

RESOLUTION 26-18

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE APPROPRIATION OF THE SERIES E BOND FUNDS TO THE SAND POINT POOL, DEFERRED MAINTENANCE AND PROJECT CONTINGENCY

WHEREAS, in 2003, the Assembly passed Ordinance 03-02 and Resolution No. 04-03, and the Borough issued its School, Marine and Other Transportation General Obligation Bonds 2003 (the “2003 Bonds” and together with the 1998 Bonds, the “prior bonds”), in the original amount of \$21,125,000 all of which is outstanding (Series E Bond); and

WHEREAS, the bond projects included the False Pass Boat Harbor, the Cold Bay Boat Launch, the Nelson Lagoon Dock, the Sand Point Boat Harbor and the King Cove School Replacement; and

WHEREAS, the Series E bond was refunded in 2007 and again in 2016 and is reflected as the 2016 Series General Obligation Refunding Bond; and

WHEREAS, the funds were originally received from the Series E Bond in 2003 and were put into an account to hold while the projects were ongoing; and

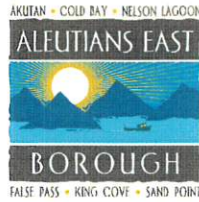
WHEREAS, periodically, the funds spent on the projects were transferred out of the account to cover the expenses; however, for reasons unknown, in 2007/2008 funds were no longer transferred from the account to cover the project expenses; and

WHEREAS, the projects were all completed in 2010, with the remaining expenses covered by the general fund cash and not paid out of the bond proceeds as they remained in the account; and

WHEREAS, in order to move the funds, the Borough hired an arbitrage consultant and on September 16, 2025, Arbitrage Compliance Specialists (“ACS”) determined “there is no payment due to the United States Treasury, Internal Revenue Service (“IRS”) with respect to the Debt for the 5th Year Report previously completed by ACS” which means that the Borough does not owe any money to the IRS, and the funds are able to be moved; and

WHEREAS, on September 22, 2025, the Borough contacted APCM and requested to liquidate the funds in the Series E Account 14560.6; and

WHEREAS, on September 24, 2025, APCM notified the Borough that all proceeds from the liquidation of the AEB Series E account were settled, and the funds were available to be withdrawn; and



WHEREAS, on September 25, the funds were transferred from the Series E 14560.6 account to the AMLIP .3 portfolio until the funds were further allocated by the Assembly to designated projects; and

WHEREAS, Borough Administration recommends allocating the Series E funds as follows: \$1,500,000 for the Sand Point Pool, \$1,000,000 for deferred maintenance and the remaining funds (approximately \$515,000) for project contingency.

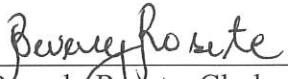
NOW THEREFORE, BE IT RESOLVED, the Aleutians East Borough Assembly authorizes the appropriation of the Series E Bond Funds to the Sand Point Pool, Deferred Maintenance and Project Contingency.

PASSED AND ADOPTED by the Aleutians East Borough on this 9th day of October 2025.



Alvin D. Osterback, Mayor

ATTEST:



Beverly Rosete, Clerk