

## **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: Feb. 08, 2024

ADOPTED: March 14, 2024

  
Alvin D. Osterback, Mayor

ATTEST:

  
Beverly Rosete, Clerk

(SEAL)