

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor CP

FROM: Brandi Harbaugh, Finance Director BH

DATE: November 19, 2020

SUBJECT: Request to Table Ordinance 2020-19-08, Appropriating Refinanced 2013 School General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor)

The Alaska Supreme Court's recent decision which invalidated a plan to sell bonds to pay oil tax credits has caused a certain amount of uncertainty in the Alaska bond market. The Alaska Department of Law has requested a rehearing to better define the scope of the ruling.

The Alaska Municipal Bond Bank has delayed its bond issue for a time uncertain as a result of the recent decision. Therefore, pending further analysis of the effect of the Supreme Court ruling we are looking to postpone the refinancing of the 2013 School General Obligation Bonds until calendar year 2021.

Therefore, we are requesting to table this ordinance until early 2021, providing more time for analysis and review of the market

Your consideration is appreciated.