

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2015-50

A RESOLUTION AUTHORIZING THE CITY OF DILLINGHAM TO ISSUE GENERAL OBLIGATION REFUNDING BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$14,000,000 TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE CITY, FIXING CERTAIN DETAILS OF SUCH BONDS AND AUTHORIZING THEIR SALE

WHEREAS, there are now outstanding General Obligation School Bonds, 2008 Series A of the City of Dillingham (the "City") maturing on April 1 in the years 2016 through 2028 in the aggregate principal amount of \$11,275,000 (the "2008 Bonds") issued under Ordinance No. 2008-03 of the City; and

WHEREAS, the Council finds that it is in the best interest of the City to provide for the refunding, including the payment of principal of, and premium and interest on, those maturities of the 2008 Bonds (the "Refunded Bonds") whose refunding the Manager or the Finance Director determines will produce the percentage debt service savings specified in this resolution, by the issuance of general obligation refunding bonds (the "Bonds") in the aggregate principal amount of not to exceed \$14,000,000; and

WHEREAS, Section 29.47.320 of the Alaska Statutes provides that general obligation refunding bonds may be issued without an election, Section 29.47.300 of the Alaska Statutes provides that their issuance may be authorized by resolution, and Section 29.47.410 of the Alaska Statutes provides that the Council by resolution may provide for the form and manner of sale of bonds and notes; and

WHEREAS, the Alaska Municipal Bond Bank and the City intend to enter into an Amendatory Loan Agreement, which amends the Loan Agreement dated as of April 1, 2008, between the Alaska Municipal Bond Bank and the City, to provide for the refunding of the Refunded Bonds through their exchange for the Bonds, and related matters; and

WHEREAS, the Council finds that it is necessary and appropriate to delegate to the Manager and the Finance Director authority to determine the maturity amounts, interest rates and other details of the Bonds, and to determine other matters that are not provided for in this resolution;

NOW, THEREFORE, BE IT RESOLVED:

Section 1. Definitions. The following terms shall have the following meanings in this resolution:

A. "Amendatory Loan Agreement" means the Amendatory Loan Agreement between the City and the Bond Bank, amending the 2008 Loan Agreement to provide for the refunding of the Refunded Bonds through their exchange for the Bonds, and related matters.

B. "Bond" or "Bonds" means any of the "General Obligation Refunding Bonds" of the City of Dillingham, the issuance and sale of which are authorized herein.

C. "Bond Bank" means the Alaska Municipal Bond Bank, a public corporation of the State of Alaska.

D. "Bond Bank Bonds" means general obligation bonds issued by the Bond Bank to refund all or part of its outstanding General Obligation Bonds, 2008 Series One.

E. "Bond Register" means the registration books maintained by the Registrar, which include the names and addresses of the Registered Owners of the Bonds or their nominees.

F. "City" means the City of Dillingham, a municipal corporation of the State of Alaska, organized as a first class city under Title 29 of the Alaska Statutes.

G. "Code" means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.

H. "Council" means the Council of the City of Dillingham, as the general legislative authority of the City of Dillingham, as the same shall be duly and regularly constituted from time to time.

I. "Government Obligations" means obligations that are either (i) direct obligations of the United States of America, or (ii) obligations of an agency or instrumentality of the United States of America the timely payment of the principal of and interest on which are unconditionally guaranteed by the United States of America.

J. "Loan Agreement" means the 2008 Loan Agreement, as amended by the Amendatory Loan Agreement.

K. "Refunded Bonds" means the maturities of the 2008 Bonds whose refunding is approved by the Manager or the Finance Director under Section 13.

L. "Registered Owner" means the person named as the registered owner of a Bond in the Bond Register.

M. "Registrar" means the Finance Director, or any successor that the City may appoint by resolution.

N. "Resolution" means this Resolution 2015-50 of the City.

O. "2008 Loan Agreement" means the Loan Agreement between the City and the Bond Bank dated as of April 1, 2008.

Section 2. Authorization of Bonds and Purpose of Issuance. For the purpose of effecting the refunding by exchange of the Refunded Bonds in the manner set forth in this Resolution and the Amendatory Loan Agreement, and to pay all costs incidental thereto and

to the issuance of the Bonds, the City hereby authorizes and determines to issue and sell the Bonds in the aggregate principal amount of not to exceed \$14,000,000.

Section 3. Obligation of Bonds. The Bonds shall be direct and general obligations of the City and the full faith and credit of the City are hereby pledged to the payment of the principal of and interest on the Bonds. The City hereby irrevocably pledges and covenants that it will levy and collect taxes upon all taxable property within the City without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefor, to pay the principal of and interest on the Bonds as the same become due and payable.

Section 4. Designation, Maturities, Interest Rates, and Other Details of Bonds. The Bonds shall be designated "City of Dillingham, Alaska, General Obligation Refunding Bonds." The Bonds shall be in the denomination of \$5,000 or any integral multiple thereof, shall be numbered separately in the manner and with such additional designation as the Registrar deems necessary for purposes of identification, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

The Bonds shall mature in one or more years commencing no earlier than 2016 and ending no later than 2029. The Bonds shall bear interest from their date, payable commencing on or after January 1, 2016, and semiannually thereafter. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Subject to Section 2 and the remainder of this section, the aggregate principal amount, the principal amount of each maturity, the interest rates, the dated date, the principal and interest payment dates and the record dates for principal and interest payments on the Bonds shall be determined at the time of execution of the Amendatory Loan Agreement under Section 17.

Section 5. Optional Redemption. The Bonds, if any, subject to optional redemption by the City, the time or times when such Bonds are subject to optional redemption, the terms upon which such Bonds may be redeemed, and the redemption price or redemption prices for such Bonds, shall be determined at the time of execution of the Amendatory Loan Agreement under Section 17.

Section 6. Selection of Bonds for Redemption; Notice of Redemption.

(A) Selection of Bonds for Redemption. When the Bond Bank is the Registered Owner of the Bonds, the selection of Bonds to be redeemed shall be made as provided in the Loan Agreement. When the Bond Bank is not the Registered Owner of the Bonds, the selection of Bonds to be redeemed shall be made as provided in this subsection (A). If the City redeems at any one time fewer than all of the Bonds having the same maturity date, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot (or in such other manner determined by the Registrar) in increments of \$5,000. In the case of a Bond of a denomination greater than \$5,000, the City shall treat such Bond as representing such number of separate Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Bond by \$5,000. In the event that only a portion of the principal amount of a Bond is redeemed, upon surrender of such Bond

at the office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds of like maturity and interest rate in any of the denominations authorized herein.

(B) Notice of Redemption. When the Bond Bank is the Registered Owner of the Bonds, notice of any intended redemption of Bonds shall be given as provided in the Loan Agreement. When the Bond Bank is not the Registered Owner of the Bonds, notice of any intended redemption of Bonds shall be made as provided in this subsection (B). Notice of redemption shall be mailed not less than 30 nor more than 45 days prior to the date fixed for redemption by first class mail to the Registered Owners of the Bonds to be redeemed at their addresses as they appear on the Bond Register on the day the notice is mailed. Notice of redemption shall be deemed to have been given when the notice is mailed as herein provided, whether or not it is actually received by the Registered Owners. All notices of redemption shall be dated and shall state: (1) the redemption date; (2) the redemption price; (3) if fewer than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office of the Registrar.

Official notice of redemption having been given as aforesaid, Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date, such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as provided herein for the payment of interest. Upon surrender of any Bond for partial redemption, there shall be prepared for the Registered Owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

Each check or other transfer of funds issued to pay the redemption price of Bonds shall bear the CUSIP number, if any, identifying, by maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Section 7. Form of Bond. Each Bond shall be in substantially the following form, with such variations, omissions and insertions as may be required or permitted by this Resolution:

UNITED STATES OF AMERICA
STATE OF ALASKA

CITY OF DILLINGHAM
(A Municipal Corporation of the State of Alaska)

NO. _____ \$ _____

GENERAL OBLIGATION REFUNDING BOND, 2015 SERIES __

Registered Owner

Principal Amount DOLLARS

The City of Dillingham (the "City"), a municipal corporation of the State of Alaska, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, the principal amount shown above in the following installments on _____ 1 of each of the following years, and to pay interest on such installments from the date hereof, payable on _____, 2016 and semiannually thereafter on the ___ days of _____ and _____ of each year, at the rates per annum as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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When this Bond is owned by the Alaska Municipal Bond Bank (the "Bond Bank"), payment of principal and interest shall be made as provided in the Loan Agreement between the Bond Bank and the City dated as of April 1, 2008, as amended (the "Loan Agreement"). When this Bond is not owned by the Bond Bank, installments of principal and interest on this Bond shall be paid by check or draft mailed by first class mail to the Registered Owner as of the close of business on the 15th day of the month preceding each installment payment date; provided that the final installment of principal and interest on this Bond shall be payable upon presentation and surrender of this Bond by the Registered Owner at the office of the Registrar. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. Both principal of and interest on this Bond are payable in lawful money of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is one of the General Obligation Refunding Bonds, 2015 Series __ of the City of Dillingham, Alaska, of like tenor and effect except as to interest rate, serial number and maturity, aggregating \$_____ in principal amount, and constituting Bonds authorized for the purpose of refunding certain general obligation bonds issued by the City, and is issued under Resolution 2015-__ of the City entitled:

A RESOLUTION AUTHORIZING THE CITY OF DILLINGHAM TO ISSUE GENERAL OBLIGATION REFUNDING BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$14,000,000 TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE CITY, FIXING CERTAIN DETAILS OF SUCH BONDS AND AUTHORIZING THEIR

SALE.

(the "Resolution").

Installments of principal of this Bond due on and after _____, 20__, shall be subject to prepayment on and after _____, 20__, at the option of the City (subject to any applicable provisions of the Loan Agreement), in such principal amounts and from such maturities as the City may determine, and by lot within a maturity, at a redemption price equal to the principal amount to be prepaid, plus accrued interest to the date of prepayment.

This Bond is transferable as provided in the Resolution, (i) only upon the bond register of the City, and (ii) upon surrender of this Bond together with a written instrument of transfer duly executed by the Registered Owner or the duly authorized attorney of the Registered Owner, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and maturity shall be issued to the transferee in exchange therefor as provided in the Resolution and upon the payment of charges, if any, as therein prescribed. The City may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price, if any, hereof and interest due hereon and for all other purposes whatsoever.

This Bond is a general obligation of the City of Dillingham and the full faith and credit of the City are pledged for the payment of the principal of and interest on this Bond as the same shall become due.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts or things required by the constitution or statutes of the State of Alaska to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have happened and have been performed, and that the series of Bonds of which this is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by said constitution or statutes.

IN WITNESS WHEREOF, THE CITY OF DILLINGHAM, ALASKA, has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its Mayor and its corporate seal (or a facsimile thereof) to be impressed or otherwise reproduced hereon and attested by the manual or facsimile signature of its Clerk, all as of the ____ day of _____ 2015.

Mayor

ATTEST:

Clerk

[SEAL]

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address, zip code and Social Security number or other tax identification number of Transferee) _____

_____ this Bond and irrevocably constitutes and appoints _____

_____ attorney to transfer this Bond on the Bond Register, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of this Bond.

Section 8. Execution. The Bonds shall be executed in the name of the City by the manual or facsimile signature of the Mayor, and its corporate seal (or a facsimile thereof) shall be impressed or otherwise reproduced thereon and attested by the manual or facsimile signature of the City Clerk. The execution of a Bond on behalf of the City by persons who at the time of the execution are duly authorized to hold the proper offices shall be valid and sufficient for all purposes, although any such person shall have ceased to hold office at the time of delivery of the Bond or shall not have held office on the date of the Bond.

Section 9. Payment of Principal and Interest. The Bonds shall be payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts. When the Bond Bank is the Registered Owner of the Bonds, payment of principal and interest on the Bonds shall be made as provided in the Loan Agreement. When the Bond Bank is not the Registered Owner of the Bonds, installments of principal and interest on the Bonds shall be paid by check mailed by first class mail to the Registered Owner as of the record date for the installment payment at the address appearing on the Bond Register; provided that the final installment of principal and interest on a Bond shall be payable upon presentation and surrender of the Bond by the Registered Owner at the office of the Registrar.

Section 10. Registration. The Bonds shall be issued only in registered form as to both principal and interest. The City designates the Finance Director as Registrar for the Bonds. The Registrar shall keep, or cause to be kept, the Bond Register at the principal office of the City. The City covenants that, until all Bonds have been surrendered and canceled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code. The City and the Registrar may treat the person in whose name any Bond shall be registered as the absolute owner of such Bond for all purposes, whether or not the Bond shall be overdue, and all payments of principal of and interest on a Bond made to the Registered Owner thereof or upon its order shall be valid

and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the Registrar shall be affected by any notice to the contrary.

Section 11. Transfer and Exchange. Bonds shall be transferred only upon the books for the registration and transfer of Bonds kept at the office of the Registrar. Upon surrender for transfer or exchange of any Bond at such office, with a written instrument of transfer or authorization for exchange in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or the duly authorized attorney of the Registered Owner, the City shall execute and deliver an equal aggregate principal amount of Bonds of the same maturity of any authorized denominations, subject to such reasonable regulations as the City may prescribe and upon payment sufficient to reimburse it for any tax, fee or other governmental charge required to be paid in connection with such transfer or exchange. All Bonds surrendered for transfer or exchange shall be canceled by the Registrar.

Section 12. Bonds Mutilated, Destroyed, Stolen or Lost. Upon surrender to the Registrar of a mutilated Bond, the City shall execute and deliver a new Bond of like maturity and principal amount. Upon filing with the Registrar of evidence satisfactory to the City that a Bond has been destroyed, stolen or lost and of the ownership thereof, and upon furnishing the City with indemnity satisfactory to it, the City shall execute and deliver a new Bond of like maturity and principal amount. The person requesting the execution and delivery of a new Bond under this section shall comply with such other reasonable regulations as the City may prescribe and pay such expenses as the City may incur in connection therewith.

Section 13. Designation of Refunded Bonds. The Manager and the Finance Director each is authorized to designate which, if any, maturities of the 2008 Bonds authorized to be refunded in this Resolution shall be refunded, provided that the refunding of the 2008 Bonds so designated shall realize a debt service savings in the aggregate of at least three percent of their principal amount, net of all issuance costs and underwriting discount, on a present value basis.

Section 14. Tax Covenants. The City covenants to comply with any and all applicable requirements set forth in the Code in effect from time to time to the extent that such compliance shall be necessary for the exclusion of the interest on the Bonds from gross income for federal income tax purposes. Without limiting the generality of the foregoing, the City covenants that it will make no use of the proceeds of the Bonds that will cause the Bonds to be "arbitrage bonds" subject to federal income taxation by reason of section 148 of the Code, and that it will not take or permit any action that would cause the Bonds to be "private activity bonds" as defined in Section 141 of the Code.

Section 15. Amendatory and Supplemental Resolutions.

A. The Council from time to time and at any time may adopt a resolution or resolutions supplemental hereto, which resolution or resolutions thereafter shall become a part of this Resolution, for any one or more of the following purposes:

1. To add to the covenants and agreements of the City in this Resolution other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the City.

2. To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this Resolution or in regard to matters or questions arising under this Resolution as the Council may deem necessary or desirable and not inconsistent with this Resolution and which shall not adversely affect the interests of the Registered Owners of the Bonds.

Any such supplemental resolution may be adopted without the consent of the Registered Owner of any of the Bonds at any time outstanding, notwithstanding any of the provisions of subsection B of this section.

B. With the consent of the Registered Owners of not less than 60 percent in aggregate principal amount of the Bonds at the time outstanding, the Council may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Resolution or of any supplemental resolution; provided, however, that no such supplemental resolution shall:

1. Extend the fixed maturity of any of the Bonds, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the Registered Owners of each Bond so affected; or

2. Reduce the aforesaid percentage of Registered Owners of Bonds required to approve any such supplemental resolution without the consent of the Registered Owners of all of the Bonds then outstanding.

It shall not be necessary for the consent of the Registered Owners of the Bonds under this subsection to approve the particular form of any proposed supplemental resolution, but it shall be sufficient if such consent approves the substance thereof.

C. Upon the adoption of any supplemental resolution under this section, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the City and all Registered Owners of outstanding Bonds shall thereafter be subject in all respects to such modification and amendment, and all the terms and conditions of the supplemental resolution shall be deemed to be part of the terms and conditions of this Resolution for any and all purposes.

D. Bonds executed and delivered after the execution of any supplemental resolution adopted under this section may bear a notation as to any matter provided for in such supplemental resolution, and if such supplemental resolution shall so provide, new Bonds modified so as to conform, in the opinion of the City, to any modification of this Resolution contained in any such supplemental resolution may be prepared by the City and

delivered without cost to the Registered Owners of the Bonds then outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

Section 16. Defeasance. In the event money and/or non-callable Government Obligations maturing at such times and bearing interest to be earned thereon in amounts sufficient to redeem and retire any or all of the Bonds in accordance with their terms are set aside in a special trust account to effect such redemption or retirement and such moneys and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made to pay or secure the payment of the principal of and interest on such Bonds and such Bonds shall be deemed not to be outstanding.

Section 17. Exchange of Bonds; Amendatory Loan Agreement. The Bonds shall be delivered to the Bond Bank in exchange for the Refunded Bonds. Subject to the limitations provided in Sections 2 and 4, each of the Manager and the Finance Director is hereby authorized to determine the aggregate principal amount, maturity amounts, interest rates, yields, dated date, principal and interest payment dates, record dates for principal and interest payments, and other details of the Bonds; provided that: (i) the principal amount of each maturity of the Bonds shall not exceed the principal amount of the portion of the corresponding maturity of the Bond Bank Bonds that is allocated to the making of a loan to the City; and (ii) the interest rate on each maturity of the Bonds shall not exceed the interest rate on the corresponding maturity of the Bond Bank Bonds. Based upon the foregoing determinations, the Manager and the Finance Director are each authorized to negotiate and execute the Amendatory Loan Agreement.

Section 18. Authority of Officers. The Mayor, the acting Mayor, the Manager, the acting Manager, the Finance Director, the acting Finance Director, the Clerk and the acting Clerk each is authorized and directed to do and perform all things and determine all matters not determined by this Resolution, to the end that the City may carry out its obligations under the Bonds, the Loan Agreement and this Resolution.

Section 19. Prohibited Sale of Bonds. No person, firm or corporation, or any agent or employee thereof, acting as financial consultant to the City under an agreement for payment in connection with the sale of the Bonds, is eligible to purchase the Bonds as a member of the original underwriting syndicate either at public or private sale.

Section 20. Ongoing Disclosure. The City acknowledges that, under Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), the City may now or in the future be an "obligated person" with respect to the Bond Bank Bonds. In accordance with the Rule and as the Bond Bank may require, the City shall enter into a continuing disclosure agreement and undertake to provide certain annual financial information and operating data as shall be set forth in the Amendatory Loan Agreement.

Section 21. Miscellaneous.

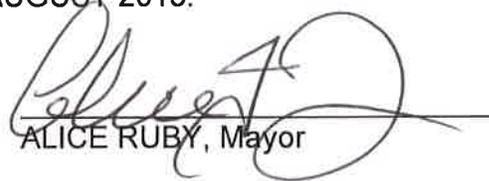
A. All payments made by the City of, or on account of, the principal of or interest on the Bonds shall be made on the several Bonds ratably and in proportion to the amount due thereon, respectively, for principal or interest as the case may be.

B. No recourse shall be had for the payment of the principal of or the interest on the Bonds or for any claim based thereon or on this Resolution against any member of the Council or officer of the City or any person executing the Bonds. The Bonds are not and shall not be in any way a debt or liability of the State of Alaska or of any political subdivision thereof, except the City, and do not and shall not create or constitute an indebtedness or obligation, either legal, moral or otherwise, of said state or of any political subdivision thereof, except the City.

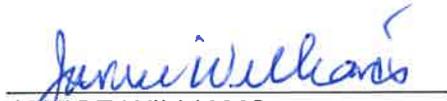
Section 22. Severability. If any one or more of the provisions of this Resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this Resolution and shall in no way affect the validity of the other provisions of this Resolution or of the Bonds.

Section 23. Effective Date. This resolution shall become effective upon passage and approval.

PASSED AND APPROVED THIS 6th DAY OF AUGUST 2015.


ALICE RUBY, Mayor

ATTEST:



JANICE WILLIAMS
City Clerk

City of Dillingham Information Memorandum

Agenda of: August 6, 2015

Attachment to:

Ordinance No. _____ / Resolution No. 2015-50

Subject:

Authorize the City of Dillingham to issue General Obligation Refunding Bonds in the principal amount of not to exceed \$14,000,000 to refund certain outstanding General Obligation Bonds of the City, fixing certain details of such bonds and authorizing their sale

City Manager: Recommend Approval

Signature: Rose Polera

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

- Copy of Amendatory Loan Agreement
- Analysis of Refinancing from RBC Capital Markets

Summary Statement:

The City was contacted by Thomas Klinkner of Birch Horton Bittner & Cherot. He acted as bond counsel for the City's 2008 school bond issue through the Alaska Municipal Bond Bank. The Bond Bank recently contacted him regarding a potential refinancing of the 2008 issue for debt service savings. He was interested in acting as bond counsel for the refinancing. Included in the packet is AM 2015-15, authorizing the City Manager to execute an engagement letter with his firm. He prepared the resolution on behalf of the City.

This resolution authorizes the City to refinance the school bond and authorizes the Finance Director and City Manager to determine interest rates and other details.

Attachment to:
Ordinance No. _____ / Resolution No. 2015-50 _____

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
X	City Clerk	

AMENDATORY LOAN AGREEMENT

THIS AMENDATORY LOAN AGREEMENT, dated as of the ____ day of _____ 2015, between the Alaska Municipal Bond Bank (the "Bank"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and City of Dillingham, Alaska, a duly constituted First Class City of the State (the "City"):

WITNESSETH:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and loan money (the "Loans") to governmental units; and

WHEREAS, the City is a "Governmental Unit" as defined in the General Bond Resolution of the Bank hereinafter mentioned and was authorized to accept a Loan from the Bank, evidenced by its municipal bond; and

WHEREAS, to provide for the issuance of bonds of the Bank in order to obtain from time to time money with which to make, and or refinance, municipal Loans, the Bank adopted its General Obligation Bond Resolution on July 13, 2005, as amended (the "General Bond Resolution"); and

WHEREAS, the Board of the Bank approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, the Bank made a Loan to the City from proceeds of the Bank's General Obligation Bonds, 2008 Series One ("2008 Series One Bonds") in the amount of \$15,105,000, evidenced by a Loan Agreement dated April 1, 2008 (the "Loan Agreement") between the Bank and the City; and

WHEREAS, the Bank's 2008 Series One Bonds were issued pursuant to the terms of the Bank's General Bond Resolution, as amended and supplemented by a series resolution; and

WHEREAS, as security for repayment of the Loan, the City issued its General Obligation School Bond, 2008 Series A, dated April 15, 2008 (the "Municipal Bond") of which the Bank is the registered owner; and

WHEREAS, the Bank has determined that refunding a portion of the 2008 Series One Bonds will result in a debt service savings thereon and on the Municipal Bond; and

WHEREAS, pursuant to the terms of the General Bond Resolution the Bank adopted Series Resolution No. 2015-04, approved on _____, 2015 (the "Series Resolution" and, together with the General Bond Resolution, the "Bond Resolution") authorizing the issuance of its General Obligation and Refunding Bonds, 2015 Series Three (the "2015 Series Three Bonds") to, in part, refund a portion of the 2008 Series One Bonds; and

WHEREAS, to effect the proposed refunding and resulting debt service savings on the 2008 Series One Bonds and the Municipal Bond, and to conform the terms of the Loan Agreement to the current practices of the Bank, it is necessary to amend the terms of the Loan Agreement and the Municipal Bond as provided herein.

NOW, THEREFORE, the parties agree as follows:

1. The Bank will refund a portion of the outstanding 2008 Series One Bonds as provided in the Series Resolution. The amounts of the principal installments of the Municipal Bond corresponding to the refunded maturities of the 2008 Series One Bonds, and the interest payable thereon, shall be adjusted pro rata in accordance with the debt service payable on the 2015 Series Three Bonds. The Municipal Bond henceforth shall mature in the principal amounts and bear interest at the rates per annum as stated on Exhibit A appended hereto.

2. Section 2 of the Loan Agreement is amended to include the following paragraph:

The City represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including Resolution No. 2015-____, adopted on August __, 2015 (the "City Refunding Resolution"), and has taken or will take all proceedings required by law to enable it to enter into this Amendatory Loan Agreement and issue its refunding Municipal Bond to the Bank and that the refunding Municipal Bond will constitute a general obligation bond, secured by the full faith and credit of the City, all duly authorized by the City Refunding Resolution.

3. The refunding Municipal Bond shall be subject to optional prepayment prior to maturity on and after the same date, and on the same terms as the 2015 Series Three Bonds may be subject to optional redemption.

4. Section 16 of the Loan Agreement is amended by replacing the current language with the following:

The City agrees that if its bonds constitute ten percent (10%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond

Resolution it shall provide the Bank for inclusion in future official statements, upon request, financial information generally of the type included in Appendix D of the Bank's Official Statement, dated _____, 2015, under the heading "Summaries of Borrowers Representing 10% or More of Outstanding Principal of Bonds Issued Under the 2005 Bond Resolution" to the Official Statement and attached hereto as Exhibit B.

The City further agrees that if its bonds constitute ten percent (10%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purpose of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.

5. A new Section 23 is added to the Loan Agreement, as follows:

The City agrees that it shall file, on an annual basis, its audited financial statement with the Municipal Securities Rulemaking Board not later than two hundred ten (210) days after the end of each fiscal year of the City for the term of the Municipal Bond and any refunding Municipal Bond. The City agrees filings under this Section 23 shall be made in connection with CUSIP Nos. 01179P, 011798 and 01179R. Additional or alternate CUSIP number(s) may be added from time to time by written notice from the Bank to the City. The City agrees that if it shall receive from the Bank CUSIP number(s) in addition to those set forth in this Section then it shall make its filings using both CUSIP numbers herein stated and any additional CUSIP number(s).

6. A new Section 24 is added to the Loan Agreement, as follows:

The City hereby agrees to keep and retain, until the date six years after the retirement of the Municipal Bond, or any bond issued to refund the Municipal Bond, or such longer period as may be required by the City's record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The City agrees that all records required by the preceding sentence shall be made available to the Bank upon request.

7. A new Section 25 is added to the Loan Agreement, as follows:

(a) The City hereby certifies that all Municipal Bond proceeds, except for those proceeds that are accounted for as transferred proceeds in the arbitrage certificate for its refunding Municipal Bond, have been expended prior to the date hereof.

(b) The City hereby certifies that all required rebate calculations relating to the Municipal Bond have been timely performed and the City has remitted any necessary amount(s) to the Internal Revenue Service.

(c) The City hereby certifies that the Municipal Bond, or any portion thereof, has not previously been advance refunded.

IN WITNESS WHEREOF, the parties hereto have executed this Amendatory Loan Agreement as of the date first set forth above.

ALASKA MUNICIPAL BOND BANK

By: _____
DEVEN J. MITCHELL
Executive Director

CITY OF DILLINGHAM, ALASKA

By: _____
Authorized Representative

EXHIBIT A

City of Dillingham, Alaska
General Obligation Refunding Bond, 2015 Series ____
(2015 Municipal Bond)

Principal Sum of \$ _____

Principal Payment Date
(April 1)

Principal
Amount
\$ _____

Interest
Rate
____%

Principal installments shall be payable on April 1 in each of the years, and in the amounts set forth above. Interest on the Municipal Bond shall be payable on April 1, 2016, and thereafter on October 1 and April 1 of each year.

Optional Prepayment: The Municipal Bond principal installments due on or after _____ 1, 20__ are subject to prepayment in whole or in part at the option of the City on any date on or after _____ 1, 20__, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

EXHIBIT B

DRAFT

Alaska Municipal Bond Bank

Analysis of Refunding Candidates Identified for 2015 Series Three

Summary of Results Under Current Market Conditions and Sensitivity Analysis

Borrower	Refunded Bonds										Payment Date Information										Refunding Results – Current Market Conditions					Sensitivity Analysis		
	Series	Refunded Par	Average Coupon	First Call Date	Use of Funds	Reserve Fund?	Borrower FYE	Principal Payment Date	Old Principal Date	Impact of New Principal Date	TIC	PV Savings (\$)	PV Savings (%)	Annual Savings	Negative Arbitrage	Neg Arb as % of PV Savings	PV Savings at +25 bps (\$)	PV Savings at +25 bps (%)	Breakeven Increase in Yields if Wait 1 Year	Breakeven								
																					Assumed New Date:	4/1						
City of Ketchikan	2005-1	\$2,510,000	4.07%	06/01/2015	Electric	No	12/31	6/1	-2 months	0.90%	\$71,331	2.84%	\$35,764	-	-	-	\$64,675	2.58%	-950									
City of Dillingham	2008-1	\$9,190,000	4.73%	04/01/2018	School	No	6/30	4/1	+0 months	2.76%	\$449,755	4.89%	\$42,596	\$530,201	117.9%	\$287,017	3.12%	46										
City of Kodiak	2008-1	\$6,280,000	5.06%	04/01/2018	Public Safety	No	6/30	4/1	+0 months	3.72%	\$258,735	4.12%	\$16,523	\$364,228	140.9%	\$133,512	2.13%	49										
Kodiak Island Borough	2008-1	\$4,870,000	4.73%	04/01/2018	Pool (State Reimb)	No	6/30	4/1	+0 months	2.76%	\$241,228	4.95%	\$22,903	\$280,965	116.5%	\$155,056	3.18%	46										
City of Seward	2008-1	\$20,530,000	4.93%	04/01/2018	LT Care	Yes	12/31	4/1	+0 months	3.35%	\$931,746	4.54%	\$69,394	\$1,188,108	127.5%	\$537,862	2.62%	49										
Municipality of Skagway	2008-2	\$4,840,000	5.15%	06/01/2018	Electric	Yes	12/31	6/1	-2 months	3.72%	\$209,866	4.34%	\$12,595	\$291,966	139.1%	\$111,071	2.29%	48										
Bond Bank Reserve	2005-1	\$350,000	4.10%	06/01/2015	Reserve	N/A	6/30	6/1	-2 months	2.75%	\$158,161	5.17%	\$15,881	\$183,698	116.1%	\$103,514	3.38%	44										
Bond Bank Reserve	2008-1	\$2,220,000	4.82%	04/01/2018	Reserve	N/A	6/30	4/1	+0 months	3.09%	\$111,684	5.03%	\$10,887	\$128,381	114.9%	\$66,640	3.09%	50										
Bond Bank Reserve	2008-2	\$820,000	4.91%	06/01/2018	Reserve	N/A	6/30	6/1	-2 months	3.08%	\$43,795	5.34%	\$4,136	\$49,314	112.6%	\$27,664	3.37%	47										
All Candidates		\$54,670,000									\$2,493,864	4.56%		\$3,016,839	121.0%	\$1,505,193	2.75%											

Assumptions:

Annual principal payments on April 1

Closing on September 15, 2015

Market conditions as of July 20, 2015

Escrow is invested in SLGS (Note: While the SLGS window is currently close, using SLGS rather than OMS reflects a conservative assumption on escrow rates.)

Refunding of all callable bonds within the borrower loan, non-callable bonds are left outstanding

Refundings are structured involving substantially the same structure and debt service payments as the refunded bonds

Breakeven increase in bond yields reflects reduction in negative arbitrage and moving up the yield curve. Escrow/investment rates assumed to be unchanged

SOURCES AND USES OF FUNDS

City of Dillingham -- Refund GO 2008-1

Dated Date	09/15/2015
Delivery Date	09/15/2015

Sources:

Bond Proceeds:	
Par Amount	8,630,000.00
Premium	1,458,754.90
	<u>10,088,754.90</u>
Other Sources of Funds:	
Contribution of Interest Due 10/1/15	212,270.00
	<u>10,301,024.90</u>

Uses:

Refunding Escrow Deposits:	
Cash Deposit	0.60
SLGS Purchases	10,245,001.00
	<u>10,245,001.60</u>
Cost of Issuance:	
Bond Bank Costs of Issuance	9,589.67
Borrower Costs of Issuance	15,000.00
	<u>24,589.67</u>
Delivery Date Expenses:	
Underwriter's Discount	28,047.50
Other Uses of Funds:	
Additional Proceeds	3,386.13
	<u>10,301,024.90</u>

BOND PRICING

City of Dillingham -- Refund GO 2008-1

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity
Serial Bonds:						
	04/01/2019	685,000	5.000%	1.250%	112.961	
	04/01/2020	720,000	5.000%	1.490%	115.366	
	04/01/2021	755,000	5.000%	1.810%	116.755	
	04/01/2022	795,000	5.000%	2.170%	117.178	
	04/01/2023	835,000	5.000%	2.400%	117.843	
	04/01/2024	875,000	5.000%	2.550%	118.702	
	04/01/2025	920,000	5.000%	2.700%	119.236	
	04/01/2026	965,000	5.000%	2.860%	117.762 C	3.020%
	04/01/2027	1,015,000	5.000%	2.980%	116.671 C	3.256%
	04/01/2028	1,065,000	5.000%	3.100%	115.592 C	3.457%
		8,630,000				

Dated Date	09/15/2015	
Delivery Date	09/15/2015	
First Coupon	04/01/2016	
Par Amount	8,630,000.00	
Premium	1,458,754.90	
Production	10,088,754.90	116.903301%
Underwriter's Discount	-28,047.50	-0.325000%
Purchase Price	10,060,707.40	116.578301%
Accrued Interest		
Net Proceeds	10,060,707.40	

BOND SUMMARY STATISTICS

City of Dillingham -- Refund GO 2008-1

Dated Date	09/15/2015
Delivery Date	09/15/2015
First Coupon	04/01/2016
Last Maturity	04/01/2028
Arbitrage Yield	3.133433%
True Interest Cost (TIC)	2.759637%
Net Interest Cost (NIC)	3.037400%
All-In TIC	2.794570%
Average Coupon	5.000000%
Average Life (years)	8.447
Weighted Average Maturity (years)	8.462
Duration of Issue (years)	7.104
Par Amount	8,630,000.00
Bond Proceeds	10,088,754.90
Total Interest	3,644,927.78
Net Interest	2,214,220.38
Total Debt Service	12,274,927.78
Maximum Annual Debt Service	1,119,000.00
Average Annual Debt Service	978,515.06

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bonds	8,630,000.00	116.903	5.000%	8.447	6,509.55
	8,630,000.00			8.447	6,509.55

	TIC	All-In TIC	Arbitrage Yield
Par Value	8,630,000.00	8,630,000.00	8,630,000.00
+ Accrued Interest			
+ Premium (Discount)	1,458,754.90	1,458,754.90	1,458,754.90
- Underwriter's Discount	-28,047.50	-28,047.50	
- Cost of Issuance Expense		-24,589.67	
- Other Amounts			
Target Value	10,060,707.40	10,036,117.73	10,088,754.90
Target Date	09/15/2015	09/15/2015	09/15/2015
Yield	2.759637%	2.794570%	3.133433%

BOND DEBT SERVICE

City of Dillingham -- Refund GO 2008-1

Dated Date 09/15/2015
 Delivery Date 09/15/2015

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2016			234,927.78	234,927.78
06/30/2017			431,500.00	431,500.00
06/30/2018			431,500.00	431,500.00
06/30/2019	685,000	5.000%	431,500.00	1,116,500.00
06/30/2020	720,000	5.000%	397,250.00	1,117,250.00
06/30/2021	755,000	5.000%	361,250.00	1,116,250.00
06/30/2022	795,000	5.000%	323,500.00	1,118,500.00
06/30/2023	835,000	5.000%	283,750.00	1,118,750.00
06/30/2024	875,000	5.000%	242,000.00	1,117,000.00
06/30/2025	920,000	5.000%	198,250.00	1,118,250.00
06/30/2026	965,000	5.000%	152,250.00	1,117,250.00
06/30/2027	1,015,000	5.000%	104,000.00	1,119,000.00
06/30/2028	1,065,000	5.000%	53,250.00	1,118,250.00
	8,630,000		3,644,927.78	12,274,927.78

NET DEBT SERVICE

City of Dillingham -- Refund GO 2008-1

Period Ending	Total Debt Service	Net Debt Service
06/30/2016	234,927.78	234,927.78
06/30/2017	431,500.00	431,500.00
06/30/2018	431,500.00	431,500.00
06/30/2019	1,116,500.00	1,116,500.00
06/30/2020	1,117,250.00	1,117,250.00
06/30/2021	1,116,250.00	1,116,250.00
06/30/2022	1,118,500.00	1,118,500.00
06/30/2023	1,118,750.00	1,118,750.00
06/30/2024	1,117,000.00	1,117,000.00
06/30/2025	1,118,250.00	1,118,250.00
06/30/2026	1,117,250.00	1,117,250.00
06/30/2027	1,119,000.00	1,119,000.00
06/30/2028	1,118,250.00	1,118,250.00
	12,274,927.78	12,274,927.78

BOND DEBT SERVICE

City of Dillingham -- Refund GO 2008-1

Dated Date 09/15/2015
 Delivery Date 09/15/2015

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2016			234,927.78	234,927.78	
06/30/2016					234,927.78
10/01/2016			215,750.00	215,750.00	
04/01/2017			215,750.00	215,750.00	
06/30/2017					431,500.00
10/01/2017			215,750.00	215,750.00	
04/01/2018			215,750.00	215,750.00	
06/30/2018					431,500.00
10/01/2018			215,750.00	215,750.00	
04/01/2019	685,000	5.000%	215,750.00	900,750.00	
06/30/2019					1,116,500.00
10/01/2019			198,625.00	198,625.00	
04/01/2020	720,000	5.000%	198,625.00	918,625.00	
06/30/2020					1,117,250.00
10/01/2020			180,625.00	180,625.00	
04/01/2021	755,000	5.000%	180,625.00	935,625.00	
06/30/2021					1,116,250.00
10/01/2021			161,750.00	161,750.00	
04/01/2022	795,000	5.000%	161,750.00	956,750.00	
06/30/2022					1,118,500.00
10/01/2022			141,875.00	141,875.00	
04/01/2023	835,000	5.000%	141,875.00	976,875.00	
06/30/2023					1,118,750.00
10/01/2023			121,000.00	121,000.00	
04/01/2024	875,000	5.000%	121,000.00	996,000.00	
06/30/2024					1,117,000.00
10/01/2024			99,125.00	99,125.00	
04/01/2025	920,000	5.000%	99,125.00	1,019,125.00	
06/30/2025					1,118,250.00
10/01/2025			76,125.00	76,125.00	
04/01/2026	965,000	5.000%	76,125.00	1,041,125.00	
06/30/2026					1,117,250.00
10/01/2026			52,000.00	52,000.00	
04/01/2027	1,015,000	5.000%	52,000.00	1,067,000.00	
06/30/2027					1,119,000.00
10/01/2027			26,625.00	26,625.00	
04/01/2028	1,065,000	5.000%	26,625.00	1,091,625.00	
06/30/2028					1,118,250.00
	8,630,000		3,644,927.78	12,274,927.78	12,274,927.78

SUMMARY OF REFUNDING RESULTS

City of Dillingham – Refund GO 2008-1

Dated Date	09/15/2015
Delivery Date	09/15/2015
Arbitrage yield	3.133433%
Escrow yield	0.884977%
Value of Negative Arbitrage	530,200.87
Bond Par Amount	8,630,000.00
True Interest Cost	2.759637%
Net Interest Cost	3.037400%
Average Coupon	5.000000%
Average Life	8.447
Par amount of refunded bonds	9,190,000.00
Average coupon of refunded bonds	4.730490%
Average life of refunded bonds	8.413
PV of prior debt to 09/15/2015 @ 2.559566%	10,861,688.68
Net PV Savings	449,755.44
Percentage savings of refunded bonds	4.893966%
Percentage savings of refunding bonds	5.211535%

SAVINGS

City of Dillingham -- Refund GO 2008-1

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Annual Savings	Present Value to 09/15/2015 @ 2.5595659%
09/15/2015		212,270.00	-212,270.00		-212,270.00		-212,270.00
10/01/2015	212,270.00		212,270.00		212,270.00		212,030.19
04/01/2016	212,270.00		212,270.00	234,927.78	-22,657.78		-22,346.20
06/30/2016						-22,657.78	
10/01/2016	212,270.00		212,270.00	215,750.00	-3,480.00		-3,388.78
04/01/2017	212,270.00		212,270.00	215,750.00	-3,480.00		-3,345.95
06/30/2017						-6,960.00	
10/01/2017	212,270.00		212,270.00	215,750.00	-3,480.00		-3,303.67
04/01/2018	212,270.00		212,270.00	215,750.00	-3,480.00		-3,261.93
06/30/2018						-6,960.00	
10/01/2018	212,270.00		212,270.00	215,750.00	-3,480.00		-3,220.71
04/01/2019	962,270.00		962,270.00	900,750.00	61,520.00		56,216.79
06/30/2019						58,040.00	
10/01/2019	197,270.00		197,270.00	198,625.00	-1,355.00		-1,222.55
04/01/2020	977,270.00		977,270.00	918,625.00	58,645.00		52,243.86
06/30/2020						57,290.00	
10/01/2020	180,695.00		180,695.00	180,625.00	70.00		61.57
04/01/2021	995,695.00		995,695.00	935,625.00	60,070.00		52,169.46
06/30/2021						60,140.00	
10/01/2021	163,376.25		163,376.25	161,750.00	1,626.25		1,394.52
04/01/2022	1,013,376.25		1,013,376.25	956,750.00	56,626.25		47,943.64
06/30/2022						58,252.50	
10/01/2022	144,782.50		144,782.50	141,875.00	2,907.50		2,430.58
04/01/2023	1,034,782.50		1,034,782.50	976,875.00	57,907.50		47,797.20
06/30/2023						60,815.00	
10/01/2023	124,757.50		124,757.50	121,000.00	3,757.50		3,062.27
04/01/2024	1,049,757.50		1,049,757.50	996,000.00	53,757.50		43,257.48
06/30/2024						57,515.00	
10/01/2024	103,020.00		103,020.00	99,125.00	3,895.00		3,094.62
04/01/2025	1,073,020.00		1,073,020.00	1,019,125.00	53,895.00		42,279.04
06/30/2025						57,790.00	
10/01/2025	79,740.00		79,740.00	76,125.00	3,615.00		2,800.03
04/01/2026	1,099,740.00		1,099,740.00	1,041,125.00	58,615.00		44,827.02
06/30/2026						62,230.00	
10/01/2026	54,750.00		54,750.00	52,000.00	2,750.00		2,076.54
04/01/2027	1,124,750.00		1,124,750.00	1,067,000.00	57,750.00		43,056.38
06/30/2027						60,500.00	
10/01/2027	28,000.00		28,000.00	26,625.00	1,375.00		1,012.20
04/01/2028	1,148,000.00		1,148,000.00	1,091,625.00	56,375.00		40,975.72
06/30/2028						57,750.00	
	13,040,942.50	212,270.00	12,828,672.50	12,274,927.78	553,744.72	553,744.72	446,369.31

Savings Summary

PV of savings from cash flow	446,369.31
Plus: Refunding funds on hand	3,386.13
Net PV Savings	449,755.44

SUMMARY OF BONDS REFUNDED

City of Dillingham -- Refund GO 2008-1

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
GO 2008-1 (City of Dillingham), 08_1_D:					
SER	04/01/2019	4.000%	750,000.00	04/01/2018	100.000
	04/01/2020	4.250%	780,000.00	04/01/2018	100.000
	04/01/2021	4.250%	815,000.00	04/01/2018	100.000
	04/01/2022	4.375%	850,000.00	04/01/2018	100.000
	04/01/2023	4.500%	890,000.00	04/01/2018	100.000
	04/01/2024	4.700%	925,000.00	04/01/2018	100.000
	04/01/2025	4.800%	970,000.00	04/01/2018	100.000
	04/01/2026	4.900%	1,020,000.00	04/01/2018	100.000
	04/01/2027	5.000%	1,070,000.00	04/01/2018	100.000
	04/01/2028	5.000%	1,120,000.00	04/01/2018	100.000
			9,190,000.00		

ESCROW REQUIREMENTS

City of Dillingham -- Refund GO 2008-1

Dated Date 09/15/2015
 Delivery Date 09/15/2015

Period Ending	Interest	Principal Redeemed	Total
10/01/2015	212,270.00		212,270.00
04/01/2016	212,270.00		212,270.00
10/01/2016	212,270.00		212,270.00
04/01/2017	212,270.00		212,270.00
10/01/2017	212,270.00		212,270.00
04/01/2018	212,270.00	9,190,000.00	9,402,270.00
	1,273,620.00	9,190,000.00	10,463,620.00

UNREFUNDED BOND DEBT SERVICE

City of Dillingham -- Refund GO 2008-1

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2015			45,025	45,025	
04/01/2016	665,000	5.000%	45,025	710,025	
06/30/2016					755,050
10/01/2016			28,400	28,400	
04/01/2017	695,000	4.000%	28,400	723,400	
06/30/2017					751,800
10/01/2017			14,500	14,500	
04/01/2018	725,000	4.000%	14,500	739,500	
06/30/2018					754,000
	2,085,000		175,850	2,260,850	2,260,850