

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor CP

FROM: Brandi Harbaugh, Finance Director BH

DATE: June 4, 2020

SUBJECT: Resolution 2020- 044, Approving the Kenai Peninsula Borough's Participation in a Proposed Refinancing by the Alaska Municipal Bond Bank of its General Obligation Bonds that Provided Funds to Purchase the Bear Creek Fire Service Area General Obligation Bonds, Series 2013 of the Kenai Peninsula Borough, Under a Loan Agreement Between the Kenai Peninsula Borough and the Alaska Municipal Bond Bank; and the Alaska Municipal Bond Bank; and Authorizing the Kenai Peninsula Borough Mayor or Designee to Approve a Revised Schedule of Principal and Interest Payments on the Kenai Peninsula Borough's 2013 Bond, in Accordance with the Loan Agreement, if the Alaska Municipal Bond Bank Successfully Refinances its Bonds (Mayor)

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank (AMBB) has determined that a portion of the outstanding 2013 Bear Creek Service Area Bonds could be refinanced, with potential savings to the residents of the Kenai Peninsula Borough of approximately \$52,925 in interest over the remaining life of the debt.

The attached resolution authorizes the AMBB to refinance the current outstanding bonds to take advantage of the current lower long-term interest rates.