

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Brent Johnson, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Peter A. Micciche, Borough Mayor *PAM*
Brandi Harbaugh, Finance Director *BH*

FROM: Chad Friedersdorff, Financial Planning Manager

DATE: December 12, 2023

RE: Investment Report quarter ended 9/30/23

Attached is the Quarterly Investment Report of the Kenai Peninsula Borough for the quarter ending September 30, 2023.

Portfolio Statistics	Quarter Ended 6/30/2023	Quarter Ended 9/30/2023
Average Daily Balance	\$360,631,203	\$365,325,089
Earned Interest Yield	3.191%	3.585%
Duration in Years	1.81	1.78
Book Value	\$356,546,296	\$386,314,165
Market Value	\$348,022,274	\$378,676,208
Percent % of Market Value	102.45%	102.02%

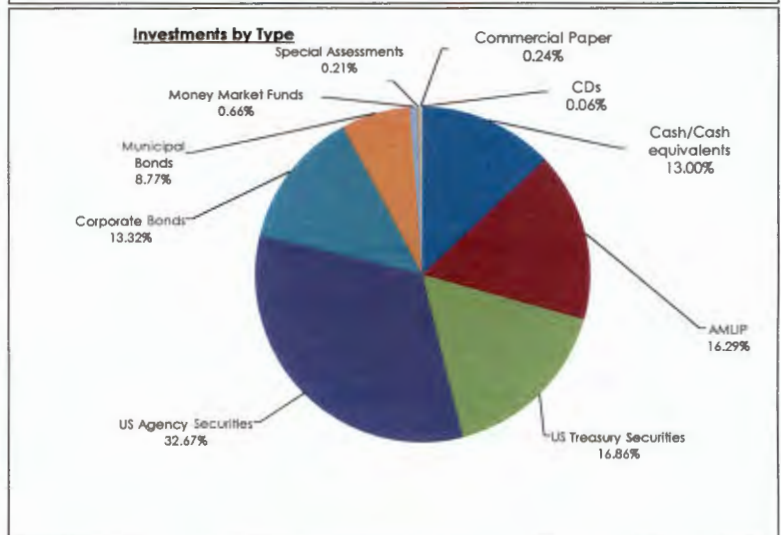
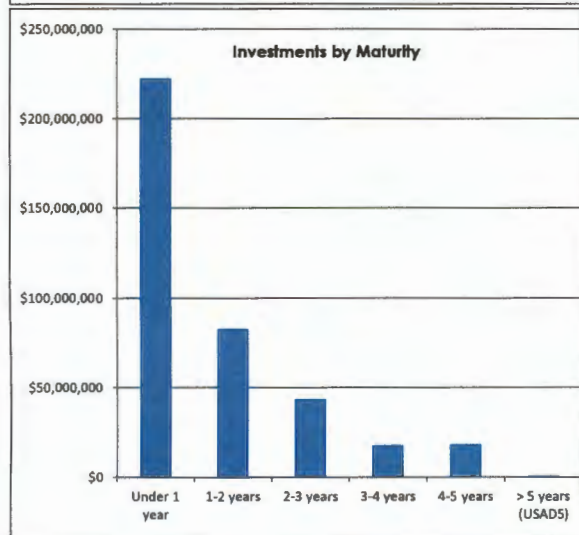
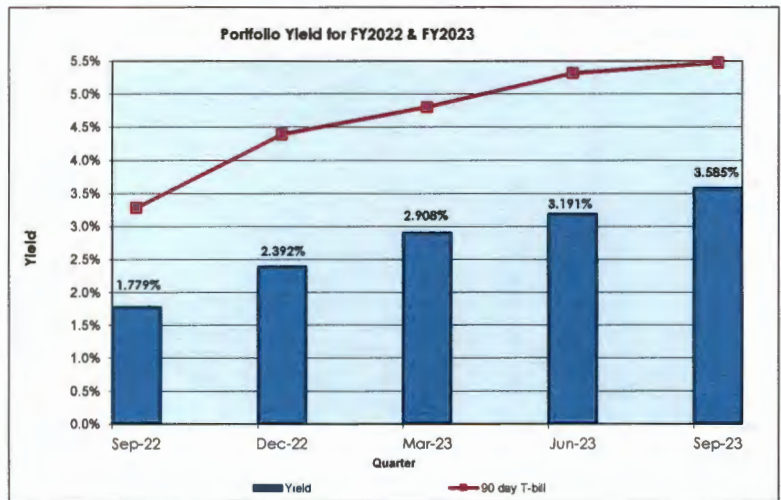
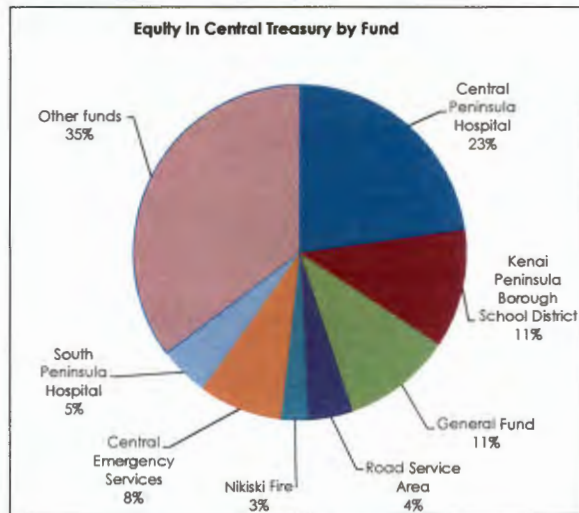
Investment Description	Yield Quarter Ended 6/30/2023	Yield Quarter Ended 9/30/2023	Market Value Quarter Ended 9/30/2023
Cash and Cash Equivalents	3.74%	3.85%	\$50,227,889
AMLIP	4.90%	5.30%	62,938,436
U.S. Treasury Securities	2.48%	3.22%	62,940,161
US Agencies	3.13%	3.49%	123,427,709
Corporate Bonds	3.32%	3.86%	49,985,391
Municipal Bonds	1.68%	1.84%	24,604,055
Money Market Mutual Funds	4.96%	5.21%	2,541,717
Special Assessments	5.46%	6.75%	799,924
CDs	0.38%	0.55%	237,996
Commercial Paper	5.85%	5.85%	972,930
Total			\$378,676,208

Major Categories:	Percentage of Portfolio	Book Value quarter ending 9/30/2023
Bond related funds	16.20%	\$62,589,247
Hospital service area funds & plant/equipment replacement funds (PREF)	19.90%	76,881,309
School District	11.44%	44,206,786
Capital Project fund restrictions	15.95%	61,624,557
Special Revenue funds restrictions	17.32%	66,901,543
Internal Service/Agency fund restrictions	4.93%	19,027,640
General Fund	14.26%	55,083,083
Total	100.00%	\$386,314,165

INVESTMENT PORTFOLIO
September 30, 2023

	Par Value	Purchase Price	Fair Value 9/30/2023
Investments by Borough Finance Director			
CORPORATE	19,862,000.00	19,723,241.54	19,503,135.72
CDs	240,000.00	240,000.00	237,996.00
COMMERCIAL PAPER	1,000,000.00	946,033.75	972,930.00
MUNICIPAL	8,450,000.00	8,179,351.75	8,225,486.50
AGENCY	82,500,000.00	81,724,530.96	81,742,495.00
US TREASURY	33,500,000.00	33,108,131.16	32,943,455.00
Total Investment by Borough Finance Director:	145,552,000.00	143,921,289.16	143,625,498.22
Investment with External Manager:			
CORPORATE	31,562,000.00	31,716,710.80	30,482,255.49
MUNICIPAL	17,306,176.47	17,644,683.47	16,378,568.69
AGENCY	44,677,552.36	44,487,426.77	41,685,214.22
US TREASURY	33,650,000.00	32,036,089.34	29,996,706.00
Total Security Investment with External Manager:	127,195,728.83	125,884,910.38	118,542,744.40
TOTAL SECURITY INVESTMENTS	272,747,728.83	269,806,199.54	262,168,242.62
CASH & CASH EQUIVALENTS	115,708,041.37	115,708,041.37	115,708,041.37
SPECIAL ASSESSMENTS	799,923.83	799,923.83	799,923.83
TOTAL PORTFOLIO	389,255,694.03	386,314,164.74	378,676,207.82

Security Portfolio - Purchase Price	\$ 270,550,639.44
Security Portfolio - Fair Value 9/30/23	262,912,682.52
Fair Value Adjustment - 9/30/23	(7,637,956.92)
Fair Value Adjustment - 6/30/23	(8,524,021.75)
Change in Fair Value FY2024	\$ 886,064.83



KENAI PENINSULA BOROUGH - LAND TRUST INVESTMENT FUND

Account Statement - Period Ending July 31, 2023



ACCOUNT ACTIVITY

Portfolio Value on 06-30-23	12,883,150
Contributions	0
Withdrawals	-1,610
Change in Market Value	275,579
Interest	973
Dividends	14,677

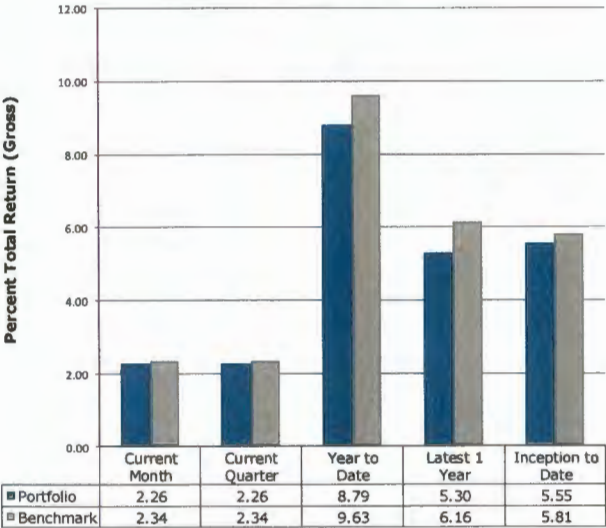
Portfolio Value on 07-31-23 13,172,769

MANAGEMENT TEAM

Client Relationship Manager:	Blake Phillips, CFA® Blake@apcm.net
Your Portfolio Manager:	Brandy Niclai, CFA®
Contact Phone Number:	907/272-7575

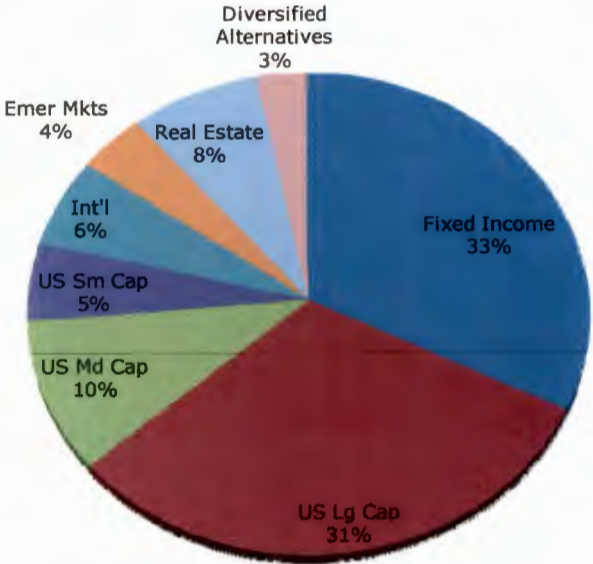
INVESTMENT PERFORMANCE

**Current Account Benchmark:
Equity Blend**



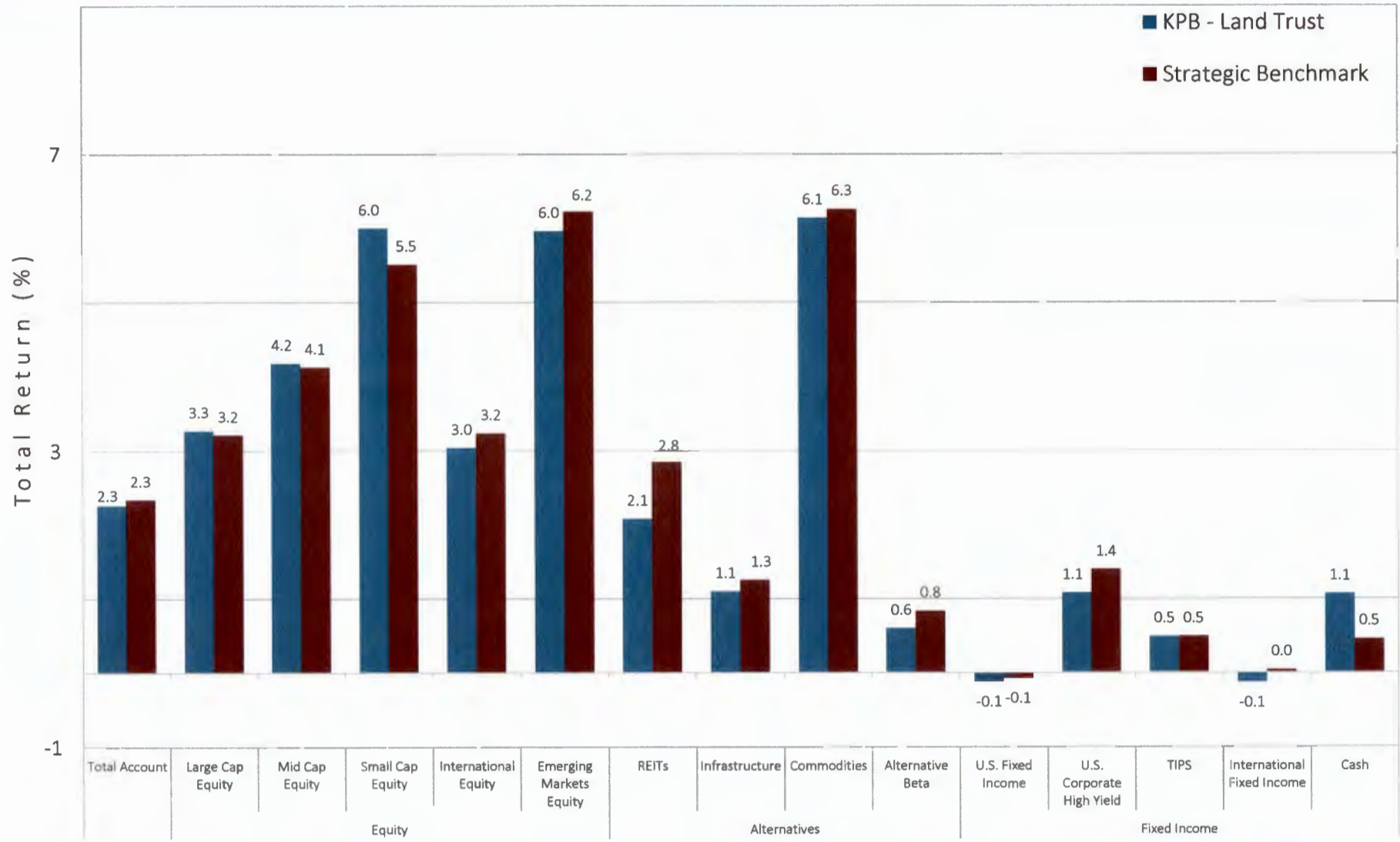
Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Asset Class Performance July 2023

Kenai Peninsula Borough Land Trust Investment Fund



Performance is gross of management fees and net of internal fund fees.

KENAI PENINSULA BOROUGH - LAND TRUST INVESTMENT FUND

Account Statement - Period Ending August 31, 2023



ALASKA PERMANENT CAPITAL MANAGEMENT
Registered Investment Adviser

ACCOUNT ACTIVITY

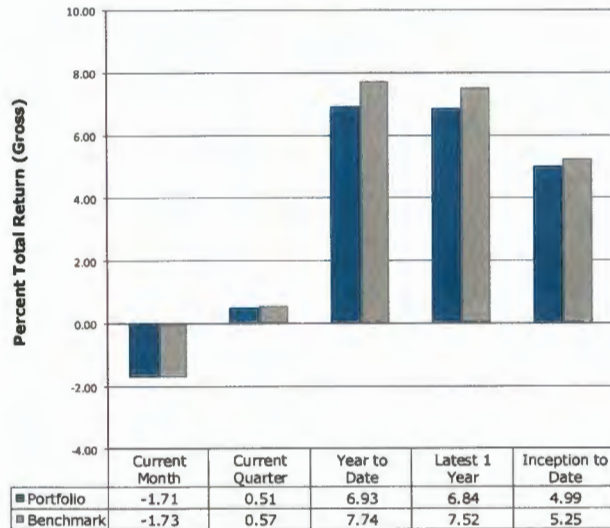
Portfolio Value on 07-31-23	13,172,769
Contributions	0
Withdrawals	-1,647
Change in Market Value	-236,161
Interest	423
Dividends	10,856
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Portfolio Value on 08-31-23	12,946,240

MANAGEMENT TEAM

Client Relationship Manager:	Blake Phillips, CFA® Blake@apcm.net
Your Portfolio Manager:	Brandy Niclai, CFA®
Contact Phone Number:	907/272-7575

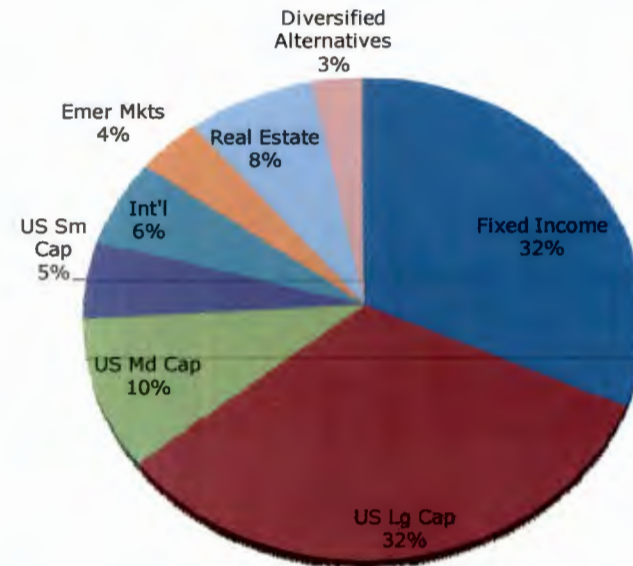
INVESTMENT PERFORMANCE

**Current Account Benchmark:
Equity Blend**



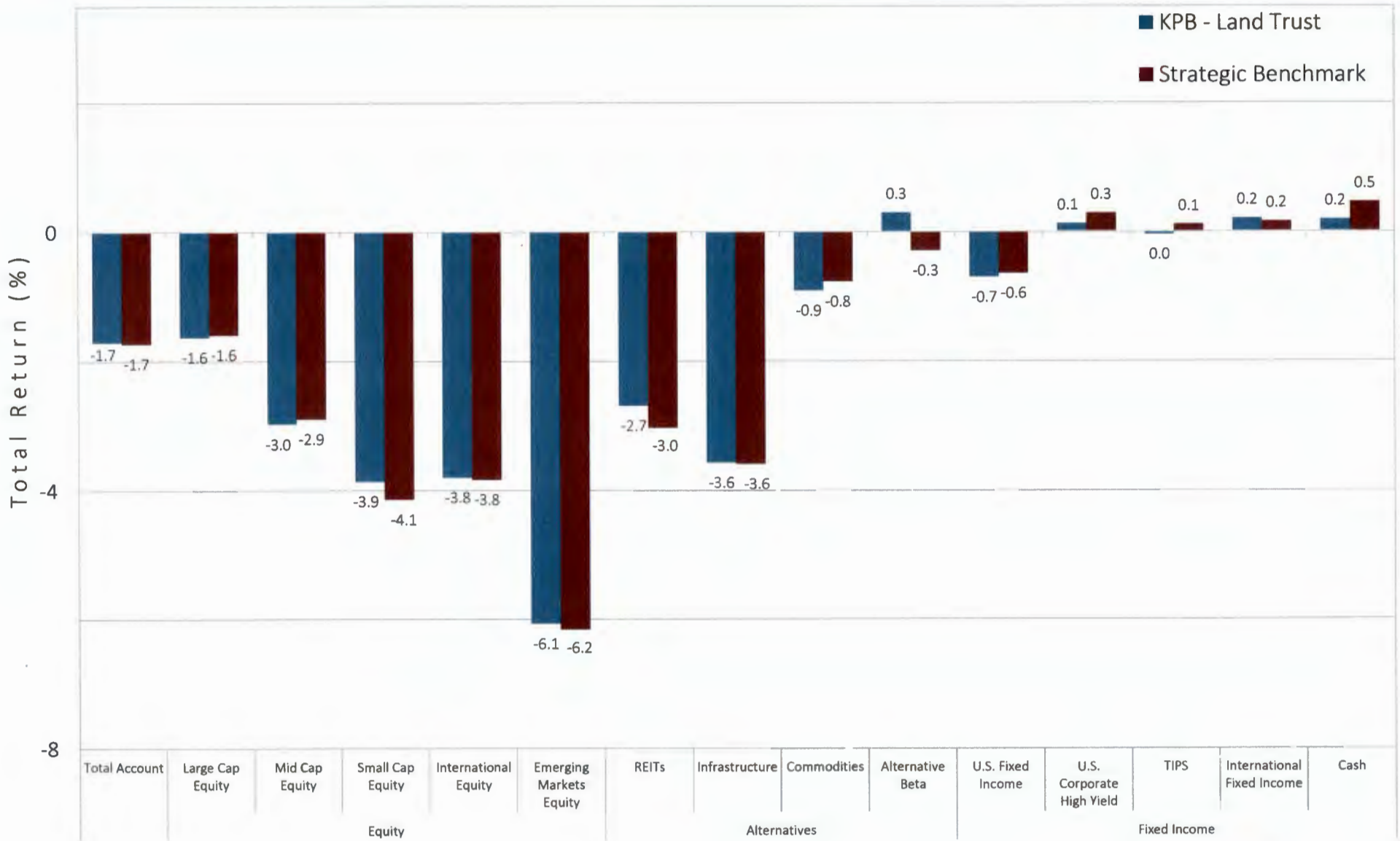
Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Asset Class Performance August 2023

Kenai Peninsula Borough Land Trust Investment Fund



Performance is gross of management fees and net of internal fund fees.

Portfolio Overview

BEGINNING VALUE + ACCRUED **\$12,940,740**

TRANSFERS IN/OUT **\$1,182,942**

REALIZED GAINS **\$37,755**

CHANGE IN MARKET VALUE **-\$524,373**

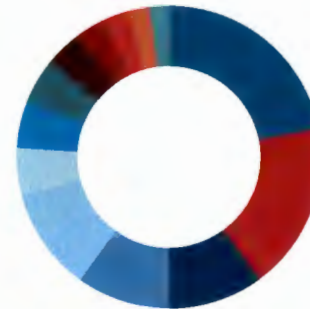
INTEREST INCOME **\$9,569**

DIVIDEND INCOME **\$39,293**

ENDING VALUE + ACCRUED **\$13,685,926**

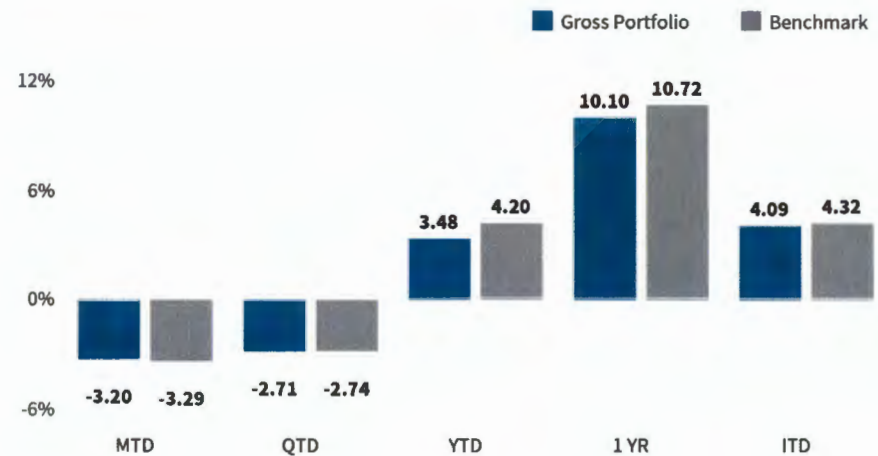


Portfolio Composition



- U.S. Large Cap Equity **22.0%**
- U.S. Fixed Income **17.9%**
- U.S. Mid Cap Equity **10.1%**
- Alternative Beta **9.9%**
- Developed International Equity **6.0%**
- U.S. Small Cap Equity **5.1%**
- International Fixed Income **5.0%**
- U.S. High Yield Fixed Income **5.0%**
- Infrastructure **4.9%**
- Emerging Market Equity **4.0%**
- REITs **3.0%**
- Commodities **3.0%**
- Cash **2.2%**
- TIPS **2.0%**

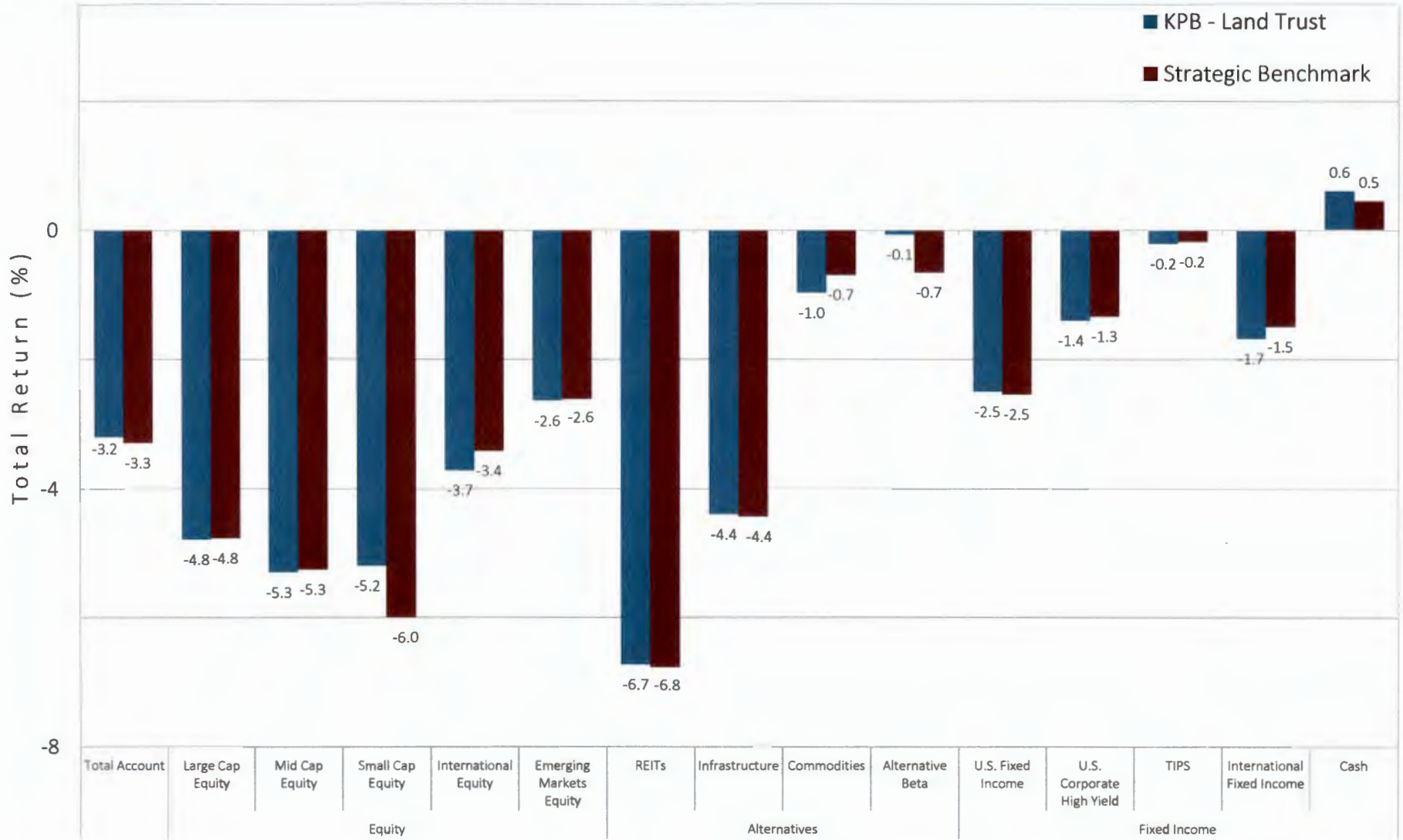
Investment Performance



Performance is annualized for periods greater than one year. Inception to date performance begins July 01, 2019. Past performance is not indicative of future results.

Asset Class Performance September 2023

Kenai Peninsula Borough Land Trust Investment Fund



Performance is gross of management fees and net of internal fund fees.