

RVK

Municipality of Anchorage Trust Fund

Board of Trustees Meeting

May 30, 2025

Table of Contents

	<u>Page</u>
• Asset Allocation Review	3
• Investment Policy Statement Review	19
- Phase 3 (Redline)	
• Investment Policy Statement Review	45
- Phase 3 (Clean)	
• Q1 2025 Performance Summary	67

RVK

Asset Allocation Review

Municipality of Anchorage Trust Fund

May 30, 2025

Asset Allocation Review & History

- RVK presents an asset allocation review every 1-3 years, to confirm the current targets remain prudent or explore potential minor adjustments to the MOA Trust Fund asset allocation targets given a new RVK forecasted assumption set.
- RVK produces Capital Market Assumptions (CMAs) every year, with long-term (10-20 years) risk, return and correlation expectations. These assumptions provide context around general expectations on risk and return and assist clients making asset allocation decisions.
- Prior reviews have resulted in additional asset classes being added to the Trust in an attempt to improve risk and return tradeoffs moving forward.
 - Emerging Market Debt added as a diversifying asset class in 2018
 - Initially implemented through two managers (Ashmore and RBC BlueBay)
 - Ashmore was terminated in 2022 due to poor performance, and RBC BlueBay is currently the sole EMD manager in the portfolio
 - Additional Real Estate managers (Invesco and Harrison Street) added to diversify real estate exposure in 2021
 - Private Credit (PIMCO PIF) added as a diversifying asset class in 2021
- Additionally, in 2024 the Board approved adopting a dedicated 2% target to cash, in order to meet dividend payments and other miscellaneous spending needs throughout the year.

Asset Allocation Review Summary

- After reviewing the asset allocation study with 2025 capital market assumptions, RVK is not recommending any changes at this time with respect to the Trust's long-term asset allocation.
- The current portfolio remains reasonably efficient, utilizing a mix of growth, preservation, and diversifying assets to product an attractive long-term risk-adjusted return.
- RVK believes the current level of risk is appropriate to maintain the Trust's spending needs and purchasing power, without taking excess risk. Especially given Code restrictions for additional private asset classes as the current basket clause is being mostly utilized already.
- Additionally, the dedicated 2% target to cash has worked well to ensure cash is available to make dividend payments and meet other spending needs when needed.

Asset Allocation Study

Asset Allocation Study

2025 RVK Capital Market Assumptions

Risk and Return Assumptions

Asset Class	Arithmetic Return Assumption	Standard Deviation Assumption
Broad US Equity	6.04	16.04
Broad International Equity	9.07	18.47
US Agg Fixed Income	4.50	5.00
Emerging Markets Debt (Hard)	7.00	10.00
Private Credit	8.00	13.00
Core Real Estate	6.25	12.50
Cash Equivalents	2.75	2.50

Index	Longest Historical Time Frame	Annualized Arithmetic Return	Annualized Standard Deviation
Russell 3000	Jan 1979 - Dec 2024	12.13	15.52
MSCI ACW Ex US IMI (Gross)	Jun 1994 - Dec 2024	5.43	16.38
Bloomberg US Agg Bond	Jan 1980 - Dec 2024	6.61	5.47
JPMorgan EMBI Global Div.	Jan 1999 - Dec 2024	7.53	8.93
Cambridge Private Credit	Jun 1986 - Sep 2024	9.76	7.26
NCREIF ODCE (Gross) (AWA)	Mar 1978 - Sep 2024	6.94	5.47
BofA ML 3 Mo US T-Bill	Jan 1978 - Dec 2024	4.58	1.13

Correlation Assumptions

	Broad US Equity	Broad International Equity	US Agg Fixed Income	Emerging Markets Debt (Hard)	Private Credit	Core Real Estate	Cash Equivalents
Broad US Equity	1.00	0.87	0.27	0.65	0.79	0.33	-0.05
Broad International Equity	0.87	1.00	0.31	0.74	0.85	0.31	-0.02
US Agg Fixed Income	0.27	0.31	1.00	0.63	-0.06	0.10	0.08
Emerging Markets Debt (Hard)	0.65	0.74	0.63	1.00	0.60	0.19	0.00
Private Credit	0.79	0.85	-0.06	0.60	1.00	0.41	-0.07
Core Real Estate	0.33	0.31	0.10	0.19	0.41	1.00	-0.22
Cash Equivalents	-0.05	-0.02	0.08	0.00	-0.07	-0.22	1.00

Asset Allocation Study

Efficient Frontier Table

Efficient Allocations

The table below shows the range of possible optimal allocations given the selected asset classes and constraints listed under the “Min” and “Max”. This range illustrates the tradeoff between return and risk; additional return can only be achieved by undertaking additional risk.

	Min	Max	1	2	3	4	5	6	7	8	9	10	Current Target
Broad US Equity	0	50	10	5	8	11	15	18	22	25	29	33	31
Broad International Equity	0	50	0	5	8	11	15	18	22	25	29	33	22
US Agg Fixed Income	0	60	60	60	59	52	45	38	31	24	17	10	22
Emerging Markets Debt (Hard)	0	5	5	5	5	5	5	5	5	5	5	5	5
Private Credit	0	7	6	7	7	7	7	7	7	7	7	7	5
Core Real Estate	0	15	14	13	13	13	13	13	13	13	13	13	13
Cash Equivalents	0	10	5	4	0	0	0	0	0	0	0	0	2
Total			100	100	100	100	100	100	100	100	100	100	100
Capital Appreciation			21	23	28	35	42	49	56	63	70	77	63
Capital Preservation			65	64	59	52	45	38	31	24	17	10	24
Alpha			0	0	0	0	0	0	0	0	0	0	0
Inflation			14	13	13	13	13	13	13	13	13	13	13
Expected Arithmetic Return			5.1	5.4	5.6	5.8	6.0	6.2	6.4	6.7	6.9	7.1	6.5
Expected Risk (Standard Deviation)			5.2	5.5	6.1	6.9	7.8	8.7	9.7	10.7	11.8	12.8	10.7
Expected Compound Return			5.0	5.2	5.4	5.6	5.7	5.9	6.0	6.1	6.2	6.3	6.0
Expected Return (Arithmetic)/Risk Ratio			0.98	0.98	0.91	0.84	0.77	0.71	0.66	0.62	0.58	0.55	0.61
RVK Expected Eq Beta (LCUS Eq = 1)			0.25	0.26	0.31	0.37	0.44	0.50	0.57	0.63	0.69	0.76	0.64
RVK Liquidity Metric (T-Bills = 100)			72	71	71	72	72	73	73	74	74	75	76

Group Constraint: International Equity capped at 32.5% of total equity. Total equity capped at 65%.

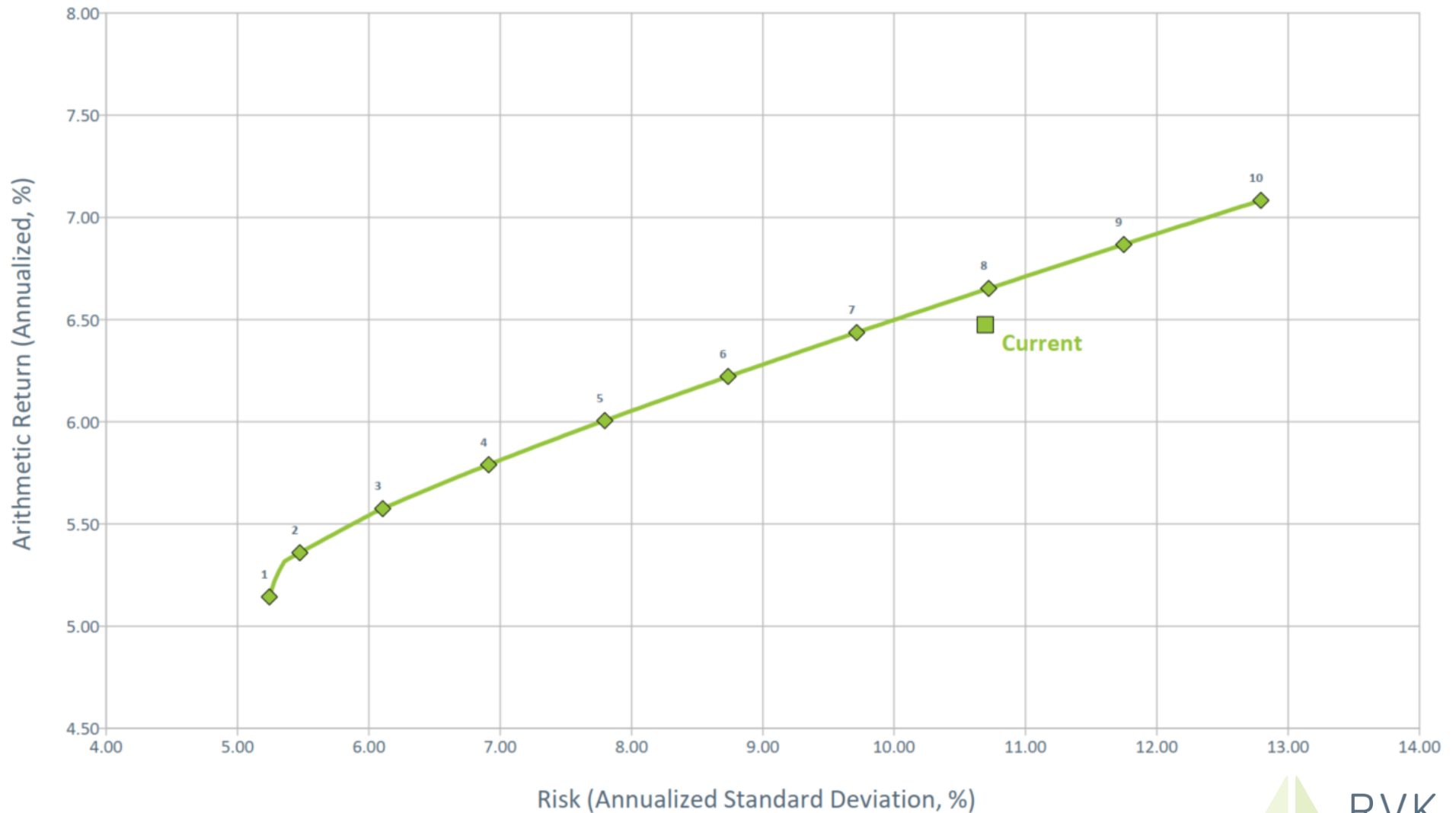
Basket Clause: Real estate allocation above 10% and private credit allocation capped at a combined 10%.

Asset Allocation Study

Efficient Frontier Graph

Efficient Frontier

The figure below illustrates the relationship between risk and return. The risk of each alternative allocation is plotted against the horizontal axis, while the return is measured on the vertical axis. The line connecting the points represents all the optimal portfolios subject to the given constraints and is known as the “efficient frontier.” The upward slope of the efficient frontier indicates the direct relationship between return and risk.



Asset Allocation Study

Monte Carlo Simulations – Nominal Return Distribution

The table below shows the expected return by percentile for each portfolio on Frontier 1 for the 1-, 3-, 5-, and 10-year periods.

1 Year	1	2	3	4	5	6	7	8	9	10	Current Target
1st Percentile	-6.3	-6.4	-8.4	-11.2	-13.9	-16.7	-19.9	-23.2	-26.7	-29.9	-24.2
5th Percentile	-3.0	-3.2	-4.0	-5.3	-6.7	-8.4	-10.1	-11.9	-13.7	-15.6	-12.4
25th Percentile	1.6	1.7	1.5	1.2	0.7	0.2	-0.3	-0.8	-1.4	-1.9	-1.0
50th Percentile	4.9	5.1	5.3	5.5	5.7	6.0	6.2	6.4	6.6	6.8	6.2
75th Percentile	8.2	8.5	9.2	10.0	10.9	11.9	12.9	13.9	15.0	16.0	14.0
95th Percentile	13.3	13.8	15.1	16.9	18.8	20.8	22.9	25.1	27.5	29.8	25.5
99th Percentile	16.9	17.5	19.4	22.2	25.0	28.0	31.3	34.6	37.9	41.4	35.1
3 Years											
1st Percentile	-1.6	-1.6	-2.5	-3.8	-5.3	-7.0	-9.1	-11.3	-13.6	-16.1	-11.9
5th Percentile	0.3	0.4	-0.2	-1.0	-1.9	-2.9	-4.0	-5.1	-6.3	-7.4	-5.5
25th Percentile	3.0	3.2	3.1	2.9	2.7	2.4	2.1	1.8	1.4	1.1	1.5
50th Percentile	4.9	5.1	5.3	5.5	5.7	5.9	6.0	6.2	6.4	6.5	6.0
75th Percentile	6.8	7.1	7.5	8.1	8.7	9.3	9.9	10.5	11.1	11.8	10.4
95th Percentile	9.7	10.1	10.9	12.0	13.3	14.5	15.8	17.1	18.5	19.9	17.2
99th Percentile	11.7	12.1	13.3	14.8	16.4	18.1	19.7	21.6	23.4	25.2	21.8
5 Years											
1st Percentile	-0.3	-0.2	-0.9	-1.9	-3.2	-4.5	-6.1	-7.7	-9.8	-11.9	-8.5
5th Percentile	1.3	1.4	1.0	0.4	-0.4	-1.2	-2.1	-3.0	-4.1	-5.1	-3.4
25th Percentile	3.4	3.5	3.5	3.4	3.2	3.0	2.8	2.5	2.2	1.9	2.3
50th Percentile	4.9	5.1	5.3	5.5	5.6	5.8	5.9	6.1	6.2	6.3	5.9
75th Percentile	6.4	6.6	7.0	7.5	8.0	8.4	8.9	9.4	9.9	10.4	9.3
95th Percentile	8.6	9.0	9.7	10.6	11.5	12.5	13.5	14.5	15.6	16.6	14.5
99th Percentile	10.1	10.5	11.4	12.5	13.6	14.9	16.2	17.7	19.1	20.6	17.7
10 Years											
1st Percentile	1.4	1.4	1.0	0.4	-0.4	-1.3	-2.3	-3.4	-4.6	-6.0	-3.9
5th Percentile	2.3	2.4	2.2	1.9	1.4	0.8	0.2	-0.5	-1.2	-1.9	-0.8
25th Percentile	3.8	4.0	4.0	3.9	3.8	3.7	3.6	3.4	3.2	3.0	3.2
50th Percentile	4.9	5.1	5.3	5.4	5.6	5.7	5.8	5.9	6.0	6.1	5.7
75th Percentile	5.9	6.2	6.5	6.9	7.2	7.6	8.0	8.4	8.8	9.1	8.3
95th Percentile	7.5	7.7	8.3	8.9	9.7	10.4	11.1	11.9	12.7	13.4	11.8
99th Percentile	8.6	8.9	9.6	10.4	11.3	12.3	13.3	14.3	15.3	16.3	14.2

Asset Allocation Study

Monte Carlo Simulations – Nominal Return Targets

The table below shows the **percentage** change of achieving or exceeding the given nominal return for each portfolio on Frontier 1 for the 1-, 3-, 5-, and 10-year periods.

1 Year	1	2	3	4	5	6	7	8	9	10	Current Target
Target 0%	84	85	83	80	78	76	74	72	71	70	72
Target 3%	65	66	66	65	64	63	63	62	62	61	62
Target 6%	41	43	45	47	49	50	51	52	52	53	51
Target 6.5%	38	39	42	44	46	48	49	50	50	51	49
Target 7%	34	36	39	41	43	45	47	48	49	50	47
Target 10%	16	17	21	25	29	32	35	37	39	41	37
3 Years											
Target 0%	96	96	95	92	90	87	85	83	81	79	82
Target 3%	75	77	76	74	73	71	70	69	68	67	68
Target 6%	35	38	42	45	47	49	50	51	52	53	50
Target 6.5%	29	32	36	40	43	45	47	48	49	50	47
Target 7%	23	26	30	34	38	41	43	45	46	48	44
Target 10%	4	5	8	13	17	21	24	27	30	32	27
5 Years											
Target 0%	99	99	98	96	94	92	89	87	85	83	86
Target 3%	80	81	81	79	77	75	74	72	71	70	71
Target 6%	31	35	39	43	46	48	49	51	52	52	49
Target 6.5%	23	27	32	36	40	43	45	46	48	49	45
Target 7%	17	20	25	30	34	38	41	42	44	45	41
Target 10%	1	2	4	7	11	15	18	22	25	27	21
10 Years											
Target 0%	100	100	100	99	99	97	96	94	92	90	93
Target 3%	88	90	89	86	84	82	80	78	76	75	76
Target 6%	23	28	34	39	43	46	48	49	50	51	47
Target 6.5%	15	19	25	30	35	39	42	44	45	46	42
Target 7%	9	12	17	23	28	32	36	38	40	42	37
Target 10%	0	0	1	2	4	7	10	13	17	19	13

US vs International Equities

US vs International Equities

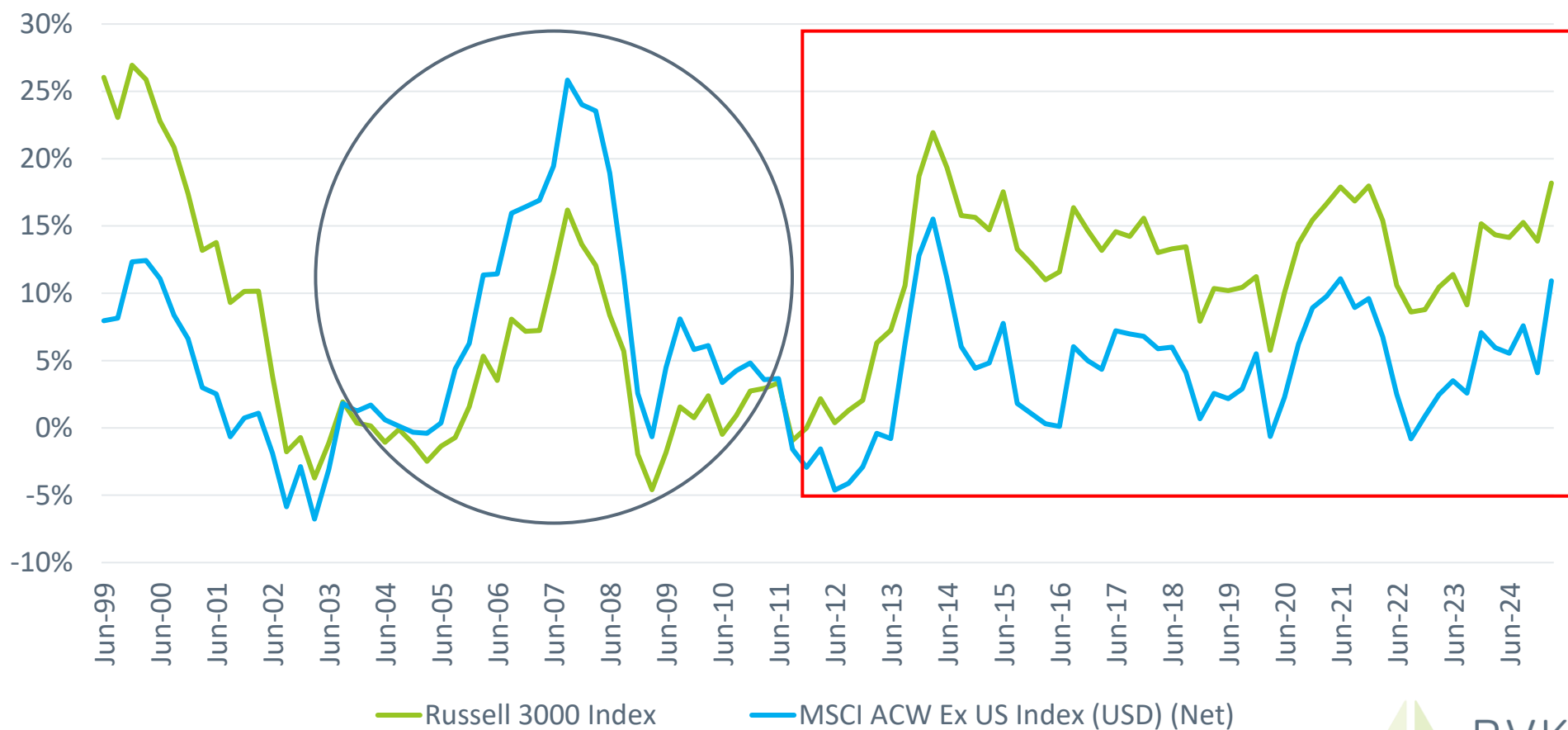
- The Trust currently has a 58.5% target allocation to US equity, and a 41.5% target allocation to broad international equity, as a percentage of total equity exposure.
- As of March 2025, the US had a 64.6% weight within the MSCI All Country World Index. The weight of the US in this index has continued to climb, particularly over the past 15 years as US stocks have largely outperformed their international counterparts. *This has turned thus far in 2025 with Broad Int'l Equity +12.7% and Broad US Equity +1.5% CYTD through 5/16/2025.*
- While RVK's capital market assumptions have a higher expected return for international equity given the elevated valuations in the US, RVK has no concerns with the MOA Trust maintaining its US equity overweight in absolute terms relative to international equity, to be more in-line with global market weights, as well as to reduce risk.

Asset Class	Arithmetic Return Assumption	Standard Deviation Assumption
Broad US Equity	6.04	16.04
Broad International Equity	9.07	18.47

US vs International Equities

- Over the past 15-20 years, we have experienced a relatively consistent period of outperformance by US equity, relative to international equity – outlined in red.
- International equity was outperforming previously, as seen circled in the chart below.

5 Year Rolling Returns
Through March 2025



Appendix

Asset Allocation Research

Long Term Performance

- Strategic asset allocation is the most powerful determinant of total fund performance in the long run.
- While good manager evaluation decisions will unquestionably add to performance, they cannot make up for a poorly diversified and/or inefficient allocation.
- Multiple studies calculated the effects of asset allocation on portfolio returns and concluded that asset allocation “drives” portfolio return.

Asset Allocation Explains:

100% of Return Amount Over Time

- Study found that funds making timing and selection bets against their long-term policy mix were unsuccessful in adding significant value by engaging in timing and/or manager selection.

90% of Return Variability Over Time

- Study concluded that roughly 90% of the movement of a fund’s total return was explained by target policy fluctuation.

Asset Allocation Process

Mean Variance Optimization – Background

Using inputs of expected return, volatility, and correlation, MVO enables investors to identify combinations of distinct asset class allocations that maximize portfolio returns for a given level of risk. Attempts to shift focus from individual manager selection to long-term and strategic asset allocation decisions.

MVO Benefits

- Introduces the critical concept of diversification, which encourages investors to avoid concentrating risk in a small subset of assets or asset classes, especially closely related (highly-correlated) ones.
- Focuses portfolio management activities on asset allocation, which is the most important driver of overall portfolio risk and return.
- Provides a powerful quantitative tool to identify distinct asset allocation targets that have the most optimal risk/return tradeoffs.

MVO Shortcomings

- Simplified assumption of risk/return trade-off fails to capture fully how real world investors weight gains versus losses (i.e., do losses matter more than gains?)
- Volatility is viewed as the only proxy for risk.
- Correlation is treated as static rather than dynamic.
- Models are sometimes highly sensitive to small changes to input values (“robustness”).
- Unconstrained output yields highly concentrated portfolios rather than the expected diversification.

Asset Allocation Process

Summary

- Asset allocation “drives” portfolio return; academic studies suggest that upwards of 90% of long-term results can be attributed to strategic asset allocation decisions.
- Institutional decision makers should devote more effort setting an appropriate strategic asset allocation than to manager evaluation.
- Asset allocation decision making is an exercise in uncertainty as it involves making judgments about magnitude and patterns of future returns and risk.
- The basic framework of Mean Variance Optimization (MVO), combined with appropriate forward-looking capital markets research, provides a structured approach to assisting with asset allocation decisions.

Investment Policy Statement Review – Phase 3 (Redline)

INVESTMENT POLICY STATEMENT

For

Municipality of Anchorage
MOA Trust Fund

Revised ~~February-May 30~~ 2014,
2025
Municipality of Anchorage
Trust – Board of Trustees

TABLE OF CONTENTS

MOA Trust Fund - Investment Policy Stmt.

	<u>Page</u>
Executive Summary	1
Purpose of the Investment Policy Statement	2
Authorization	3
Guidelines	4
<ul style="list-style-type: none"> • Investment Objectives • Time Horizon • Liquidity analysis • Risk Tolerances • Asset Allocation • Strategic Asset Allocation • Rebalancing of Strategic Allocation • Distribution of Income 	
Security and Portfolio Guidelines.....	8
<ul style="list-style-type: none"> • General • Public Fixed Income • Domestic Equities • International Equities • Private Credit • Private Real Estate • Cash and Cash Equivalents 	
Selection of External Investment Managers	12
Powers, Duties, and Responsibilities	13
<ul style="list-style-type: none"> • Investment Manager • MOA Trust Board of Trustees • Trust Manager • Custodian • Investment Consultant • Investment Manager • Custodian 	
Performance Monitoring.	17
<ul style="list-style-type: none"> • Monitoring of Investment Managers • Review of Investment Objectives 	
History of Policy Creation / Amendment Dates.	19

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.

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, collective trusts, 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 will be diversified with regard to specific issuer, industry, and economic sector, in order to reduce risk.
- 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.

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.

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.

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 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.

SECURITY AND PORTFOLIO GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

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. ~~Mutual funds, collective trusts, commingled funds, or separate accounts. 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:

Commented [EP1]: Updated language to reflect all vehicles used within the Trust, and be consistent with prior sections.

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 monthly and/or quarterly performance and other relevant portfolio characteristics and holding data ~~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 as requested by the Board and investment consultant.
5. Selected firms shall have no outstanding legal judgments or past judgments, which may reflect negatively upon the firm's ability to perform moving forward.
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.

Commented [EP2]: Updated language to better reflect the varying circumstances/characteristics for each investment manager.

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 could include duration, quality ratings, and the use of derivatives among.~~
- ~~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.~~

POWERS, DUTIES, AND RESPONSIBILITIES

MOA Trust Fund

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 of Trustees

The Board of Trustees ("Board") was established to provide fiduciary oversight and direction to the MOA Trust Fund ("Trust"). The sole and exclusive administration of, and the responsibility for, the proper and effective operation of the Trust is vested in the Board. The Board shall oversee and direct the functioning of the Trust and shall be the final authority in all matters pertaining to the application, interpretation and administration of the provisions of the Municipal Code relative to the Trust.

The Board and its trustees shall discharge their responsibilities consistent with the Uniform Prudent Investor Act of 1994. Board members shall exercise their fiduciary duties with judgment and care under the circumstances then prevailing that an institutional investor of ordinary prudence, discretion and intelligence exercises in the designation and management of large investments entrusted to it, not in regard to speculation, but in regard to the permanent disposition of funds, considering preservation of the purchasing power of the Trust over time while maximizing the expected total return from both income and the appreciation of capital.

At such time as the Board deems the magnitude and complexity of the Trust's investment portfolio to warrant additional internal or external staff resources or expertise, the Board shall work with the Chief Fiscal Officer to obtain such staff or expertise. The Board is authorized to assume a primary role in the hiring, supervising, and termination of any such newly added ongoing internal or contracted personnel resource.

POWERS, DUTIES, AND RESPONSIBILITIES

MOA Trust Fund

The Board shall maintain an investment policy which constitutes the Board's overall investment philosophy, as well as other related policies as necessary for the effective management and investment of the assets of the Trust.

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 activities and presentations from ~~investment managers, the~~ investment
~~consultant, and the Board of Trustees related to~~ 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 with the assistance of
the investment consultant.
- ~~4.~~

Trust Manager

The Trust Manager is a full-time municipal employee required to possess extensive training, experience and knowledge in institutional investment management, as determined by the Board. In addition to performing a variety of investment related functions and tasks necessary to execute the Trust investment program as approved by the Board, the Trust Manager provides advice and recommendations to the Board regarding Trust investment policies, including investment strategy development and execution.

The Trust Manager shall provide all necessary staff support for efficient operation of the Board of Trustees

The Trust Manager shall advise the Board, implement, and monitor the Trust investment program, as documented in the Trust Investment Policy Statement.

The Trust Manager is responsible for reviewing all Trust investment policies at least annually and providing advice and recommendations to the Board regarding policy changes as necessary and/or appropriate. This includes the strategic asset allocation and execution strategies.

The Trust Manager shall periodically rebalance the investment portfolio so that it remains compliant with the Board approved asset allocation. All rebalancing and manager allocation changes shall be performed consistent with the Trust rebalancing policy and regularly reported to the Board.

On an ongoing basis, often daily, the Trust Manager shall monitor external investment managers using quantitative techniques, information from the consultant, discussions with managers, on-site due diligence, and other monitoring tools and techniques to identify potential issues. Issues are normally reported to the Board during regular quarterly meetings, but exceptional issues shall be communicated to the Board between regular board meetings as necessary and/or appropriate.

The Trust Manager leads a formal annual investment manager review and provides feedback to the

Commented [EP3]: Jeff - The following four paragraphs are paraphrased from the MOA code and are intended to provide a basic understanding of the duties and responsibilities of the board.

Commented [EP4]: Jeff - Wording of this item needs clarification.

Commented [EP5R4]: I updated the language.

POWERS, DUTIES, AND RESPONSIBILITIES

MOA Trust Fund

Board regarding special concerns or other issues.

The Trust Manager is responsible for performing a variety of investment functions as detailed in AMC 6.50.060 and as otherwise directed by the Board, and for regularly reporting related activities to the Board.

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.
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.

Commented [EP6]: Jeff - Add text to more thoroughly and accurately describe the role and required qualifications of the Trust Manager position. Duties listed in the AMC 6.50.060 (F) are referenced rather than listed.

POWERS, DUTIES, AND RESPONSIBILITIES

MOA Trust Fund

- ~~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 and contracts on behalf of the Trust, consistent with board direction.~~
15. Other duties as specified in AMC 4.40.170.

Investment Consultant

The Investment Consultant is a contract fiduciary whose primary function is to provide general and specialized investment consulting services to support the Trust Board and Trust Manager to efficiently perform their duties and responsibilities relative to the investment of Trust assets. As directed by the Trust Board and/or Trust Manager, the Consultant will:

1. Annually, review the IPS to assure it is consistent with the Trust's goals and objectives and provide recommendations for updates and changes to the Trust Board and Trust Manager.
2. Periodically, conduct an asset allocation study utilizing mean variance optimization and the Consultant's forward-looking capital market forecast to assist the Trust Board and Trust Manager in determining the allocation to asset classes most likely to meet the Trust's investment goals and objectives with the lowest level of risk, based on projected returns and levels of risk.
3. Identify and recommend strategies for efficient investment of Trust assets as allocation to each asset class.
4. Recommend and review investment manager performance standards and guidelines to monitor and measure investment managers.
5. Conduct a quarterly analysis of, and report on, the performance of the investment manager(s) and composites by asset class, as well as the Total Trust assets.
6. Conduct ongoing due diligence on managers with regular updates provided to the Trust Manager and Trust Board.
7. Recommend guidelines and provide services determined necessary by the Trust Board for selection of investment managers and custodian for the Trust.
8. Conduct regular training sessions for the Trust Board and Trust Manager addressing

POWERS, DUTIES, AND RESPONSIBILITIES

MOA Trust Fund

investment asset classes and methodologies relevant to management of Trust assets.

Commented [EP7]: Jeff - Updated language

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. Upon request by the Board or investment consultant, provide reports that include additional detail on the investment strategy and outlook, performance attribution, and/or compliance with guidelines. Compliance requirements of particular interest could include duration, quality ratings, and the use of derivatives among other criteria.
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.
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,

Commented [EP8]: Updated to broaden language and clarify that additional reporting will be provided upon Board or investment consultant request.

POWERS, DUTIES, AND RESPONSIBILITIES

MOA Trust Fund

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.

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 with an investment managers.

~~4. Check all manager accounts daily to make sure all available cash is invested.~~

45. Collect interest, dividend and principal payments on a timely basis.
56. Process corporate actions.
67. Price all securities on a daily basis.
78. 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 relevant asset classes of assets utilized, the strategy and style to be used within each class of assets, levels of risk, acceptable risk tolerance and predicted projected/expected rates of return that will meet the Trust’s goals and objectives.~~

Commented [EP9]: Updated the language and removed a bullet here to better reflect the actual process. While the custodian will daily sweep any cash not invested with an investment manager into a short-term investment vehicle, they will not be taking any action on cash within a manager account, where the manager has full control over the funds. Each manager is likely investing any excess cash in a short-term investment vehicle, but it remains their discretion, not the custodian’s.

POWERS, DUTIES, AND RESPONSIBILITIES

MOA Trust Fund

- ~~3. Recommend and review 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) and composites by asset class, as well as the Total Trust assets.~~

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
Amendment #12 – MOA Trust Fund Investment Policy Statement	November 12, 2024
Amendment #13 – MOA Trust Fund Investment Policy Statement	February 14, 2025
<u>Amendment #14 – MOA Trust Fund Investment Policy Statement</u>	<u>May 30, 2025</u>

Investment Policy Statement Review – Phase 3 (Clean)

INVESTMENT POLICY STATEMENT

For

Municipality of Anchorage
MOA Trust Fund

Revised May 30, 2025
Municipality of Anchorage
Trust – Board of Trustees

TABLE OF CONTENTS

MOA Trust Fund - Investment Policy Stmt.

	<u>Page</u>
Executive Summary	1
Purpose of the Investment Policy Statement	2
Authorization	3
Guidelines	4
<ul style="list-style-type: none">• Investment Objectives• Time Horizon• Liquidity analysis• Risk Tolerances• Asset Allocation• Strategic Asset Allocation• Rebalancing of Strategic Allocation• Distribution of Income	
Security and Portfolio Guidelines.....	8
<ul style="list-style-type: none">• General• Public Fixed Income• Domestic Equities• International Equities• Private Credit• Private Real Estate• Cash and Cash Equivalents	
Selection of External Investment Managers	12
Powers, Duties, and Responsibilities	13
<ul style="list-style-type: none">• Board of Trustees• Trust Manager• Investment Consultant• Investment Manager• Custodian	
Performance Monitoring.	17
<ul style="list-style-type: none">• Monitoring of Investment Managers• Review of Investment Objectives	
History of Policy Creation / Amendment Dates.	19

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

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.

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.

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, collective trusts, 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 will be diversified with regard to specific issuer, industry, and economic sector, in order to reduce risk.
- 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.

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.

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.

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 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.

SECURITY AND PORTFOLIO GUIDELINES

MOA Trust Fund - Investment Policy Stmt.

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. Mutual funds, collective trusts, commingled funds, or separate accounts 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 monthly and/or quarterly performance and other relevant portfolio characteristics and holding data .
4. Provide detailed information on the history of the firm, key personnel, key clients, fee schedule, and support personnel as requested by the Board and investment consultant.
5. Selected firms shall have no outstanding legal judgments or past judgments, which may reflect negatively upon the firm's ability to perform moving forward.
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.

Board of Trustees

The Board of Trustees ("Board") was established to provide fiduciary oversight and direction to the MOA Trust Fund ("Trust"). The sole and exclusive administration of, and the responsibility for, the proper and effective operation of the Trust is vested in the Board. The Board shall oversee and direct the functioning of the Trust and shall be the final authority in all matters pertaining to the application, interpretation and administration of the provisions of the Municipal Code relative to the Trust.

The Board and its trustees shall discharge their responsibilities consistent with the Uniform Prudent Investor Act of 1994. Board members shall exercise their fiduciary duties with judgment and care under the circumstances then prevailing that an institutional investor of ordinary prudence, discretion and intelligence exercises in the designation and management of large investments entrusted to it, not in regard to speculation, but in regard to the permanent disposition of funds, considering preservation of the purchasing power of the Trust over time while maximizing the expected total return from both income and the appreciation of capital.

At such time as the Board deems the magnitude and complexity of the Trust's investment portfolio to warrant additional internal or external staff resources or expertise, the Board shall work with the Chief Fiscal Officer to obtain such staff or expertise. The Board is authorized to assume a primary role in the hiring, supervising, and termination of any such newly added ongoing internal or contracted personnel resource.

The Board shall maintain an investment policy which constitutes the Board's overall investment philosophy, as well as other related policies as necessary for the effective management and investment of the assets of the Trust.

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

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

Trust Manager

The Trust Manager is a full-time municipal employee required to possess extensive training, experience and knowledge in institutional investment management, as determined by the Board. In addition to performing a variety of investment related functions and tasks necessary to execute the Trust investment program as approved by the Board, the Trust Manager provides advice and recommendations to the Board regarding Trust investment policies, including investment strategy development and execution.

POWERS, DUTIES, AND RESPONSIBILITIES

MOA Trust Fund

The Trust Manager shall provide all necessary staff support for efficient operation of the Board of Trustees

The Trust Manager shall advise the Board, implement, and monitor the Trust investment program, as documented in the Trust Investment Policy Statement.

The Trust Manager is responsible for reviewing all Trust investment policies at least annually and providing advice and recommendations to the Board regarding policy changes as necessary and/or appropriate. This includes the strategic asset allocation and execution strategies.

The Trust Manager shall periodically rebalance the investment portfolio so that it remains compliant with the Board approved asset allocation. All rebalancing and manager allocation changes shall be performed consistent with the Trust rebalancing policy and regularly reported to the Board.

On an ongoing basis, often daily, the Trust Manager shall monitor external investment managers using quantitative techniques, information from the consultant, discussions with managers, on-site due diligence, and other monitoring tools and techniques to identify potential issues. Issues are normally reported to the Board during regular quarterly meetings, but exceptional issues shall be communicated to the Board between regular board meetings as necessary and/or appropriate.

The Trust Manager leads a formal annual investment manager review and provides feedback to the Board regarding special concerns or other issues.

The Trust Manager is responsible for performing a variety of investment functions as detailed in AMC 6.50.060 and as otherwise directed by the Board, and for regularly reporting related activities to the Board.

Investment Consultant

The Investment Consultant is a contract fiduciary whose primary function is to provide general and specialized investment consulting services to support the Trust Board and Trust Manager to efficiently perform their duties and responsibilities relative to the investment of Trust assets. As directed by the Trust Board and/or Trust Manager, the Consultant will:

1. Annually, review the IPS to assure it is consistent with the Trust's goals and objectives and provide recommendations for updates and changes to the Trust Board and Trust Manager.
2. Periodically, conduct an asset allocation study utilizing mean variance optimization and the Consultant's forward-looking capital market forecast to assist the Trust Board and Trust Manager in determining the allocation to asset classes most likely to meet the Trust's investment goals and objectives with the lowest level of risk, based on projected returns and levels of risk.
3. Identify and recommend strategies for efficient investment of Trust assets as allocation to each asset class.
4. Recommend and review investment manager performance standards and guidelines to monitor and measure investment managers.

5. Conduct a quarterly analysis of, and report on, the performance of the investment manager(s) and composites by asset class, as well as the Total Trust assets.
6. Conduct ongoing due diligence on managers with regular updates provided to the Trust Manager and Trust Board.
7. Recommend guidelines and provide services determined necessary by the Trust Board for selection of investment managers and custodian for the Trust.
8. Conduct regular training sessions for the Trust Board and Trust Manager addressing investment asset classes and methodologies relevant to management of Trust assets.

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. Upon request by the Board or investment consultant, provide reports that include additional detail on the investment strategy and outlook, performance attribution, and/or compliance with guidelines. Compliance requirements of particular interest could include duration, quality ratings, and the use of derivatives among other criteria.
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.
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.

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 with an investment manager.
4. Collect interest, dividend and principal payments on a timely basis.
5. Process corporate actions.
6. Price all securities on a daily basis.
7. Provide monthly, quarterly and annual reports.

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:

- 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
Amendment #12 – MOA Trust Fund Investment Policy Statement	November 12, 2024
Amendment #13 – MOA Trust Fund Investment Policy Statement	February 14, 2025
Amendment #14 – MOA Trust Fund Investment Policy Statement	May 30, 2025

RVK

Quarterly Performance Summary – Q1 2025

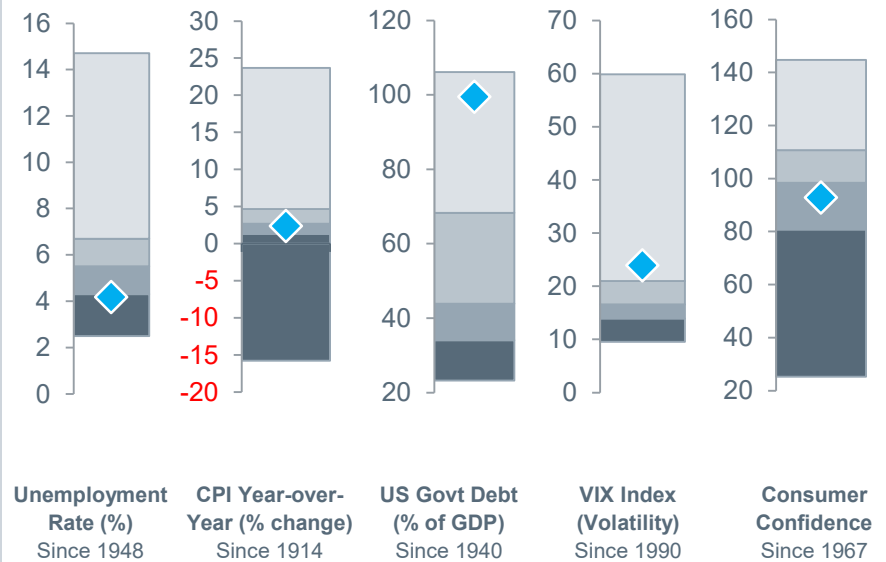
Municipality of Anchorage Trust Fund

March 31, 2025

First Quarter Economic Environment

An upward trend in the US equity market during the beginning weeks of Q1 reversed sharply as the quarter progressed. The emergence of DeepSeek, an artificial intelligence (AI) tool developed in China, negatively impacted investor sentiment for companies at the top of the US equity market as well as other companies tied to the AI theme. The combination of the volatility among companies with valuations tied to AI and the looming risks regarding US tariff policy led to a negative quarter for US stocks. Equity markets in Europe and Japan were more resilient, while China stocks experienced a positive quarter. Aggregate bond markets delivered positive results in Q1, supported by declining Treasury yields, upward price movement among securitized debt and a generally positive outlook on corporate debt. However, Q1 trends were overshadowed by significant volatility after quarter-end. On April 2nd, the US announced a much broader and higher rate tariff policy than markets expected across a wide range of trading partners, causing further downward pressure on risk asset prices and heightened volatility. After the tariffs became effective on April 9th, a 90 day pause was announced, which led to a rebound in risk asset prices and relatively lower equity market volatility. While recession probabilities declined following the tariff pause, the market generally appears to expect current trade policies and the uncertainty of future related actions to be a drag on global economic growth.

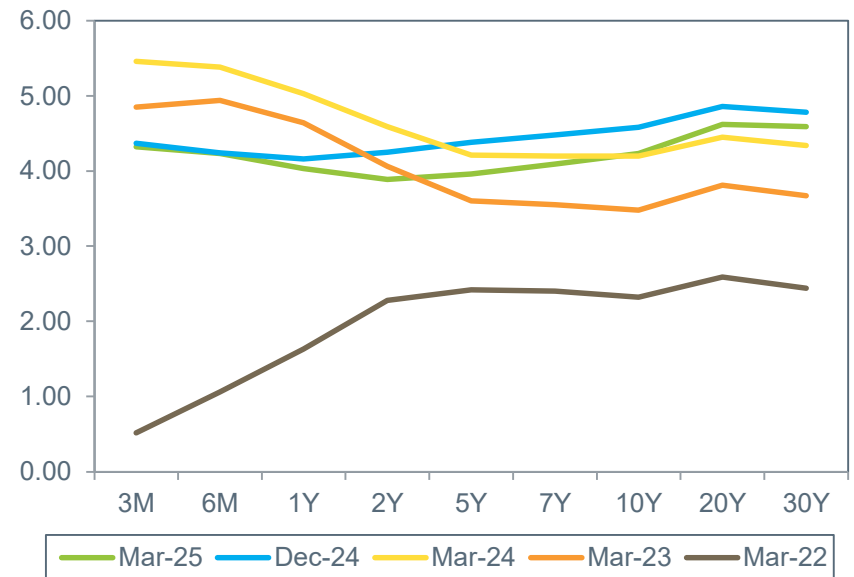
Key Economic Indicators

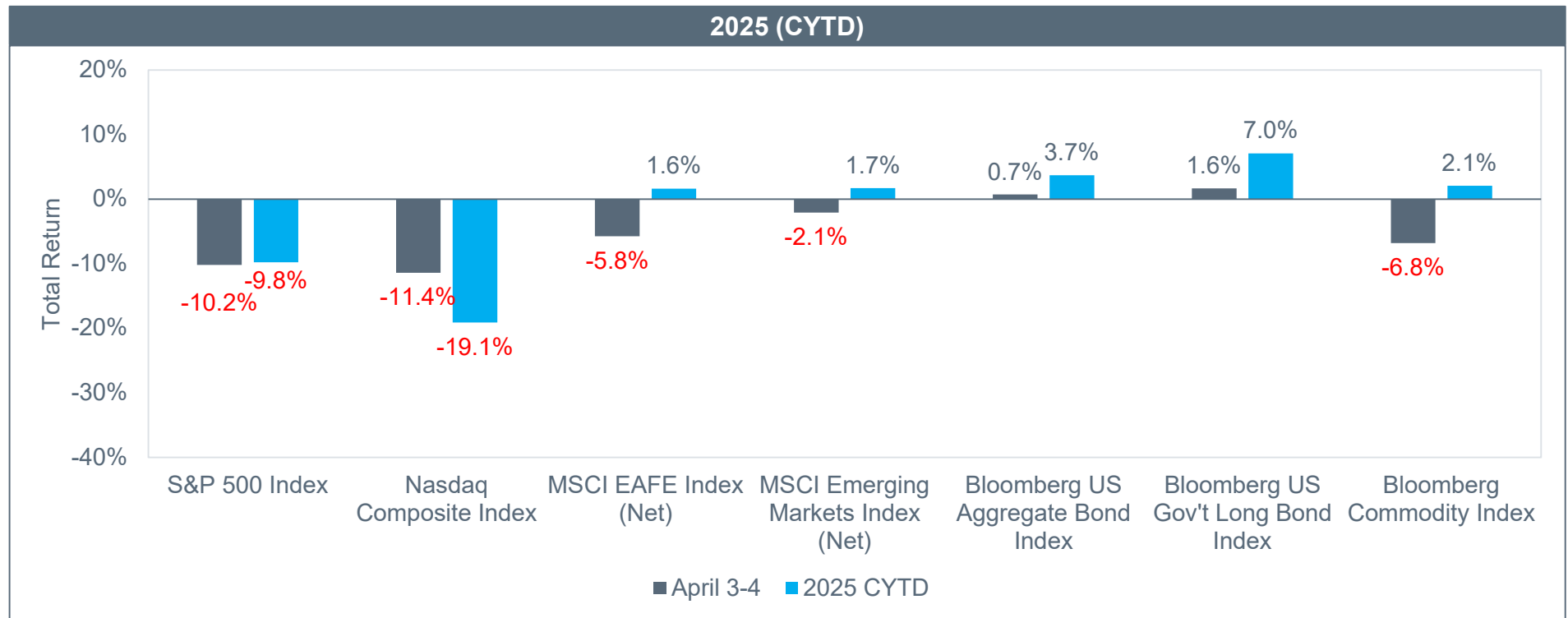


Economic Indicators	Mar-25	Dec-24	Mar-24	Mar-22	20 Yr
Federal Funds Rate (%)	4.33	4.33	5.33	0.33	1.70
Breakeven Infl. - 5 Yr (%)	2.63	2.37	2.44	3.43	1.93
Breakeven Infl. - 10 Yr (%)	2.37	2.33	2.32	2.83	2.08
CPI YoY (Headline) (%)	2.4	2.9	3.5	8.5	2.6
Unemployment Rate (%)	4.2	4.1	3.8	3.6	5.8
Real GDP YoY (%)	2.0	2.5	2.9	3.6	2.0
PMI - Manufacturing	49.0	49.2	50.3	57.1	52.8
USD Total Wtd Idx	126.94	129.49	121.41	115.35	104.63
WTI Crude Oil per Barrel (\$)	71.5	71.6	83.2	100.3	72.2
Gold Spot per Oz (\$)	3,118	2,612	2,230	1,937	1,364

Market Performance (%)	QTD	CYTD	1 Yr	5 Yr	10 Yr
S&P 500 (Cap Wtd)	-4.27	-4.27	8.25	18.59	12.50
Russell 2000	-9.48	-9.48	-4.01	13.27	6.30
MSCI EAFE (Net)	6.86	6.86	4.88	11.77	5.40
MSCI EAFE SC (Net)	3.69	3.69	3.10	9.89	5.34
MSCI Emg Mkts (Net)	2.93	2.93	8.09	7.94	3.71
Bloomberg US Agg Bond	2.78	2.78	4.88	-0.40	1.46
ICE BofAML 3 Mo US T-Bill	1.02	1.02	4.97	2.56	1.87
NCREIF ODCE (Gross)	1.05	1.05	2.02	2.89	5.64
FTSE NAREIT Eq REIT (TR)	0.91	0.91	9.94	11.35	5.34
HFRI FOF Comp	-0.63	-0.63	4.11	7.05	3.47
Bloomberg Cmtty (TR)	8.88	8.88	12.28	14.51	2.77

Treasury Yield Curve (%)

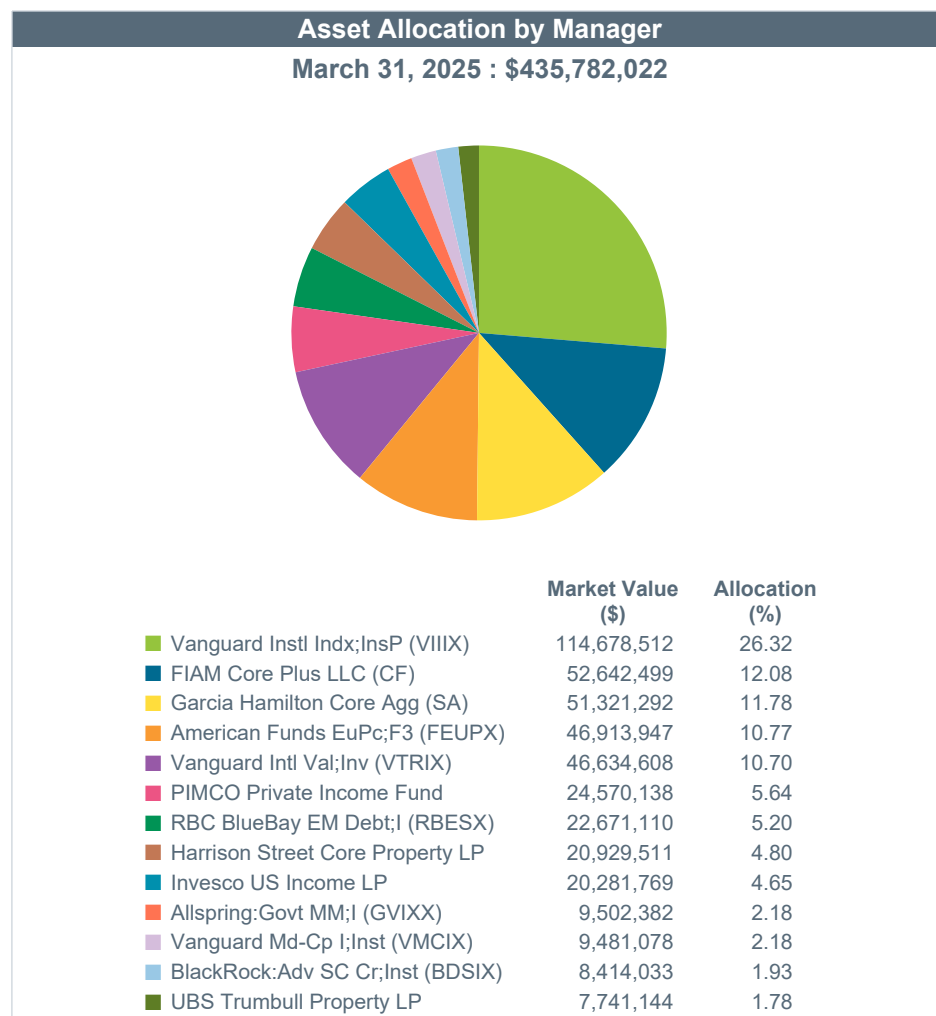




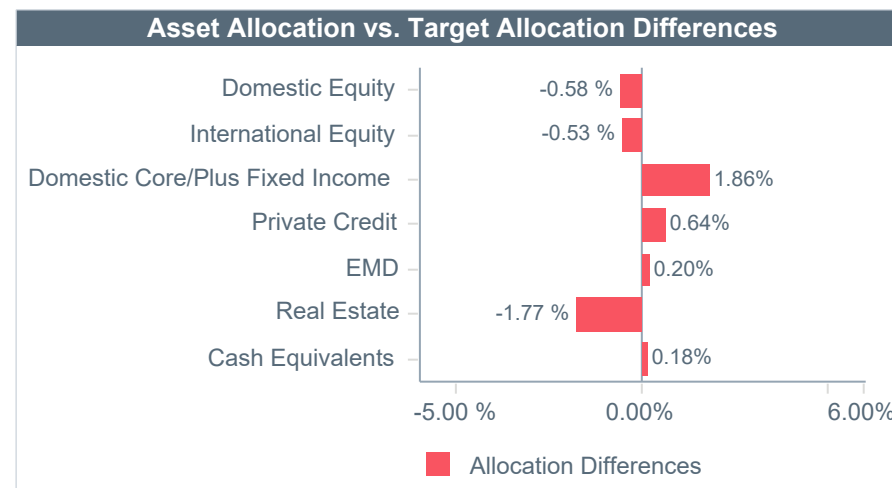
- In uncertain times such as these, two foundational investment principles become paramount: diversification and strategic consistency.
- After two years (2023 and 2024) during which diversification was not rewarded, it was easy to lose sight of its demonstrated benefits through risk mitigation and long-term returns. 2025 has, thus far, been a year in which diversification could prove more valuable than the recent past.
- RVK continues to recommend disciplined adherence to asset allocation and potential rebalancing policies that have been carefully crafted in advance to help ensure strategic consistency through times of volatility reflective of a client's (1) purpose, (2) circumstances, and (3) appropriate time horizon.

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

As of March 31, 2025



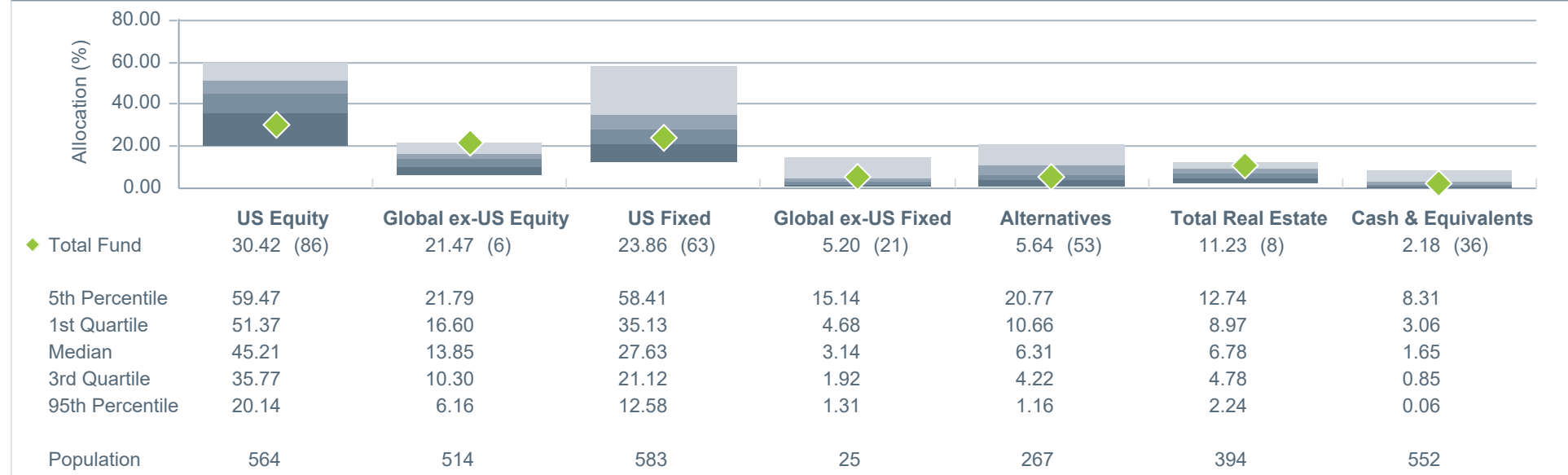
Asset Allocation vs. Target Allocation					
	Market Value (\$)	Allocation (%)	Target (%)	Min (%)	Max (%)
Total Fund	435,782,022	100.00	100.00	-	-
Domestic Equity	132,573,623	30.42	31.00	26.00	36.00
International Equity	93,548,555	21.47	22.00	18.00	26.00
Domestic Core/Plus Fixed Income	103,963,791	23.86	22.00	19.00	25.00
Private Credit	24,570,138	5.64	5.00	2.00	8.00
EMD	22,671,110	5.20	5.00	2.00	8.00
Real Estate	48,952,423	11.23	13.00	10.00	16.00
Cash Equivalents	9,502,382	2.18	2.00	0.00	5.00



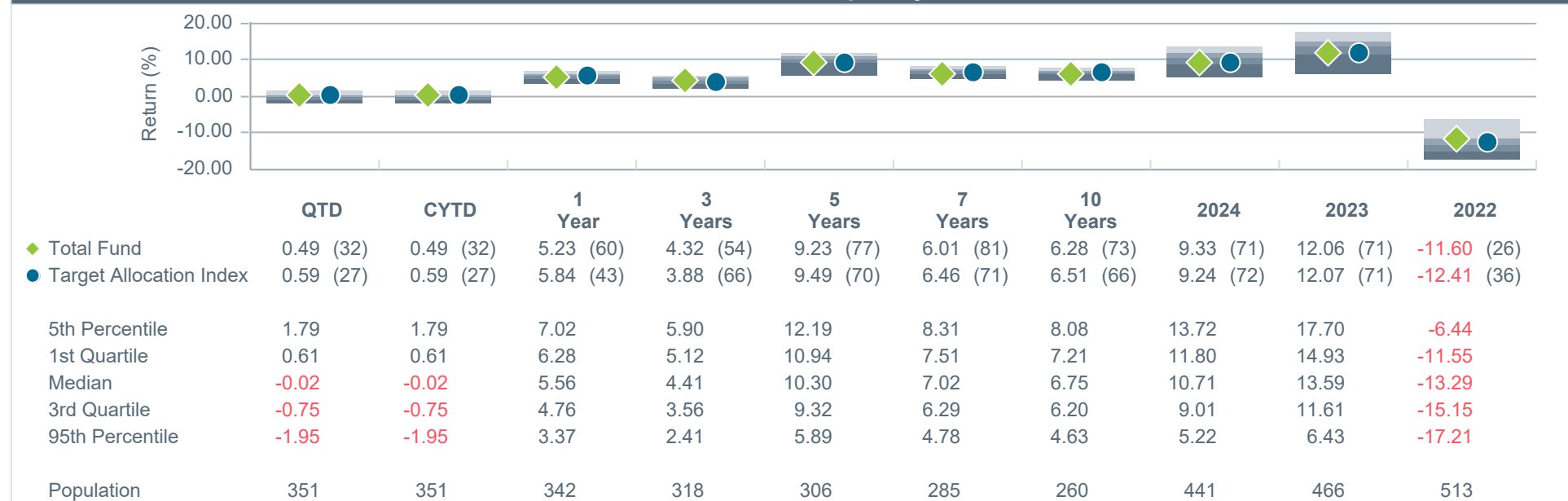
Schedule of Investable Assets					
Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
CYTD	433,999,748	735	1,781,539	435,782,022	0.41

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 03/31/2025.

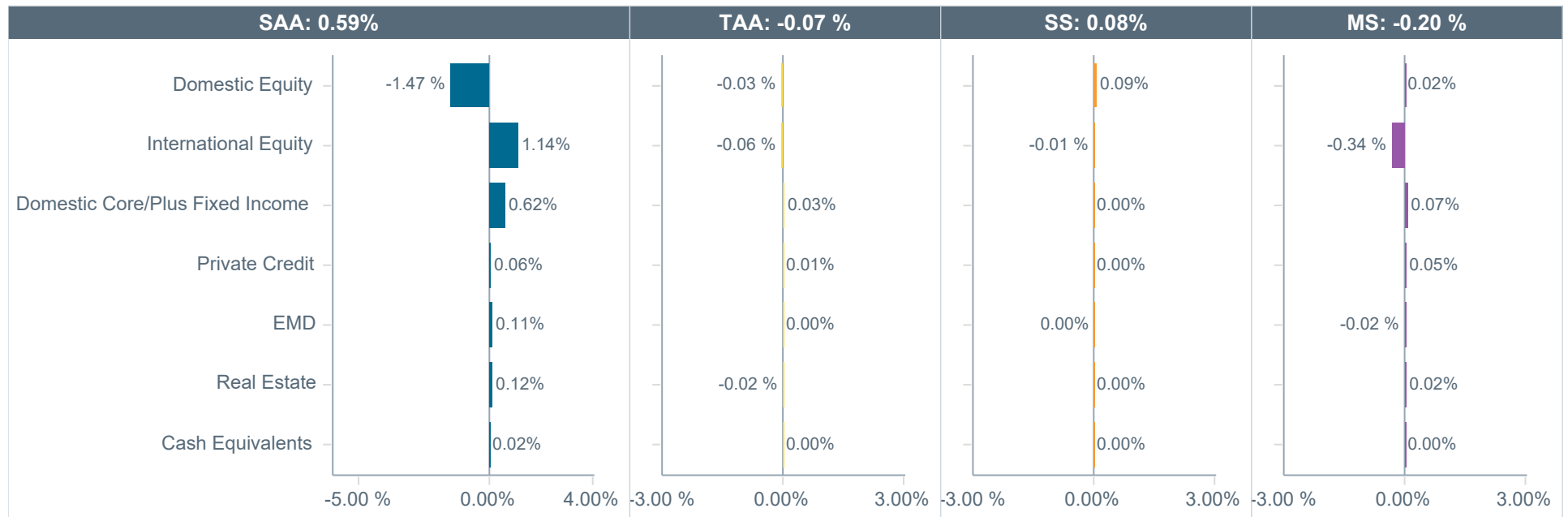
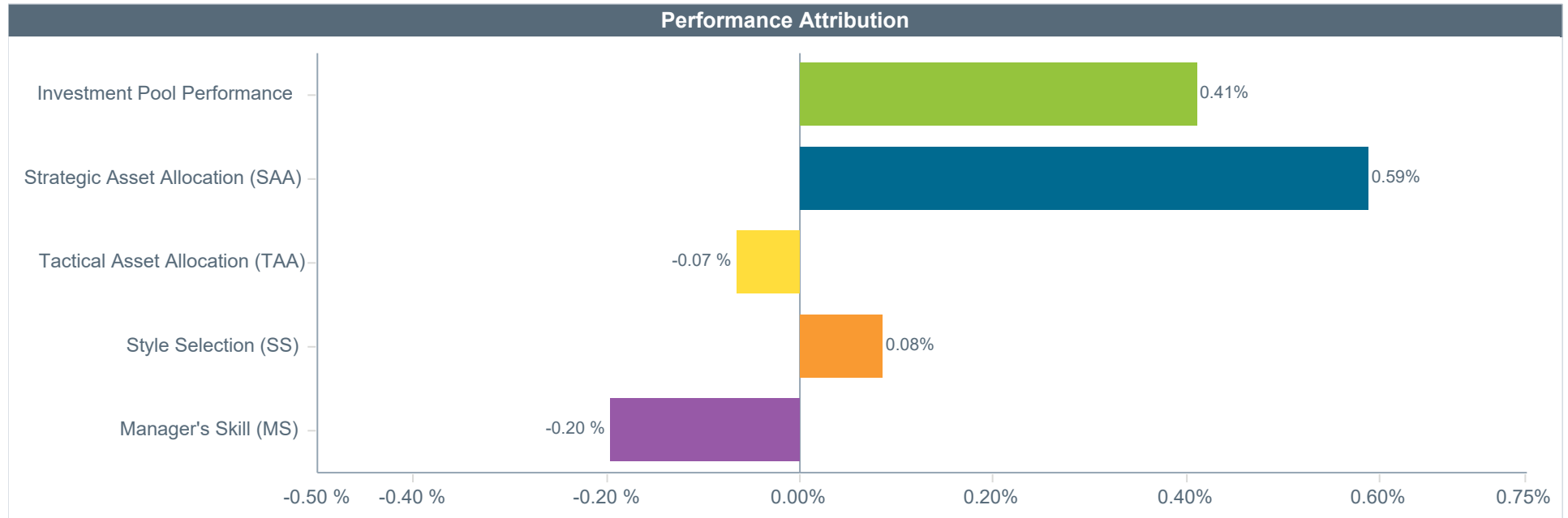
Total Fund Asset Allocation



Total Fund Peer Group Analysis



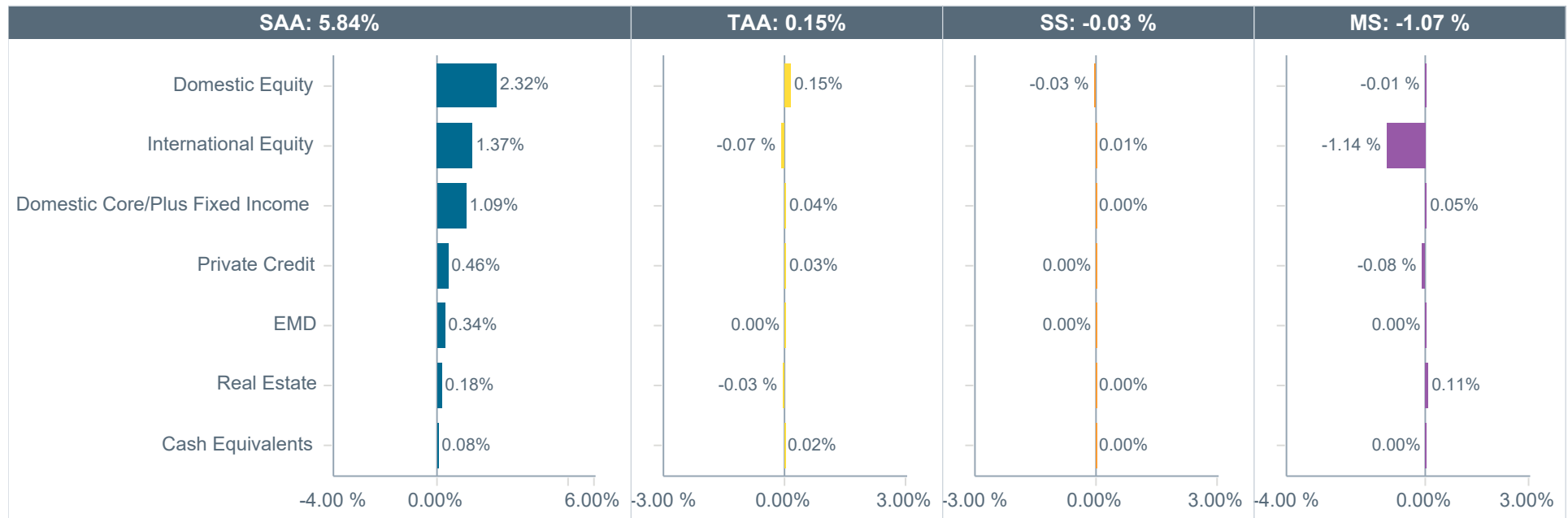
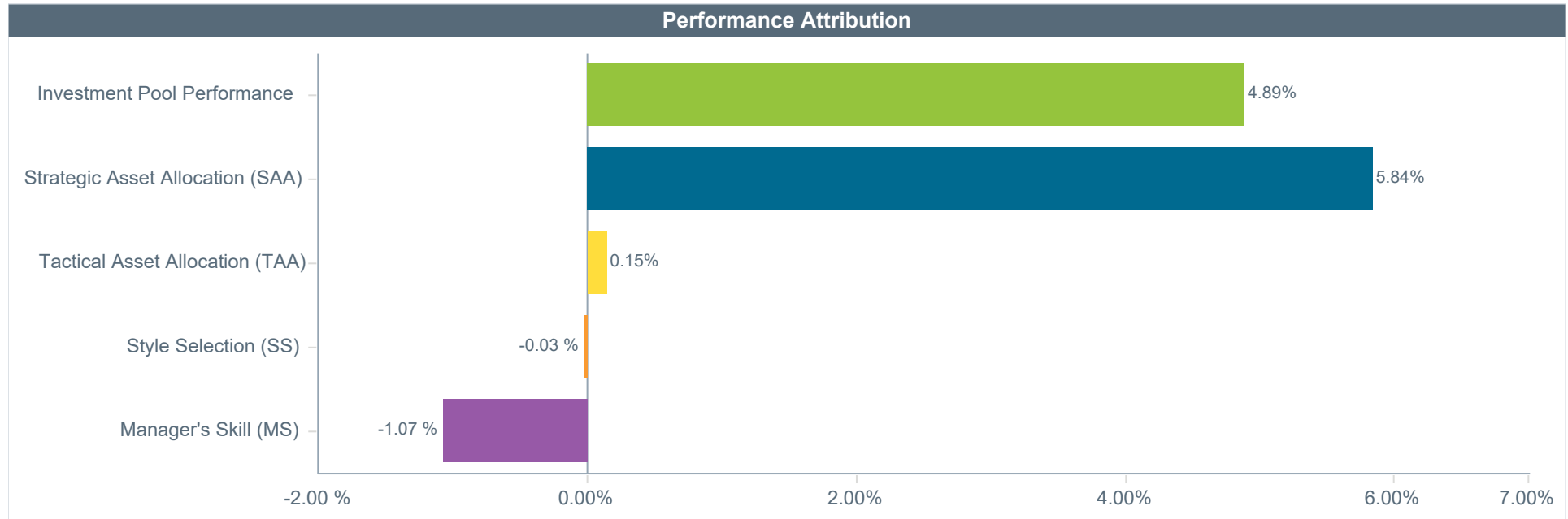
Parentheses contain percentile ranks. Performance shown is gross of fees. Composite performance prior to 01/2016 consists of gross performance for separate accounts and commingled fund investments, and net performance for mutual fund investments. Calculation is based on monthly periodicity.



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

Municipality of Anchorage Trust Fund
Total Fund Attribution - IDP

1 Year Ending March 31, 2025



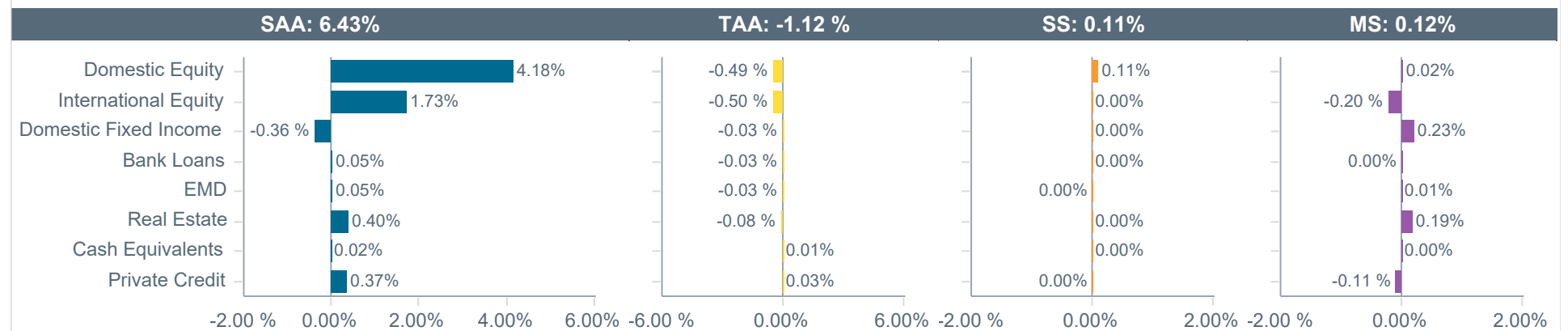
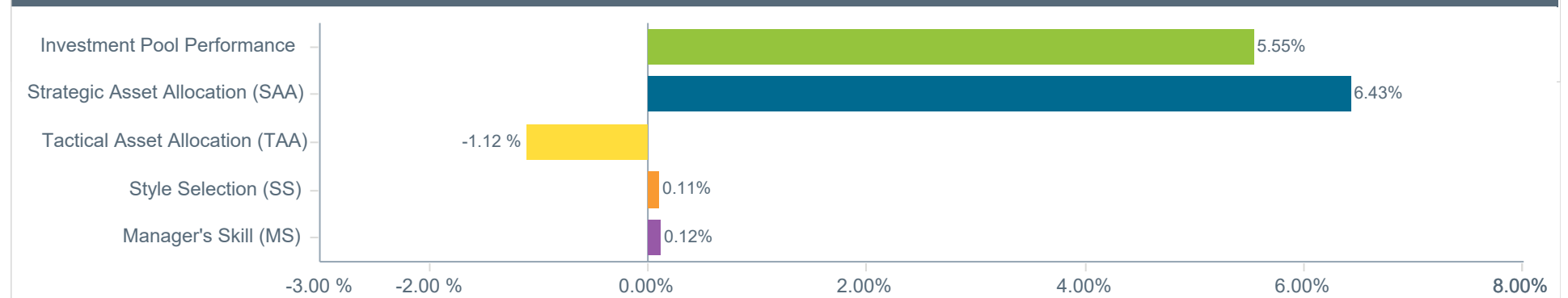
Performance shown is net of fees. Calculation is based on monthly periodicity. See Glossary for additional information regarding the Total Fund Attribution - IDP calculation.

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

As of March 31, 2025

Comparative Performance														
	MTD	QTD	CYTD	1 Year	3 Years	Since 10/01/20	5 Years	7 Years	10 Years	2024	2023	2022	Since Incep.	Inception Date
Total Fund	-2.07	0.41	0.41	4.89	3.95	5.55	8.86	5.64	5.90	8.98	11.66	-11.94	5.75	10/01/1999
Target Allocation Index (Trust)	-1.78	0.59	0.59	5.84	3.88	6.43	9.49	6.46	6.51	9.24	12.07	-12.41	5.73	
Difference	-0.29	-0.18	-0.18	-0.96	0.07	-0.89	-0.64	-0.82	-0.62	-0.27	-0.41	0.47	0.02	
Target Allocation Index (Wtd Cash) (Trust)	-1.78	0.59	0.59	5.84	3.88	5.69	8.80	5.98	-	9.24	12.07	-12.41	-	
Difference	-0.29	-0.18	-0.18	-0.96	0.07	-0.14	0.05	-0.34	-	-0.27	-0.41	0.47	-	
Consumer Price Index+4%	0.55	2.33	2.33	6.49	7.76	8.87	8.55	7.75	7.20	7.00	7.49	10.71	6.66	
Difference	-2.62	-1.92	-1.92	-1.60	-3.80	-3.32	0.30	-2.11	-1.30	1.97	4.18	-22.65	-0.91	
Total Fund Ex-Cash	-2.12	0.40	0.40	4.87	3.97	6.30	9.56	6.13	-	9.01	11.69	-11.94	7.03	01/01/2016
Target Allocation Index (Trust)	-1.78	0.59	0.59	5.84	3.88	6.43	9.49	6.46	6.51	9.24	12.07	-12.41	7.30	
Difference	-0.35	-0.19	-0.19	-0.98	0.08	-0.13	0.07	-0.33	-	-0.24	-0.38	0.47	-0.27	

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 March 31, 2025

	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2024	2023	2022	2021	Since Incep.	Inception Date
Total Fund	0.41	0.41	4.89	3.95	8.86	5.64	5.90	8.98	11.66	-11.94	11.37	5.75	10/01/1999
Target Allocation Index (Trust)	0.59	0.59	5.84	3.88	9.49	6.46	6.51	9.24	12.07	-12.41	11.55	5.73	
Difference	-0.18	-0.18	-0.96	0.07	-0.64	-0.82	-0.62	-0.27	-0.41	0.47	-0.17	0.02	
Consumer Price Index+4%	2.33	2.33	6.49	7.76	8.55	7.75	7.20	7.00	7.49	10.71	11.32	6.66	
Difference	-1.92	-1.92	-1.60	-3.80	0.30	-2.11	-1.30	1.97	4.18	-22.65	0.06	-0.91	
Domestic Equity	-4.39	-4.39	7.16	8.20	17.91	12.38	11.44	23.35	24.96	-18.28	27.79	7.83	10/01/1999
Russell 3000 Index	-4.72	-4.72	7.22	8.22	18.18	12.49	11.80	23.81	25.96	-19.21	25.66	8.11	
Difference	0.33	0.33	-0.06	-0.02	-0.28	-0.11	-0.36	-0.46	-1.00	0.93	2.13	-0.28	
Domestic Large Cap Equity	-4.28	-4.28	8.24	9.01	18.29	13.05	12.03	24.89	26.25	-18.13	28.85	7.95	10/01/1999
Russell 1000 Index	-4.49	-4.49	7.82	8.65	18.47	12.95	12.18	24.51	26.53	-19.13	26.45	8.12	
Difference	0.21	0.21	0.42	0.35	-0.18	0.10	-0.14	0.38	-0.28	1.00	2.40	-0.17	
Vanguard Instl Indx;InsP (VILIX)	-4.28	-4.28	8.23	9.04	18.57	13.23	12.48	24.99	26.26	-18.13	28.69	7.95	10/01/1999
S&P 500 Index (Cap Wtd)	-4.27	-4.27	8.25	9.06	18.59	13.25	12.50	25.02	26.29	-18.11	28.71	7.94	
Difference	0.00	0.00	-0.02	-0.02	-0.02	-0.02	-0.02	-0.03	-0.02	-0.02	-0.02	0.01	
IM U.S. Large Cap Core Equity (MF) Median	-4.35	-4.35	6.11	8.13	17.41	12.09	11.36	22.94	24.85	-18.72	26.95	7.37	
Rank	48	48	16	29	21	15	9	27	38	46	26	28	
Domestic Mid Cap Equity	-1.58	-1.58	5.15	4.51	15.90	9.18	8.80	15.23	16.00	-18.71	24.65	8.99	07/01/2006
Vanguard Spl Mid Cap Index	-1.57	-1.57	5.19	4.53	16.23	9.39	8.94	15.25	15.98	-18.68	24.52	9.09	
Difference	-0.02	-0.02	-0.04	-0.01	-0.33	-0.21	-0.14	-0.02	0.02	-0.03	0.13	-0.10	
Vanguard Md-Cp I;Inst (VMCIX)	-1.58	-1.58	5.15	4.51	16.21	9.38	8.92	15.23	16.00	-18.70	24.53	9.06	07/01/2006
Vanguard Spl Mid Cap Index	-1.57	-1.57	5.19	4.53	16.23	9.39	8.94	15.25	15.98	-18.68	24.52	9.09	
Difference	-0.02	-0.02	-0.04	-0.01	-0.02	-0.01	-0.02	-0.02	0.02	-0.02	0.00	-0.03	
IM U.S. Mid Cap Core Equity (MF) Median	-3.75	-3.75	0.02	4.56	16.16	7.99	7.30	12.26	13.87	-13.21	25.73	7.60	
Rank	16	16	4	52	49	15	14	30	33	93	60	8	
Domestic Small Cap Equity	-8.81	-8.81	-4.24	1.13	13.57	6.47	6.03	11.86	16.52	-19.87	15.69	5.70	01/01/2000
Small Cap Custom Index	-9.48	-9.48	-4.01	0.52	13.27	5.41	5.63	11.54	16.93	-20.44	14.82	7.29	
Difference	0.67	0.67	-0.23	0.61	0.30	1.06	0.40	0.32	-0.41	0.57	0.88	-1.59	
BlackRock:Adv SC Cr;Inst (BDSIX)	-8.81	-8.81	-4.24	1.13	13.70	6.55	-	11.86	16.52	-19.87	14.67	7.30	12/01/2016
Russell 2000 Index	-9.48	-9.48	-4.01	0.52	13.27	5.41	6.30	11.54	16.93	-20.44	14.82	6.60	
Difference	0.67	0.67	-0.23	0.61	0.43	1.14	-	0.32	-0.41	0.57	-0.14	0.70	
IM U.S. Small Cap Core Equity (MF) Median	-8.35	-8.35	-3.40	1.70	15.09	5.91	6.39	10.31	15.99	-15.77	25.13	6.62	
Rank	61	61	64	58	72	32	-	30	44	82	91	28	

Performance shown is net of fees. Performance is annualized for periods greater than one year. Please see the Addendum for custom index definitions.

**Municipality of Anchorage Trust Fund
Comparative Performance**

As of March 31, 2025

	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2024	2023	2022	2021	Since Incep.	Inception Date
International Equity	3.59	3.59	0.95	3.94	10.34	3.55	4.27	3.03	16.14	-17.25	5.82	5.37	10/01/1999
MSCI ACW Ex US Index (USD) (Net)	5.23	5.23	6.09	4.48	10.92	4.47	4.98	5.53	15.62	-16.00	7.82	-	
Difference	-1.65	-1.65	-5.14	-0.54	-0.58	-0.92	-0.70	-2.51	0.52	-1.25	-2.00	-	
Vanguard Intl Val;Inv (VTRIX)	4.58	4.58	1.59	4.54	-	-	-	1.04	16.15	-11.66	7.97	9.49	06/01/2020
MSCI ACW Ex US Val Index (USD) (Net)	8.58	8.58	11.35	7.23	13.62	4.57	4.71	6.04	17.30	-8.59	10.46	12.22	
Difference	-4.00	-4.00	-9.76	-2.69	-	-	-	-5.00	-1.15	-3.07	-2.48	-2.73	
IM ACWI Ex US Value (MF) Median	9.94	9.94	10.37	6.89	13.79	4.32	4.12	6.41	15.36	-11.04	10.01	11.37	
Rank	100	100	100	87	-	-	-	83	42	61	73	87	
American Funds EuPc;F3 (FEUPX)	2.62	2.62	0.32	3.27	9.93	4.23	5.29	5.04	16.06	-22.73	2.85	5.98	10/01/1999
MSCI ACW Ex US Grth Index (USD) (Net)	1.96	1.96	1.15	1.75	8.11	4.13	5.06	5.07	14.03	-23.05	5.09	-	
Difference	0.66	0.66	-0.83	1.52	1.82	0.10	0.23	-0.03	2.03	0.32	-2.24	-	
IM ACWI Ex US Growth (MF) Median	2.31	2.31	0.82	2.77	8.80	3.95	5.02	4.82	15.36	-26.63	7.93	5.44	
Rank	37	37	55	33	25	41	40	48	41	30	77	25	
Domestic Fixed Income	2.88	2.88	5.58	1.54	1.85	2.36	2.46	2.54	6.35	-10.23	-0.07	4.60	10/01/1999
Bloomberg US Agg Bond Index	2.78	2.78	4.88	0.52	-0.40	1.58	1.46	1.25	5.53	-13.01	-1.55	3.97	
Difference	0.10	0.10	0.70	1.03	2.25	0.79	1.00	1.29	0.82	2.78	1.48	0.64	
Domestic Core/Plus Fixed Income	3.08	3.08	5.13	0.76	0.89	1.93	-	1.21	6.24	-12.15	-0.87	2.56	01/01/2016
Bloomberg US Agg Bond Index	2.78	2.78	4.88	0.52	-0.40	1.58	1.46	1.25	5.53	-13.01	-1.55	1.70	
Difference	0.30	0.30	0.25	0.24	1.29	0.35	-	-0.04	0.71	0.86	0.67	0.86	
FIAM Core Plus LLC (CF)	2.68	2.68	5.45	1.38	1.94	2.51	2.54	2.50	7.55	-12.63	0.68	4.06	10/01/2007
Bloomberg US Agg Bond Index	2.78	2.78	4.88	0.52	-0.40	1.58	1.46	1.25	5.53	-13.01	-1.55	3.00	
Difference	-0.10	-0.10	0.57	0.86	2.34	0.93	1.08	1.24	2.02	0.38	2.22	1.06	
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median	2.68	2.68	5.33	1.12	1.22	2.24	2.14	2.50	6.48	-13.24	-0.55	3.74	
Rank	49	49	41	35	27	28	26	51	20	30	19	28	
Garcia Hamilton Core Agg (SA)	3.49	3.49	4.80	0.17	-0.07	1.41	-	-0.10	5.06	-11.66	-2.40	1.40	02/01/2018
Bloomberg US Agg Bond Index	2.78	2.78	4.88	0.52	-0.40	1.58	1.46	1.25	5.53	-13.01	-1.55	1.50	
Difference	0.71	0.71	-0.08	-0.35	0.33	-0.17	-	-1.35	-0.47	1.35	-0.86	-0.09	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	2.75	2.75	5.00	0.70	0.21	1.81	1.68	1.62	5.79	-13.14	-1.47	1.72	
Rank	1	1	77	90	69	91	-	99	85	9	98	84	

Performance shown is net of fees. Performance is annualized for periods greater than one year. Please see the Addendum for custom index definitions.

**Municipality of Anchorage Trust Fund
Comparative Performance**

As of March 31, 2025

	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2024	2023	2022	2021	Since Incep.	Inception Date
Private Credit	2.06	2.06	7.55	5.02	-	-	-	8.28	6.70	-0.55	-	5.53	06/01/2021
S&P UBS Lvg'd Loan Index +2%	1.11	1.11	9.16	9.24	11.08	7.37	7.08	11.23	15.30	0.92	7.51	8.23	
Difference	0.94	0.94	-1.61	-4.22	-	-	-	-2.96	-8.61	-1.47	-	-2.70	
PIMCO Private Income Fund	2.06	2.06	7.55	5.02	-	-	-	8.28	6.70	-0.55	-	5.53	06/01/2021
S&P UBS Lvg'd Loan Index +2%	1.11	1.11	9.16	9.24	11.08	7.37	7.08	11.23	15.30	0.92	7.51	8.23	
Difference	0.94	0.94	-1.61	-4.22	-	-	-	-2.96	-8.61	-1.47	-	-2.70	
Emerging Markets Debt	1.92	1.92	6.75	4.00	4.48	-	-	6.92	15.62	-17.73	-6.44	2.06	07/01/2018
EMD Blended Index	2.24	2.24	6.75	3.61	3.40	-	-	6.54	11.09	-16.36	-2.83	2.45	
Difference	-0.33	-0.33	-0.01	0.39	1.07	-	-	0.38	4.53	-1.36	-3.61	-0.39	
RBC BlueBay EM Debt;I (RBESX)	1.92	1.92	6.75	4.08	5.86	-	-	6.92	15.62	-15.27	-2.76	3.89	07/01/2018
JPM Emg Mkts Bond Gbl Dvfd Index (USD) (TR)	2.24	2.24	6.75	3.41	3.49	2.05	3.16	6.54	11.09	-17.78	-1.80	2.68	
Difference	-0.33	-0.33	-0.01	0.67	2.37	-	-	0.38	4.53	2.52	-0.97	1.21	
IM Emerging Markets Debt (MF) Median	2.27	2.27	6.75	3.80	4.43	1.87	3.03	6.60	11.40	-15.10	-2.96	2.74	
Rank	82	82	50	43	14	-	-	40	3	52	48	13	
Real Estate	1.04	1.04	2.16	-2.00	2.11	1.72	3.34	-1.14	-9.98	10.21	17.92	3.25	10/01/2007
NCREIF ODCE Index (AWA) (Net)	0.84	0.84	1.16	-5.08	2.01	2.92	4.71	-2.27	-12.73	6.55	21.02	3.72	
Difference	0.20	0.20	1.00	3.08	0.10	-1.20	-1.36	1.13	2.75	3.66	-3.09	-0.47	
UBS Trumbull Property LP	1.25	1.25	0.67	-6.56	-0.83	-0.38	1.85	-2.44	-15.72	5.02	15.48	2.39	10/01/2007
NCREIF ODCE Index (AWA) (Net)	0.84	0.84	1.16	-5.08	2.01	2.92	4.71	-2.27	-12.73	6.55	21.02	3.72	
Difference	0.41	0.41	-0.49	-1.48	-2.84	-3.30	-2.86	-0.17	-2.99	-1.53	-5.54	-1.33	
Invesco US Income LP	1.17	1.17	2.83	-1.67	-	-	-	-0.50	-10.44	12.61	25.00	5.77	01/01/2021
NCREIF ODCE Index (AWA) (Net)	0.84	0.84	1.16	-5.08	2.01	2.92	4.71	-2.27	-12.73	6.55	21.02	2.46	
Difference	0.33	0.33	1.67	3.40	-	-	-	1.77	2.29	6.06	3.99	3.30	
Harrison Street Core Property LP	0.83	0.83	2.14	0.23	-	-	-	-0.50	-6.63	10.15	-	2.80	04/01/2021
NCREIF ODCE Index (AWA) (Net)	0.84	0.84	1.16	-5.08	2.01	2.92	4.71	-2.27	-12.73	6.55	21.02	2.14	
Difference	-0.01	-0.01	0.98	5.31	-	-	-	1.77	6.10	3.60	-	0.66	
Cash Equivalents	1.05	1.05	4.88	4.23	2.53	2.33	1.73	5.17	5.01	1.47	0.01	1.28	10/01/2007
ICE BofAML 3 Mo US T-Bill Index	1.02	1.02	4.97	4.23	2.56	2.45	1.87	5.25	5.02	1.46	0.05	1.28	
Difference	0.02	0.02	-0.09	-0.01	-0.03	-0.12	-0.14	-0.08	-0.01	0.02	-0.04	0.00	
Allspring:Govt MM;I (GVIXX)	1.05	1.05	4.88	4.23	2.53	-	-	5.17	5.01	1.47	0.01	2.42	09/01/2019
ICE BofAML 3 Mo US T-Bill Index	1.02	1.02	4.97	4.23	2.56	2.45	1.87	5.25	5.02	1.46	0.05	2.51	
Difference	0.02	0.02	-0.09	-0.01	-0.03	-	-	-0.08	-0.01	0.02	-0.04	-0.09	

Performance shown is net of fees. Performance is annualized for periods greater than one year. Please see the Addendum for custom index definitions.

**Municipality of Anchorage Trust Fund
Fee Addendum**

As of March 31, 2025

	Fee Schedule	Market Value As of 03/31/2025 (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Total Fund		435,782,022	1,740,358	0.40
Vanguard Instl Indx;InsP (VFIIX)	0.02 % of Assets	114,678,512	22,936	0.02
Vanguard Md-Cp I;Inst (VMCIX)	0.04 % of Assets	9,481,078	3,792	0.04
BlackRock:Adv SC Cr;Inst (BDSIX)	0.50 % of Assets	8,414,033	42,070	0.50
Vanguard Intl Val;Inv (VTRIX)	0.36 % of Assets	46,634,608	167,885	0.36
American Funds EuPc;F3 (FEUPX)	0.46 % of Assets	46,913,947	215,804	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	52,642,499	105,285	0.20
Garcia Hamilton Core Agg (SA)	0.25 % of Assets	51,321,292	128,303	0.25
PIMCO Private Income Fund	1.25 % of Assets	24,570,138	307,127	1.25
RBC BlueBay EM Debt;I (RBESX)	0.79 % of Assets	22,671,110	179,102	0.79
UBS Trumbull Property LP*	0.84 % of Assets	7,741,144	64,979	0.84
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	20,929,511	240,689	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	20,281,769	243,381	1.20
Allspring:Govt MM;I (GVIXX)	0.20 % of Assets	9,502,382	19,005	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 03/31/2025.

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).

RVK

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. It should not be construed as legal or tax advice. It 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. This document should not be construed as investment advice: it does not reflect all potential risks with regard to the client's investments and should not be used to make investment decisions without additional considerations or discussions about the risks and limitations involved. Any decision, investment or otherwise, made on the basis of this document is the sole responsibility of the client or intended recipient.