab facility ownership information.* If the applicant is applying for a cooperative pollock processing endorsement, the AFA inshore processor application must list the name, type of facility, ADF&G processor code, and percentage of ownership or control of each of each AFA crab facility that is owned or controlled by the AFA inshore processor entity that owns or controls the AFA inshore processor; and

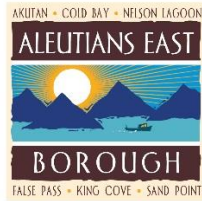
(F) *Certification of notary and applicant.* Owner signature(s), date of signature, printed name(s), and notary stamp and signature of a notary public.

(6) *Inshore cooperative fishing permits—(i) General.* NMFS will issue to an inshore catcher vessel cooperative formed under section 1 of the Act of June 25, 1934 (15 U.S.C. 521) for the purpose of cooperatively managing directed fishing for pollock for processing by an AFA inshore processor an AFA inshore cooperative fishing permit upon receipt and approval of a completed application.

(ii) *Application for permit.* A completed application for an inshore cooperative fishing permit must contain the following information:

(A) *Cooperative contact information.* Name of cooperative; name of cooperative representative; and business mailing address, business telephone number, business fax number, and business e-mail address of the cooperative;

(B) *Designated cooperative processor.* The name and physical location of AFA Inshore Processor that is designated in the cooperative contract as the processor to whom the cooperative has agreed to deliver at least 90 percent of its BSAI pollock catch. If the processor is a stationary floating processor, the single geographic location (latitude and



MEMORANDUM

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

Date: March 6, 2024

Re: Quarter 4 – Aleutians East Borough Strategic Plan Update

The Aleutians East Borough (Borough) conducted a Planning Work Session on January 11, 2023, projects and initiatives that would be included on the Borough's Strategic Plan. Assembly members and staff were in attendance and actively engaged in conversations about the Borough's role in community projects.

Mayor Osterback, staff, and PGS consultants defined which projects would be part of the Borough's strategic plan for one year beginning March 1, 2023 and ending February 29, 2024 based on the information shared to the Assembly during the work session. Many of the projects identified on the plan are currently being pursued or actively being completed. The plan also defines project leads, quarterly project outcomes, and year-end targets. This will ensure accountability and transparency through the next year of project activities. The Assembly approved Resolution 22-43 at the March 9, 2023 Assembly meeting, which approved the projects and initiatives identified on the Borough Strategic Plan.

An overview of the work accomplished during the third quarter of the strategic plan is shown on the attached chart. A few items have changed since the strategic plan was approved:

- **Fisheries Research**
 - 1.1.1 Third year of tagging field work completed has been completed.
 - 1.1.2 Cruise report updated work has been completed.
 - 1.1.3 Summer tags on the survey released have been completed.
 - 1.1.4 Preliminary results provided to stock assessment authors have been completed.
 - 1.1.5 Draft peer review publication finished has been removed from the plan.
 - 1.1.6 Year 2 tagging project results presented has been completed.
 - 1.1.7 Annual grant reports completed has been removed from the plan.
 - 1.1.8 2023 tags analyzed has been removed from the plan.

- **Board of Fisheries**

- 1.2.1 Statewide fisheries meetings attended have been completed.
- 1.2.2 Proposals Submitted have been completed.
- 1.2.3 Proposal for BOF & Game advisory committee operations has been completed.
- 1.2.4 Agenda change requests submitted has been completed.
- 1.2.5 BOF work session preparation completed and been done.
- 1.2.6 Board of Fish monitoring continues has been completed.

- **Government & Policy Advocacy**

1. Government and Policy Advocacy

- 2.1.1 Changes to limited entry proposed have been removed from the plane.
- 2.1.2 2023-24 State & Federal legislative agenda defined has been completed.

2. False Pass Airport

- 2.2.1 EAT Support Secured; 2.2.2 Industry Support Secured; 2.2.3 City of False Pass Support Secured and 2.2.4 Tribal Support Secured have been completed.
- 2.2.5 Transportation needs advocated for at the State & Federal level and 2.2.6 New False Pass Airport response plan drafted has been moved to the 2024-25 plan.

- **Marine Infrastructure**

1. Cold Bay Dock Repairs

- 3.1.1 Reconnaissance/feasibility study completed has been completed.
- 3.1.2 Grant opportunities for design & permitting researched has been removed from the plan since the State of Alaska received the PIDP grant.
- 3.1.3 Futures outcomes added with available funding has been completed.

2. Harbor Floats Systems Sand Point/Akutan 2022

- 3.2.1 Federal and State grant requirements completed is 50% complete and has been moved to the 2024-25 plan.
- 3.2.2 Grant Agreements Signed and 3.2.3 Project out to bid have been moved to the 2024-25 plan.

- **Diversification of Natural Resources** – The tasks outlined in the Diversification of Natural Resources Section are temporarily on hold until a new funding source is determined.

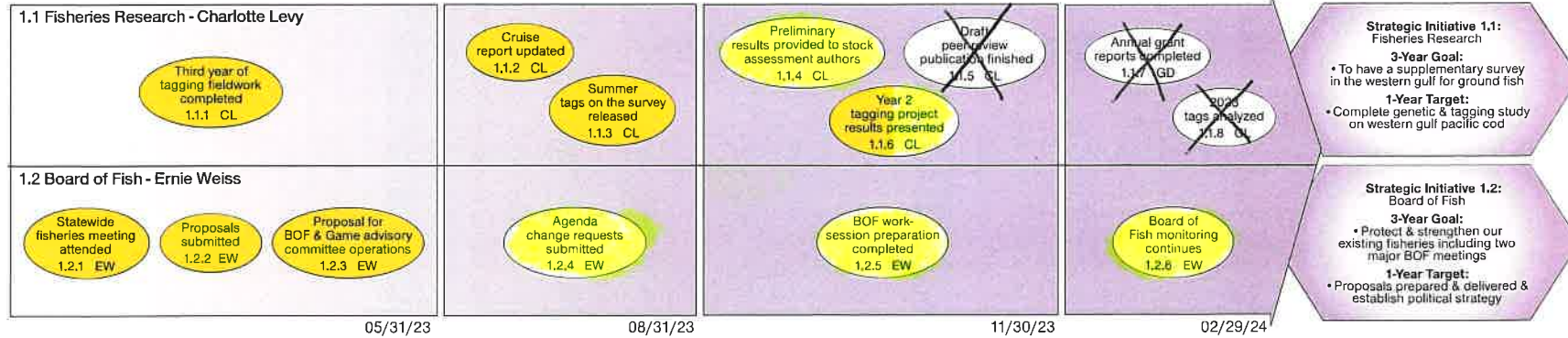
- **Maintenance**

- 4.2.1 RFP issued has been completed. The Contractor Term Contractors have been selected.
- 4.2.2 2023 Deferred maintenance schedule created has been completed.

- 4.2.3 School personnel trained is 50% complete and 4.2.4 tasks outlined in 2023 scheduled completed have been moved to the 2024-25 plan.
-
- **Sand Point School**
 - 4.3.1 DEED grant project agreement fully executed has been completed.
 - 4.3.2 MOU with school district executed has been completed.
 - 4.3.3 Contract with engineering project management firm executed is 50% complete and 4.3.4 Bid for construction services released have been moved to the 2024-25 plan.
- **Nelson Lagoon Apartment**
 - 5.1.1 Funding Needs Assessed; 5.1.2 Funding appropriated; 5.1.3 Disposal action plan created; 5.1.4 Disposal action plan initiated and 5.1.5 Disposal action plan completed have been moved to the 2024-25 plan.
- **Policy & Procedure Consistency**
 - 6.1.1 Personnel Policies implemented have been removed from the plan.
 - 6.1.2 Board/Committee Policy Implemented is 50% complete and 6.1.3 Additional Policy and/or procedure needs identified have been removed from the plan.
- **Financial Policy & Procedures**
 - 6.2.1 Time Sheets Updated; 6.2.2 Wire Transfers Updated; 6.2.3 Investments account reconciliations; 6.2.5 New Hire Procedures and Documentation Updated; 6.2.6 Check Signers Reimbursement Requests Updated; 6.2.7 Payroll Processing Updated and 6.2.8 Payable Processing/Check Signing Updated has been completed.
 - 6.2.4 Personnel Action Forms Updated has been removed from the plan.
- **Retention Schedule**
 - 6.3.1 Laserfiche Conference completed; 6.3.2 Laserfiche proposal submitted to the assembly; 6.3.3 Process Updated & Detailed; 6.3.4 All Borough Staff have completed Retention Schedule Training and 6.3.5 Data transfer completed has been completed.
 - 6.3.6 Employee handbook updated & all staff trained and 6.3.7 All paper documents uploaded/scanned to digital record has been moved to next years strategic plan.

An updated strategic plan vision navigation chart reflecting the outcomes for quarter four is attached for your reference.

Fisheries Advocacy - Ernie Weiss



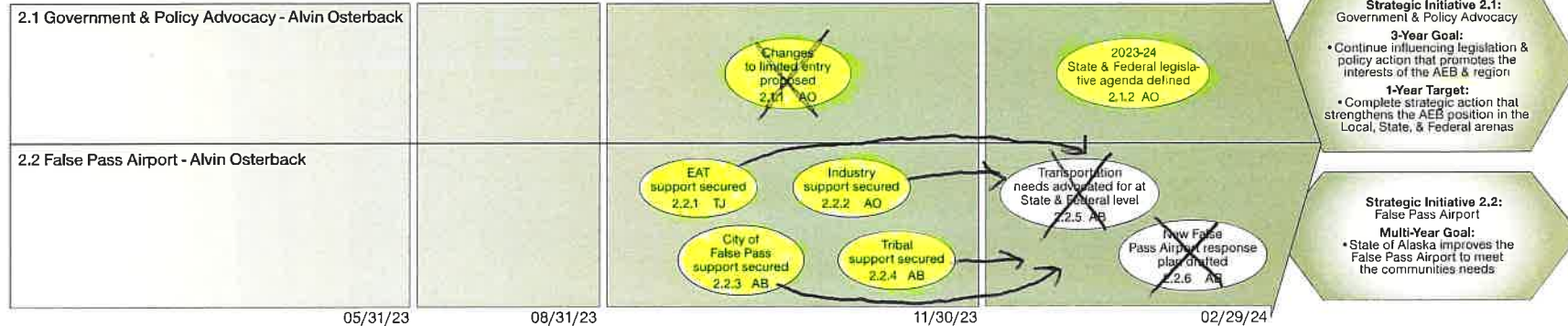
Vision Navigation® Chart #1

03/01/23 - 02/29/24

Purpose:

To ensure the standard of living, well-being & future of our communities

Government & Policy Advocacy - Alvin Osterback

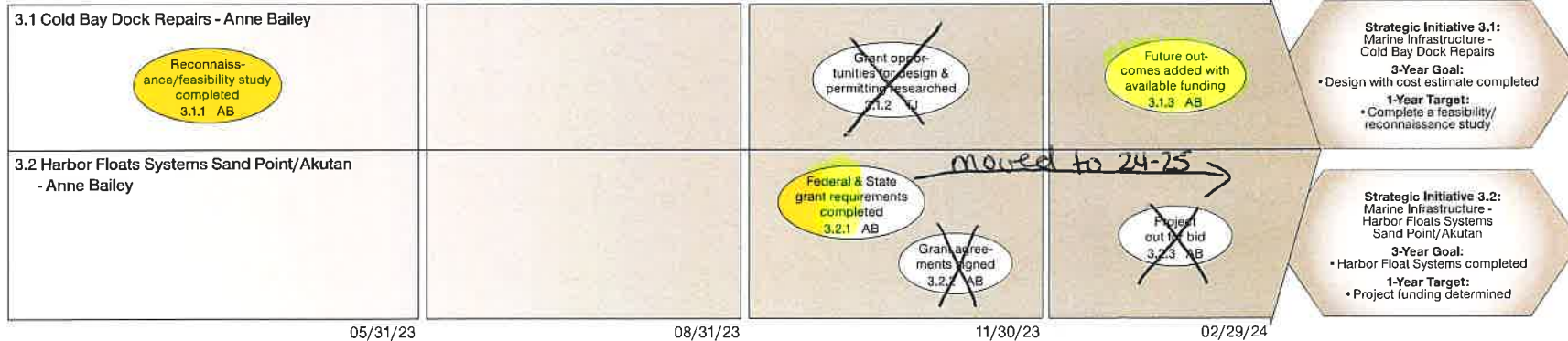


Our Vision:

Healthy People, Healthy Schools, Healthy Communities

- ✳ Diversification of industry including our natural resources & community flexibility for borough stability
- ✳ Healthy people with a strong cultural identity
- ✳ Our schools & community are providing quality education including secondary education & vocational skills within the communities
- ✳ Planned infrastructure projects completed
- ✳ Availability, utilization & development of connectivity (physical & electronic)

Marine Infrastructure - Alvin Osterback

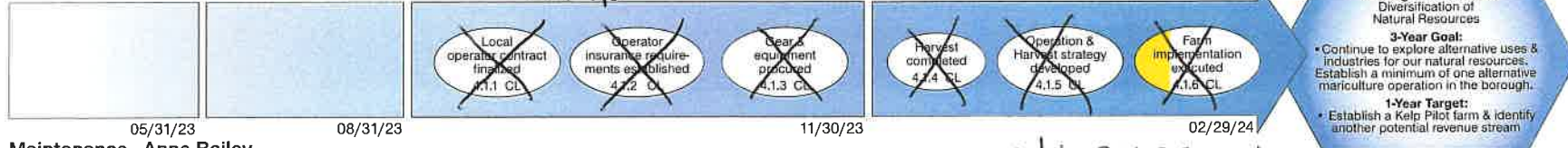


AB Anne Bailey
 JB Jacki Brandell
 GD Glennora Dushkin
 TJ Talia Jean-Louis
 CL Charlotte Levy
 AO Alvin Osterback
 BR Beverly Rosete
 LT Laura Tanis
 EW Ernie Weiss

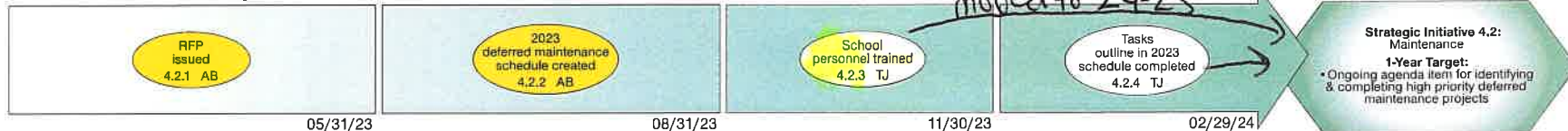
2/29/2024

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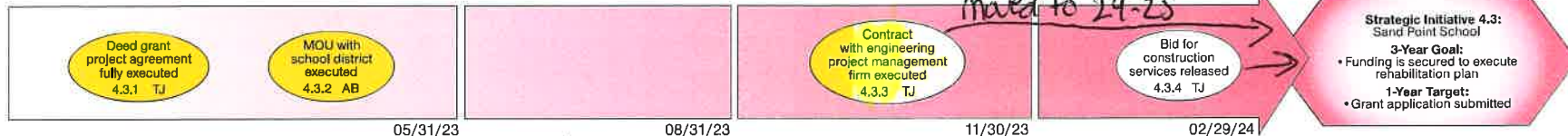
Diversification of Natural Resources - Charlotte Levy - On Hold



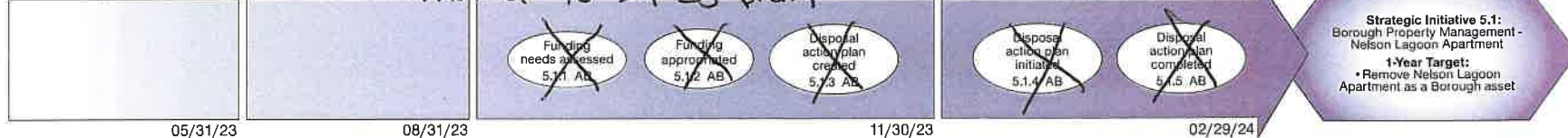
Maintenance - Anne Bailey



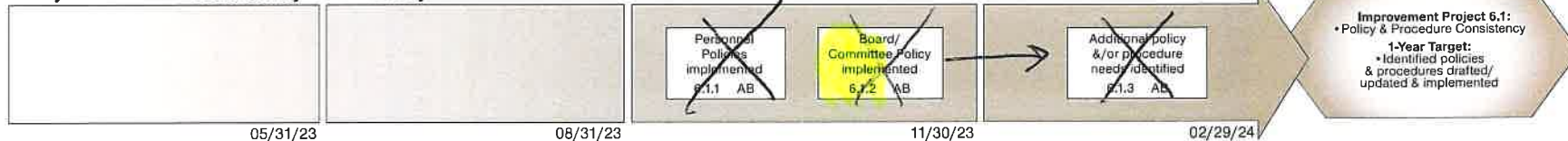
Sand Point School - Talia Jean-Louis



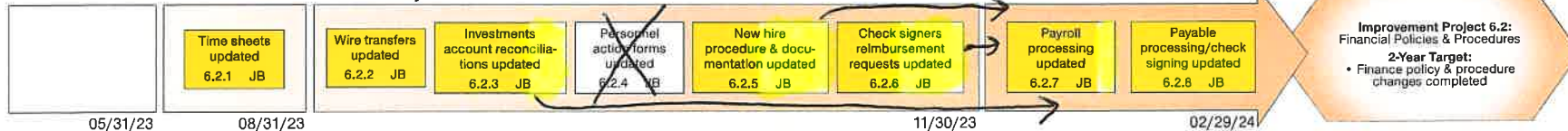
Nelson Lagoon Apartment - Anne Bailey - moved to 24-25 plan



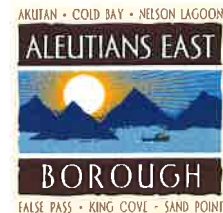
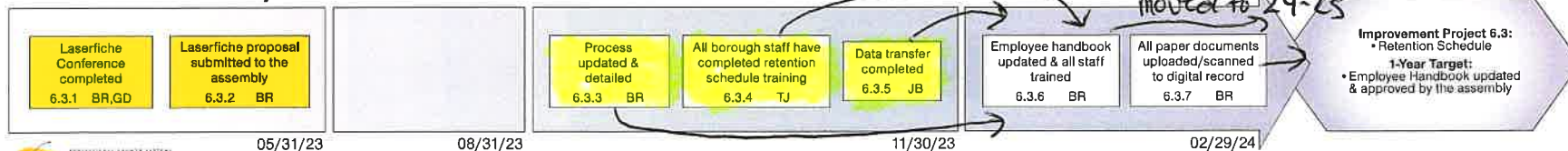
Policy & Procedure Consistency - Anne Bailey



Financial Policies & Procedures - Anne Bailey



Retention Schedule - Beverly Rosete



Vision Navigation® Chart #2

03/01/23 - 02/29/24

Purpose:

To ensure the standard of living, well-being & future of our communities

Our Vision:

Healthy People, Healthy Schools, Healthy Communities

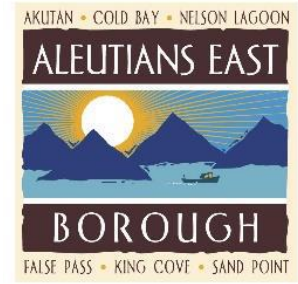
- ✗ Diversification of Industry including our natural resources & community flexibility for borough stability
- ✗ Healthy people with a strong cultural identity
- ✗ Our schools & community are providing quality education including secondary education & vocational skills within the communities
- ✗ Planned infrastructure projects completed
- ✗ Availability, utilization & development of connectivity (physical & electronic)

AB Anne Bailey
JB Jacki Brandell
GD Glennora Dushkin
TJ Talia Jean-Louis
CL Charlotte Levy
AO Alvin Osterback
BR Beverly Rosete
LT Laura Tanis
EW Ernie Weiss



Version 6.2, 09/28/23

MEMORANDUM



To: Mayor Osterback and Assembly Members
From: Beverly Rosete, AEB Clerk
Date: March 5, 2024
RE: **Eligibility to Remain on the Aleutians East Borough Assembly**

On February 1, 2024, the Borough Clerk received an email from Assembly Dailey Schaack regarding her residency. Assembly Member Dailey Schaack moved to Wasilla July 2023 and intends to move back to the Borough region in May 2024.

The Borough Code has provisions that govern what happens when an Assembly Member establishes a place of residence outside of the Borough and establishes how the Assembly determines whether the Assembly Member is eligible to continue to serve on the Assembly.

Deciding factors can include the following:

- If the individual is no longer eligible to vote within the Borough
- The address to which the individual has mail collected.
- Where the Assembly Member owns property that the Assembly Member occupies

In the email, Assembly Member Schaack states that though she is currently living in Wasilla, she is still a registered voter of Cold Bay and has not changed her residency and has her mail sent to Cold Bay and has a home in Nelson Lagoon that she plans to return to. She also explains she is helping her daughter and getting her health taken care of.

This email will be considered by the Clerk as a request to obtain determination from the Assembly regarding her eligibility to remain on the Borough Assembly.

The Borough Clerk worked with the Borough Attorney who recommended the Assembly to determine whether the underlying facts provided by Assembly Member Schaack in her email justify the establishment of residence outside of the Borough.

Below are the options for Assembly to consider:

- The Assembly has determined that Assembly Member Dailey Schaack is eligible to remain on as an Assembly Member
- The Assembly has determined that Assembly Member Dailey is no longer eligible to serve as an Assembly Member

If Member Dailey Schaack is determined not eligible to serve as Assembly Member, her service will be terminated at the end of the meeting. A resolution of seat vacancy will be included in the next Assembly meeting (April, 11, 2024) (Borough Code 2.04.048, A). Once the resolution passed a Public Notice will then be posted regarding the seat vacancy. (Borough Code 2.04.050, B)

**CONFIDENTIAL
ATTORNEY-CLIENT PRIVILEGE**

LEVESQUE LAW GROUP, LLC


Joseph N. Levesque

3380 C Street, Suite 202
Anchorage, Alaska 99503

Phone: (907) 261-8935
Email: joe@levesquelawgroup.com
Website: levesquelawgroup.com

MEMORANDUM

TO: Aleutians East Borough Mayor and Assembly

FROM: Joseph N. Levesque, Borough Attorney 

DATE: February 27, 2024

RE: Eligibility to Remain on the Aleutians East Borough Assembly
Our File No. 200-2700

ISSUE

Whether an Assembly Member having relocated outside the Aleutians East Borough is eligible to remain on the Assembly?

FACTS

I have been advised that Assembly Member Dailey Schaack has physically relocated from the Aleutians East Borough ("Borough"), City of Cold Bay ("City") to Wasilla, Alaska.

LAW

According to the Borough Code:

Section 2.04.020 states:

The Assembly and school board members shall be qualified electors of the Borough and shall have been a resident within the Borough for a minimum of one year before holding office. An Assembly or school board member who ceases to be eligible to be a Borough voter immediately forfeits his office.

Section 2.04.048 (C) further states:

If the declaration of vacancy is because the Assembly member no longer physically resides in the Borough, there is a rebuttable presumption the Assembly

member no longer physically resides in the Borough if it is shown that the Assembly member has established a place of residence outside the Borough and has resided outside the borough for 90 days or more consecutive or nonconsecutive days during the immediately preceding 6 month period without first having obtained a determination by the Assembly that unusual circumstances exist that justify both the temporary establishment of such a residence and the physical presence of the person outside the Borough. In determining whether an Assembly member has established a residence outside the Borough the Assembly may consider such things as:

1. Where the Assembly member or a member of the Assembly member's household owns residential property that the Assembly member occupies.
2. Where and for what term the Assembly member leases or rents and resides at nontransient residential property.
3. Whether and where an Assembly member who lives aboard a vessel rents transient or permanent moorage.
4. The location and amount of time the Assembly member resides at residential property owned or rented by or made available for the Assembly member, including the location and time residing on a vessel.
5. The address to which the Assembly member's mail, other than advertising, is sent directly by the sender.
6. The physical location of motor vehicles and other goods owned by the Assembly member or that are owned by members of his or her household and regularly used by the Assembly member.
7. The places the Assembly member participates in activities of social clubs or other groups.
8. The places children of the household of the Assembly member attend school.
9. Other relevant factors.

ANALYSIS

The Borough Code has provisions that govern what happens when an Assembly Member establishes a place of residence outside the Borough. These Code provisions establish how the Assembly determines whether the Assembly Member is eligible to continue to serve on the Assembly.

Aleutians East Borough Mayor and Assembly
February 27, 2024
Page | 3

There are a couple of things to evaluate in determining whether the elected official has forfeited an Assembly seat by no longer residing within the Borough jurisdiction.

First, to hold office an individual running for office within the Borough must be a qualified voter. If there is evidence that the individual is no longer eligible to vote within the Borough, the elected official "immediately forfeits" his/her office.

The second thing to evaluate is more of a balancing test. If the reason for vacating the office is based upon a "declaration of vacancy" because the Assembly member no longer physically resides in the Borough, then a "rebuttable presumption" is created. This means that the Assembly can simply declare the seat vacant if it is shown that 1) the elected official has established a residence outside the Borough and 2) the elected official has resided outside the Borough for 90 days within the last 6 months.

The Borough Code also provides a way for the elected official to seek permission from the Assembly to retain his or her seat while temporarily residing outside of the Borough. The elected official can obtain a determination from the Assembly that unusual circumstances exist justifying both the temporary establishment of such a residence and the physical presence of the elected official outside the Borough.

CONCLUSION

The email from Assembly Member Dailey Schaack (*see Exhibit A*) could be accepted by the Borough Assembly as a request to obtain a determination from the Assembly justifying the establishment of a residence outside the Borough if the Assembly Member wishes to remain a member of the Aleutians East Borough Assembly.

RECOMMENDATION

My recommendation is for the Borough Assembly to determine whether or not the underlying facts provided by Dailey Schaack in her email justify the establishment of a residence outside the Borough.

Let me know if I can assist the Assembly in making its determination.

Attachment: Exhibit A

cc: Anne Bailey, Aleutians East Borough Administrator
Beverly Rosete, Aleutians East Borough Clerk

Aleutians East Borough Mayor and Assembly

February 27, 2024

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EXHIBIT A

From: Dailey Schaack <dschaack@aeboro.org>

Sent: Thursday, February 1, 2024 9:22 AM

To: Beverly Rosete <brosete@aeboro.org>

Subject: My residency

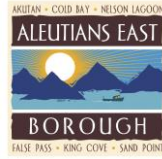
Dear Mayor and Assembly,

I'm writing this concerning my current residency. Right now I'm staying with my daughter in Wasilla. I have not changed my residency I still reside in Cold Bay and Nelson Lagoon. I have a home in Nelson Lagoon I plan on spending a lot of my time there. Right now I'm helping my Daughter out and getting a lot of medical issues that I could not take care of previously. I still have my voters registration in Cold Bay also my P.O. Box. If you need copies of anything I will send it. I love being on the board hope to continue. If and when I decide to move anywhere else I will let the Board know. Thank you

Sincerely Dailey Schaack

Sent from my iPad

REPORTS AND UPDATES



To: Honorable Mayor Osterback and AEB Assembly
From: Anne Bailey, Borough Administrator
Subject: Assembly Report
Date: March 7, 2024

King Cove Access Project

The King Cove Group continues to work with the Department of Interior's (DOI) staff to make progress on the SEIS. On March 4, 2024, the US Fish & Wildlife, DOI staff and members of the King Cove Group met to discuss the land exchange and what King Cove Corporation (KCC) lands would be transferred to the federal government in exchange for federal lands. The group discussed how the USFWS prioritized parcels for the land exchange and ultimately the KCC verbally offered a reasonable portion of their ANSCA lands in exchange for the 500 acres needed for the road corridor. This offer will be transmitted soon in writing to Secretary Haaland along with the stated conditions that KCC reserves its rights to further modify or withdraw from this offer. Once the letter is sent KCC expects a prompt response to their offer and conditions.

Other items of relevance can be found below:

- On February 2, 2024, the Memorandum of Understanding between the DOI, USFWS and the Borough concerning preparation of the SEIS for the Proposed Izembek National Wildlife Refuge Land Exchange project has been signed by the Borough and submitted to USFWS for their review. The Borough has not received a response from USFWS.
- The USFWS continues to state that the SEIS will be finished by early December 2024.

False Pass School

- **Electrical Work:** Wired AK completed electrical work at the False Pass School in December 2023. The work costs \$50,050.06 and is being charged to the LATCF monies. Additional work still needs to be completed and Wired AK and DOWL are trying to figure out some final details prior to going back out to False Pass.
- **Water Heater and Air Handling Unit Work:** On February 27, 2024, LONG arrived in False Pass. The technicians repaired the baseboard zone valves, demo'd and replaced the water heater and have completed the remaining punch list and was looking at troubleshooting the Air Handling Unit, which was outside the original scope of work. This work costs \$54,347 and is being charged to the LATCF monies.

Sand Point Pool

- Renosys and DOWL arrived in Sand Point on Tuesday, February 13, 2024; however, their equipment and baggage did not arrive until Sunday, February 18, 2024 and they did not complete their work until Tuesday, February 20, 2024. Therefore, we had to initiate a

change order in the amount of \$5,500.00 since their trip had to be extended. Therefore, the new costs for Renosys' work was \$25,359.00, which has been charged to the LATCF monies.

Renosys did complete the following:

- Probed & fixed all the voids in the membrane system
 - Patched the racing lanes
 - Patched cosmetic issues on the deck
 - The PVC gutter is repaired to completion
 - Put up a new wall piece in the gutter
- A project manager from DOWL went to Sand Point to observe the work. The cost was \$10,220 and has been charged to the LATCF funding.
- LONG, while onsite for a different project, assisted the pool manager with some of the plumbing issues while they were onsite to work on the boilers. The pool manager has installed the new hydrostatic valves. She filled the bottom of the pool with water and will check the levels upon her return to Sand Point.

Sand Point School

Boiler Work. On February 27, 2024, LONG arrived in Sand Point to complete work on the boilers. They also assisted with the pool as outlined above. The cost for this work is in an amount not to exceed \$6,547 and will be charged to the LATCF monies.

Sand Point School DEED Grant

The DEED project is underway. DOWL/ECI have completed the 35% design. There have been discussions with the Borough/School District regarding the types of flooring, restroom alterations, code compliance, lockers, windows, office layouts, doors, and other items. The group is still waiting to receive the updated cost estimate for the project.

The tentative schedule for the remaining work is as follows: May 2024 – 65% Design completed; July 2024 – 95% Design completed and August 2025 - Construction completed. This is a Construction Manager – General Contractor project; therefore, DOWL will develop a solicitation seeking to engage a construction contractor to review the 65% design and offer input for constructability, pricing and material availability.

In November 2023, Administration submitted a budget amendment request to DEED. The request was to move \$339,236 from the construction line item to the design line item, so DOWL could continue with the 65% and 95% design. While in Juneau, DEED gave permission for the Borough to allow DOWL to proceed with the 65% design until they get the requested amendment processed. Therefore, on February 28, 2024 Administration approved Phase 2 and Phase 4 of the proposal, which will allow DOWL to complete the 65% design documents and do the construction manager-general contractor selection and negotiation process.

The Borough is still waiting to see if the State will fund the supplemental funding request for the project. On February 29, 2024, the Alaska's Education Board sent a \$500 million wish list for construction and maintenance to law makers and the SP School project was included. It will be

interesting to see what the legislature and the governor decide to fund in FY2025. A link to the article can be found at the following link: <https://alaskabeacon.com/briefs/alaskas-education-board-sends-a-500m-wish-list-for-construction-and-maintenance-to-lawmakers/?emci=11e1d1d9-79d7-ee11-85f9-002248223794>

Akutan School

Repair work needs to be conducted at the Akutan School. DOWL sent a work order to two Term Contractors requesting a proposal to replace the back stairs to the mechanical room; repair the back stairway on the northside of the building; repair the exterior stairway on the west side of the building; to conduct a window inventory and assessment and conduct a few other maintenance items while onsite. Proposals were received on February 26, 2024 and DOWL and the Borough are reviewing and asking for a few points of clarification from the contractors prior to issuing a contract. Administration anticipates the work coming in under \$100,000 but wanted to inform the Assembly of the project's status. Administration will be billing the work to the LATCF funds.

Strategic Planning

In February 2024, Professional Growth Systems met with staff to review the initiatives and create the tasks. The 2024-2025 will be presented to the Assembly for approval at the March 14, 2024 Assembly Meeting.

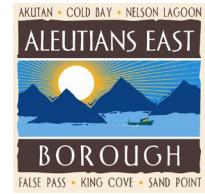
Other Items

- On February 12, 2024, Administration submitted a CAPSIS request to the State Legislature for the Sand Point School Major Maintenance Project.
- In February 2024, Mayor Osterback, Lorie Pierce and I went to Juneau and attended AML. We also attended meetings with the Department of Conservation; Department of Education; Fish & Game; the Coast Guard; Senator Hoffman, Representative Edgmon and the Department of Transportation. The meetings went well. There was a lot of headway made on the PFAS issue in Cold Bay.
- Attended the SWAMC conference on March 7 and 8, 2024.
- The upcoming Assembly Meeting Schedule is as follows:
 - Thursday, March 14th Regular Assembly Meeting
 - Thursday, April 11th Regular Assembly Meeting
 - Thursday, May 9th Regular Assembly Meeting
 - Thursday, May 23rd Special Assembly Meeting

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



To: The Honorable Mayor Osterback, AEB Assembly
From: Talia Jean-Louis, Assistant Borough Administrator
Subject: Assembly Report
Date: March 14, 2024



Healthy & Equitable Communities (HEC) Grant:

The Alaska Department of Health (DOH) announces \$9 million in funding to local governments through memorandums of agreement (MOAs) in support of creating healthy and equitable communities around the state. The funding will be available through May 31, 2024, to support activities of greatest need identified by the local community.

The Borough is partnering with Eastern Aleutian Tribes to implement the purchase and installation of a 2-Body Morgue for the City of False Pass and the Village Nelson Lagoon. DPH agrees to provide **\$109,035** in funds by the terms of the MOA to the Aleutians East Borough. This project is a reimbursement grant and will be funded through account line item 20-410-000-605. CDC requires prior approval for all equipment that costs more than 5 thousand dollars to satisfy the Memorandum of Agreement.

- On August 8, 2023, the Borough submitted a Prior Approval Letter with additional supporting documents to validate the need to purchase the morgues for the clinics.
- On October 4, 2023, the Borough was notified the letter was approved and given the green light to proceed with the purchase. The morgues have been purchased and are just about built except for the slide as the original manufacturer for the slides is out of business. They anticipate it will be 2-3 weeks for their new manufacturer to supply new slides for the morgues.
- On October 10, 2023, the Borough submitted its quarterly report to the State of Alaska, the Alaska Department of Health.
- On November 27, 2023, the morgue for the City of False Pass successfully arrived. Paul Mueller with the Eastern Aleutian Tribe has confirmed it is on sight and is making arrangements for its installation.
- As of December 7, 2023, the morgue for the village of Nelson Lagoon is currently located in the Port of Chinook. Due to logistics, Eastern Aleutians Tribes is discussing selling that morgue to the Bristol Bay Borough and using the proceeds to purchase and properly deliver a morgue to the village of Nelson Lagoon.
- On January 3, 2023, the Borough submitted its quarterly report to the State of Alaska, the Alaska Department of Health.
- Paul Mueller the CEO of Eastern Aleutian Tribes is scheduling to have the False Pass Morgue set up upon the repair of the plumbing issue in the building.
- On February 20, 2024, The Borough purchased an additional morgue for the Cold Bay Clinic with the additional grant funds available. The Borough now has **\$52, 217** that can be used to complete the shipping delivery to Nelson Lagoon, or AEB could propose another project to address COVID-19-related health disparities.
- On March 6, 2024, The Borough contacted the State of Alaska to propose using the remaining balance to address COVID-19-related health disparities by purchasing fixed equipment for the Cold Bay clinic which includes:
 1. Adult exam table
 2. Pediatric exam table
 3. Decontamination shower/eye wash station

- On March 7, 2024, the State of Alaska, Department of Health denied the proposal, responding the grant specifically excludes fixed medical equipment. The CDC allows medical equipment in mobile units but not for clinics and hospitals. However, the funding can be used to improve the air quality as air quality improvements would decrease exposure to COVID-19 and other infectious diseases, while also protecting patients and staff from inhaling volcanic ash or wildfire smoke.

Akutan School: Repairs and Maintenance:

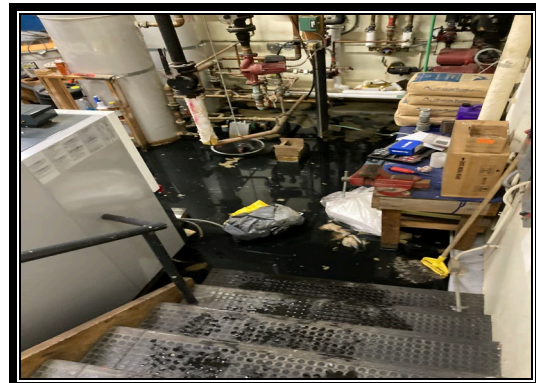
- On January 31, 2024, DOWL submitted a request for proposals through the Borough's construction term contract to solicit repairs and maintenance for the Akutan school. This proposal will address the exterior back stairway and landing, windows, securing exterior crawl space hatch, and a general walk-through of the school interior and exterior to identify recommended repairs.
- On February 26, 2024, the Borough received proposals from two contractors for the Akutan repairs and maintenance project. The Administration is in a current review of the proposals.
- On March 1, 2024, I submitted my report of the Akutan school visit to DOWL and ECI for their review to ensure we address as many repairs as possible.

Akutan Hangar: Heat Restoration:

- On January 24, 2025, the Administration traveled to Akutan where we met with Trident's electrician to address the repair needed to restore the heat in the hangar.
- To fix the heat, it was determined we would purchase a portable heater that would be directed toward the helicopter whereby the Trident electrician would also install the proper circuit breaker, plugs, receptacles, etc. To make this work properly.
- On March 6, 2024, Frontier Supply confirmed they had received the portable heater and parts required for the heat restoration. They anticipate to have the parts shipped to Akutan no later than the week of March 10, 2024.

Sand Point School Boilers and Roof Repair:

- On February 20, 2024, the superintendent notified the Borough there was a leak from the roof in the boiler room resulting in about 3 inches of standing water and soot. Boiler #1 was not working and boiler #2 had 2-3 gallons of water per day being released from the relief valve. They also determined sewage was coming from the boy's and girl's bathrooms adjacent to the boiler room.
- On February 21, 2024, Drayton Newman patched the pinhole leaks in the roof above the boiler and kitchen. Later, with the help of the city, he was able to successfully drain the sewage clog.



- On February 27, 2024, LONG Technology traveled to Sand Point to conduct repairs to reset the pressure of the boiler and conduct plumbing work. They successfully replaced the solenoids and now have the boilers running.

False Pass School Repair:

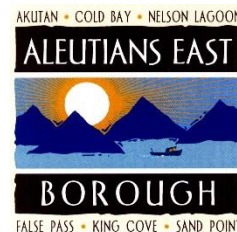
- On February 27, 2024, LONG Technology traveled to the False Pass school to conduct repairs to the water heater. Their technicians have repaired the four (4) baseboard zone valves and demolished and replaced the water heater. The water heater is now up and running. They are going through the remaining punch list items as well as looking at troubleshooting the Air Handler Unit which was out of scope.

Regular Meetings Attended:

Date	Meeting
February 9, 2024	Sand Point School Doors Precon Meeting
February 12, 2024	Strategic Planning 2024-2025 Project Planning
February 12, 2024	Cold Bay Clinic Discussion
February 13, 2024	Laserfiche Meeting
February 13, 2024	FY25 Assistant Administrator Budget Discussion
February 13, 2024	AEB On-going Project Review
February 14, 2024	RenoSys Repairs Check-in Meeting
February 15, 2024	FY25 Project Discussion
February 16, 2024	RenoSys Repairs Check-in Meeting
February 20, 2024	NEPA EA Review
February 20, 2024	A-Team 2024 Q1 Meeting
February 23, 2024	FY25 Insurance Discussion
February 28, 2024	Sand Point School DEED Funding
March 1, 2024	ICE Services-Teams Phone Meeting
March 5, 2024	Cold Bay Clinic Cost Discussion
March 5, 2024	Sand Point DEED Review
March 6, 2024	Quarter 4- Strategic Plan Project Planning
March 7, 2024	SWAMC Conference
March 8, 2024	SWAMC Conference
March 12, 2024	AEB On-going Project Review

If you have any questions, comments, or concerns please contact me at 907-274-7559 or tjeanlouis@aeboro.org

To: The Honorable Mayor Osterback, Aleutians East Borough Assembly
From: Ernie Weiss, Natural Resources Department Director
Subj: Report to the Assembly
Date: March 8, 2024



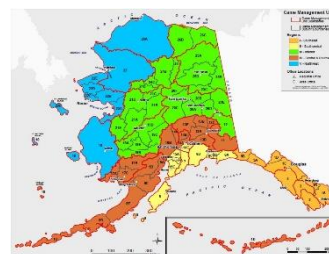
Alaska Boards of Fisheries and Game

The Board of Fish met in Anchorage February 23rd – March 5th for Upper Cook Inlet finfish proposals. My summary of adopted motions can be found [here](#), Boards Support Summary of Actions found [here](#). The most controversial proposal was [43](#) by the Fairbanks AC, that would amend the Cook Inlet Salmon Enhancement Allocation Plan and cap Lower Cook Inlet hatchery pink salmon egg take level at 59 million eggs. The proposal failed 1-6 with just Stan Zuray supporting. There was a motion to reconsider the adopted proposal 136 that increased closed waters to commercial salmon fishing. ([RC 247](#)) - that motion failed. The Board adopted a new policy on traditional knowledge ([RC 248](#)) and the Board also formed a new CFEC/Board Herring Revitalization Committee ([RC 244](#)).

Board of Fish proposals for the next meeting cycle, including for the Statewide Shellfish meeting in Anchorage, in March 2025, are [due April 10](#).

Board of Game proposals for Central and Southwest Alaska, including game management units 9 & 10 within the Aleutians East Borough, are [due May 1, 2024](#).

I'm scheduled to present the Anchorage AC's March 5th minutes to the Joint Board meeting March 25-28 at the Egan, regarding Advisory Committees and Boards process proposals. If anyone has any input on any of [these proposals](#), I can add to my personal testimony. Elections for the Anchorage AC are April 2 – looking for any of you Anchorage residents to run for your local Fish & Game Advisory Committee – join and help out.



Alaska Game Management Units

North Pacific Fishery Management Council

The NPFMC meets April 4-9 at the Anchorage Hilton with agenda item C2 Chum salmon bycatch as the big topic. The on-time comment period for this meeting ends March 29. Also on the April agenda: D1 Amendment 80 Program review and D3 setting 5-year research priorities. ([eAgenda](#))

The NPFMC made some history at their February meeting in Seattle by not passing a motion recommending harvest specs for Cook Inlet Salmon, forcing Secretarial action for a federal salmon plan ordered by the court in place by May 2024. The Council is said to be exploring options for a tribal subsistence salmon fishery in the Cook Inlet EEZ. The Cook Inlet EEZ is one of 3 EEZ 'traditional net fishing' areas in the North Pacific salmon management plan – the other 2 are in Prince William Sound and in the South Peninsula. We are following this issue closely because the outcome in Cook Inlet will eventually impact South Peninsula fisheries.

The Council also took no action on BBRK crab closure areas, instead requesting a discussion paper to look at gear innovations to reduce crab bycatch. The AP and Council ran out of time and didn't get to the scheduled AFA Program review work plan. I provided comments to the February [eAgenda](#): under B9 related to the [emergency petition](#) for zero Chinook salmon bycatch in the Bering Sea pollock fishery, and under D4 comment on the [AFA program review](#).

The NPFMC Newsletter for the February meeting can be found [here](#).



Local Winter/Spring Fisheries

Pacific Cod State-waters Pot Gear

South Peninsula opened March 7 GH/L 5,783,786 lbs.

Dutch Harbor Subdistrict opened February 1, GH/L 44,431,000 lbs

Pacific Cod State-waters Jig Gear

South Pen Jig Gear opens March 14, GH/L 867,565 lbs

DHSD Jig Gear GH/L 100,000 lbs.

State-water cod [Up-to-date Harvests](#)

Federal (1 metric ton = 2204.62 lbs.)

WGOA P cod Pot gear A season closed, quota 1,184 mt (2,610,270 lbs)

610 Pollock A season open, quota 5,422 mt (11,953,449 lbs)

[Up-to-date pollock harvests](#)

Pacific Halibut 2024 season opens March 15, closes December 7.

Area 3B TCEY 3,450,000 lbs

Area 4A TCEY 1,610,000 lbs

State-waters Dungeness crab season

South Peninsula open May 1 – October 31

North Peninsula open May 1 – October 18

[\(ASAA 1A Tourney Brackets will be posted here\)](#)

Recently Attended

North Pacific Fishery Management Council

Anchorage AC

Alaska Fishing Communities

Board of Fisheries Upper CI

Aleutian Islands Waterways Safety Committee

National Seafood Strategy

Anchorage AC

Federal Subsistence RACs

SWAMC

February 5-12

February 6

Feb 16, March 1

Feb 23-March 7

March 1

March 5

March 5

March 5-6

March 7-8

Hybrid Seattle/Zoom

Anchorage Hernandez hatchery

Zoom

Anch Egan Center/web stream

Zoom

Zoom

Anchorage Hernandez Hatchery

Dena'ina Center/webcast

Capt Cook Hotel

Upcoming meetings

Fairbanks AC Fish Subcommittee

Fairbanks AC

ASAA 1A Basketball Tourney

Alaska Fishing Communities

UW FRI BB Salmon forecast/N.Pacific Climate

Joint Boards Fish/Game

Alaska Salmon Research Task Force

Alaska Marine Policy Forum

NPFMC SSC

Anchorage AC Elections

NPFMC AP

NPFMC

March 11

March 13

March 13-16

March 15, 29

March 21

March 25-28

March 27

March 20

April 1-3

April 2

April 2-6

April 4-9

Zoom

Zoom

Alaska Airlines Center

Zoom

Zoom webinar

Egan Center/Webcast

Webinar

Zoom

Anch Hilton/Zoom

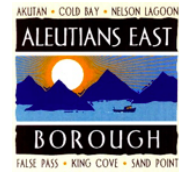
W. J. Hernandez Hatchery Anch

Anch Hilton/Zoom

Anch Hilton/Zoom

Please call or email if you have any questions or concerns.

To: Honorable Mayor Osterback, Aleutians East Borough Assembly
From: Charlotte Levy, Fishery Analyst
Re: Report to the Assembly
Date: March 14th, 2024



Electronic Monitoring - WGOA4/EFPP:

- In response to the needs of one of our EM processors, the project coordinated to equip an additional 6 tender vessels with mobile systems and develop VMPs.
- NOAA has published the [Proposed Rule](#) for our program, and I am in the process of reviewing it and preparing public comments. Public comments will be accepted through April 5th, and NOAA will host a public hearing for stakeholders March 12th at 6pm which can be accessed at <https://meet.google.com/gcz-emgh-kkw>.

Salmon:

- I met with several Seiner's board members to discuss modifications to the adaptive management plan. Similar to 2023, I am assisting in the preparation and refinement of the adaptive management program and will support as needed in season.

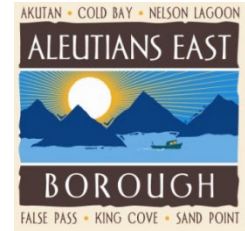
AFSC Cod Tagging Project:

- There have been some adjustments to the upcoming winter charter. Due to below freezing temperatures, we are delaying the trip to March 17th and I will not be able to attend due to my upcoming annual leave. The project team will continue the charter without me and have secured my replacement.
- I finalized and submitted the most recent quarterly report and reimbursement invoice. We have been working to finalize the NOAA Process Report for the recent workshop and will provide it to the Assembly once approved.

NPFMC:

- The ADFG Commissioner announced at the recent UFA board meetings that he intends to create a stakeholder working group after the April Council meeting to discuss rationalize the GOA trawl fisheries. The group will convene GOA trawl fleets, processors and communities to develop a problem statement and alternatives with some consensus that the Council could work from if they were to revisit a GOA rationalization program.
- Pelagic Gear Definition/Innovation: the Council [passed a motion on D1 Pelagic Trawl Gear](#) establishing a purpose and needs statement and set of alternatives at the february meeting. The purpose of the motion is to realign the current pelagic gear definitions with regulations, update the language to remove outdated text and ensure the original intent of the definition is captured, and includes several suboptions that target specific issues with the current definition and allow for innovations in bottom contact sensing. ADFG will convene a meeting with trawl stakeholders to discuss this issue further.

To: Honorable Mayor Osterback and Borough Assembly
From: Jacki Brandell, Finance Director
Re: Report to the Assembly
Date: March 14, 2024



Audit – In the meeting you were presented with the audited June financials statements. The trial balance statement for the end of FY23 has been verified and aligns with the auditors mapping and the financial statements.

Caselle - The chart of accounts has been sent to Caselle and I am waiting to hear what the next steps will be. As we are streamlining the accounts, I have identified some that need additional research to ensure they are carried over properly.

Budget Prep- The process for next year's budget has begun and I have been assisting in the preparation.

Record Retention – Now that the audit is completed, I have some additional time in the day to focus on record retention. There is a great deal of records in boxes, with a few of them containing miscellaneous files. As Seward has started training with the laserfische, we will soon be able to scan and digitalize the paper documents. I have begun to sort through and organize the older documents in a manner consistent with year end needs.

Routine tasks- The daily and weekly tasks are on track and February is nearly closed out as we wait for the last of the receivable documentation.

I will be happy to answer any questions.

ASSEMBLY COMMENTS

PUBLIC COMMENTS

NEXT MEETING DATE, TIME
AND PLACE

ADJOURNMENT