

June 8, 2017

RE: RAINFOREST ISLAND FERRY UPDATE

Since my appointment to the Rainforest Island Ferry Board (Ferry), I've been met with a myriad of challenges. To name a few, the ferry has never had a State business license in which to operate. Getting a business license literally took months, but it is now done and we are currently licensed to run the ferry.

Secondly, I had no access to the ferry business account, which was at Wells Fargo Bank in Craig. To meet current federal regulations we needed to have the non-existent business license.

With no monies to work with and bills to pay, I made a personal loan of funds to create a new ferry business account with some small bills to pay. While all of this is taking place over the past 6 months, Wells Fargo Bank removes and takes all the money that was in the ferry account, due to unknown loans and direct withdrawal of funds to make payments on the loans I was not entitled to get any information on.

So, as we stand today there is a new NEFA bank account, at a new bank, with minimum funds and a loan to pay to me personally. These matters will be handled interest free and cost free by the board. Speaking of the board, we've been advertising for months for new board members. Has there been any interest or any response? Frankly, I say jokingly that I feel as the captain of the ship has asked me to rearrange the deck chairs put askew after that little bump.... On the Titanic.

For 2 months I was gone from Coffman Cove, so no quorum was possible. Since my return Feb. 10, 2017 we've only had informal meetings and a couple of formal ones. In the past 45 days we have met with an attorney, twice, to discuss legal issues including bankruptcy for the Rainforest Island Ferry. To date, we do not know how much we owe the City of C.C. Wells Fargo bank is \$20,000.00, as of today about 3.8 million to U.S.D.A, an unknown amount to the city of Wrangel, over \$40,000.00 to an unknown attorney for an unknown lawsuit originated by Kent and in progress today, and who knows how many more folks.

The board presently has a plan to meet as soon as proper notice can be given. As for a treasurer's report, I'll leave the details of the debts above including a personal loan from me. I'm expecting NEFA's new bank statement any day now.

Now for the good news. We're researching some fields where we may get a new (used) ferry with no dollar investment, via government surplus disposal programs. I'm also working with them on a couple of harbor boats, generally the 25' navy or police patrol boats. There is a program out that puts small needy towns like ours 1st on the list. I started this as far back as when I learned we need a new city garbage truck and Misty told me about her research request from Perry for a new fire truck. It seems, if an air force base closes, equipment is available (sometimes including

shipping) to give tax free organizations and cities or states, first priority. I'll continue with this for the wounded vet camp, for our city, and for the ferry. Maybe, just maybe, I can arrange the above mentioned deck chairs to plug the troublesome hole.....

Respectfully Submitted,

A handwritten signature in cursive script that reads "Steve Beilgard". The signature is written in dark ink and is positioned above the printed name.

Steve Beilgard
Sec./Treas.