

September 2020



Overview of MOA Trust & Municipal Code Recommendations

Municipality of Anchorage – Trust Fund



Overview

Today's Discussion

- **History & Purpose of MOA Trust Fund**, including:
 - Management and Oversight
 - Historical Performance
 - Asset Allocation
 - Expected Return and Risk
- **Annual Dividends – Historical and Projected**
 - Discussion of formula change proposed in AMC 6.50.060
 - *4.5% of Rolling Trust Market Value (Smoothed after ML&P proceeds)*
 - Comparison of Spending Rates Relative to Peer Portfolios
- **Recommend Broader Investment Flexibility through Changes to the Anchorage Municipal Code (AMC) Governing Investments for the Trust (AO 2020-98)**
 - Proposed changes are sought to improve probability of achieving high real return objectives
 - Proposed changes affect less than 20% of Total Trust assets
 - *Expansion of Current Real Estate Limit (additional 5%)*
 - *Expansion of Current “Basket Clause” Limit (additional 5%)*
- **Timeline of recent MOA Trust Investment Advisory Commission (“IAC”) meetings**

MOA Trust Fund

Background & History

- **Established May 1999 with total initial investment of \$118.6M from sale of ATU**
 - Designated Corpus of \$101.7 million + Reserve Fund of ~\$17 million
 - Initial stock investment September 1999
 - May 19, 2000 – Corpus increased by \$20 million due to Police/Fire Pension Fund Settlement
- **The Fund's characteristics closely aligned with endowments, namely:**
 - Long-term investment horizon
 - Pre-existing payout formula not-to-exceed 4.25% of the trailing 5-year average market value
 - Primary investment objective = maintain purchasing power of the Fund
- **Fund purpose:**
 - Acts as a mini-permanent fund for the City
 - Value expected to grow gradually over time
 - Offsets annual local property tax requirement

MOA Trust Fund

Oversight / Management

- **Per Charter / Code, Municipal Treasurer:**
 - Charter assigns management of Trust Fund to Treasurer (primary fiduciary)
 - *Municipal Charter Section 13.11 states that net proceeds from the sale of a municipal utility are to be invested in a Trust Fund. The Trust Fund is further defined as an endowment fund with a controlled spending policy limiting dividend distributions.*
 - Anchorage Municipal Code states Treasurer works under direction of CFO
- **Investment Advisory Commission (“IAC”) – 9 members**
 - Per AMC 4.50.090A: “Members of the commission shall be qualified by experience in the fields of finance, economics or investments.”
 - Current IAC Chair – Ty Schommer; Vice Chair – Jeff Sinz
 - Strictly advisory (i.e., non-fiduciary role)
 - Meets at least quarterly with additional ad-hoc scheduled meetings as needed (7 meetings in 2019 for example)
 - *IAC member bios are included in the appendix*

MOA Trust Fund

Oversight / Management (continued...)

- **Investment Consultant (currently RVK)**
 - 3rd party independent advice (fiduciary role)
 - Quarterly performance reports and market commentary
 - Asset allocation recommendations
 - Investment manager searches
 - On-going advice – i.e., alternative investment strategies and investment policy statement (IPS)
- **Annual Reports Required by Code**
 - Municipal Treasurer's Annual Report
 - Investment Advisory Commission's Annual Report

MOA Trust Fund

Recently Accepted Reports from Trust & IAC

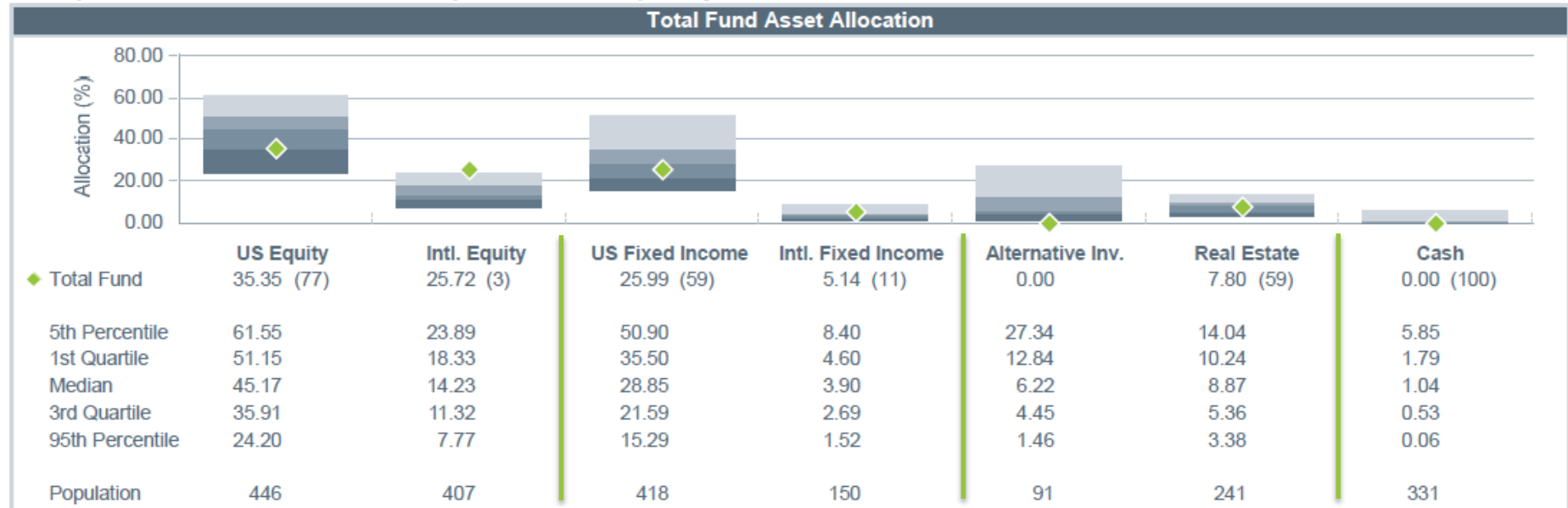
- The Assembly most recently received the following reports with performance updates and commentary on market environments.
 - *Assembly Information Memorandum (AIM 78-2020) – MOA Trust Fund Status – 2019 Year in Review*
 - accepted by Assembly at June 2 meeting
 - *Assembly Information Memorandum (AIM 79-2020) – Investment Advisory Commission Annual Report – 2019 Year in Review*
 - accepted by Assembly at June 2 meeting.
- There is material in these annual reports that further cover background on the Trust as well as 2019-20 performance and initiatives.
- The MOA Trust Fund website is a source of past consultant performance reports, annual IAC & Treasurer reports, and other presentation materials.
 - www.muni.org/moatrust

MOA Trust Fund

Asset Allocation vs. RVK provided Peer Group via Investment Metrics (“IM”)

Municipality of Anchorage Trust Fund
 All Public Plans (<\$250M)
 Plan Sponsor TF Asset Allocation & Plan Sponsor Peer Group Analysis

As of June 30, 2020



61% MOA
 vs.
 59% Median

31% MOA
 vs.
 33% Median

8% MOA
 vs.
 15% Median

- MOA Trust invests in-line with median allocations for peers.
- The IAC recently endorsed a collective 7% decrease to public equity and removal of 3% Bank Loans with a corresponding 5% increase to Private Real Estate and 5% increase to Private Credit
 - The Trust would be slightly above the Alternative + RE allocation for peers as a result of these changes with a modest underweight to public equity



MOA Trust Fund

Current Asset Allocation & Expected Return / Risk

Asset Allocation by Manager

July 31, 2020 : \$162,119,126

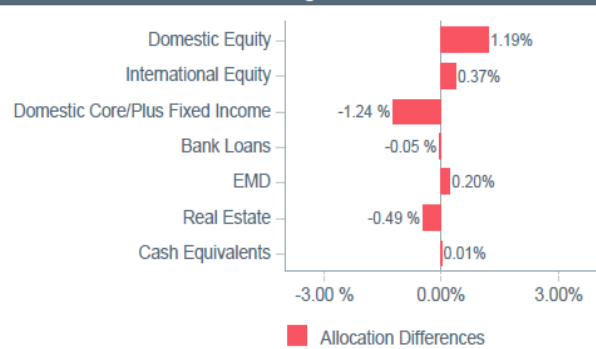


	Market Value (\$)	Allocation (%)
Vanguard Instl Indx;Inst (VINIX)	49,918,149	30.79
American Funds EuPc;F3 (FEUPX)	21,091,760	13.01
Vanguard Intl Val;Inv (VTRIX)	20,044,989	12.36
FIAM Core Plus LLC (CF)	18,484,400	11.40
Garcia Hamilton Core Agg (SA)	18,419,305	11.36
UBS Trumbull Property (CF)	12,179,636	7.51
Western Asset Floating Rate High Income (CF)	4,780,401	2.95
BlackRock Adv SC Cr;Inst (BDSIX)	4,407,862	2.72
Vanguard Md-Cp I;Adm (VIMAX)	4,346,658	2.68
RBC BlueBay EM Debt;I (RBESX)	4,311,800	2.66
Ashmore:EMs Tot Rtn;Inst (EMKIX)	4,118,969	2.54
WellsFargo:Govt MM;I (GVIXX)	15,195	0.01

Asset Allocation vs. Target Allocation

	Market Value (\$)	Allocation (%)	Target (%)	Min (%)	Max (%)
Total Fund	162,119,126	100.00	100.00	-	-
Domestic Equity	58,672,670	36.19	35.00	30.00	40.00
International Equity	41,136,749	25.37	25.00	22.00	28.00
Domestic Core/Plus Fixed Income	36,903,706	22.76	24.00	21.00	27.00
Bank Loans	4,780,401	2.95	3.00	0.00	5.00
EMD	8,430,769	5.20	5.00	0.00	8.00
Real Estate	12,179,636	7.51	8.00	6.00	10.00
Cash Equivalents	15,195	0.01	0.00	0.00	15.00

Asset Allocation vs. Target Allocation Differences



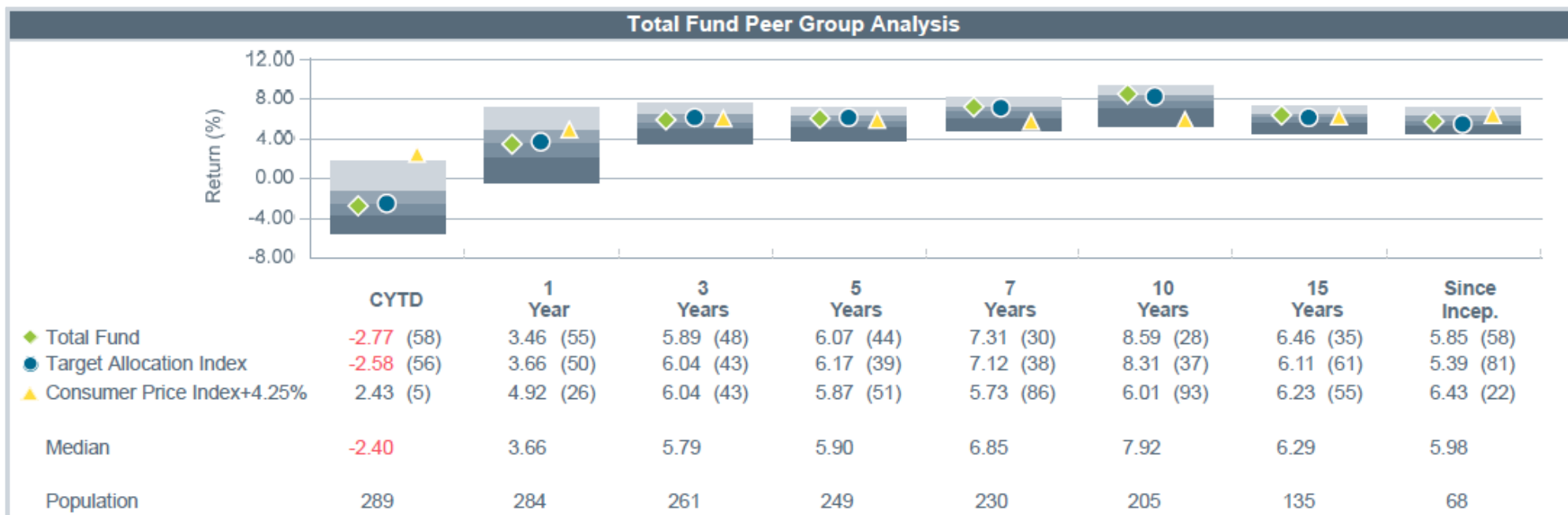
	Current Target	Proposed Target
Broad US Equity	35	31
Broad International Equity	25	22
US Agg Fixed Income	24	24
Emerging Markets Debt (Blend)	5	5
Bank Loans	3	0
Core Real Estate	8	0
Real Estate	0	13
Private Credit	0	5
Capital Appreciation	65	63
Capital Preservation	32	37
Alpha	0	0
Inflation	11	13
Expected Arithmetic Return	6.6	6.6
Expected Risk (Std. Deviation)	10.7	9.9
Expected Compound Return	6.1	6.1
Exp Return/Risk Ratio	0.62	0.67
RVK Exp. Eq Beta (LCUS Eq = 1)	0.63	0.59
RVK Liquidity Metric (T-Bills = 100)	82	76

The IAC explored adding alternative asset classes to the Target mix with RVK in across mid to late 2019 and early 2020, ultimately resulting in the IAC endorsing a new target allocation with increased Real Estate exposure and an allocation to Private Credit (contingent on AMC changes proposed within this presentation).

This change results in a similar expected return, but with less "risk" (as measured by standard deviation) as a result of increased diversification and less reliance upon public equity for return generation.

MOA Trust Fund

Historical / Long-Term Performance – Trailing Periods *(gross of fees)*



- As of June 30, 2020
- The average annual return of the Trust since inception is 5.85% per year.
- The Trust has ranked above median relative to peers over the longer-term trailing 3-, 5-, 7-, 10, and 15-year periods.

MOA Trust Fund

Recent Performance – Trailing Periods *(net of fees)*

<i>as of July 31, 2020</i>	MTD	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2019	2018	2017	Since Incep.	Inception Date
Total Fund	3.81	3.81	0.73	6.87	6.18	6.27	6.97	8.16	18.08	-4.49	16.32	5.77	10/01/1999
Target Allocation Index (Trust)	3.69	3.69	1.01	7.12	6.72	6.79	7.21	8.18	19.50	-4.68	15.52	5.55	
Difference	0.12	0.12	-0.28	-0.25	-0.54	-0.52	-0.24	-0.02	-1.42	0.19	0.80	0.22	
Consumer Price Index+4.25%	0.86	0.86	3.31	5.28	6.24	5.98	5.80	6.07	6.63	6.24	6.45	6.44	
Difference	2.95	2.95	-2.58	1.59	-0.06	0.29	1.17	2.09	11.45	-10.73	9.87	-0.67	

MOA Trust Fund

Historical Annual Dividends

- Since inception, \$138.9 million contributed to General Government Operating Budget
- The Trust Fund's current value as of 7/31/2020 is \$162.1 million

Year	Dividend \$	Dividend %
1999	\$9.4M	N/A
2000	\$9.6M	N/A
2001	\$9.4M	N/A
2002	\$9.4M	N/A
2003	\$8.2M	N/A
2004	\$6.6M	5.0%
2005	\$6.6M	5.0%
2006	\$6.3M	5.0%
2007	\$6.4M	5.0%
2008	\$6.6M	5.0%
2009	\$6.5M	5.0%

Year	Dividend \$	Dividend %
2010	\$5.1M	4.0%
2011	\$5.0M	4.0%
2012	\$4.8M	4.0%
2013	\$4.7M	4.0%
2014	\$4.9M	4.0%
2015	\$5.2M	4.0%
2016	\$5.4M	4.0%
2017	\$6.0M	4.25%
2018	\$6.3M	4.25%
2019	\$6.5M	4.25%

- 2020 budgeted dividend from Fund = \$14.0 million
 - *Future year dividend projections shown later in presentation*

MOA Trust Fund

Requested Anchorage Municipal Code Changes

ANCHORAGE, ALASKA AO No. 2020-98

AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE SECTION 6.50.060 TO MODIFY THE MOA TRUST FUND ANNUAL DIVIDEND CALCULATION METHODOLOGY AND TO BROADEN AUTHORIZED INVESTMENTS TO FURTHER DIVERSIFY THE MOA TRUST FUND.

WHEREAS, the anticipated final net sale proceeds from the sale of Municipal Light & Power (ML&P) to Chugach Electric Association (CEA) is expected to dramatically increase the value of the MOA Trust Fund; and

WHEREAS, without recalibration of the current MOA Trust Fund dividend calculation methodology, the resultant dividend calculation will produce a skewed and understated annual dividend calculation beginning in 2020; and

WHEREAS, the MOA Trust Fund's investment consultant and the Investment Advisory Commission recommend further diversification of portfolio managers and broadened authority to invest in alternative investment areas, in light of the more than doubling of the MOA Trust Fund's market value resulting from the sale of ML&P to CEA; now therefore

MOA Trust Fund

Requested Anchorage Municipal Code Changes – Redline

The full 4 page Redline document for AMC 6.50.060 – MOA Trust Fund is in the Appendix.

MOA Trust Fund

Requested Change to Dividend Formula

A. *Definitions.* In this section, unless the context clearly indicates otherwise:

Annual earnings means the amount of interest, dividends, and realized gains and losses from investment activities at the end of each fiscal year.

Annual dividend means the amount annually appropriated by the assembly from the MOA Trust Fund and distributed to MOA to replace the ATU dividend. The annual dividend is subject to the controlled spending policy and shall be paid no later than 15 days prior to the end of the fiscal year in which the dividend is appropriated.

Average asset balance means the market value of the pooled trusts' assets, including accrued investment interest and dividends, averaged ~~over the 20 consecutive quarters ending March 31 of each fiscal year. During 2004 the average asset balance will be based on the 19 quarters ended March 31, 2004~~ according to the following specified terms:

2020 annual dividend payment to be based on the average asset balance associated with the audited December 31, 2019 market value and the initial month end market value associated with the ML&P sale closing date, using the full amount of anticipated net ML&P sale proceeds, as assigned to the MOA Trust Fund in accordance with ML&P sale closing documents.

2021 annual dividend payment to be based on the average asset balance associated with the trailing 2 consecutive quarters ending March 31, 2021.

2022 annual dividend payment to be based on the average asset balance associated with the trailing 6 consecutive quarters ending March 31, 2022.

2023 annual dividend payment to be based on the average asset balance associated with the trailing 10 consecutive quarters ending March 31, 2023.

2024 annual dividend payment to be based on the average asset balance associated with the trailing 14 consecutive quarters ending March 31, 2024.

2025 annual dividend payment to be based on the average asset balance associated with the trailing 18 consecutive quarters ending March 31, 2025.

2026 and later years' annual dividend payment to be based on the average asset balance associated with the trailing 20 consecutive quarters ending March 31 of each fiscal year.

Corpus of the MOA Trust Fund (or corpus) means:

1. The aggregate of the following proceeds previously deposited by the assembly:
 - a. Proceeds from the sale of ATU after retirement of ATU debt; ~~and~~
 - b. Proceeds allocated from the police and fire retirement system settlement; ~~and~~
 - c. Proceeds from the sale of ML&P determined in accordance with Anchorage Charter Section 13.11(a).

RVK agrees with the recommendation to “smooth” out the average market value used for the calculations.

Without making a change to the current payout formula, the ML&P injection of assets would result in a skewed and understated dividend in the next few years.

This change does not overstate the dividend immediately either since it includes asset balances prior to the ML&P proceeds also -- the goal is to smooth spending over time.



MOA Trust Fund

Requested Change to Controlled Spending Policy

- D. Controlled spending policy. No more than five percent of the average asset balance will be available for annual dividend distribution in Year 2020 only and the maximum payout percentage rate shall be reduced to four and one-half percent thereafter. The four and one half ~~five~~ percent cap is tied to an endowment method whereby long-term capital market projections for average annual investment return over the next ten to twenty years are netted against projected inflation (e.g., if long-term in January 2004 capital market projections in a given year indicated a six and one half ~~8.25~~ percent average annual investment return less two ~~3.25~~ percent average annual inflation, this would lead to ~~for~~ a projected "net" average annual rate of return of four and one half ~~five~~ percent).
- ~~1.— However, effective January 1, 2017, no more than four and one-quarter percent of the average asset balance will be available for annual dividend distribution until such time as the Trust's market value recovers to a level equal to or greater than the Trust's market value at December 31, 2007, adjusted for inflation as measured by the annual change in the United States Consumer Price Index for all Urban Consumers (CPI-U).~~
 - ~~2.— Following such recovery, the Trust may resume distributing a maximum of five percent of the average asset balance for annual dividend distribution purposes.~~

RVK agrees that a long-term cap of 4.5% for spending and the annual dividend payout is appropriate.

See following slide for more detail.

MOA Trust Fund

Spending Rates – RVK Recommendation

- In our view, the best approach for MOA is to have a long term distribution policy that is capped at a reasonable level and is consistent with the goals and spending needs of the City, while also maintaining the purchasing power of the trust over the long term.
 - This can be reviewed periodically (i.e., every 5-10 years), but should not be adjusted drastically or with any regular frequency.
- **The *National Association of College and University Business Officers (NACUBO)* average spending rate for all institutions for the 2019 survey was 4.5%.**
- **RVK supports a spending rate for the annual dividend payout of 4.0 - 4.5%.**
 - An increase above that would have future consequences that may not be sustainable.
 - Capital markets assumptions have been declining over the years across most all asset classes through the end of 2019.
 - While the recent COVID crisis has brought equity valuations back down to more reasonable levels, there is other damage being done to the economy that we don't fully understand yet.
 - Combine these issues with the extremely low yields in fixed income, and the likelihood of earning a premium over inflation plus 4.5% becomes much less likely to achieve.
 - Return Expectations as cited earlier:
 - Expected Return of the Trust is 6.5% over the long term
 - Expected inflation is 2.0%
 - Expected Real Return is ~4.5% → aligns with the annual dividend payout rate

MOA Trust Fund

Projected Future Annual Dividends

- Future year dividends use a projected investment return of approximately 6.5% per year, which is the expected long-term return of the Trust per RVK's Asset Allocation Analysis
 - This return figure of 6.5% is a long term (10-20 year) average, and each individual year return will vary, and correspondingly the dividend will vary from what is listed below.
 - **During the first full 20 years (2000-2019) the MOA Trust paid \$138.9M in dividends, and during the next 20 years (2020-2039) the MOA Trust, with ML&P proceeds and broadened investment authority, is projected to distribute \$411M according to the projection model.**

Year	Dividend \$	Dividend %
2020	\$14.0M	5.00%
2021	\$17.6M	4.50%
2022	\$17.9M	4.50%
2023	\$18.1M	4.50%
2024	\$18.3M	4.50%
2025	\$18.5M	4.50%
2026	\$18.8M	4.50%
2027	\$19.3M	4.50%
2028	\$19.7M	4.50%
2029	\$20.1M	4.50%

Year	Dividend \$	Dividend %
2030	\$20.6M	4.50%
2031	\$21.1M	4.50%
2032	\$21.6M	4.50%
2033	\$22.1M	4.50%
2034	\$22.6M	4.50%
2035	\$23.1M	4.50%
2036	\$23.6M	4.50%
2037	\$24.2M	4.50%
2038	\$24.7M	4.50%
2039	\$25.3M	4.50%

Dividends are estimated using the proposed formula change, and assume an approximate 6.5% investment return each and every year. Details on RVK's Asset Allocation assumptions are included in the appendix.

MOA Trust Fund

Summary of Economic Effects

MUNICIPALITY OF ANCHORAGE										
Summary of Economic Effects -- General Government										
AO Number:	2020-	Title:	AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE SECTION 6.50.060 TO MODIFY THE MOA TRUST FUND ANNUAL DIVIDEND CALCULATION METHODOLOGY AND TO BROADEN AUTHORIZED INVESTMENTS TO FURTHER DIVERSIFY THE MOA TRUST FUND.							
Sponsor:	MAYOR									
Preparing Agency:	FINANCE / TREASURY									
Others Impacted:										
CHANGES IN EXPENDITURES AND REVENUES:					(In Thousands of Dollars)					
					FY20	FY21	FY22	FY23	FY24	
Operating Expenditures										
1000 Personal Services										
2000 Non-Labor										
3900 Contributions					-	-	-	-	-	
4000 Debt Service					-	-	-	-	-	
TOTAL DIRECT COSTS:					\$ -	\$ -	\$ -	\$ -	\$ -	
Add: 6000 Charges from Others					\$ -	\$ -	\$ -	\$ -	\$ -	
Less: 7000 Charges to Others					-	-	-	-	-	
FUNCTION COST:					\$ -	\$ -	\$ -	\$ -	\$ -	
REVENUES:					\$ -	\$ 3,600	\$ 300	\$ 200	\$ 200	

MOA Trust Fund

Requested Change to Investment Restrictions

J. *Investment restrictions.* Notwithstanding any other provision of this title, investment of the assets of the pooled trusts shall be restricted as follows:

3. *Real estate.* No more than:

a. ~~Ten Five~~ percent (~~10 5~~%) of the overall pooled trusts' portfolio value at time of purchase may be invested in real estate investments cited above in subsection I.3.

4. *Basket clause flexibility.* No more than:

a. ~~Ten Five~~ percent (~~10 5~~%) of the overall pooled trusts' portfolio value at time of purchase may be used to provide basket clause flexibility in:

i. Extending investment parameters in any of the asset classes cited in this section; or

ii. Utilizing investment vehicles such as limited partnerships or special purpose trusts to provide access to well-diversified alternative investment portfolios or strategies. Examples of such limited liability investments include, but are not limited to, hedge fund of funds (absolute return strategy), private equity, ~~private debt fund-of-funds~~, and various real return and/or inflation hedge products.

RVK believes that increasing the maximum allocation restrictions for Real Estate and the Basket Clause would allow the Trust to improve probability of achieving more favorable real return objectives while not taking on material levels of increased risk.

Institutional investment fund practices are continuously evolving, and as seen previously in the presentation, peers generally have higher allocations to “Alternatives” than the Trust currently employs.

MOA Trust Fund

Timeline of Meetings for MOA Trust / IAC / Assembly

May/Aug
2019

- RVK provided education on additional alternative asset classes (Private Equity, Private Real Estate, Hedge Funds, Private Credit, etc...)
- IAC requested we provide further education on Private Real Estate

Oct / Nov
2019

- RVK provided further education on differences between Core, Core Plus, Value Add Real Estate
- RVK coordinated interviews for 5 Real Estate managers for IAC consideration
- IAC selected Harrison Street and Invesco as additional Real Estate managers for the Trust

Feb
2020

- RVK provided IAC with proposed redline edits to AMC and Investment Policy Statement (IPS) for the Trust
- Discussions with Treasurer and CFO regarding Dividend Payout Formula Changes

June
2020

- AIM & IAC Annual Report submittal dates

Jun-Sept
2020

- Private Credit Education and Manager Search
- IAC approved draft IPS and target asset allocation changes contingent on pending approval of changes to AMC
- Proposed AMC change to Trust Fund
- Initial ML&P net sales proceed deposit amount to be determined

Fall
2020

- Expected ML&P Sale Close Date October 30, 2020
- Expected receipt and initial investment into the Trust on October 30, 2020
- Investment of estimated \$230M (+/- \$10M) over several tranches in a 2-3 month time period across the portfolio using the currently approved target asset allocation

MOA Trust Fund

Proposed Deployment of ML&P Proceeds

MOA Trust Fund												
Asset Allocation Rebalance as of 08/31/2020												
	Current		Target		Difference vs. Target		Transactions	Post Transition			IPS Ranges	
	Market Value	Allocation	Market Value	Allocation	Market Value	Allocation	Total Transition	Market Value	Allocation	Difference	Min	Max
Domestic Equity	\$59,446,698	14.9%	\$123,323,789	31.0%	-\$63,877,091	-16.1%	\$63,000,000	\$122,446,698	30.8%	-0.2%	27%	37%
International Equity	\$42,523,435	10.7%	\$87,520,109	22.0%	-\$44,996,674	-11.3%	\$44,500,000	\$87,023,435	21.9%	-0.1%	19%	27%
Domestic Core/Plus Fixed Income	\$36,636,544	9.2%	\$95,476,482	24.0%	-\$58,839,938	-14.8%	\$58,000,000	\$94,636,544	23.8%	-0.2%	21%	27%
Private Credit	\$0	0.0%	\$19,890,934	5.0%	-\$19,890,934	-5.0%	\$19,500,000	\$19,500,000	4.9%	-0.1%	0%	5%
EMD	\$8,292,301	2.1%	\$19,890,934	5.0%	-\$11,598,633	-2.9%	\$11,200,000	\$19,492,301	4.9%	-0.1%	0%	8%
Real Estate	\$12,179,636	3.1%	\$51,716,428	13.0%	-\$39,536,792	-9.9%	\$38,500,000	\$50,679,636	12.7%	-0.3%	10%	16%
Cash Equivalent	\$238,740,061	60.0%	\$0	0.0%	\$238,740,061	60.0%	-\$234,700,000	\$4,040,061	1.0%	1.0%	0%	15%
Total Fund	\$397,818,675	100.0%	\$397,818,675	100%			\$0	\$397,818,675	100%			

Market values shown are preliminary and subject to change.

Market value for Real Estate is as of 06/30/2020.

ML&P Proceeds \$230,000,000

- RVK recommends investment over three or four tranches, staged out over 3-5 weeks apart from each other
- Making sure to avoid investing all the ML&P sale proceeds at once will help to avoid unfortunate timing of investment into financial markets
- While the Trust Fund is fully diversified and you are not entering one specific market (which is riskier), taking a measured approach to investing this much money relative to current size is important

Conclusion



Conclusion

Next Steps

- **Recommend Approval of Proposed Changes to AMC 6.50.060**
 1. Dividend Formula for Asset Base calculation
 - ✓ Smoothed inclusion of ML&P Proceeds
 - ✓ Benefit up-front, but also includes long-term policy smoothing over time
 2. Controlled Spending Policy – Adopt Long-Term Payout Rate of 4.5%
 - ✓ Appropriate given expected return environment moving forward
 - ✓ Reflects low yield expectations from fixed income
 3. Expanded limits to Real Estate and Basket Clause of 10% each (from 5%)
 - ✓ More in-line with peer funds and other institutional portfolios
 - ✓ Increased probability of achieving long-term rate of return goals
 - ✓ Increased efficiency within portfolio as measured by Sharpe Ratio and Compound / Geometric Return
- **RVK, Treasurer and IAC:**
 - ✓ Approve Investment Policy Statement (IPS) for the Trust
 - ✓ Complete subscription documents for two new Real Estate managers (Harrison Street and Invesco)
 - ✓ Complete subscription documents for new Private Credit manager (PIMCO)
 - ✓ Invest ML&P Proceeds across the Target Allocation in at least 3 tranches over 2-3 months

Appendix

- *AMC 6.50.060 – MOA Trust Fund*
- *RVK's 2020 Capital Markets Assumptions*
- *Historical Calendar Year Performance*
- *Investment Manager & Total Trust Estimated Management Fees*
- *NACUBO Spending Rate & Asset Allocation Comparisons*
- *Biographies for Investment Advisory Commission (IAC) members*

6.50.060 - MOA Trust Fund.

A. *Definitions.* In this section, unless the context clearly indicates otherwise:

Annual earnings means the amount of interest, dividends, and realized gains and losses from investment activities at the end of each fiscal year.

Annual dividend means the amount annually appropriated by the assembly from the MOA Trust Fund and distributed to MOA to replace the ATU dividend. The annual dividend is subject to the controlled spending policy and shall be paid no later than 15 days prior to the end of the fiscal year in which the dividend is appropriated.

Average asset balance means the market value of the pooled trusts' assets, including accrued investment interest and dividends, averaged ~~over the 20 consecutive quarters ending March 31 of each fiscal year. During 2004 the average asset balance will be based on the 19 quarters ended March 31, 2004~~ according to the following specified terms:

2020 annual dividend payment to be based on the average asset balance associated with the audited December 31, 2019 market value and the initial month end market value associated with the ML&P sale closing date, using the full amount of anticipated net ML&P sale proceeds, as assigned to the MOA Trust Fund in accordance with ML&P sale closing documents.

2021 annual dividend payment to be based on the average asset balance associated with the trailing 2 consecutive quarters ending March 31, 2021.

2022 annual dividend payment to be based on the average asset balance associated with the trailing 6 consecutive quarters ending March 31, 2022.

2023 annual dividend payment to be based on the average asset balance associated with the trailing 10 consecutive quarters ending March 31, 2023.

2024 annual dividend payment to be based on the average asset balance associated with the trailing 14 consecutive quarters ending March 31, 2024.

2025 annual dividend payment to be based on the average asset balance associated with the trailing 18 consecutive quarters ending March 31, 2025.

2026 and later years' annual dividend payment to be based on the average asset balance associated with the trailing 20 consecutive quarters ending March 31 of each fiscal year.

Corpus of the MOA Trust Fund (or corpus) means:

1. The aggregate of the following proceeds previously deposited by the assembly:
 - a. Proceeds from the sale of ATU after retirement of ATU debt; ~~and~~
 - b. Proceeds allocated from the police and fire retirement system settlement-; and
 - c. Proceeds from the sale of ML&P determined in accordance with Anchorage Charter Section 13.11(a).

Plus:

2. Increases from:
 - a. Inflation-proofing from available annual earnings in calendar years 1999 and 2000;
 - b. Residual market value appreciation remaining after paying the annual dividend each fiscal year beginning 2002, in accordance with the controlled spending policy; and
 - c. Any other amounts the assembly may add.

Reduced by:

3. Fund expenses.

Endowment method means a long-term investment strategy that promotes corpus growth by establishing a controlled spending policy, thereby requiring the annual dividend calculation to be tied to a rolling average asset balance of the pooled trusts and providing for reinvestment of any net annual earnings remaining after the annual dividend is determined.

Fund expenses means incurred expenses which are reasonably prudent and necessary to manage and invest the assets of the pooled trusts, including all fees charged by external service providers such as investment managers, advisors, custodians and other professionals, and also including MOA's internal direct and indirect expenses incurred in providing administrative and oversight services for the benefit of the pooled trusts. Fund expenses are funded by annual earnings and are allocated to the pooled trusts on a pro-rata basis.

MOA means Municipality of Anchorage.

Pooled trusts means the MOA Trust Fund (Fund 730) and MOA Trust Reserve (Fund 731) until such time as the balance of the MOA Trust Reserve is zero.

- B. *MOA Trust Fund established.* Pursuant to Charter § 13.11, there is hereby established the MOA Trust Fund as Fund 730 to be defined as an endowment fund with a controlled spending policy limiting dividend distributions and managed by the municipal treasurer
- C. *MOA Trust Reserve established.* There is hereby established the MOA Trust Reserve as Fund 731 to hold the ATU Revenue Bond Reserve Investment and any other amounts the assembly may deposit, the corpus or earnings of which may be used upon approval of the assembly to (1) supplement the MOA Trust Fund annual dividend, (2) provide a reduction in property taxes, (3) retire municipal debt or (4) contribute additional funds into the MOA Trust Fund corpus.
- D. *Controlled spending policy.* No more than five percent of the average asset balance will be available for annual dividend distribution in Year 2020 only and the maximum payout percentage rate shall be reduced to four and one-half percent thereafter. The four and one half five percent cap is tied to an endowment method whereby long-term capital market projections for average annual investment return over the next ten to twenty years are netted against projected inflation (e.g., if long-term in January 2004 capital market projections in a given year indicated a six and one half 8-25 percent average annual investment return less two 3-25 percent average annual inflation, this would lead to ~~for~~ a projected "net" average annual rate of return of four and one half five percent).
- ~~1. However, effective January 1, 2017, no more than four and one-quarter percent of the average asset balance will be available for annual dividend distribution until such time as the Trust's market value recovers to a level equal to or greater than the Trust's market value at December 31, 2007, adjusted for inflation as measured by the annual change in the United States Consumer Price Index for all Urban Consumers (CPI-U).~~
- ~~2. Following such recovery, the Trust may resume distributing a maximum of five percent of the average asset balance for annual dividend distribution purposes.~~
- E. *Net annual earnings.* Annual earnings are reported net of fund expenses. Net annual earnings remaining after paying the annual dividend each fiscal year are reinvested in the pooled trusts on a pro-rata basis.
- F. *Assembly appropriation.* Subject to and in accordance with the controlled spending policy, the assembly shall make an appropriation from the MOA Trust Fund 730 on an annual basis to (1) provide an annual dividend from the fund to replace the ATU dividend and/or (2) reduce property taxes.
- G. *Management of the pooled funds.* Pursuant to Anchorage Municipal Charter § 13.11(c) and section 6.70.010, the municipal treasurer, under the direction and supervision of the chief fiscal officer shall manage the pooled trusts in accordance with the provisions of this section.
1. The municipal treasurer shall hire the services of such investment managers, advisors, custodians and other professionals as are reasonably prudent and necessary to manage and invest the assets of the pooled trusts.

- a. The municipal treasurer may procure services from money manager firms, including transition manager firms, through an investment consultant as provided in subsection 7.20.080A.4. The investment consultant shall be selected through a competitive process. The municipal treasurer shall coordinate with the investment consultant and shall solicit input from investment advisory commission members and the chief fiscal officer prior to the final selection of a money manager. For a money manager firm contracted under the provisions of this section, assembly approval shall not be required provided, however, the municipal treasurer shall report to the assembly on a quarterly basis, through an assembly memorandum, on money manager contracts entered into pursuant to the provisions of this section including, but not limited to, the duties to be performed by the contractor and the compensation paid. All money manager contracts adopted in accordance with this section shall be approved by the chief fiscal officer prior to execution by the municipality.
 2. The assets of the pooled trusts shall be managed and invested in accordance with subsections H. thru J.
- H. *Investment objectives.* The investment objectives of the pooled trusts are to utilize a balanced investment approach, combined with a controlled spending policy, to preserve the purchasing power of the corpus and to maximize rates of return over time by investing in equity and fixed income instruments, real estate and alternative investments and strategies, within prudent levels of risk and consistent with established endowment investment practices.
1. An investment policy, consistent with this section, for the investment of the pooled trusts, shall be established and from time to time modified, as necessary.
- I. *Authorized investments.* In addition to the investments authorized by section 6.50.030, but subject to the investment restriction of this section, the assets of the pooled trusts may be invested in the following types of investments:
1. Publicly traded equity investments, including but not limited to preferred and common stock and investment company shares;
 2. Debt instruments issued by the U.S. government, its agencies and instrumentalities, and debt instruments that have been issued by domestic and non-domestic entities, subject to investment grade and currency denomination restrictions cited in subsection J.2.;
 3. Real estate investments in a diversified portfolio of institutional quality, predominantly income producing properties held in a collective investment vehicle which limits the pooled trusts' liability;
 4. Alternative, basket clause investments utilizing special purpose investment vehicles, subject to restrictions cited in subsection J.4.;
 5. Fixed income derivative instruments used in an unlevered manner to implement portfolio strategies consistent with this section;
 6. Cash and cash equivalents including but not limited to repurchase agreements, certificates of deposit and shares in a money market or short-term investment fund that consist of securities of the type and quality as those listed above;
 7. Mutual funds or other interests in collective and commingled investment vehicles that invest predominantly in investments permitted in this section.
 - a. Assets may be invested through a limited liability entity, including a corporation, limited partnership, limited liability partnership, or limited liability company, or through a collective or commingled investment fund, including a fund-of-funds.
- J. *Investment restrictions.* Notwithstanding any other provision of this title, investment of the assets of the pooled trusts shall be restricted as follows:
1. *Equity securities.* No more than:
 - a. Sixty-five percent (65%) of the pooled trusts' assets may be invested in equity investments;

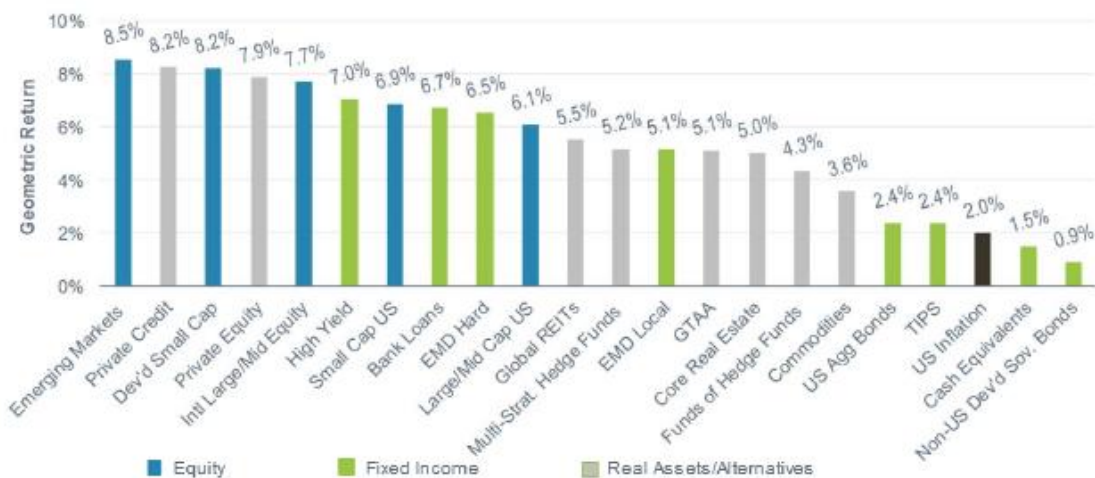
- b. The greater of five percent (5%) or one and one-half times the security's weight in the S&P 500 stock index of the market value of the equity portfolio assets, at the time of the purchase, shall be invested in the equity securities of any one issuer;
 - c. Five percent (5%) of the voting stock of any corporation may be acquired by the pooled trusts.
2. *Fixed income securities.* No more than:
- a. Five percent (5%) of the pooled trusts' fixed income portfolio assets may be invested in the fixed income securities of any single issuer, with the exception of the U.S. government, its agencies and instrumentalities;
 - b. Ten percent (10%) of the overall pooled trusts' portfolio at time of purchase may be invested in domestic fixed income securities with:
 - i. An investment rating below BBB- as measured by Standard & Poor's rating agency (or an equivalent national rating agency), subject to the totality of fixed income asset holdings having an equivalent, aggregate investment grade rating of BBB- or higher when examined on a dollar weighted basis;
 - c. Thirty percent (30%) of total fixed income assets at time of purchase may be invested in investment grade fixed income securities issued by non-domestic entities whose securities are dollar denominated (or fully hedged in U.S. dollars);
 - d. Five percent (5%) of the overall pooled trusts' portfolio value at time of purchase may be invested in fixed income securities with:
 - i. Unhedged, non-dollar denominated investment grade securities, including emerging market debt securities.
3. *Real estate.* No more than:
- a. ~~Ten Five~~ percent (~~10 5~~%) of the overall pooled trusts' portfolio value at time of purchase may be invested in real estate investments cited above in subsection I.3.
4. *Basket clause flexibility.* No more than:
- a. ~~Ten Five~~ percent (~~10 5~~%) of the overall pooled trusts' portfolio value at time of purchase may be used to provide basket clause flexibility in:
 - i. Extending investment parameters in any of the asset classes cited in this section; or
 - ii. Utilizing investment vehicles such as limited partnerships or special purpose trusts to provide access to well-diversified alternative investment portfolios or strategies. Examples of such limited liability investments include, but are not limited to, hedge fund of funds (absolute return strategy), private equity, private debt ~~fund-of-funds~~, and various real return and/or inflation hedge products.
- K. *Reporting.* An annual report on the performance of the pooled trusts', including net annual earnings and investment holdings, shall be submitted to the mayor and the assembly.
- L. By March 15, 2007, and by the same date every fifth year thereafter, the municipal treasurer shall review the controlled spending policy and recommend adjustments, as necessary, to maintain the long-term purchasing power of the MOA Trust Fund.

(AO No. 99-50(S), § 1, 4-6-99; AO No. 99-156, § 1, 1-11-00; AO No. 2000-89, § 1, 6-13-00; AO No. 2000-162(S), § 1, 11-21-00; AO No. 2002-10, § 1, 4-16-02; AO No. 2003-167, § 1, 1-6-04; AO No. 2006-146, § 1, 10-31-06; AO No. 2009-3, § 1, 1-20-09; AO No. 2016-127, § 1, 11-1-16)

RVK's Capital Markets Assumptions

Asset Class Inputs for Asset Allocation Analysis

RVK Compound (Geometric) Return Assumptions

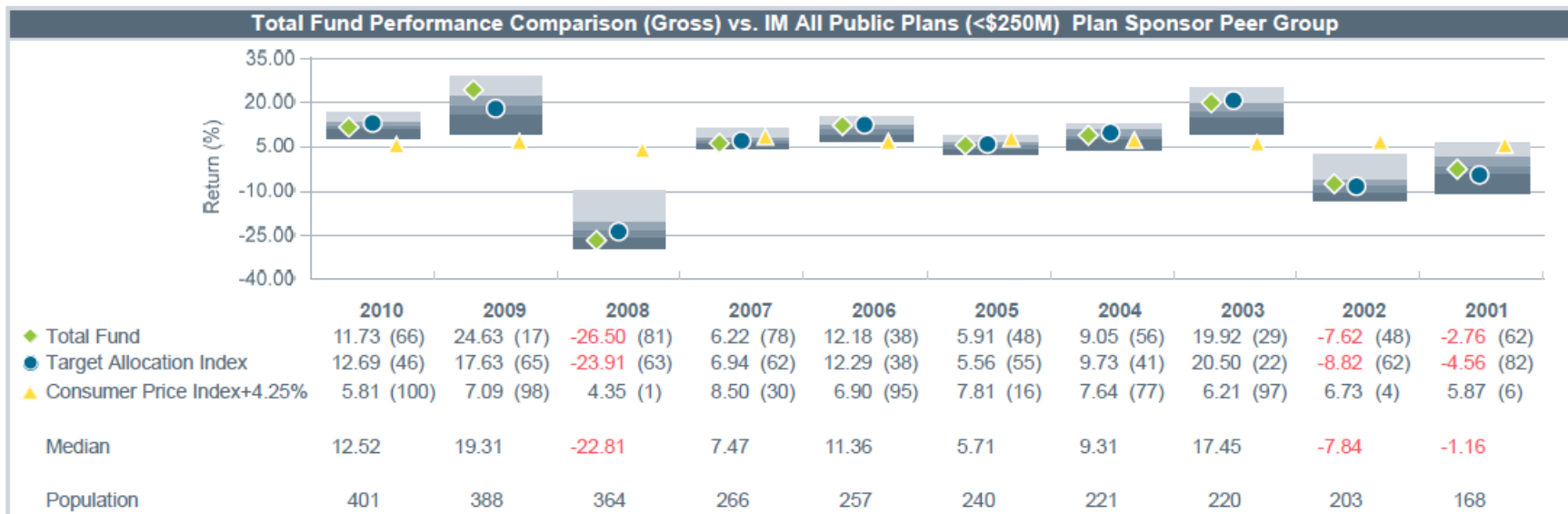
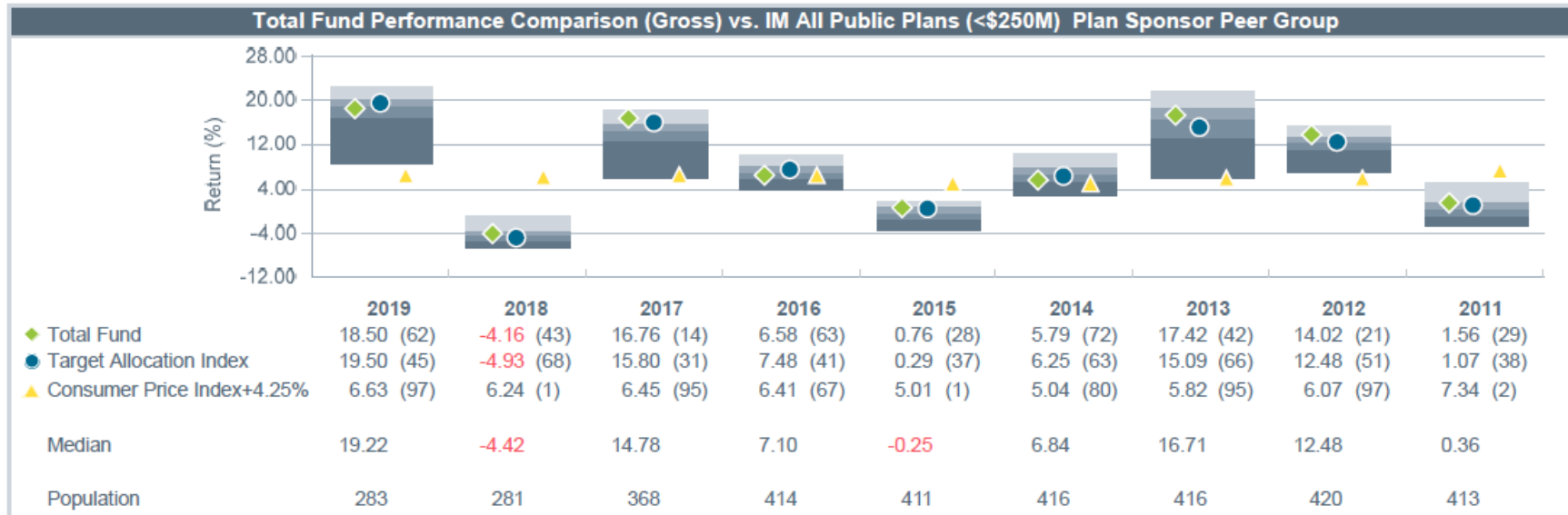


Note: The geometric return assumptions account for the dampening effect of volatility on the asset classes' compound returns and thus are less than their arithmetic counterparts over time.

Asset Class	2020 Q1	
	Nominal Return	Risk (St. Dev.)
Large/Mid Cap US Equity	7.25%	16.00%
Small Cap US Equity	8.50%	19.00%
Intl Large/Mid Equity	9.00%	17.00%
Dev'd Small Cap Equity	10.00%	20.00%
Emerging Markets Equity	11.25%	25.00%
Cash Equivalents	1.50%	2.00%
US Agg Bonds	2.50%	5.00%
Non-US Dev'd Sov. Bonds	1.25%	8.50%
EMD Hard	7.00%	10.00%
EMD Local	5.75%	11.50%
TIPS	2.50%	5.50%
US High Yield	7.50%	10.00%
Bank Loans	7.00%	8.00%
Core Real Estate	5.75%	12.50%
Global REITs	7.50%	21.00%
Funds of Hedge Funds	4.75%	9.50%
Multi-Strat. Hedge Funds	5.50%	8.50%
GTAA	5.50%	9.00%
Private Credit	9.00%	13.00%
Private Equity	10.00%	22.00%
Commodities	5.00%	17.50%
US Inflation	2.00%	1.50%

MOA Trust Fund

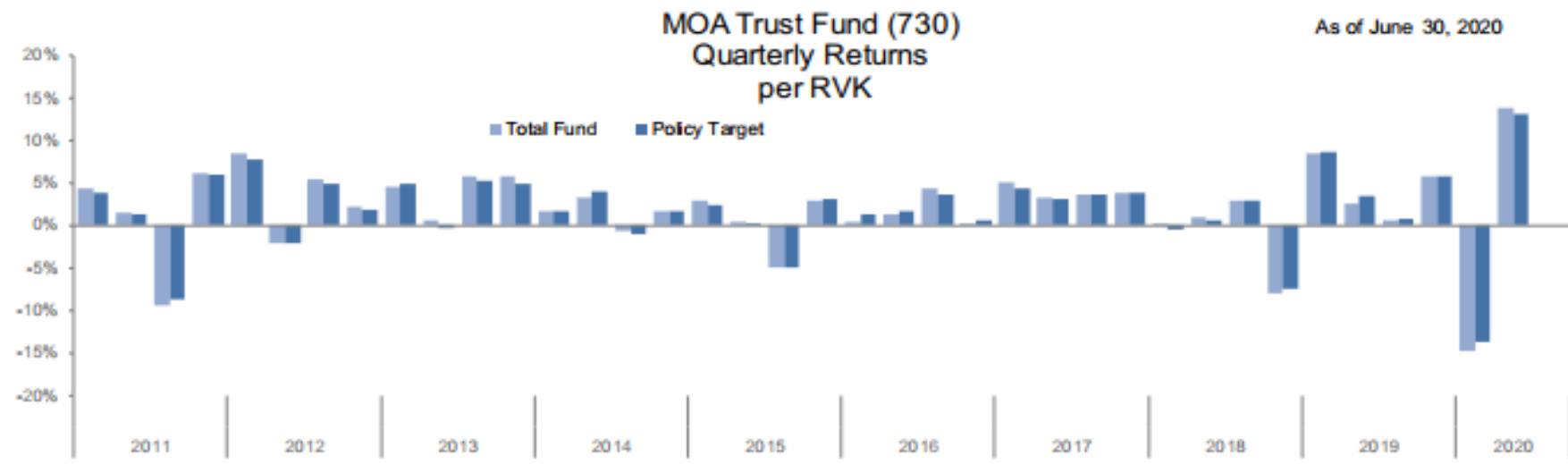
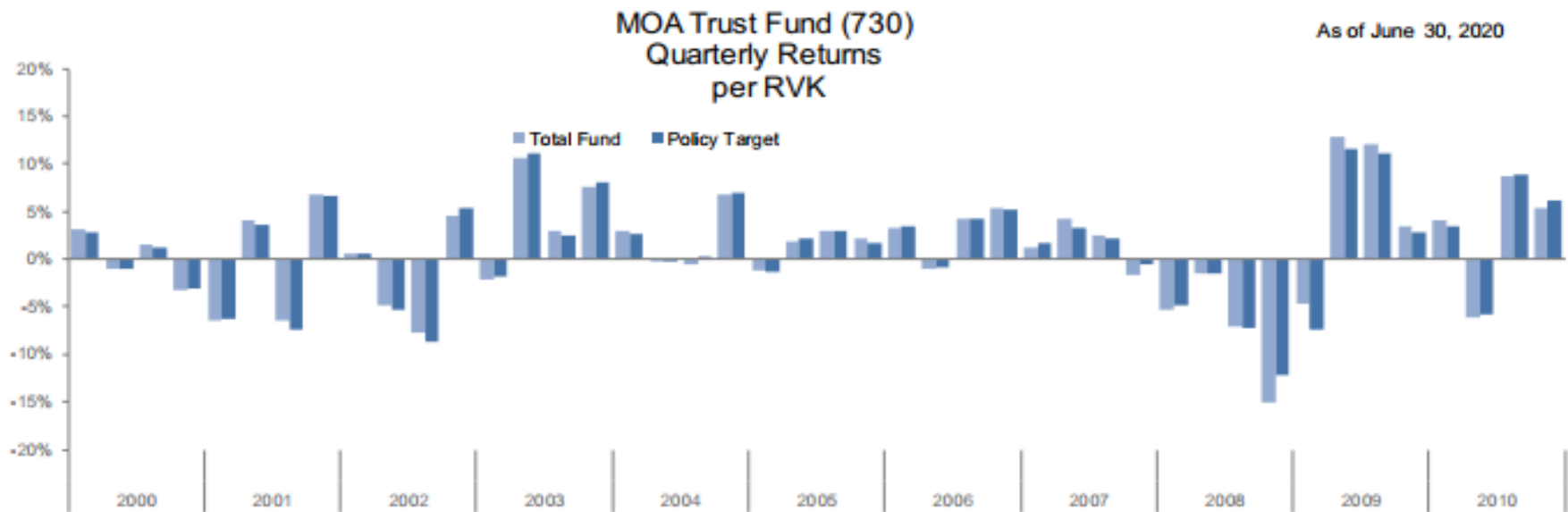
Historical Performance – Calendar Years



Performance shown is gross of fees.

MOA Trust Fund

Historical Performance – Quarterly Performance by Calendar Year



Performance shown is gross of fees.

MOA Trust Fund

Investment Management Fee Schedule

Fee Schedule	Market Value As of 12/31/2019 (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)	
Total Fund	171,763,790	627,958	0.37	
Vanguard Instl Indx;Inst (VINIX)	0.04 % of Assets	53,033,635	18,562	0.04
Vanguard Md-Cp I;Adm (VIMAX)	0.05 % of Assets	4,646,629	2,323	0.05
BlackRock:Adv SC Cr;Inst (BDSIX)	0.49 % of Assets	4,811,480	23,576	0.49
TIF: Internatl Equity;Prm (TFEQX)	0.80 % of Assets	21,325,856	170,607	0.80
American Funds EuPc;F3 (FEUPX)	0.49 % of Assets	22,051,632	108,053	0.49
FIAM Core Plus LLC (CF)	0.25 % of First \$50 M 0.22 % of Next \$50 M 0.20 % of Next \$100 M 0.17 % Thereafter	20,038,562	50,096	0.25
Garcia Hamilton Core Agg (SA)	0.25 % of Assets	19,967,142	49,918	0.25
Western Asset Floating Rate High Income (CF)	0.45 % of First \$100 M 0.30 % Thereafter	4,997,174	22,487	0.45
Ashmore:EMs Tot Rtn;Inst (EMKIX)	1.02 % of Assets	4,119,787	42,022	1.02
RBC BlueBay EM Debt;I (RBESX)	0.87 % of Assets	4,276,044	37,202	0.87
UBS Trumbull Property (CF)	0.83 % of Assets	12,479,315	103,079	0.83
WellsFargo:Govt MM;I (GVIXX)	0.20 % of Assets	16,534	33	0.20

Harrison Street Core Fund

1.15% of Assets

Invesco US Income Fund

1.20% of Assets + 10% Incentive Fee Over a 7% Hurdle Return

PIMCO Private Income Fund

1.25% of Assets + 12.5% Incentive Fee Over a 5% Hurdle Return (and 0.25% administration fee)



MOA Trust Fund

Asset Allocation vs. NACUBO Peers

Asset Allocations for U.S. College and University Endowments and Affiliated Foundations, Fiscal Year 2019*

Size of Endowment	Dedicated U.S. Equities %	Dedicated Non-U.S. Equities %	Global Equities %	Other Equities ⁺ %	Fixed Income ^{**} %	Real Assets ^{***} %	Other %
Over \$1 Billion	11.2	13.9	6.2	43.2	10.1	13.5	0.8
Over \$500 Million to \$1 Billion	20.7	17.1	7.5	30.3	14.4	9.2	1.8
Over \$250 Million to \$500 Million	21.1	16.7	9.1	27.1	15.7	8.4	1.8
Over \$100 Million to \$250 Million	28.4	15.7	9.1	18.1	19.5	7.1	2.0
Over \$50 Million to \$100 Million	31.6	14.9	8.1	14.8	23.1	6.0	1.5
Over \$25 Million to \$50 Million	37.8	14.6	5.3	10.1	26.5	4.6	1.1
\$25 Million and Under	45.7	12.2	2.7	5.6	29.7	3.2	0.9

Type of Institution							
All Public Institutions	16.7	16.5	6.1	33.8	13.4	12.5	1.1
Public College, University, or System	14.5	16.5	4.9	36.5	12.7	13.7	1.2
Institution-Related Foundations	19.4	15.5	10.5	29.4	15.8	8.4	1.0
Combined Endowment/Foundation	22.6	18.2	4.5	27.9	12.5	13.4	0.8
All Private Institutions	12.8	13.4	6.9	41.8	10.7	12.2	2.0

All Institutions

Dollar-weighted Average	14.1	14.5	6.6	39.0	11.7	12.3	1.7
Equal-weighted Average	28.1	15.3	7.5	20.1	20.1	7.3	1.5

*Average asset allocations as of June 30, 2019.

Asset allocations are dollar-weighted unless otherwise specified. Due to rounding, details may not sum to 100%.

⁺Other equities include: marketable alternatives, private equity, and venture capital.

^{**}Fixed income includes: U.S. bonds, non-U.S. bonds, private debt, and cash and cash equivalent securities of less than one year.

^{***}Real assets include: TIPS, REITs, commodities/futures, publicly traded Master Limited Partnerships (MLPs), public traded natural resource equities, private energy and mining, and private agriculture and timber.

- MOA Trust invests more in public equities and less in Alternatives than NACUBO peers
- The IAC recently endorsed:
 - 5% decrease to public equity and a corresponding 5% increase to Private Real Estate
 - 5% allocation to Private Credit sourced from 2% reduction in public equity and the removal of the 3% target to Bank Loans
 - This will bring the Trust closer to the Alternative + RE allocation for peers.



MOA Trust Fund

Spending Rates – NACUBO

Average Annual Effective Spending Rates* for U.S. College and University Endowments and Affiliated Foundations, Fiscal Years 2019 to 2010

Size of Endowment	2019 %	2018 %	2017 %	2016 %	2015 %	2014 %	2013 %	2012 %	2011 %	2010 %
Over \$1 Billion	4.6	4.6	4.8	4.4	4.3	4.6	4.8	4.7	5.2	5.6
Over \$500 Million to \$1 Billion	4.4	4.2	4.6	4.3	4.1	4.3	4.6	4.7	5.2	5.7
Over \$250 Million to \$500 Million	4.2	4.4	4.4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Over \$100 Million to \$250 Million	4.7	4.4	4.6	4.3	4.1	4.3	4.4	4.3	5.0	4.9
Over \$50 Million to \$100 Million	4.6	4.6	4.5	4.4	4.4	4.4	4.4	4.3	4.5	4.6
Over \$25 Million to \$50 Million	4.5	4.1	4.2	4.1	4.0	4.2	4.3	3.8	4.0	4.1
\$25 Million and Under	4.1	4.1	4.0	3.8	4.5	4.6	4.1	3.7	3.7	3.5
Type of Institution										
All Public Institutions	4.2	3.8	4.1	4.0	4.0	4.1	4.1	4.0	4.5	4.1
Public College, University or System	4.2	3.8	4.1	4.0	3.8	3.8	4.2	3.9	4.3	4.3
Institution-Related Foundations	4.2	3.8	4.1	3.9	4.2	4.3	4.0	4.0	4.1	3.9
Combined Endowment/Foundation	4.1	3.9	4.2	4.1	3.9	4.2	4.4	4.2	5.9	4.6
All Private Colleges and Universities	4.7	4.7	4.6	4.4	4.3	4.5	4.6	4.3	4.6	4.8
Average (All Institutions)	4.5	4.4	4.4	4.3	4.2	4.4	4.4	4.2	4.6	4.5

N/A means not available.

All data are for years ending June 30. Data for 2010 through 2017 are from the NACUBO-Commonfund Study of Endowments.

All spending rate data are equal weighted.

*The effective spending rate represents the distribution for spending divided by the beginning market value (endowment value on or around the beginning of the fiscal year). The distribution for spending is the dollar amount withdrawn from the endowments to support expenditures on student financial aid, faculty research, maintenance of facilities, and other campus operations, as determined and defined by each institution. The rate is calculated net of investment fees and expenses for managing the endowment.

Investment Advisory Commission

Commission Member Biographies

Ty Schommer CFP, CIMA, AIF – Current Investment Advisory Commission Chair

Mr. Schommer is Vice President, Portfolio Manager at Arbor Capital Management. Mr. Schommer has 26 years of securities and industry experience. He had active management duties and received extensive capital markets training in his time at Morgan Stanley. Mr. Schommer had access and exposure to all facets of the firm from initial public offerings, to hedging and risk management techniques. Additionally, he has extensive experience with asset allocation and portfolio management concepts and techniques. He earned his Bachelor of Business Administration in 1993 from University of Alaska-Fairbanks. He earned his CFP designation in 2004 from American College and his CIMA designation in 2007 from the Wharton School of Business at the University of Pennsylvania. Mr. Schommer has been an active member on the Investment Advisory Commission Board since 2013. He is also active in both the Anchorage and Talkeetna communities through various boards. Mr. Schommer has lived in Alaska for 34 years.

Jeffrey Sinz – Current Investment Advisory Commission Vice Chair

Mr. Sinz retired from Bristol Bay Native Corporation in 2017 where he was Senior Vice President, Chief Investment Officer. Mr. Sinz earned his Bachelor of Business Administration in 1976 from the University of Wisconsin-Eau Claire and his Master of Business Administration in 1998 from the University of Alaska-Anchorage. Mr. Sinz has been an active member on the Investment Advisory Commission Board since 2016. He is also active on many boards within Alaska.

Tor Daley, CPA

Mr. Daley is Consultant, Sole Proprietor of Tor Daley CPA. He has over 17 years of experience in financial management. Mr. Daley earned his Bachelor of Business Administration – Accountancy from Boise State University in May 1999. Mr. Daley has a CPA license in the State of Alaska and State of Idaho. He has been an active member on the Investment Advisory Commission Board since 2016.

Amy Fredeen, CPA, CGMA

Ms. Fredeen is the Chief Financial Officer, Executive Vice President at Cook Inlet Tribal Council, Inc. Ms. Fredeen earned her Bachelor of Business Administration-Accounting from Gonzaga University in Spokane, WA in 1996. Ms. Fredeen has been an active member on the Investment Advisory Commission Board since 2017 and has also been active in several other boards throughout her career.

Dixie Retherford, CPA

Ms. Retherford is Executive Vice President, Chief Financial Officer at Olgoonik Development LLC. She earned her Bachelor of Science – Accounting from the University of Wyoming in 1982. Ms. Retherford has been an active member on the Investment Advisory Commission Board since 2017.

Investment Advisory Commission

Commission Member Biographies

Kim Jaime

Ms. Jaime is a Manager, Investment Services at Alaska USA Federal Credit Union. She earned her Bachelor of Science-Finance from Arizona State University in 1984. Ms. Jaime has been an active member on the Investment Advisory Commission Board since 2018.

Vladimir Novak, CFA

Mr. Novak is a Treasury and Securities Manager at First National Bank Alaska. He earned his Bachelor of Business Administration-Economics from the University of Alaska – Anchorage in 2004. He earned his Master of Business Administration from the University of Alaska – Anchorage in 2009. He has been an active member on the Investment Advisory Commission Board since 2019. Mr. Novak earned his CFA designation from the CFA Institute in 2017.

Karen Jordan

Ms. Jordan is a retired pension consultant with over 40 years in the retirement plan business. Formerly, she was president and an owner of Alaska Pension Services, Ltd. (APS), a pension consulting firm in Anchorage, Alaska. Ms. Jordan is a past president of the American Society of Pension Professionals and Actuaries (ASPPA), which is headquartered in Arlington, VA. With ASPPA, she earned the designations of Certified Pension Consultant, Qualified Pension Administrator and Qualified 401(k) Administrator. She was also an Enrolled Retirement Plan Agent under the IRS. Ms. Jordan earned her Bachelor of Science in Mathematics from Macalester College in Minnesota in 1969. Ms. Jordan was an active member on the Investment Advisory Commission Board from 2001 to 2012 and has become an active member again in 2019.

Julee Farley, CPA, CFA

Ms. Farley is the Chief Compliance Officer at Alaska Permanent Capital Management. She has more than 25 years of experience in the financial industry. Ms. Farley earned her Bachelor of Science-Mathematics from the University of Houston in 1992. She earned her Master of Business Administration from the University of Alaska-Fairbanks in 1994. Ms. Farley has been an active member on the Investment Advisory Commission Board since early 2020. She is also active on other boards in Alaska.

PORTLAND

BOISE

CHICAGO

NEW YORK

Disclaimer of Warranties and Limitation of Liability - This document was prepared by RVK, Inc. (RVK) and may include information and data from some or all of the following sources: client staff; custodian banks; investment managers; specialty investment consultants; actuaries; plan administrators/record-keepers; index providers; as well as other third-party sources as directed by the client or as we believe necessary or appropriate. RVK has taken reasonable care to ensure the accuracy of the information or data, but makes no warranties and disclaims responsibility for the accuracy or completeness of information or data provided or methodologies employed by any external source. This document is provided for the client's internal use only and does not constitute a recommendation by RVK or an offer of, or a solicitation for, any particular security and it is not intended to convey any guarantees as to the future performance of the investment products, asset classes, or capital markets.

