

RVK

Municipality of Anchorage Trust Fund

Board of Trustees Meeting

February 14, 2025

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Investment Policy Statement Review – Phase 2 (Redline)

INVESTMENT POLICY STATEMENT

For

Municipality of Anchorage
MOA Trust Fund

Revised ~~November 12,~~
~~2024~~February 14, 2025
Municipality of Anchorage
Trust – Board of Trustees

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MOA Trust Fund - Investment Policy Stmt.

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EXECUTIVE SUMMARY

MOA Trust Fund - Investment Policy Stmt.

Time Horizon:	Very long-term time horizon (10+ years)
Risk Tolerance:	Moderate to moderately high, due to objective to maintain purchasing power of Corpus and to generate earnings for distribution.
Spending Policy:	Assets will be managed in a manner consistent with the need to distribute up to 4.00% in 2024 and thereafter per the payout methodology cited in Anchorage Municipal Code (AMC). AMC 6.50.060 is used to determine the amount available for annual distribution.

Asset Allocation:	<u>Min</u>	<u>Strategic Allocation</u>	<u>Max</u>
Domestic Equity	26%	31%	36%
International Equity	18%	22%	26%
Domestic Core (Plus) Fixed Income	19%	22%	25%
Emerging Markets Debt	2%	5%	8%
Private Credit	2%	5%	8%
Real Estate	10%	13%	16%
Cash Equivalents	0%	2%	5%

Performance Evaluation Benchmark: The total Trust is expected to produce a total return exceeding that of an index based upon the strategic asset allocation of the Trust and various broad asset classes. Specifically, the policy index will be a weighted index comprised of:

<u>Allocation</u>	<u>Benchmark</u>
31%	Russell 3000 Index
22%	MSCI ACW ex-US Index
22%	Bloomberg US Aggregate Bond Index
5%	EMD Blended Index*
5%	Credit Suisse Leveraged Loan Index + 2%
13%	NCREIF ODCE Index (AWA)
2%	ICE BofAML 3 Mo US T-Bill Index

*EMD Blended Index consists of an appropriate mix of hard and local currency exposure by index (Emerging Markets Bond Global Diversified Index (Hard Currency) and JPM GBI-EM Global Diversified Index (Local Currency)).

PURPOSE OF THE INVESTMENT POLICY STATEMENT

MOA Trust Fund – Investment Policy Stmt.

The purpose of this Investment Policy Statement (IPS) is to assist the Municipality of Anchorage Trust Board (the Board) in effectively investing the assets of the Municipality of Anchorage Trust Fund (the Trust). It also serves as a vehicle for monitoring investment results, and communicating the investment objectives to the Anchorage Assembly, the Investment Consultant, and external investment managers. The IPS is required by Subsection G of Anchorage Municipal Code Chapter 6.50.060. The Trust's investment program is defined in the various sections of the IPS by:

- Stating in a written document the objectives and guidelines for the investment of Trust assets, including explicit consideration of liquidity needs and risk tolerance.
- Setting forth an investment structure for managing Trust assets. This structure includes various asset classes, investment management styles, asset allocation and acceptable ranges that, in total, are expected to produce an intended level of overall diversification and total investment return over the long-term.
- Providing guidelines for each investment portfolio that controls the level of overall risk and liquidity assumed in that portfolio, so that all Trust assets are managed in accordance with stated objectives.
- Establishing formal criteria to select and monitor the performance results achieved by the investment managers on a regular basis.
- Encouraging effective communications between the Trust Manager, the Assembly, the MOA Trust Board, the investment consultant, and the investment managers.
- Complying with all applicable fiduciary, prudence, and due diligence requirements that experienced investment professionals would utilize, and with all applicable laws, rules and regulations from various local, state and federal entities that may impact Trust assets.

This IPS has been formulated after consideration by the MOA Trust Board of the financial implications of a wide range of policies and represents a prudent investment process deemed appropriate for the Trust.

AUTHORIZATION

MOA Trust Fund - Investment Policy Stmt.

Authorization to manage the Trust is derived from Anchorage Municipal Charter section 13.11 and the Anchorage Municipal Code 4.40.170. The Investment Policy Statement must be consistent with Anchorage Municipal Code section 6.50.060, which is incorporated herein by reference.

GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

This section describes the guidelines for the overall management of the Trust, specifically the time horizon, liquidity constraints, risk tolerance, and income distribution needs. All of these factors are incorporated in the decisions related to asset allocation and rebalancing, which is also described in this section.

Investment Objectives

The investment objective of the Trust is to maintain the purchasing power of the Corpus while meeting required annual distributions, and to maximize rates of return over time within prudent levels of risk by utilizing a balanced investment approach, investing across a variety of public and private asset classes each exhibiting their own role within an entire portfolio..

Time Horizon

The Trust has a very long-term time horizon. This statement is based on the fact that Anchorage Municipal Code requires that the Trust be managed according to an endowment model whereby the payout methodology cited in Anchorage Municipal Code (AMC) 6.50.060 is used to determine the amount available for annual distribution to the City's general fund. Implicit in the Code-specified payout rate is an assumption that net long-term earnings after inflation-proofing will meet or exceed the payout rate. Thus, the assets are to be invested with a long-term time horizon. The assumptions underlying the asset allocation analysis are based on a 10+ year projection of financial markets provided by the investment consultant. While the future of the Trust extends beyond the next ten years, the relevant planning horizon is consistent with the use of the assumptions. The assumptions utilized are developed by the Trust's investment consultant, and are consistent with long-term returns, risks, and statistical interrelationships observed among major asset categories.

Liquidity Analysis

Distributions from the Trust will be based on a percentage of market value not to exceed 4.00% in 2024 and thereafter in accordance with the payout methodology cited in AMC 6.50.060. Annual distributions must be completed by no later than 15 days from the end of the fiscal year (i.e., December 31st) per Code. Half of the annual dividend will be paid on or around June 15th, and the remaining dividend will be paid on or before December 15th. The Trust will be rebalanced to the strategic asset allocation targets as necessary to fund such distributions in excess of available dividend and interest income – reference “Rebalancing of Strategic Asset Allocation” section for more detail.

Commented [EP1]: Julee: Does this mean the fiscal year of the Trust is the calendar year?

Commented [EP2R1]: RVK: Yes, that is our understanding.

Risk Tolerances

The overall risk tolerance of the Trust is heavily influenced by the objectives of the fund: to maintain the purchasing power of the fund and to generate earnings to meet required annual distributions linked to a percentage of the trailing market value. Based on modern portfolio theory,

GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

the Trust must have a meaningful equity or capital appreciation allocation to protect the Corpus from inflation and to generate meaningful earnings for distribution. Based on the Capital Market Assumptions used in the asset allocation analysis, such an equity commitment will entail a moderate level of risk, as measured by the volatility of investment returns. The Trust maintains a long-term investment horizon, which allows the Trust to absorb near term volatility.

GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

Asset Allocation

Based on the Trust's time horizon, risk tolerances, performance expectations and asset class preferences, an efficient or optimal portfolio was identified. The strategic asset allocation of the Trust is as follows. This is subject to change over time and will be reviewed by the Board of Trustees and Investment Consultant at least every 1-2 years.

<u>Strategic Asset Allocation</u>	<u>Lower Limit</u>	<u>Strategic Allocation</u>	<u>Upper Limit</u>
Domestic Equity	26%	31%	36%
International Equity	18%	22%	26%
Domestic Core (Plus) Fixed Income	19%	22%	25%
Private Credit	2%	5%	8%
Emerging Markets Debt	2%	5%	8%
Real Estate	10%	13%	16%
Cash Equivalents	0%	2%	5%

The Trust will be diversified within each asset class allocation and balanced to avoid any unintentional style bias.

GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

Rebalancing of Strategic Allocation

The Strategic Allocation, shown in the middle column above, is the target. Some variability around the target is expected and acceptable. Extreme deviation from the target is undesirable -- as it alters the risk and return expectations for the Trust over the long term. Therefore, upper and lower limits are established for each asset class. Generally, deviation outside the upper and lower limits of any midpoint target should trigger action to formally evaluate the need for rebalancing and a plan, including timeline, to follow through with rebalancing.

Distribution of Income

The investment policy explicitly recognizes the fact that the distribution and investment decisions are related, yet separate decisions. An annual review of the investment policy will be conducted to determine that it is consistent with the distribution target set in the budgeting process, recognizing the potential for short-term fluctuations in investment returns.

SECURITY AND PORTFOLIO GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

The following guidelines apply to all Trust assets. Any mutual funds, ~~or other interests in~~ collective trusts, ~~and/or~~ commingled funds, or separate accounts managed by an external investment manager utilized should be reviewed to determine that their governing instruments are substantially consistent with the following guidelines. All assets are to be managed pursuant to the Investment Restrictions contained in Anchorage Municipal Code section 6.50.060.

General

- All guidelines are considered at the time of purchase. The sale of a security is not automatically required due to a subsequent change in circumstance. If circumstances change, it should trigger a review of the investment.
- The following securities and transactions are not authorized, as described below:
 - Letter stock and other unregistered securities; commodities or commodity contracts; and short sales or margin transactions are not permitted; and
 - The use of leverage at the Trust level is not permitted; leverage may be utilized in underlying investments such as real estate and other private markets by the investment managers directly, subject to the guidelines governing those investments.
- Holdings of individual securities shall be of sufficient size to assure easy liquidation.
- Each investment fund or vehicle portfolio will be diversified with regard to specific issuer, industry, and economic sector, in order to reduce risk.
- Securities may be sold at a loss, if such an action is deemed to be consistent with the overall portfolio investment objectives.
- 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.

Commented [EP3]: RVK: Potentially remove - not particularly relevant or common, but we have no concerns leaving it if the Board prefers.

Commented [EP4R3]: Julee: This seems to say that any individual security position should be significant. This seems at odds with our asset allocation strategy. I'm inclined to remove it.

Commented [EP5R3]: RVK: Our interpretation is that holdings shouldn't be too large, to the point where liquidation is difficult, but we are comfortable removing it as well.

Commented [EP6]: RVK: Recommend removing - common practice and doesn't need to be specified in the Trust's IPS

SECURITY AND PORTFOLIO GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

Public Fixed Income – Domestic Core (Plus) Fixed Income and Emerging Markets Debt

Eligible Securities - The Trust may invest in debt instruments subject to the limitations contained in the Anchorage Municipal Code section 6.50.060. Fixed income investments can be made through an institutionally oriented collective investment vehicle (including mutual funds) or a separate account where securities are owned directly by MOA. The collective investment vehicle's governing documents control the specific investment practices utilized. The MOA Trust Board and the Investment Consultant shall consider whether or not the collective investment vehicles are substantially consistent with the limitations contained in the Code.

For the separate investment account, the governing document is the Investment Management Agreement (IMA) directly with the manager. The MOA Trust Board and the Investment Consultant shall consider whether or not the IMA is substantially consistent with the limitations contained in the Code.

Domestic Equities

- Equity holdings in any one company should not exceed the greater of 5% or 1.5 times the stock's weighting in the applicable market index, such as the S&P 500 Index for example, at the time of purchase. If a security is not included in the applicable index, the limit is 5% of the portfolio market value at the time of purchase.
- Managers are expected to remain fully invested in equity securities (i.e., 5% maximum cash holdings), unless the manager has requested and received permission to hold significant cash.
- The manager shall emphasize quality in security selection and shall avoid risk of large loss through diversification.
- Convertible securities will be considered as equities.
- Investments for the purpose of exercising control of management are prohibited.
- The use of futures and options is prohibited except when used on an unlevered basis.

Commented [EP7]: Julee: Should this be removed if we're not allowing individual stock holdings? Or qualified that this applies only to direct holdings or is this constraint from the IMA?

Commented [EP8R7]: RVK: Our understanding is that these limitations would apply if the Trust ever decided to internally manage a portfolio and hold stocks directly, which is not currently the case and there is no plans to proceed this direction.

SECURITY AND PORTFOLIO GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

International Equities

- Equity holdings in any one company should not exceed the greater of 5% or 2 times the stock's weighting in the applicable market index, such as the Morgan Stanley Capital International ("MSCI") All Country World ("ACW") ex-U.S. Index, at the time of purchase. If a security is not included in the applicable index, the limit is 5% of the portfolio market value at the time of purchase.
- Countries represented within the MSCI ACW ex-U.S. Index are available for investment. Allocations among countries are expected to be diversified. Investments in emerging markets are permitted when such investments are well diversified and held within a mutual fund, separate account, or commingled investment vehicle utilized to efficiently gain international equity exposure.
- The manager may enter into foreign exchange contracts on currency provided that use of such contracts is limited to hedging currency exposure existing within the manager's portfolio. There shall be no direct foreign currency speculation.

~~• If the Trust achieves international equity exposure through a commingled fund, the policies of the fund will be examined with the objective of selecting a fund whose policies are substantially consistent with the spirit of the guidelines.~~

Commented [EP9]: Jeff and Julie: Why are the threshold limits different between Domestic (1.5x) and International (2x)? Should they be consistent?

Commented [EP10R9]: RVK will verbally discuss with the Board. The increased limit for Int'l Equity (2.0x benchmark weight) is due to the lower concentration in the international markets for the benchmark, warranting a higher multiplier to enable substantial and concentrated active positions as desired. But we would not be opposed to making them consistent if the Board wanted to, which would be more conservative. This would only apply if the Trust internally managed a portfolio and directly held stocks, so changing would not be problematic as it does not currently apply.

Commented [EP11]: RVK: Recommend removing - this is already mentioned earlier in this section.

Private Credit

- Private Credit investments shall be made in a diversified portfolio of institutional quality, income producing private credit assets.
- Private Credit investments are expected to achieve attractive risk-adjusted returns, with higher average income-driven returns compared to most types of publicly traded fixed income, and lower average losses from borrower default compared to most types of high yield fixed income securities. They are expected to have a relatively low correlation to other investment asset classes, and therefore are expected to act as a diversifier at the portfolio level, potentially enhancing the risk-adjusted return of the total portfolio.

Real Estate

- Real estate investments shall be made in a diversified portfolio of institutional quality, predominantly income producing properties, held in a collective investment vehicle which limits the overall Trust's liability. The vehicle(s) utilized shall provide diversification both in terms of property type and location. The vehicle should not engage in significant (>10%) real estate development

SECURITY AND PORTFOLIO GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

activities and should have a primary objective of providing investors with competitive income returns and preservation of purchasing power over the long term, with leverage use in line with relevant and appropriate comparable peer groups, as provided by the investment consultant.

Cash and Cash Equivalents

- Cash and cash equivalents shall include 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 permitted for the Trust as a whole.
- Cash equivalent reserves shall consist of cash instruments having a quality rating of at least A-1 by Standard & Poor's or its equivalent by another nationally recognized securities rating service.
- Any idle cash not invested by the investment manager shall be invested daily by either the Custodian or Trust Manager.
- In the use of mutual funds, careful attention should be paid to the fund's policy for investing cash and cash equivalents, with the objective of selecting funds whose policies are consistent with the spirit of the guidelines.
- Certificates of deposit must have been issued by United States commercial banks or trust companies (including foreign branches of such banks), provided that such institutions (or, in the case of a branch, the parent institution) have total assets of \$1 billion or more, be adequately capitalized, and have an excellent or superior rating from a bank rating agency.
- Repurchase Agreements must be secured by obligations insured or guaranteed by the United States or agencies or instrumentalities of the United States.
- Cash and cash equivalents may include any security that has an effective duration under one year, a weighted average life of less than one year and spread duration less than one year.

SELECTION OF EXTERNAL INVESTMENT MANAGERS

MOA Trust Fund – Investment Policy Stmt.

To achieve the investment objectives of the Trust, external investment managers will be employed to invest the assets. Both separate accounts and collective investment vehicles may be considered. The selection process shall conform to appropriate Municipal procurement requirements. External managers must meet the following minimum criteria:

1. Be a bank, insurance company, independent investment counselor, or registered investment adviser as defined by the Investment Advisers Act of 1940.
2. Clearly articulate the investment strategy that will be followed, provide historical performance associated with the strategy, and document that the strategy is consistent with the IPS guidelines.
3. Provide historical quarterly performance numbers calculated on a time-weighted basis.
4. Provide detailed information on the history of the firm, key personnel, key clients, fee schedule, and support personnel.
5. Selected firms shall have no outstanding legal judgments or past judgments, which may reflect negatively upon the firm's ability to perform.
6. Demonstrate highly ethical business principles and strictly manage potential conflicts of interest.
7. Offer a competitive fee structure.
8. Have assets under management in an amount appropriate for the Trust's assets assigned.

DUTIES AND RESPONSIBILITIES MOA Trust Fund – Investment Policy Stmt.

Investment Managers

It is expected that all investment managers hired by the Trust will be monitored and reported on by the investment consultant.

All managers and representative funds are expected to follow their respective prospectuses and guidelines. The duties and responsibilities of each investment manager managed in a separate account vehicle structure specifically retained for the Trust include the following:

1. Manage the Trust assets under its care, custody and/or control in accordance with the IPS objectives and guidelines set forth herein.
2. Exercise investment discretion within the IPS objectives and guidelines set forth herein.
3. Provide monthly reports of the holdings and transactions, and the total return achieved. Provide quarterly reports that provide additional detail on the investment strategy and outlook, and performance attribution for the prior quarter. Quarterly reports must state whether the portfolio is in compliance with the guidelines, and note the steps being taken to correct any failures to comply. Compliance requirements of particular interest include duration, quality ratings, and the use of derivatives.
4. Promptly inform the MOA Trust Board, the Trust Manager, and/or the investment consultant in writing regarding all significant and/or material matters and changes within the investment management firm pertaining to the investment of Trust assets, including, but not limited to:
 - a. Investment strategy
 - b. Portfolio structure
 - c. Tactical approaches
 - d. Ownership
 - e. Organizational structure
 - f. Financial condition
 - g. Professional staff
 - h. Recommendations for guideline changes
 - i. All material, legal, SEC, and other regulatory agency proceedings affecting the firm
 - j. Material change in fund size
5. Promptly vote all proxies and related actions in a manner consistent with the long-term interests and objectives of the Trust set forth herein. Each manager shall keep detailed records of said voting of proxies and related actions and will comply with all regulatory obligations related thereto.

DUTIES AND RESPONSIBILITIES

MOA Trust Fund – Investment Policy Stmt.

Investment Managers (cont'd)

6. Utilize the same care, skill, prudence and due diligence under the circumstances then prevailing that experienced, investment professionals acting in a like capacity and fully familiar with such matters would use in like activities for like investment programs with like aims in accordance and compliance with all applicable laws, rules and regulations from local, state, federal and international political entities as it pertains to fiduciary duties and responsibilities.
7. Adopt a brokerage policy that ensures that all transactions effected for the Trust are “subject to the best price and execution”.
8. Acknowledge and agree in writing to their fiduciary responsibility to fully comply with the entire IPS set forth herein, and as modified in the future.
9. Provide on an annual basis a disclosure concerning whether the firm makes use of soft dollars. If the firm does use soft dollars, the report shall disclose how the soft dollar benefits are utilized.
10. Per AMC 6.50.060, managers can invest in various commingled type vehicle structures that are predominantly consistent with policies in place as well as code requirements.

MOA Trust Board

With the support of the Trust Manager, the MOA Trust Board shall:

1. Invest the assets of the Trust in accordance with this IPS and Anchorage Municipal Code 6.50.060.
2. Coordinate investment manager, investment consultant and MOA Trust Board meetings, activities and presentations.
3. Administer investment consultant, investment manager and custodian contracts.
4. Manage portfolio rebalancing and budgeted annual dividend payouts.

Trust Manager

Under the direction of the Board and supervision of the Chief Fiscal Officer (CFO), the Trust Manager shall:

1. Serve as primary liaison for all parties associated with serving the purpose of managing the day-to-day operations of the Trust in accordance with direction and parameters established by the board.
2. Establish and maintain communication with municipal departments and other agencies of government as necessary for the management of the Trust, and timely provide requested Trust financial information to the Controller Division and external auditors upon request.

DUTIES AND RESPONSIBILITIES

MOA Trust Fund – Investment Policy Stmt.

3. Monitor ongoing compliance to the Trust's current investment policy statement in terms of the proportion of total assets to be invested within a minimum-maximum range at any point in time.
4. Procure supplies, equipment, board meeting items, and non-professional contracted services of direct benefit to the Trust, consistent with authority and direction received from the board and adhering to municipal purchasing department Title 7 requirements for all such purchases and with respect to any disposal or surplus or excess municipally owned property.
5. Periodically review and confer with the CFO regarding the Trust's internal controls and procedures to ensure that the operations of the Trust are performed in a secure and appropriate manner in accordance with municipal code and municipal policies.
6. Direct and supervise the preparation of periodic (monthly, quarterly, and annual) investment status reports of the Trust in coordination with the Trust's investment consultant, asset managers, and custodian.
7. Direct and supervise the conduct of all necessary due diligence that is appropriate in the search and selection of all service providers of the Trust.
8. Negotiate and execute the terms and provisions of all agreements and contracts with the service providers of the Trust, including agreements and contracts directly sourced by the board in compliance with AMC 4.40.170C.3 and C.10.
9. Develop and recommend to the board a monitoring and reporting policy which sets out the board's requirements regarding the reports it needs to receive on a regular basis in order to meet its responsibility for the oversight and management of the Trust.
10. Monitor on an ongoing basis, without limitation, the following:
 - a. The investment performance of the Trust, asset classes, and investment managers and portfolios, including the costs of managing the Trust;
 - b. The asset allocation and investment risk of the Trust; and
 - c. The compliance of the Trust with all applicable laws and regulations, as well as all policies, procedures and any bylaws established by the board.
11. Communicate and recommend, as needed, to CFO changes or enhancement to the amount of finance department resource needed, including pay and skill level, to properly support management and oversight of the Trust.
12. The Trust Manager shall develop and recommend to the board an annual expenditure appropriation for the Trust, and upon approval by the board the Trust Manager shall submit the appropriation to the Assembly via Resolution and supporting Memorandum.
13. The Trust Manager, with dual signature from the CFO or designee, shall have the authority to make all necessary operational expenditures of the Trust, consistent with monetary appropriations, policies, and internal controls established by the board.
14. The Trust Manager and CFO, jointly, shall have the authority to execute all formal documents

DUTIES AND RESPONSIBILITIES MOA Trust Fund – Investment Policy Stmt.

and contracts on behalf of the Trust, consistent with board direction.

15. Other duties as specified in AMC 4.40.170.

Custodian

The Custodian shall:

1. Provide safekeeping and custody of securities purchased by investment managers on behalf of the Trust.
2. Provide for timely settlement of securities transactions.
3. Maintain short-term investment vehicles for investment of cash not invested by investment managers.
4. Check all manager accounts daily to make sure all available cash is invested.
5. Collect interest, dividend and principal payments on a timely basis.
6. Process corporate actions.
7. Price all securities on a daily basis.
8. Provide monthly, quarterly and annual reports.

Investment Consultant

The Investment Consultant will provide general consulting services as required by the Municipality in connection with the investment of the Trust's assets. As directed, the Consultant will:

1. Review the IPS to assure it is consistent with the Trust's goals and objectives.
2. Conduct and review an asset allocation study to establish the classes of assets, the strategy and style to be used within each class of assets, levels of risk, acceptable risk tolerance and predicted rates of return that will meet the Trust's goals and objectives.
3. Recommend investment manager performance standards and guidelines to monitor and measure investment managers. It is expected the investment consultant provide ongoing due diligence on managers with regular updates provided to the Trust as appropriate.
4. Provide guidelines as to the selection of investment managers and custodian for the Trust.
5. Conduct a quarterly analysis of, and report on, the performance of the investment manager(s).

PERFORMANCE MONITORING

MOA Trust Fund – Investment Policy Stmt.

Monitoring of Investment Managers

Quarterly performance will be evaluated to test progress toward the attainment of longer-term targets. It is understood that there are likely to be short-term periods during which performance deviates from market indices. During such times, greater emphasis shall be placed on peer performance comparisons with managers employing similar styles.

The following will be reviewed on a quarterly basis:

- Manager's adherence to the security and portfolio guidelines and the duties and responsibilities of investment managers, as prescribed above;
- Material changes in the manager's organization, investment philosophy and/or personnel; and,
- Comparisons of the manager's results to appropriate indices and peer groups, specifically:

Asset Class	Index	Peer Universe
Domestic Equity	Appropriate style / capitalization index: S&P, MSCI, or Russell series	Appropriate U.S. equity style / capitalization peer universe
International Equity	Appropriate MSCI style index	Appropriate international equity style / capitalization peer universe
Fixed Income	Bloomberg US Aggregate Bond Index	Appropriate fixed income style universe
Private Credit	Credit Suisse Leveraged Loan Index + 2%	N/A
Emerging Markets Debt	EMD Blended Index*	Appropriate Emerging Markets Debt peer universe
Real Estate	NCREIF ODCE Index (AWA)**	N/A
Cash & Cash Equivalents	ICE BofAML 3 Mo US T-Bill Index	N/A

*EMD Blended Index consists of an appropriate mix of hard and local currency exposure by index (Emerging Markets Bond Global Diversified Index (Hard Currency) and JPM GBI-EM Global Diversified Index (Local Currency).

**NCREIF ODCE= National Council of Real Estate Investment Fiduciaries Open-End Diversified Core Equity

The risk associated with each manager's portfolio, as measured by the variability of quarterly returns (i.e., annualized standard deviation), should not exceed that of the benchmark index and the peer group without a corresponding increase in performance above the benchmark and peer group.

It is recognized that on-going review and analysis of investment managers is an important component of fiduciary responsibility. Accordingly, thorough and regular reviews of investment managers will be conducted. Further review of managers may be warranted when:

PERFORMANCE MONITORING

MOA Trust Fund – Investment Policy Stmt.

- A manager performs in the bottom quartile (75th percentile) of their peer group over a five-year period;
- A manager falls in the southeast quadrant of the risk/return scatter plot over a 5-year time period or full market cycle;
- A manager's 5-year risk-adjusted return fall below that of the median manager within the appropriate peer group.

Major organizational changes may also warrant immediate review of the manager, including, but not limited to:

- Change in professionals
- Significant account losses
- Significant growth of new business
- Change in ownership

The performance of the investment managers will be monitored on an on-going basis. External investment managers may be terminated at any time subject to contract provisions.

Review of Investment Objectives

The investment program will be reviewed at least annually to determine the continued feasibility of achieving the investment objectives and the appropriateness of the IPS for achieving those objectives. It is not expected that the IPS will change frequently. In particular, short-term changes in the financial markets should not require adjustments to the IPS.

HISTORY OF POLICY CREATION/AMENDMENT DATES

MOA Trust Fund – Investment Policy Stmt.

	<u>Effective Date</u>
Original - MOA Trust Fund Investment Policy Statement	April 30, 1999
Amendment #1 - MOA Trust Fund Investment Policy Statement	June 13, 2000
Amendment #2 - MOA Trust Fund Investment Policy Statement	February 15, 2005
Amendment #3 - MOA Trust Fund Investment Policy Statement	August 29, 2007
Amendment #4 - MOA Trust Fund Investment Policy Statement	September 1, 2010
Amendment #5 - MOA Trust Fund Investment Policy Statement	February 25, 2014
Amendment #6 - MOA Trust Fund Investment Policy Statement	August 23, 2017
Amendment #7 - MOA Trust Fund Investment Policy Statement	February 28, 2018
Amendment #8 - MOA Trust Fund Investment Policy Statement	May 12, 2020
Amendment #9 - MOA Trust Fund Investment Policy Statement	September 1, 2020
Amendment #10 - MOA Trust Fund Investment Policy Statement	December 14, 2023
Amendment #11 – MOA Trust Fund Investment Policy Statement	August 14, 2024

RVK

Real Estate Update/Overview

Municipality of Anchorage Trust Fund

February 14, 2025

Real Estate Overview

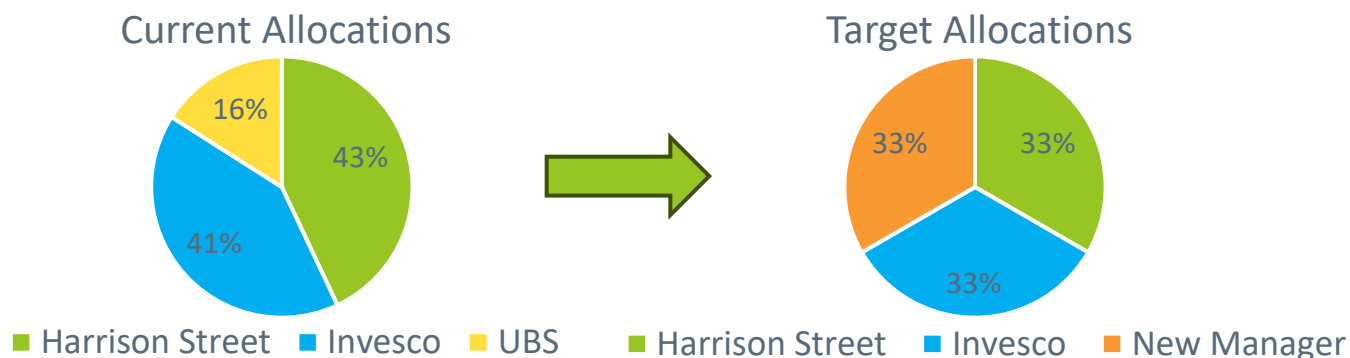
Introduction

The MOA Trust currently utilizes three private real estate managers: Invesco US Income Fund, Harrison Street Core Property Fund, and UBS Trumbull Property Fund.

- UBS was approved for termination upon RVK's recommendation during the October 2021 meeting due to ongoing performance and organizational concerns.
- UBS assets have been redeemed slowly over the past several years. So far, a total of **\$3.87M** has been returned to the Program – approximately **30%** of the original redemption amount.

The Trust is currently underweight private real estate, with a 11.25% allocation relative to its 13.0% target. This amounts to roughly \$7.6M in an underweight to Real Estate.

- **RVK recommends committing to an additional private real estate manager in 2025/2026, as UBS assets continued to be redeemed.**
- The rest of this presentation contains education regarding the real estate market and various strategy types available. RVK would like to further discuss real estate approaches at the next Board meeting, alongside asset allocation, to better demonstrate impact to the total portfolio.



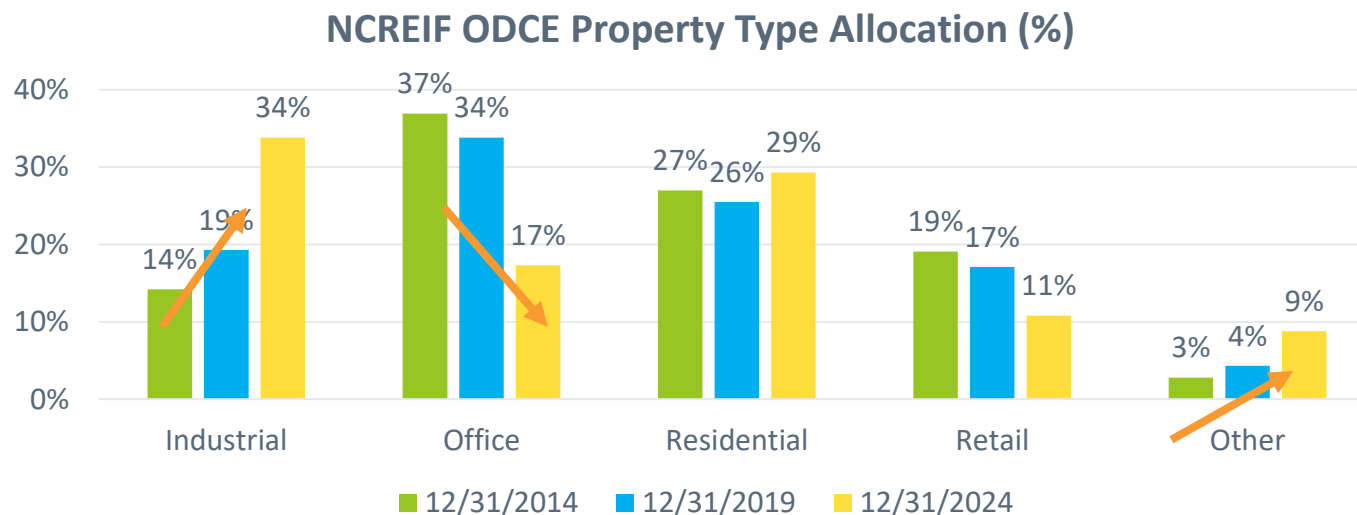
Data is as of 12/31/2024. Allocations may not sum to 100% due to rounding.

Real Estate Overview

Real Estate Marketplace

The real estate marketplace has undergone substantial changes over the decade – primarily resulting in “core” funds relying less on sectors such as office and retail and focusing more on “alternative” property types such as self-storage, student and senior housing, medical offices, and life sciences. The NCREIF ODCE Index has made updates to its inclusion criteria to reflect the changing market environment.

- While not considered “traditional” sectors, these “alternative” sectors reflect **core** real estate opportunities (resilient income returns coupled with moderate appreciation and return potential).
 - UBS is a “core” approach investing in the four primary ODCE sectors and using less leverage than the ODCE (23% vs. 27%)
 - Harrison Street is also considered a “core” approach utilizing modest leverage (27%) but focusing on niche sectors such as education, health, and storage.
 - Invesco is considered a “core-plus” approach, using slightly higher leverage (35%), although primarily investing in the four main ODCE sectors.



Data is as of 12/31/2024. Allocations may not sum to 100% due to rounding.

Real Estate Overview

Asset Allocation Impact

It is important to keep the role of real estate within a total portfolio front of mind when evaluating potential implementation strategies.

- Private real estate represents a key inflation-hedge and diversifying asset class relative to public equities and public fixed income.
- The Trust currently has a 13.0% (~\$56M) target to private real estate.
 - **RVK recommends further evaluating the implementation strategy of private real estate at the next Board meeting, in conjunction with a full asset allocation review.**
 - The below figures represent preliminary outputs using RVK's 2025 capital market assumptions:

<i>13% Real Estate Target</i>	Expected Return	Expected Risk	Total Fund Exp. Return	Total Fund Exp. Risk
Private "Core" Real Estate	6.25%	12.50%	6.47%	10.69%
Private "Core Plus" Real Estate	7.25%	15.00%	6.60%	10.85%
Private "Non-Core" Real Estate	8.25%	20.00%	6.73%	10.91%

Expected return represents arithmetic, nominal returns.

Expected risk represents standard deviation.

Total Fund return and risk represent current targets, adjusted for various real estate strategies.

Real Estate Overview

Summary

The Board may take a variety of approaches to making a commitment to a new private real estate manager.

- **Core Real Estate** – Most similar to UBS, moderate leverage, broad exposure to regions and “primary” ODCE sectors, lower expected risk but also lower expected returns compared to core plus / non-core private real estate managers
 - *Passive exposure to the ODCE may be available at an attractive fee to obtain broad exposure*
- **Core Plus / Non-Core Real Estate** – Exposure real estate through additional leverage and/or niche sectors, may lead to higher risk and returns, potential for additional diversification

RVK is interested in the Board’s initial thoughts/reaction to potential implementation approaches, and will follow up at the next Board meeting with next steps regarding a future private real estate commitment, as well as the impact to the total portfolio.

All else equal, RVK would lean towards replacing UBS with another “Core” manager. RVK would also be open to “Core Plus” depending on the fit within the Trust and desires of expected long-term return/risk.

Appendix – Real Estate Education

Investment in Real Estate

What is Real Estate?

Traditional Commercial Real Estate Sectors

- Office
- Retail
- Apartments / Residential
- Industrial
- Hotels / Hospitality

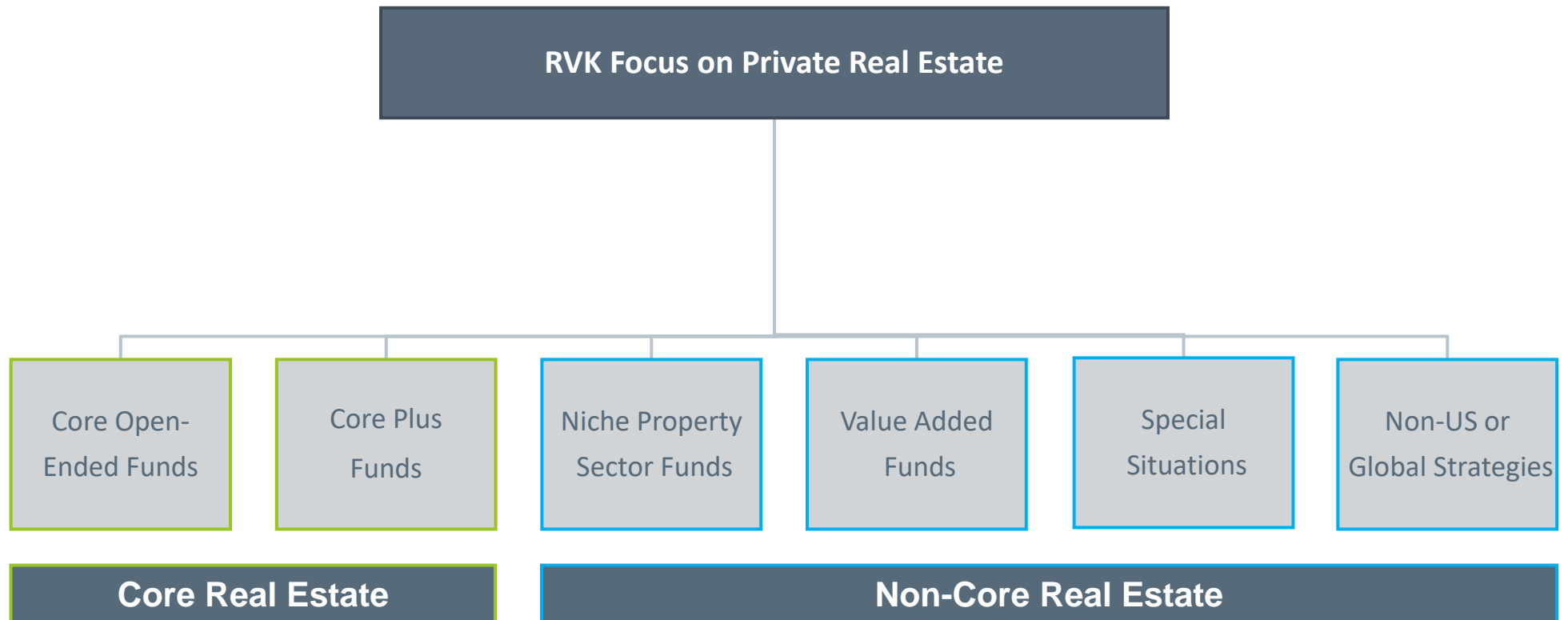
Non-Traditional Commercial Real Estate Sectors

- Self Storage
- Senior Housing
- Student Housing
- Other “Hybrid” Types
 - (e.g., Health Care, Infrastructure)

Reasons for Investment in Real Estate

- **Low Correlation:** Real estate-oriented investments have generated attractive long-term returns with low correlations to traditional asset classes
- **Inflationary Hedge:** Rental growth and appraised values are tied to inflation, as the replacement cost of real estate acts as a natural hedge
- **Liability Matching:** Longer-term nature of real estate hedges against longer-term liabilities
- **Higher Sharpe Ratio:** The inclusion of real estate in a broadly diversified portfolio can increase expected returns while lowering overall portfolio volatility, resulting in higher risk-adjusted return ratios
- **Increased Transparency:** Greater numbers of opportunities in both public and private real estate that are much more transparent than in the past, and stronger corporate governance protections are available to investors
- **Return Profile:** More stable, predictable cash flows from lease structures and revenue contracts. Can also be used for return enhancement and can exhibit absolute return characteristics

Private Real Estate – RVK Focus



Private Real Estate Categories

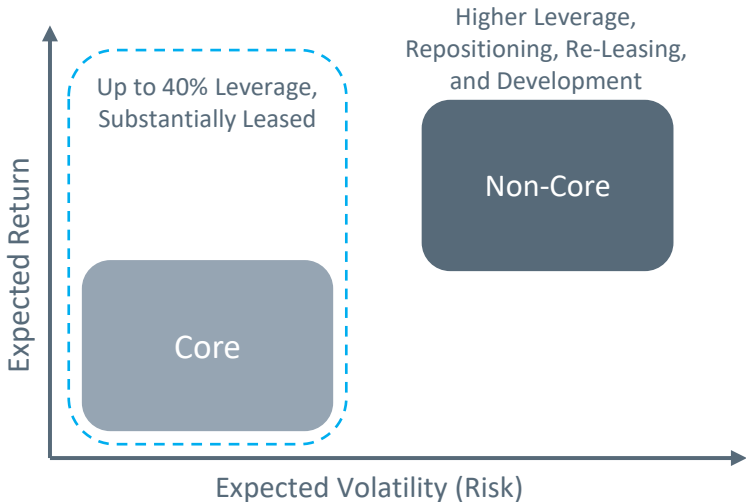
Private real estate investments can be broken into two “risk” categories:

1. **“Core”** – strategies focused on stabilized properties characterized by (i) fewer property-level risks, (ii) fewer “problems” that need to be fixed, and (iii) a greater reliance on income, but with lower absolute returns.
2. **“Non-Core”** – strategies generally focused on creating value by fixing property-level problems, characterized by (i) greater property-level risk, (ii) more reliance on capital appreciation, and (iii) higher total return potential.

	<u>Core</u> Real Estate	<u>Non-Core</u> Real Estate
Typical Fund Structure	Open-Ended, Perpetual Life	Closed-Ended, 8-10 Year Fund Life
Debt Limitations	Typically < 40%	Typically 50% - 70%
Fees Charged	Asset Management Fees (Limited, if any, incentive fees)	Asset Management + Incentive Fees
Expected Returns	Net IRR: 6% - 8% (Typically 70%+ generated through <u>income</u>)	Net IRR: 10% -14% (Majority generated through <u>capital gains</u>)
Return Volatility	Lower	Higher
Liquidity	Moderate	Low
Capital Expenditures	Minimal	Greater
Typical Strategy	Buy and Hold; Maximize Operating Income; Minimal Value-Add components	Buy at discount and convert to Core RE through repositioning, re-leasing, and/or redevelopment; Maximize capital appreciation potential

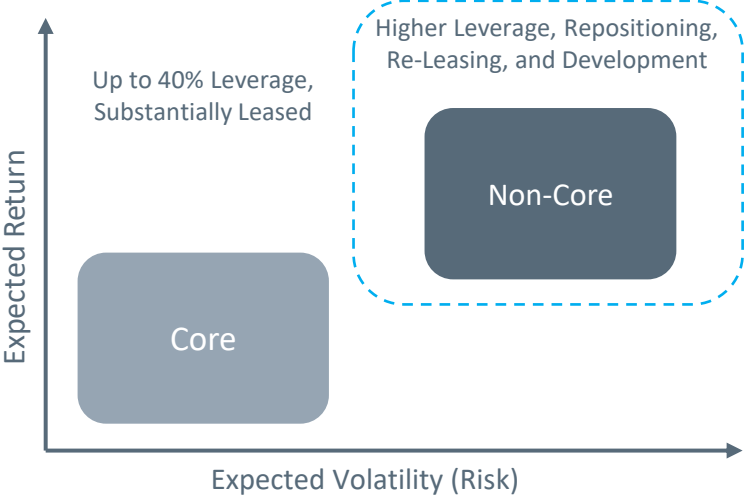
Core Real Estate

Summary

Focus on Existing Assets	<ul style="list-style-type: none"> • Most core real estate assets have minimal value-add components • Typical characteristics of assets considered to be core include: <ul style="list-style-type: none"> • High profile or “trophy-assets” • Top-tier markets • Mission critical facilities to the tenant • Limited vacancy and substantial in-place income
Extract Value Through Income	<ul style="list-style-type: none"> • Managers typically buy and hold core assets and actively manage tenancy to maximize in-place income • Core managers typically do not access assets at significant discount to valuations Managers may develop new assets if prices for existing assets far exceeds replacement costs but this is typically a limited focus given the emphasis on income • Asset and market selection of assets is crucial as core valuations are intended to be less volatile than value add investments
Risk Profile	 <p>The graph illustrates the risk-return profile of Core versus Non-Core real estate assets. The vertical axis represents Expected Return, and the horizontal axis represents Expected Volatility (Risk). Core assets are characterized by lower risk and lower return, while Non-Core assets involve higher risk and higher return through value-add strategies like repositioning and re-leasing.</p>

Non-Core Real Estate

Summary

Focus on Former Core Assets	<ul style="list-style-type: none"> Non-core real estate assets may have been considered core real estate at some point, but have one or more components that make them non-core Typical characteristics of assets considered to be non-core include: <ul style="list-style-type: none"> Over-leveraged asset (repositioning) Higher than core-level of vacancy (releasing) “Dated” building that needs remodeling/upgrades (redevelopment)
Value Creation	<ul style="list-style-type: none"> Once a manager has implemented and has completed its value-creation strategy, it often sells the asset to a core real estate buyer or an investor looking to further improve the asset Lower purchase prices than core real estate but often with a limited income component generated during the holding period Non-core real estate may require extensive redevelopment, releasing or ground-up development to extract value
Risk Profile	 <p>Expected Return</p> <p>Up to 40% Leverage, Substantially Leased</p> <p>Higher Leverage, Repositioning, Re-Leasing, and Development</p> <p>Core</p> <p>Non-Core</p> <p>Expected Volatility (Risk)</p>

RVK

Quarterly Performance Summary

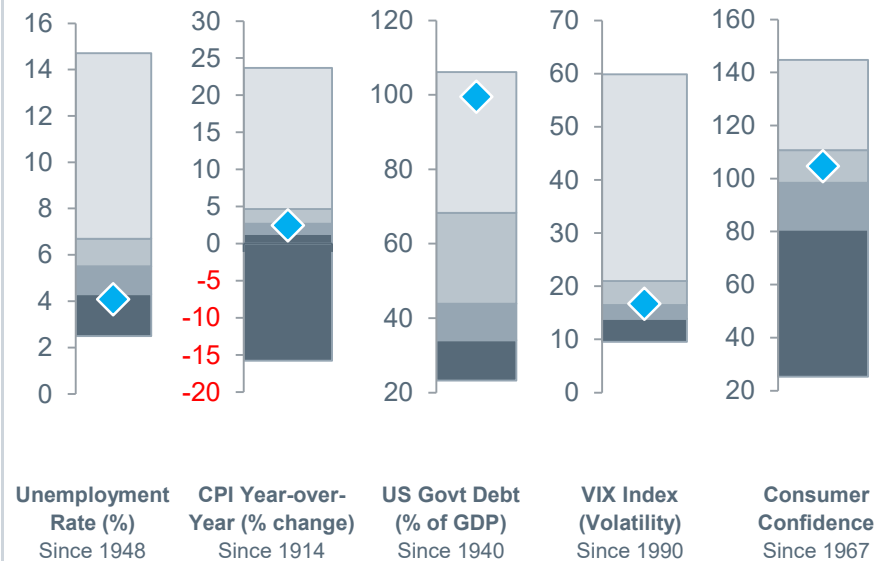
Municipality of Anchorage Trust Fund

December 31, 2024

Fourth Quarter Economic Environment

Despite multiple risks to economic growth—including persistent pockets of inflation, ongoing wars, and the prospect of renewed trade disruptions—risk assets delivered robust returns in 2024. For the calendar year, the MSCI All Country World Investable Market Index generated returns of 16.9%, primarily due to the returns of the US stock market and many of its largest companies. However, during Q4, investor sentiment for Chinese and other non-US securities weakened due to the trade measures expected from the second Trump administration, which caused global stock markets to experience a minor retracement. Credit spreads within debt markets continued to tighten throughout the year, leading to attractive returns for noninvestment grade, leveraged loan, securitized, and hard currency emerging markets debt. In December, the Organisation for Economic Co-operation and Development (OECD) Economic Outlook report forecasted global GDP growth of 3.2% for 2024, with a slight increase to 3.3% in 2025 and 2026. The year-over-year Headline Consumer Price Index change was 2.9% according to the December reading, representing a decline from 3.4% at the end of 2023. The Federal Open Markets Committee (FOMC) continued its trend of reducing the Federal Funds Rate with a 0.25% cut in December, following a 0.25% cut in November and 0.50% cut in September. The range for the Federal Funds Rate is now 4.25%–4.50%, down from its recent peak range of 5.25%–5.50%.

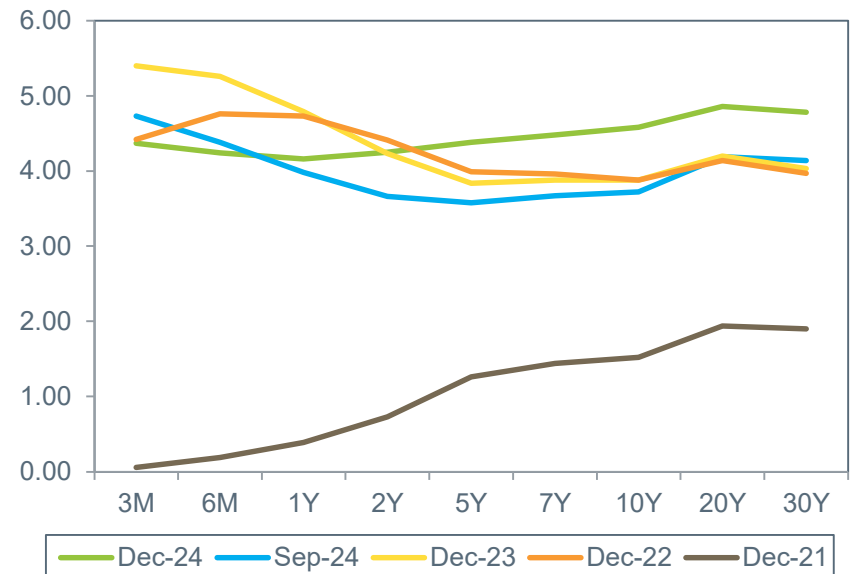
Key Economic Indicators

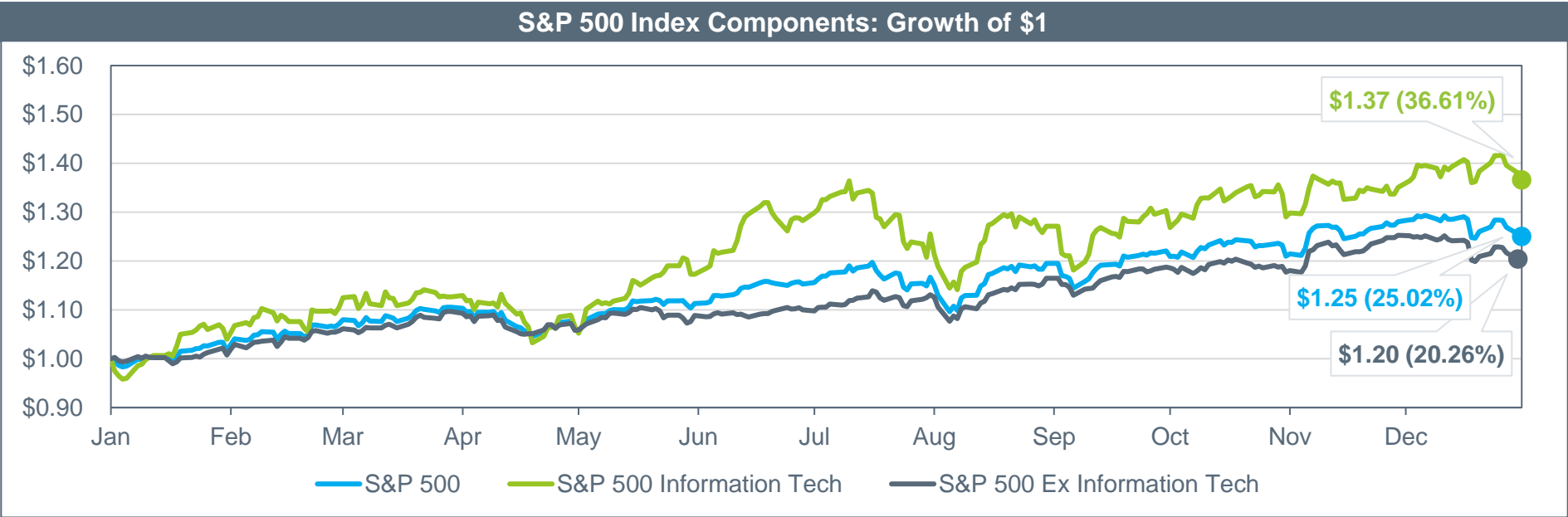
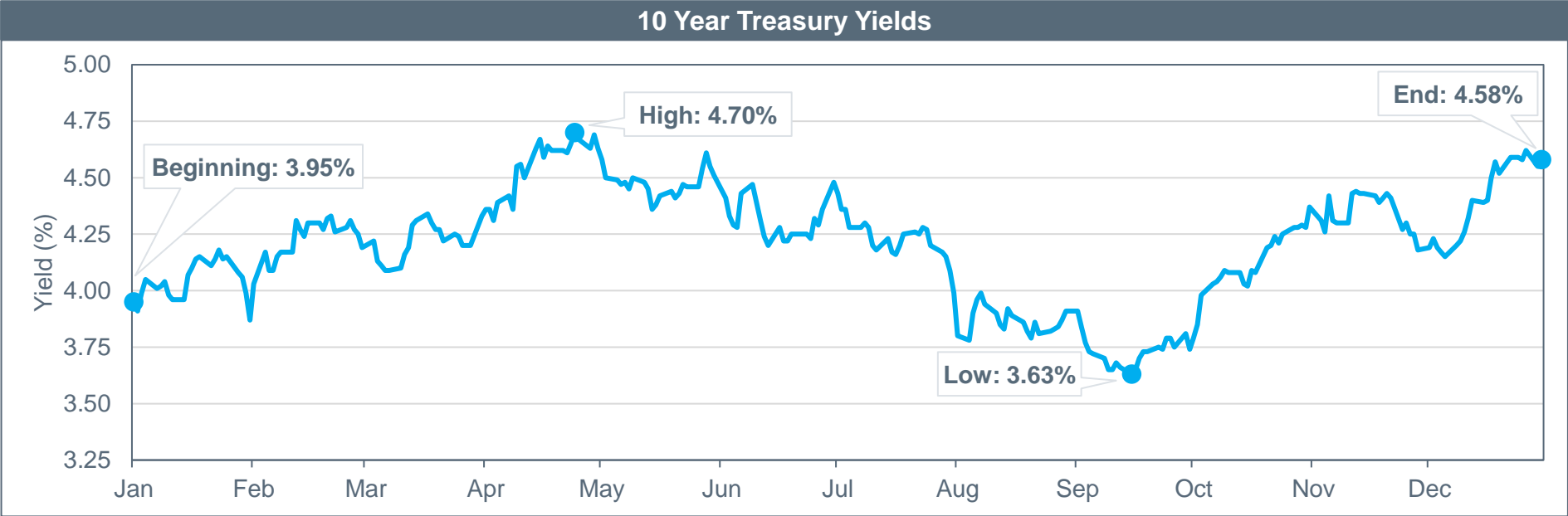


Economic Indicators	Dec-24	Sep-24	Dec-23	Dec-21	20 Yr
Federal Funds Rate (%)	4.33 ▼	4.83	5.33	0.07	1.68
Breakeven Infl. - 5 Yr (%)	2.37 ▲	2.06	2.14	2.91	1.93
Breakeven Infl. - 10 Yr (%)	2.33 ▲	2.16	2.17	2.59	2.09
CPI YoY (Headline) (%)	2.9 ▲	2.4	3.4	7.0	2.6
Unemployment Rate (%)	4.1 —	4.1	3.7	3.9	5.8
Real GDP YoY (%)	2.5 ▼	2.7	3.1	5.4	2.0
PMI - Manufacturing	49.2 ▲	47.2	47.4	58.8	52.9
USD Total Wtd Idx	129.49 ▲	121.53	118.77	115.37	104.49
WTI Crude Oil per Barrel (\$)	71.6 ▲	68.2	71.7	75.2	71.9
Gold Spot per Oz (\$)	2,612 ▼	2,636	2,068	1,829	1,335

Market Performance (%)	QTD	CYTD	1 Yr	5 Yr	10 Yr
S&P 500 (Cap Wtd)	2.41	25.02	25.02	14.53	13.10
Russell 2000	0.33	11.54	11.54	7.40	7.82
MSCI EAFE (Net)	-8.11	3.82	3.82	4.73	5.20
MSCI EAFE SC (Net)	-8.36	1.82	1.82	2.30	5.52
MSCI Emg Mkts (Net)	-8.01	7.50	7.50	1.70	3.64
Bloomberg US Agg Bond	-3.06	1.25	1.25	-0.33	1.35
ICE BofAML 3 Mo US T-Bill	1.17	5.25	5.25	2.46	1.77
NCREIF ODCE (Gross)	1.16	-1.43	-1.43	2.87	5.88
FTSE NAREIT Eq REIT (TR)	-6.21	8.73	8.73	4.27	5.73
HFRI FOF Comp	2.30	9.40	9.40	5.28	3.81
Bloomberg Cmtty (TR)	-0.45	5.38	5.38	6.77	1.28

Treasury Yield Curve (%)

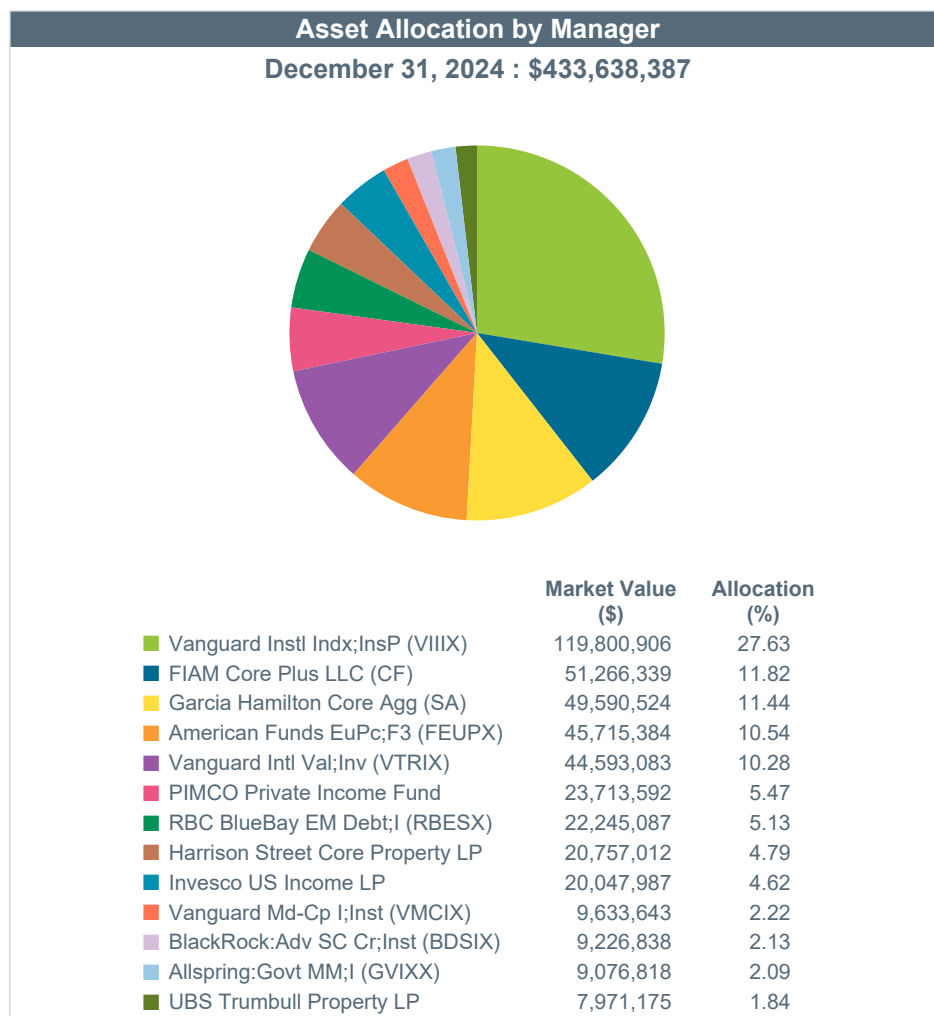




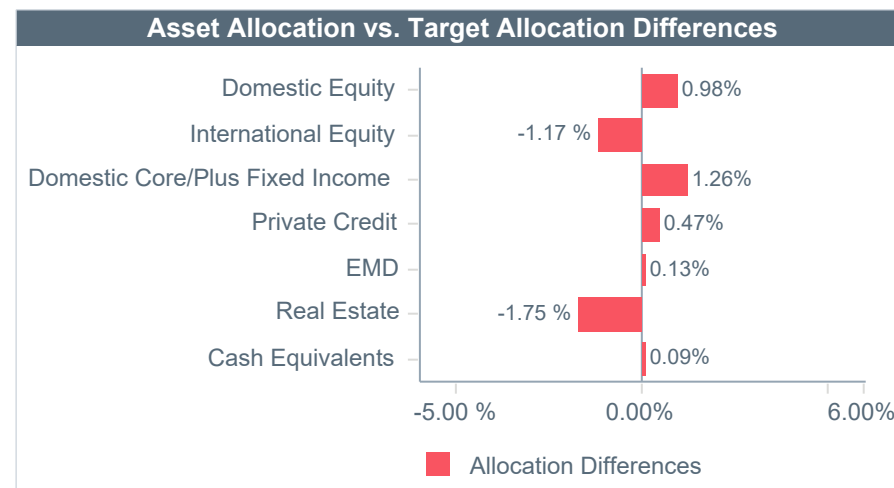
Source: Federal Reserve Bank of St. Louis and FactSet.
Treasury Yield Dates: Beginning: January 2, High: April 25, Low: September 16, End: December 31.

Municipality of Anchorage Trust Fund
Asset Alloc. by Manager, Asset Alloc. vs. Target & Schedule of Investable Assets

As of December 31, 2024



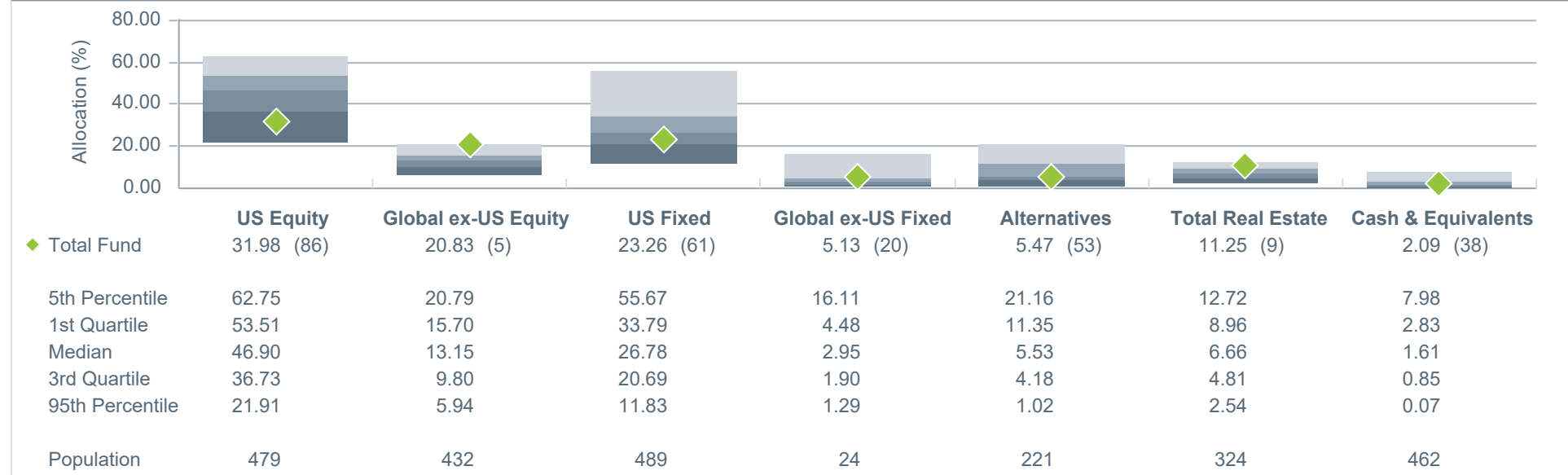
Asset Allocation vs. Target Allocation					
	Market Value (\$)	Allocation (%)	Target (%)	Min (%)	Max (%)
Total Fund	433,638,387	100.00	100.00	-	-
Domestic Equity	138,661,387	31.98	31.00	26.00	36.00
International Equity	90,308,467	20.83	22.00	18.00	26.00
Domestic Core/Plus Fixed Income	100,856,863	23.26	22.00	19.00	25.00
Private Credit	23,713,592	5.47	5.00	2.00	8.00
EMD	22,245,087	5.13	5.00	2.00	8.00
Real Estate	48,776,174	11.25	13.00	10.00	16.00
Cash Equivalents	9,076,818	2.09	2.00	0.00	5.00



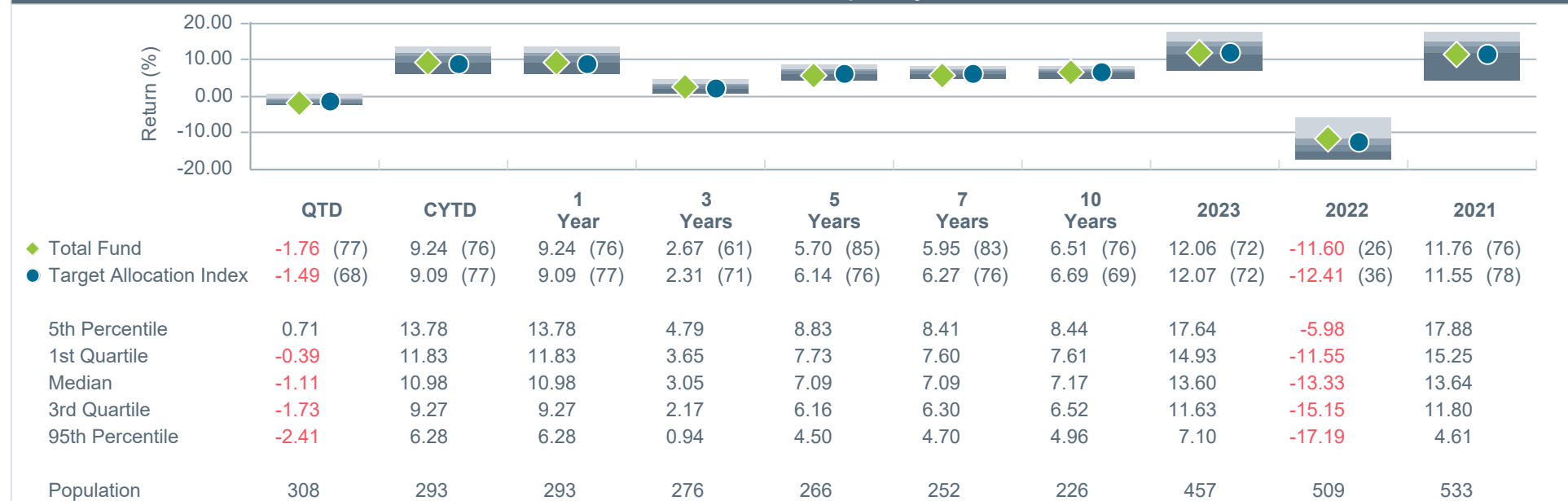
Schedule of Investable Assets					
Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
CYTD	410,723,037	-13,613,511	36,528,861	433,638,387	8.88

Allocations shown may not sum up to 100% exactly due to rounding. Performance shown is net of fees. The market value for PIMCO Private Income Fund is as of 09/30/2024.

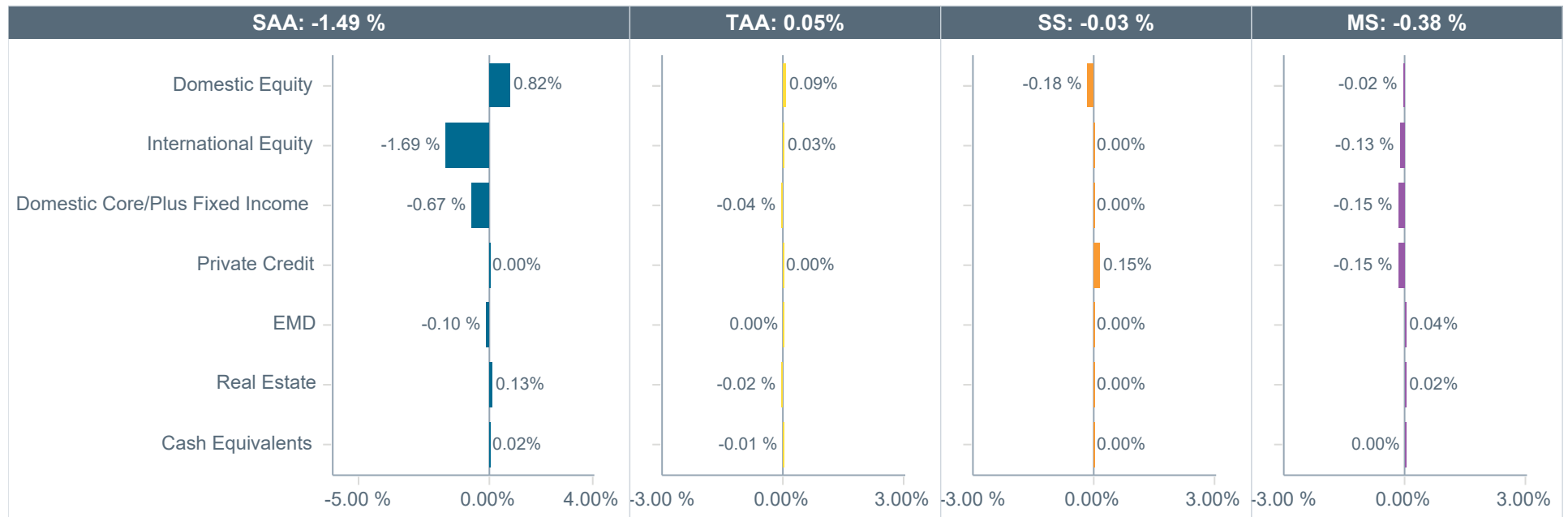
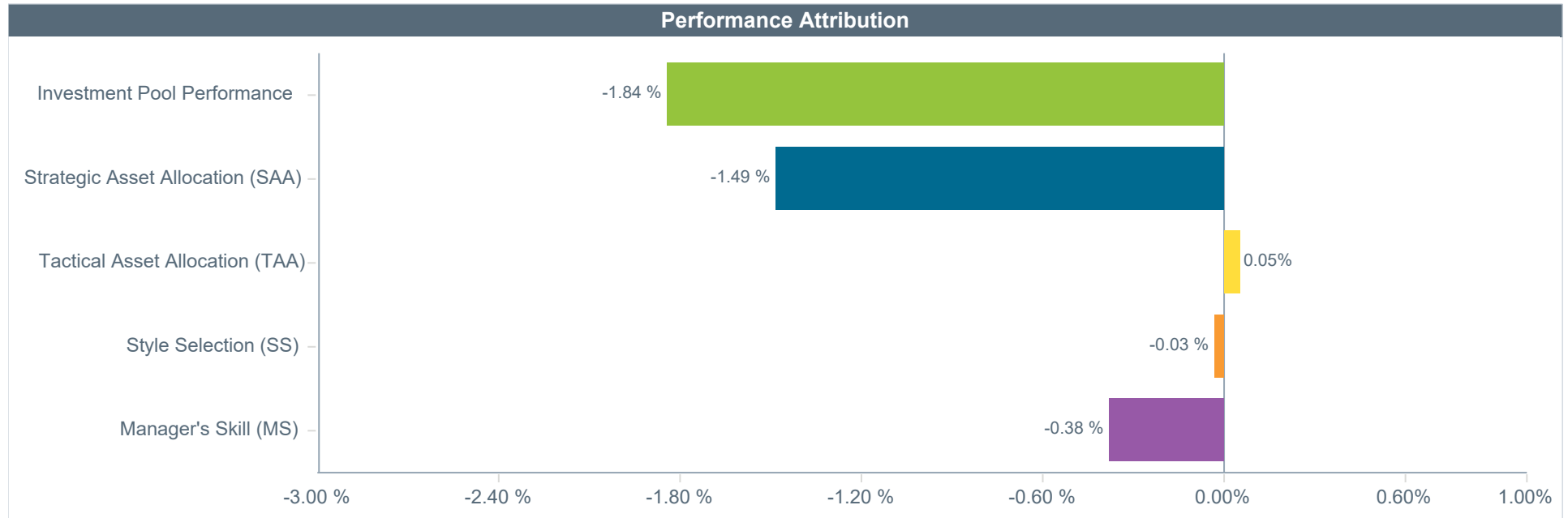
Total Fund Asset Allocation



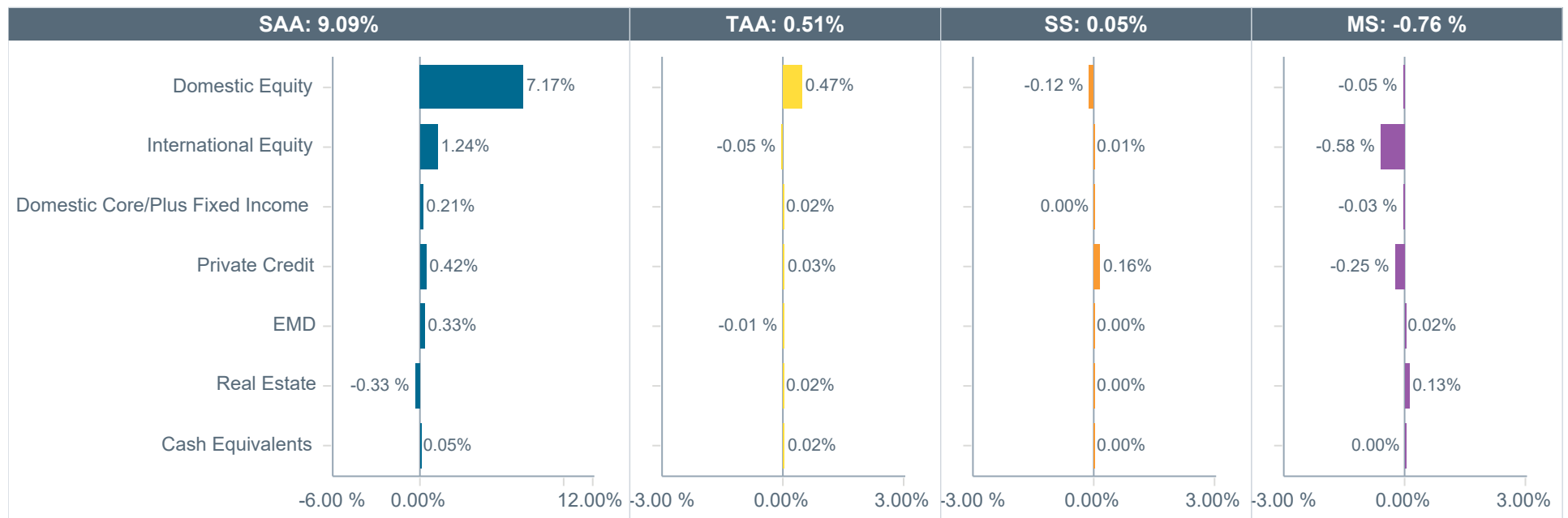
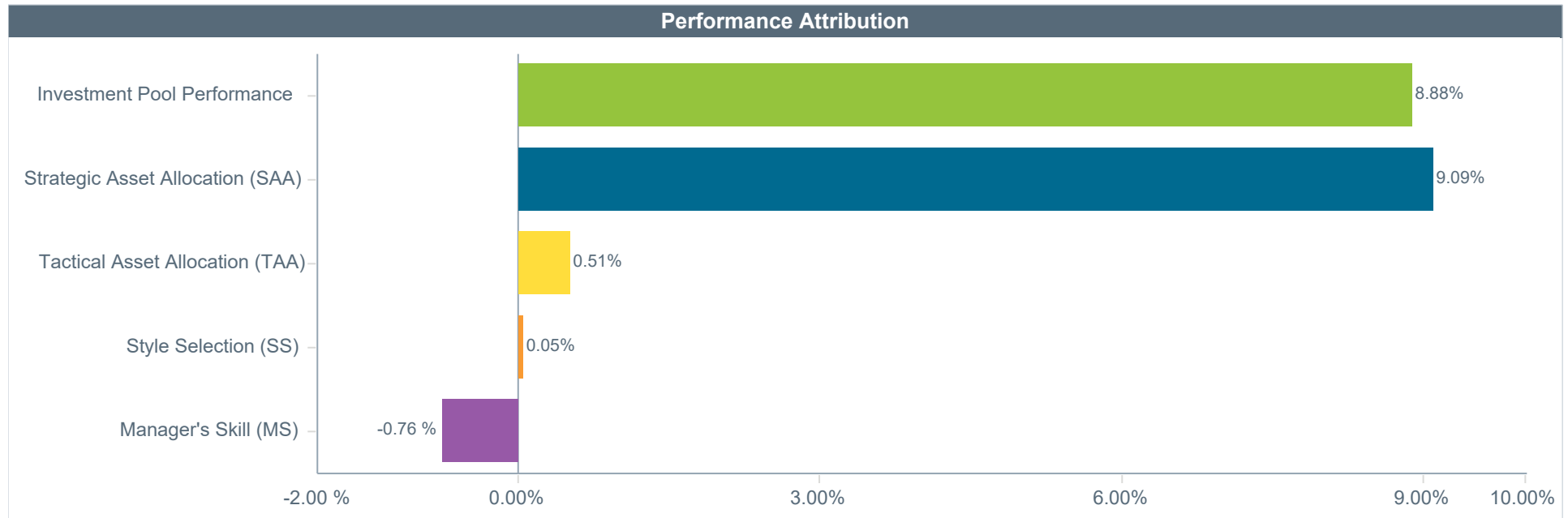
Total Fund Peer Group Analysis



Parentheses contain percentile ranks. Performance shown is gross of fees. Composite performance prior to 01/2016 consists of gross performance for separate accounts and commingled fund investments, and net performance for mutual fund investments. Calculation is based on monthly periodicity.



Performance shown is net of fees. Calculation is based on monthly periodicity. See Glossary for additional information regarding the Total Fund Attribution - IDP calculation.



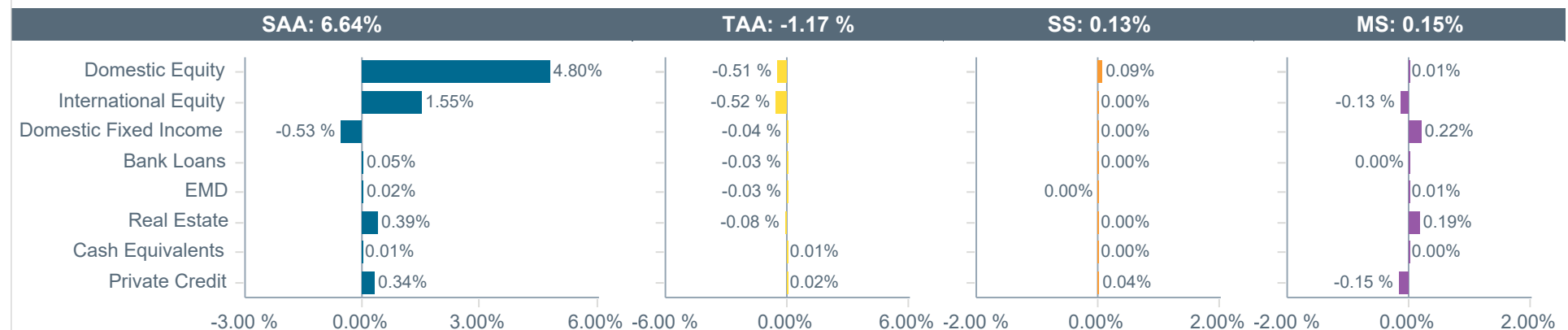
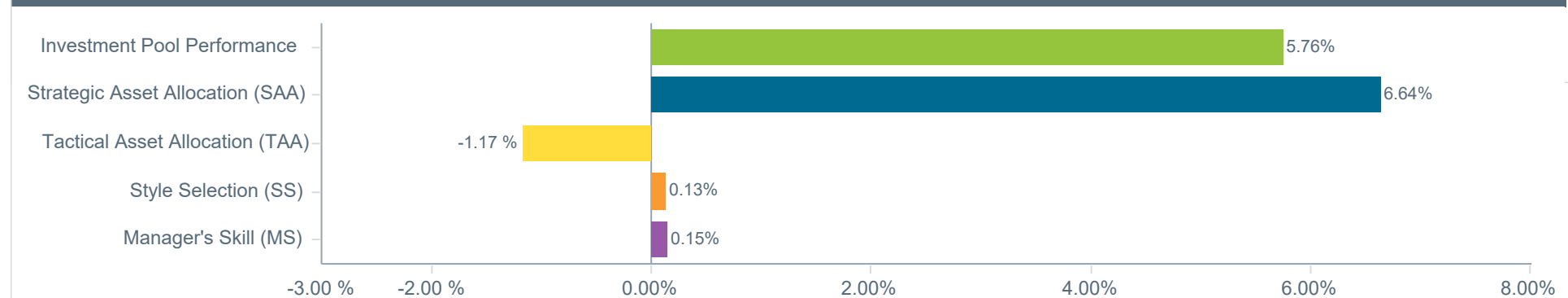
Performance shown is net of fees. Calculation is based on monthly periodicity. See Glossary for additional information regarding the Total Fund Attribution - IDP calculation.

Municipality of Anchorage Trust Fund
ML&P Cash Proceeds Impact on Performance

As of December 31, 2024

Comparative Performance														
	MTD	QTD	CYTD	1 Year	3 Years	Since 10/01/20	5 Years	7 Years	10 Years	2023	2022	2021	Since Incep.	Inception Date
Total Fund	-1.98	-1.84	8.88	8.88	2.30	5.76	5.34	5.58	6.14	11.66	-11.94	11.37	5.79	10/01/1999
Target Allocation Index (Trust)	-1.67	-1.49	9.09	9.09	2.31	6.64	6.14	6.27	6.69	12.07	-12.41	11.55	5.76	
Difference	-0.31	-0.36	-0.20	-0.20	-0.01	-0.88	-0.80	-0.69	-0.55	-0.41	0.47	-0.17	0.03	
Target Allocation Index (Wtd Cash) (Trust)	-1.67	-1.49	9.09	9.09	2.31	5.85	5.47	5.79	-	12.07	-12.41	11.55	-	
Difference	-0.31	-0.36	-0.20	-0.20	-0.01	-0.09	-0.14	-0.21	-	-0.41	0.47	-0.17	-	
Consumer Price Index+4%	0.36	1.08	7.00	7.00	8.39	8.82	8.36	7.74	7.12	7.49	10.71	11.32	6.63	
Difference	-2.34	-2.93	1.88	1.88	-6.08	-3.07	-3.03	-2.16	-0.99	4.18	-22.65	0.06	-0.84	
Total Fund Ex-Cash	-2.03	-1.89	8.91	8.91	2.32	6.57	6.02	6.07	-	11.69	-11.94	11.55	7.17	01/01/2016
Target Allocation Index (Trust)	-1.67	-1.49	9.09	9.09	2.31	6.64	6.14	6.27	6.69	12.07	-12.41	11.55	7.42	
Difference	-0.36	-0.40	-0.18	-0.18	0.01	-0.08	-0.12	-0.19	-	-0.38	0.47	0.00	-0.25	

Performance Attribution - Since 10/01/2020



Performance shown is net of fees. Performance is annualized for periods greater than one year. Please see the Addendum for custom index definitions. The Target Allocation Index (Weighted Cash) (Trust) consists of a 37% allocation to cash during 11/2020 and a 12% allocation to cash during 12/2020. Remaining allocations were adjusted on a pro rata basis to fill the remaining stated targets.

**Municipality of Anchorage Trust Fund
Comparative Performance**

As of December 31, 2024

	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2023	2022	2021	2020	Since Incep.	Inception Date
Total Fund	-1.84	8.88	8.88	2.30	5.34	5.58	6.14	11.66	-11.94	11.37	8.75	5.79	10/01/1999
Target Allocation Index (Trust)	-1.49	9.09	9.09	2.31	6.14	6.27	6.69	12.07	-12.41	11.55	12.77	5.76	
Difference	-0.36	-0.20	-0.20	-0.01	-0.80	-0.69	-0.55	-0.41	0.47	-0.17	-4.02	0.03	
Consumer Price Index+4%	1.08	7.00	7.00	8.39	8.36	7.74	7.12	7.49	10.71	11.32	5.42	6.63	
Difference	-2.93	1.88	1.88	-6.08	-3.03	-2.16	-0.99	4.18	-22.65	0.06	3.33	-0.84	
Domestic Equity	2.07	23.35	23.35	8.00	13.52	13.05	12.13	24.96	-18.28	27.79	17.14	8.10	10/01/1999
Russell 3000 Index	2.63	23.81	23.81	8.01	13.86	13.16	12.55	25.96	-19.21	25.66	20.89	8.41	
Difference	-0.56	-0.46	-0.46	-0.01	-0.34	-0.12	-0.41	-1.00	0.93	2.13	-3.74	-0.30	
Domestic Large Cap Equity	2.42	24.89	24.89	8.88	14.25	13.64	12.67	26.25	-18.13	28.85	17.02	8.22	10/01/1999
Russell 1000 Index	2.75	24.51	24.51	8.41	14.28	13.58	12.87	26.53	-19.13	26.45	20.96	8.40	
Difference	-0.33	0.38	0.38	0.47	-0.03	0.06	-0.21	-0.28	1.00	2.40	-3.94	-0.18	
Vanguard Instl Indx;InsP (VILIX)	2.40	24.99	24.99	8.92	14.51	13.81	13.08	26.26	-18.13	28.69	18.40	8.22	10/01/1999
S&P 500 Index (Cap Wtd)	2.41	25.02	25.02	8.94	14.53	13.83	13.10	26.29	-18.11	28.71	18.40	8.21	
Difference	-0.01	-0.03	-0.03	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	0.00	0.01	
IM U.S. Large Cap Core Equity (MF) Median	1.72	22.94	22.94	7.61	13.38	12.67	12.01	24.85	-18.72	26.95	18.39	7.64	
Rank	27	27	27	26	24	19	12	38	46	26	50	27	
Domestic Mid Cap Equity	0.45	15.23	15.23	2.81	9.57	9.43	9.43	16.00	-18.71	24.65	16.61	9.21	07/01/2006
Vanguard Spl Mid Cap Index	0.46	15.25	15.25	2.82	9.86	9.64	9.57	15.98	-18.68	24.52	18.24	9.31	
Difference	-0.01	-0.02	-0.02	-0.01	-0.29	-0.21	-0.15	0.02	-0.03	0.13	-1.64	-0.10	
Vanguard Md-Cp I;Inst (VMCIX)	0.45	15.23	15.23	2.81	9.86	9.63	9.55	16.00	-18.70	24.53	18.23	9.28	07/01/2006
Vanguard Spl Mid Cap Index	0.46	15.25	15.25	2.82	9.86	9.64	9.57	15.98	-18.68	24.52	18.24	9.31	
Difference	-0.01	-0.02	-0.02	-0.01	-0.01	-0.01	-0.02	0.02	-0.02	0.00	-0.01	-0.03	
IM U.S. Mid Cap Core Equity (MF) Median	-0.80	12.26	12.26	4.40	9.34	8.38	7.93	13.87	-13.21	25.73	8.44	7.87	
Rank	30	30	30	79	34	17	16	33	93	60	15	11	
Domestic Small Cap Equity	-0.28	11.86	11.86	1.46	7.33	8.02	7.47	16.52	-19.87	15.69	17.88	6.15	01/01/2000
Small Cap Custom Index	0.33	11.54	11.54	1.24	7.40	6.91	7.38	16.93	-20.44	14.82	19.96	7.79	
Difference	-0.61	0.32	0.32	0.22	-0.07	1.11	0.09	-0.41	0.57	0.88	-2.08	-1.64	
BlackRock:Adv SC Cr;Inst (BDSIX)	-0.28	11.86	11.86	1.46	7.44	8.10	-	16.52	-19.87	14.67	19.57	8.77	12/01/2016
Russell 2000 Index	0.33	11.54	11.54	1.24	7.40	6.91	7.82	16.93	-20.44	14.82	19.96	8.13	
Difference	-0.61	0.32	0.32	0.22	0.04	1.19	-	-0.41	0.57	-0.14	-0.39	0.63	
IM U.S. Small Cap Core Equity (MF) Median	-0.14	10.32	10.32	2.67	8.13	7.02	7.72	15.99	-15.77	25.12	9.89	7.95	
Rank	52	30	30	68	65	23	-	44	82	91	14	25	

Performance shown is net of fees. Performance is annualized for periods greater than one year. Please see the Addendum for custom index definitions. The performance for PIMCO Private Income Fund is not available for Q4 2024 and is assumed to be 0.00%.

**Municipality of Anchorage Trust Fund
Comparative Performance**

As of December 31, 2024

	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2023	2022	2021	2020	Since Incep.	Inception Date
International Equity	-8.13	3.03	3.03	-0.33	3.84	2.96	4.48	16.14	-17.25	5.82	15.22	5.28	10/01/1999
MSCI ACW Ex US Index (USD) (Net)	-7.60	5.53	5.53	0.82	4.10	3.53	4.80	15.62	-16.00	7.82	10.65	-	
Difference	-0.53	-2.51	-2.51	-1.15	-0.26	-0.57	-0.33	0.52	-1.25	-2.00	4.57	-	
Vanguard Intl Val;Inv (VTRIX)	-9.21	1.04	1.04	1.21	-	-	-	16.15	-11.66	7.97	-	8.97	06/01/2020
MSCI ACW Ex US Val Index (USD) (Net)	-7.31	6.04	6.04	4.37	4.50	3.13	4.07	17.30	-8.59	10.46	-0.77	10.92	
Difference	-1.91	-5.00	-5.00	-3.16	-	-	-	-1.15	-3.07	-2.48	-	-1.95	
IM ACWI Ex US Value (MF) Median	-6.75	6.41	6.41	3.09	4.34	3.11	3.41	15.36	-11.04	10.01	3.69	9.68	
Rank	76	83	83	81	-	-	-	42	61	73	-	74	
American Funds EuPc;F3 (FEUPX)	-7.04	5.04	5.04	-1.97	3.94	4.00	5.63	16.06	-22.73	2.85	25.24	5.93	10/01/1999
MSCI ACW Ex US Grth Index (USD) (Net)	-7.88	5.07	5.07	-2.67	3.44	3.71	5.35	14.03	-23.05	5.09	22.20	-	
Difference	0.84	-0.03	-0.03	0.70	0.51	0.29	0.28	2.03	0.32	-2.24	3.04	-	
IM ACWI Ex US Growth (MF) Median	-7.34	4.72	4.72	-3.26	3.53	3.80	5.28	15.36	-26.63	7.93	22.75	5.30	
Rank	39	47	47	30	32	41	39	41	30	77	36	25	
Domestic Fixed Income	-2.98	2.24	2.24	-0.80	0.84	1.83	2.33	6.35	-10.23	-0.07	6.90	4.52	10/01/1999
Bloomberg US Agg Bond Index	-3.06	1.25	1.25	-2.41	-0.33	0.97	1.35	5.53	-13.01	-1.55	7.51	3.89	
Difference	0.09	0.99	0.99	1.60	1.17	0.86	0.99	0.82	2.78	1.48	-0.60	0.63	
Domestic Core/Plus Fixed Income	-3.65	1.21	1.21	-1.88	0.19	1.38	-	6.24	-12.15	-0.87	7.80	2.28	01/01/2016
Bloomberg US Agg Bond Index	-3.06	1.25	1.25	-2.41	-0.33	0.97	1.35	5.53	-13.01	-1.55	7.51	1.44	
Difference	-0.59	-0.04	-0.04	0.53	0.51	0.42	-	0.71	0.86	0.67	0.29	0.85	
FIAM Core Plus LLC (CF)	-2.76	2.50	2.50	-1.25	0.84	1.96	2.47	7.55	-12.63	0.68	7.52	3.96	10/01/2007
Bloomberg US Agg Bond Index	-3.06	1.25	1.25	-2.41	-0.33	0.97	1.35	5.53	-13.01	-1.55	7.51	2.88	
Difference	0.30	1.24	1.24	1.16	1.16	1.00	1.12	2.02	0.38	2.22	0.02	1.08	
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median	-2.80	2.50	2.50	-1.90	0.51	1.65	2.04	6.48	-13.24	-0.55	8.65	3.64	
Rank	46	51	51	27	29	27	25	20	30	20	80	28	
Garcia Hamilton Core Agg (SA)	-4.55	-0.10	-0.10	-2.49	-0.40	-	-	5.06	-11.66	-2.40	8.34	0.95	02/01/2018
Bloomberg US Agg Bond Index	-3.06	1.25	1.25	-2.41	-0.33	0.97	1.35	5.53	-13.01	-1.55	7.51	1.15	
Difference	-1.49	-1.35	-1.35	-0.08	-0.07	-	-	-0.47	1.35	-0.86	0.83	-0.20	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	-3.04	1.61	1.61	-2.26	-0.04	1.21	1.57	5.79	-13.13	-1.47	8.03	1.38	
Rank	100	99	99	80	88	-	-	86	10	98	39	92	

Performance shown is net of fees. Performance is annualized for periods greater than one year. Please see the Addendum for custom index definitions. The performance for PIMCO Private Income Fund is not available for Q4 2024 and is assumed to be 0.00%.

**Municipality of Anchorage Trust Fund
Comparative Performance**

As of December 31, 2024

	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2023	2022	2021	2020	Since Incep.	Inception Date
Private Credit	0.00	6.65	6.65	4.21	-	-	-	6.70	-0.55	-	-	4.88	06/01/2021
S&P UBS Lvg'd Loan Index +2%	0.00	8.18	8.18	7.98	7.25	7.09	6.94	15.30	0.92	7.51	4.83	7.65	
Difference	0.00	-1.53	-1.53	-3.77	-	-	-	-8.61	-1.47	-	-	-2.77	
PIMCO Private Income Fund	0.00	6.65	6.65	4.21	-	-	-	6.70	-0.55	-	-	4.88	06/01/2021
S&P UBS Lvg'd Loan Index +2%	0.00	8.18	8.18	7.98	7.25	7.09	6.94	15.30	0.92	7.51	4.83	7.65	
Difference	0.00	-1.53	-1.53	-3.77	-	-	-	-8.61	-1.47	-	-	-2.77	
Emerging Markets Debt	-1.11	6.92	6.92	0.57	-0.20	-	-	15.62	-17.73	-6.44	4.04	1.84	07/01/2018
EMD Blended Index	-1.94	6.54	6.54	-0.34	0.11	-	-	11.09	-16.36	-2.83	4.56	2.20	
Difference	0.83	0.38	0.38	0.90	-0.32	-	-	4.53	-1.36	-3.61	-0.52	-0.35	
RBC BlueBay EM Debt;I (RBESX)	-1.11	6.92	6.92	1.56	1.74	-	-	15.62	-15.27	-2.76	7.01	3.74	07/01/2018
JPM Emg Mkts Bond Gbl Dvfd Index (USD) (TR)	-1.94	6.54	6.54	-0.91	0.12	1.47	3.13	11.09	-17.78	-1.80	5.26	2.43	
Difference	0.83	0.38	0.38	2.46	1.62	-	-	4.53	2.52	-0.97	1.75	1.31	
IM Emerging Markets Debt (MF) Median	-1.77	6.59	6.59	0.09	0.57	1.60	2.86	11.41	-15.09	-2.96	5.74	2.52	
Rank	25	40	40	11	16	-	-	3	52	48	29	12	
Real Estate	1.22	-1.14	-1.14	-0.64	1.95	1.81	3.51	-9.98	10.21	17.92	-4.78	3.23	10/01/2007
NCREIF ODCE Index (AWA) (Net)	0.96	-2.27	-2.27	-3.14	1.99	3.08	4.94	-12.73	6.55	21.02	0.34	3.72	
Difference	0.26	1.13	1.13	2.49	-0.04	-1.27	-1.43	2.75	3.66	-3.09	-5.12	-0.49	
UBS Trumbull Property LP	0.75	-2.44	-2.44	-4.77	-1.03	-0.32	2.00	-15.72	5.02	15.48	-4.78	2.35	10/01/2007
NCREIF ODCE Index (AWA) (Net)	0.96	-2.27	-2.27	-3.14	1.99	3.08	4.94	-12.73	6.55	21.02	0.34	3.72	
Difference	-0.21	-0.17	-0.17	-1.63	-3.02	-3.41	-2.95	-2.99	-1.53	-5.54	-5.12	-1.37	
Invesco US Income LP	1.81	-0.50	-0.50	0.12	-	-	-	-10.44	12.61	25.00	-	5.83	01/01/2021
NCREIF ODCE Index (AWA) (Net)	0.96	-2.27	-2.27	-3.14	1.99	3.08	4.94	-12.73	6.55	21.02	0.34	2.41	
Difference	0.85	1.77	1.77	3.26	-	-	-	2.29	6.06	3.99	-	3.43	
Harrison Street Core Property LP	0.83	-0.50	-0.50	0.77	-	-	-	-6.63	10.15	-	-	2.76	04/01/2021
NCREIF ODCE Index (AWA) (Net)	0.96	-2.27	-2.27	-3.14	1.99	3.08	4.94	-12.73	6.55	21.02	0.34	2.06	
Difference	-0.13	1.77	1.77	3.91	-	-	-	6.10	3.60	-	-	0.71	

Performance shown is net of fees. Performance is annualized for periods greater than one year. Please see the Addendum for custom index definitions. The performance for PIMCO Private Income Fund is not available for Q4 2024 and is assumed to be 0.00%.

**Municipality of Anchorage Trust Fund
Fee Addendum**

As of December 31, 2024

	Fee Schedule	Market Value As of 12/31/2024 (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Total Fund		433,638,387	1,711,882	0.39
Vanguard Instl Indx;InsP (VFIIX)	0.02 % of Assets	119,800,906	23,960	0.02
Vanguard Md-Cp I;Inst (VMCIX)	0.04 % of Assets	9,633,643	3,853	0.04
BlackRock:Adv SC Cr;Inst (BDSIX)	0.50 % of Assets	9,226,838	46,134	0.50
Vanguard Intl Val;Inv (VTRIX)	0.37 % of Assets	44,593,083	164,994	0.37
American Funds EuPc;F3 (FEUPX)	0.46 % of Assets	45,715,384	210,291	0.46
FIAM Core Plus LLC (CF)	0.20 % of First \$100 M 0.16 % of Next \$200 M 0.12 % of Next \$200 M 0.10 % Thereafter	51,266,339	102,533	0.20
Garcia Hamilton Core Agg (SA)	0.25 % of Assets	49,590,524	123,976	0.25
PIMCO Private Income Fund	1.25 % of Assets	23,713,592	296,420	1.25
RBC BlueBay EM Debt;I (RBESX)	0.79 % of Assets	22,245,087	175,736	0.79
UBS Trumbull Property LP*	0.83 % of Assets	7,971,175	66,549	0.83
Harrison Street Core Property LP	1.15 % of First \$25 M 1.05 % of Next \$25 M 0.95 % of Next \$25 M 0.90 % of Next \$25 M 0.85 % Thereafter	20,757,012	238,706	1.15
Invesco US Income LP	1.20 % of First \$50 M 1.10 % of Next \$50 M 1.00 % of Next \$100 M 0.85 % of Next \$300 M 0.80 % Thereafter	20,047,987	240,576	1.20
Allspring:Govt MM;I (GVIXX)	0.20 % of Assets	9,076,818	18,154	0.20

Mutual fund fees are sourced from Morningstar and/or the investment manager.

UBS Trumbull Property LP - 0.955% on first \$10M, 0.825% on next \$15M, 0.805% on next \$25M, 0.79% on next \$50M, 0.67% on next \$150M, 0.60% on next \$150M, 0.56% on next \$200M and 0.52% thereafter. The variable fee has been suspended indefinitely.

*The fee schedule shown for UBS Trumbull Property LP is based on the effective rates as of the most recently available quarter end data for the combined assets of Anchorage Police & Fire Retirement System and Municipality of Anchorage.

Performance Related Comments

- Performance shown is net of fees, unless otherwise noted.
- Inception dates shown reflect the first full month of client specific performance.
- RVK began monitoring the assets of the Municipality of Anchorage as of 01/01/2016. Prior historical data was provided by the previous investment consultant.
- Performance for Vanguard Instl Indx;InsP (VNIIX) prior to 11/2020 consists of the returns from the previous share class Vanguard Instl Indx;Inst (VINIX).
- Performance for Vanguard Md-Cp I;Inst (VMCIX) prior to 11/2020 consists of the returns from the previous share class Vanguard Md-Cp I;Adm (VIMAX).
- The market value and performance for PIMCO Private Income Fund is as of 12/31/2023.

Manager Transition Comments

- The cash account was transitioned to WellsFargo:Govt MM;I (GVIXX) during 09/2019.
- During 12/2019, RBC BlueBay EM Debt;I (RBESX) switched to the JPM Emg Mkts Bond Gbl Dvfd Index (USD) (TR) benchmark.
- TIF:Internatl Equity;Prm (TFEQX) was liquidated beginning in 05/2020 and Vanguard Intl Val;Inv (VTRIX) was funded by the proceeds.
- During 11/2020, assets invested in Vanguard Instl Indx;Inst (VINIX) were transferred via share class exchange to Vanguard Instl Indx;InsP (VNIIX).
- During 11/2020, assets invested in Vanguard Md-Cp I;Adm (VIMAX) were transferred via share class exchange to Vanguard Md-Cp I;Inst (VMCIX).
- During 01/2021, Invesco US Income LP was funded via capital call.
- During 04/2021, Harrison Street Core Property LP was funded via capital call.
- During 05/2021, PIMCO Private Income Fund was funded via capital call.
- During 06/2021, Western Asset Floating Rate High Income (CF) was liquidated from the total fund.
- During 05/2022, Ashmore:EM Tot Rtn;Inst (EMKIX) was liquidated and proceeds were used to purchase RBC BlueBay EM Debt;I (RBESX).

Custom Index Comments

- The Target Allocation Index is calculated monthly and consists of 31% Russell 3000 Index, 22% MSCI ACW Ex US Index (USD) (Net), 22% Bloomberg US Agg Bond Index, 5% S&P UBS Leveraged Loan Index +2%, 5% EMD Blended Index, 13% NCREIF ODCE Index (AWA) (Net), and 2% ICE BofAML 3 Mo US T-Bill Index. The Target Allocation Index and its current targets are effective as of 07/2024.
- The Target Allocation Index (Weighted Cash) (Trust) consists of a 37% allocation to cash during 11/2020 and a 12% allocation to cash during 12/2020. Remaining allocations were adjusted on a pro rata basis to fill the remaining stated targets.
- The Vanguard Spl Mid Cap Index consists of the S&P Mid Cap 400 Index (Cap Wtd) through 05/16/2003; MSCI US Mid Cap 450 Index through 01/30/2013; and CRSP US Mid Cap Index thereafter.
- The Small Cap Custom Index consists of the Russell 2000 Index through 06/2006, the Russell 2000 Growth Index through 11/2016, and the Russell 2000 Index thereafter.
- The EMD Blended Index is calculated monthly using beginning of month investment weights applied to each corresponding primary benchmark return.

Miscellaneous Comments

- In 12/2021, due to the sale of Wells Fargo Asset Management (WFAM) by Wells Fargo & Company to GTCR LLC and Reverence Capital Partners, L.P., the WellsFargo:Govt MM;I (GVIXX) name has been changed to reflect the new company name of Allspring:Govt MM;I (GVIXX).

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