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# Investment Committee Minutes

Friday, October 30, 2015 3:00 PM  
3<sup>rd</sup> Floor Conference Room of City Hall

**Goal: To make recommendations for and oversee the Investment Policy of the City and Borough of Sitka enacted as Chapter 4.28.**

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**Investment Committee Members:** Michael Reif, Bert Stedman, Jere Christner,  
Mim McConnell (Assembly Liaison)

Meeting began at approximately 3:05 PM.

## **I. Roll Call**

Present: Michael Reif, Bert Stedman (telephonically), Jere Christner (arrived at 3:25 PM)  
Staff: Municipal Administrator Mark Gorman, CFAO Jay Sweeney, Deputy Clerk Melissa Henshaw  
Assembly Liaison: Mayor McConnell

## **II. Approval of the minutes from May 26, 2015**

**M – Reif/S – Stedman moved to approve the minutes from May 26, 2015. Motion carried unanimously.**

## **III. Person's to be Heard**

None.

## **IV. Review Portfolio**

Sweeney gave a brief overview of the portfolio as of September 30<sup>th</sup>. It has continued to retain the value despite the stock market. He went over central treasury pooled investment, Permanent Fund, Putnam fund has not been liquidated yet due to administrative difficulties,

Gorman asked about the increase of the portfolio to which Sweeney said he would need further analysis on for the 3 month period.

## **V. Discuss transition to Alaska Permanent Capital management of Permanent Fund**

Sweeney told that Alaska Permanent Capital had actively managed the fund since July. Told of history with Exchange Traded Funds and mentioned that he is not involved with the decision making of investments. He reviewed terms with Mayor McConnell as the new Assembly Liaison. Alaska Permanent Capital may come in person for their first quarterly presentation. Sweeney confirmed that that would not cost the City extra. Alaska Permanent Capital will also present suggested changes in the way the Investment Policy is written which had gone before and was approved by the Assembly. Committee members agreed that the Investment Policy had not had not been assessed since 2000.

## **VI. Discuss FY2016 inflation adjustment for Permanent Fund**

Sweeney brought up the idea of inflation proofing the Permanent Fund. He asked two points: what the starting point would be and how often the measurement should be accomplished.

Discussion occurred around the two points, Charter language and change, history, the necessary ballot proposition, adjusting the take out, flexibility written in, gradual increments/reduction as to not affect the budget, formula and a floor/ceiling range.

Chair Reif suggested continuing this discussion at the next meeting, for the Committee to work with Sweeney, bring forward a proposal, if not collective, then individual proposals to go to Sweeney for his review.

**VII.Adjourn**

The meeting ended at approximately 4:25PM.

Attest:  
Melissa Henshaw, Deputy Clerk