Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members of the Kenai Peninsula Borough Assembly

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

FROM: Christina Griffith, Financial Planning Manager

DATE: February 5, 2026

RE: Investment Report quarter ended 12/31/25

Attached is the Quarterly Investment Report of the Kenai Peninsula Borough for the quarter ending December 31, 2025.

Portfolio Statistics	Quarter Ended 9/30/2025	Quarter Ended 12/31/2025
Average Daily Balance	$394,935,828	$417,867,334
Earned Interest Yield	3.832%	3.745%
Duration in Years	1.92	1.85
Book Value	$403,468,332	$404,353,853
Market Value	$407,409,965	$408,667,083
Percent % of Market Value	99.03%	98.94%

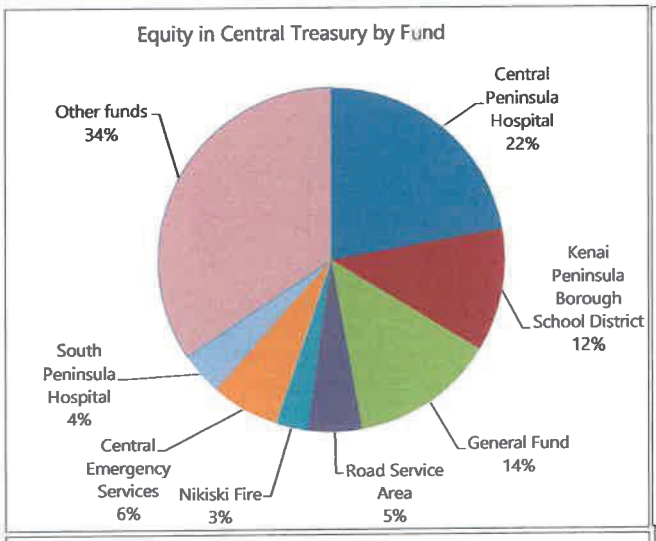
Investment Description	Yield Quarter Ended 9/30/25	Yield Quarter Ended 12/31/25	Market Value Quarter Ended 12/31/25
Cash and Cash Equivalents	2.77%	2.56%	47,886,762
AMLIP	4.09%	3.67%	42,709,109
U.S. Treasury Securities	3.94%	3.77%	114,452,972
US Agencies	4.14%	4.04%	138,064,270
Corporate Bonds	4.18%	4.42%	30,856,806
Municipal Bonds	3.14%	3.86%	23,007,281
Money Market Mutual Funds	4.15%	3.65%	8,828,142
Special Assessments	9.21%	9.21%	886,268
CDs	4.98%	4.17%	1,975,473
Total			**$408,667,083**

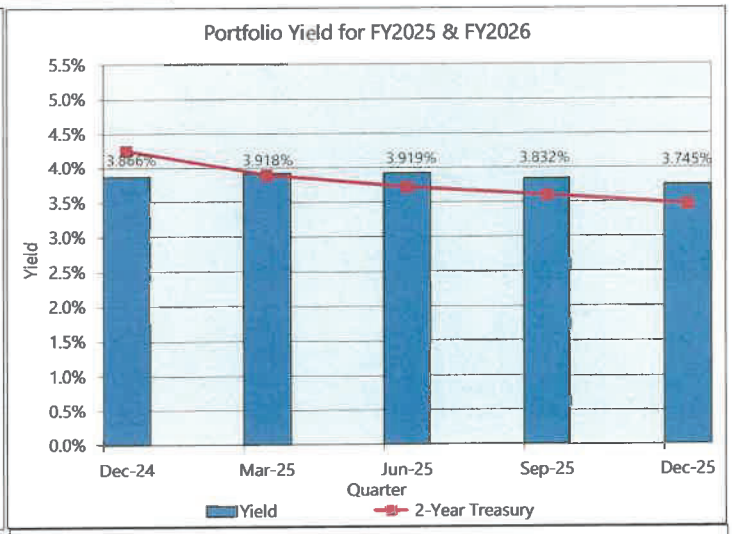
Major Categories:	Percentage of Portfolio	Book Value quarter ending 12/31/25
Bond related funds	9.15%	36,986,499
Hospital service area funds & plant/equipment replacement funds (PREF)	21.05%	85,097,031
School District	11.54%	46,659,921
Capital Project fund restrictions	13.68%	55,332,794
Special Revenue funds restrictions	18.43%	74,522,193
Internal Service/Agency fund restrictions	7.16%	28,969,386
General Fund	18.99%	76,786,029
Total	**100.00%**	**$404,353,853**

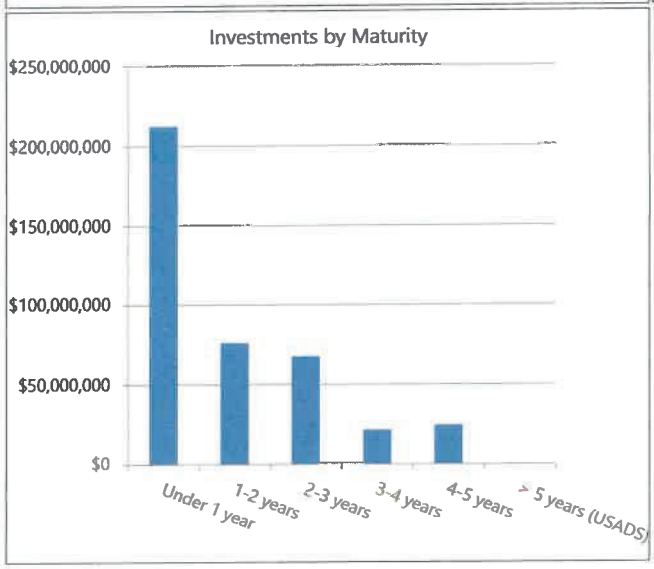
INVESTMENT PORTFOLIO
December 31, 2025

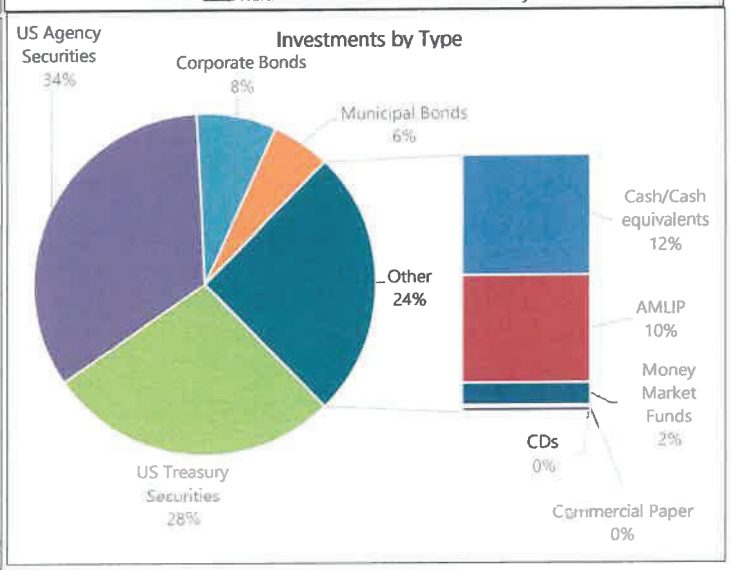
	Par Value	Purchase Price	Fair Value 12/31/25
Investments by Borough Finance Director			
CORPORATE	4,250,000	4,210,258	4,271,665
CDs	1,973,000	1,954,402	1,975,473
COMMERCIAL PAPER	0	0	0
MUNICIPAL	14,315,000	13,739,387	14,131,469
AGENCY	92,339,000	91,586,206	92,555,697
US TREASURY	62,750,000	61,639,642	62,317,203
Total Investment by Borough Finance Director:	**175,627,000**	**173,129,895**	**175,251,507**
Investment with External Manager:			
CORPORATE	26,508,000	26,377,271	26,585,141
MUNICIPAL	8,970,685	8,846,079	8,875,812
AGENCY	46,040,926	45,113,314	45,508,573
US TREASURY	53,025,000	50,577,012	52,135,769
Total Security Investment with External Manager:	**134,544,611**	**130,913,677**	**133,105,296**
TOTAL SECURITY INVESTMENTS	**310,171,611**	**304,043,573**	**308,356,803**
CASH & CASH EQUIVALENTS	99,424,012	99,424,012	99,424,012
SPECIAL ASSESSMENTS	886,268	886,268	886,268
TOTAL PORTFOLIO	**410,481,891**	**404,353,853**	**408,667,083**

Security Portfolio - Purchase Price	$	305,619,784.96
Security Portfolio - Fair Value 12/31/25	$	309,933,015.00
Fair Value Adjustment - 12/31/25		**4,313,230.04**
Fair Value Adjustment - 6/30/25		3,141,120.34
Change in Fair Value FY2026	**$**	**1,172,109.70**







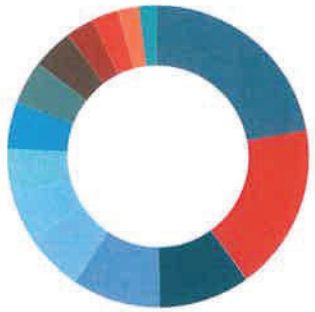


Portfolio Overview

BEGINNING VALUE + ACCRUED	$17,737,467
TRANSFERS IN/ OUT	$444,081
REALIZED GAINS/ LOSSES	$11,217
CHANGE IN MARKET VALUE	$140,046
INTEREST INCOME	$5,132
DIVIDEND INCOME	$17,354
ENDING VALUE + ACCRUED	$18,355,295

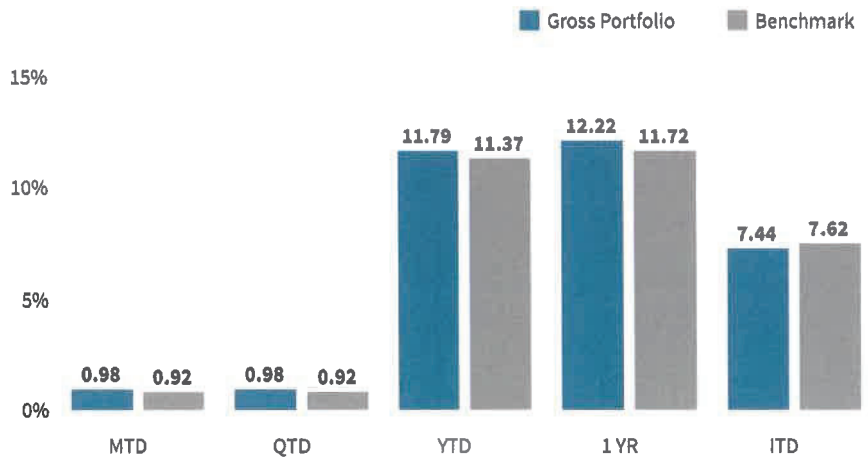
APCM

Portfolio Composition



- U.S. Large Cap Equity **22.3%**
- U.S. Fixed Income **17.8%**
- Alternative Beta **9.8%**
- U.S. Mid Cap Equity **9.5%**
- Developed International Equity **6.4%**
- U.S. Small Cap Equity **5.0%**
- International Fixed Income **5.0%**
- Infrastructure **5.0%**
- U.S. High Yield Fixed Income **4.8%**
- Emerging Market Equity **4.3%**
- Commodities **3.1%**
- REITs **2.9%**
- Cash **2.3%**
- TIPS **1.9%**

Investment Performance

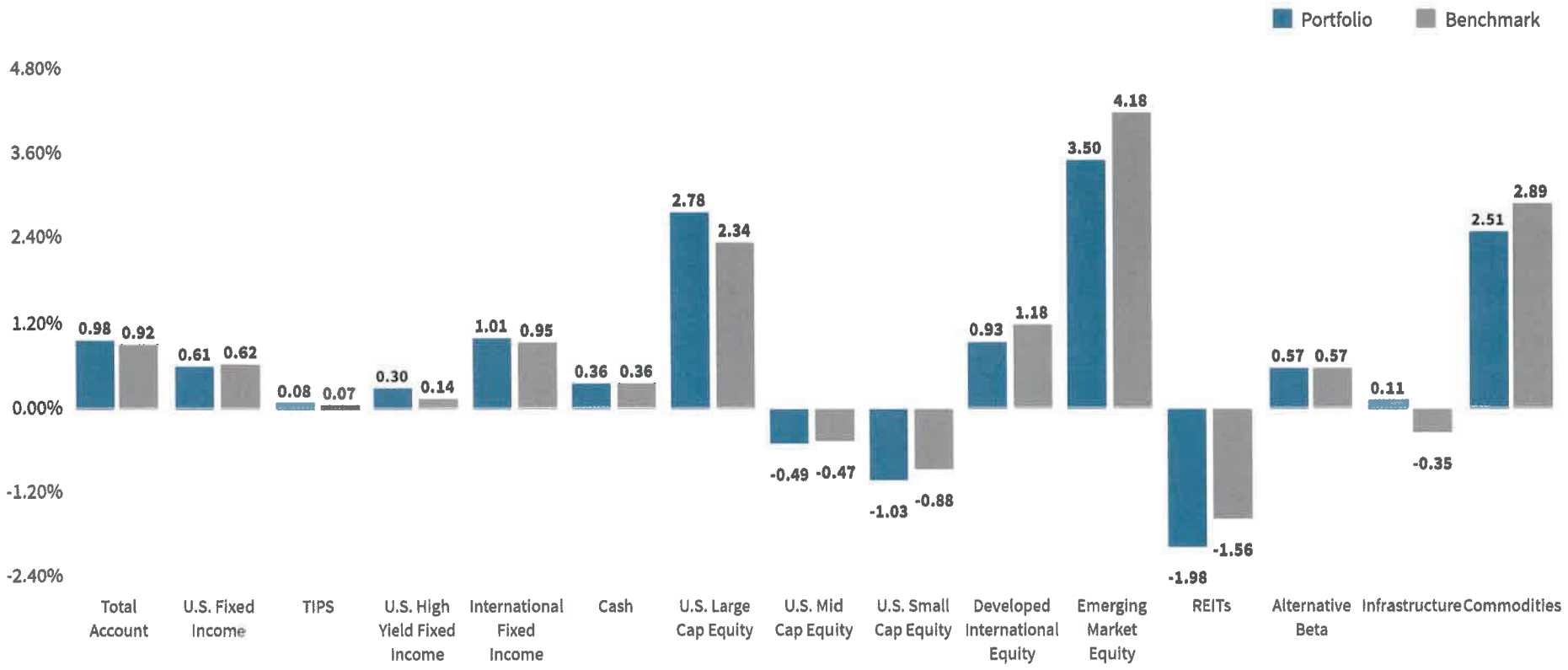


Performance is annualized for periods greater than one year. Inception to date performance begins July 01, 2019
Past performance is not indicative of future results.

Performance

APCM

Asset Class Performance (Monthly)



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Portfolio Overview

BEGINNING VALUE + ACCRUED	$18,355,295
TRANSFERS IN/ OUT	-$3,544
REALIZED GAINS/ LOSSES	$0
CHANGE IN MARKET VALUE	$86,057
INTEREST INCOME	$5,044
DIVIDEND INCOME	$13,734
ENDING VALUE + ACCRUED	$18,456,586

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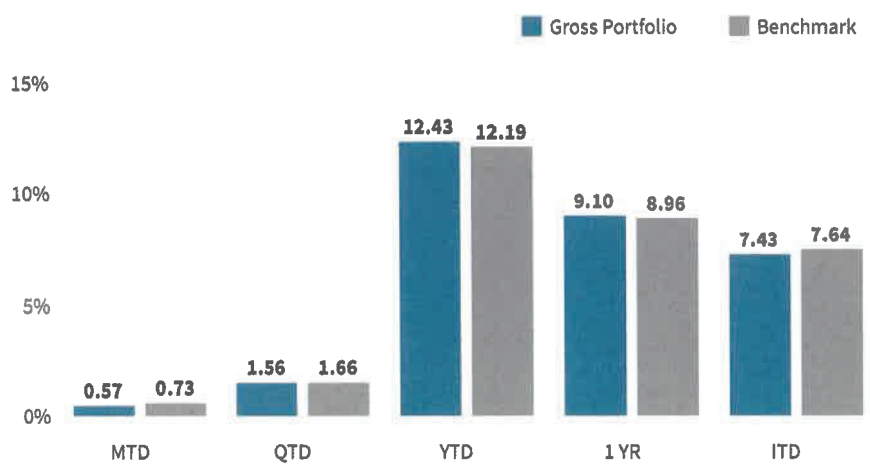
Portfolio Composition

- U.S. Large Cap Equity **22.2%**
- U.S. Fixed Income **17.8%**
- Alternative Beta **9.8%**
- U.S. Mid Cap Equity **9.7%**
- Developed International Equity **6.4%**
- U.S. Small Cap Equity **5.1%**
- Infrastructure **4.9%**
- International Fixed Income **4.9%**
- U.S. High Yield Fixed Income **4.8%**
- Emerging Market Equity **4.2%**
- Commodities **3.1%**
- REITs **2.9%**
- Cash **2.3%**
- TIPS **1.9%**

Investment Performance



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Performance

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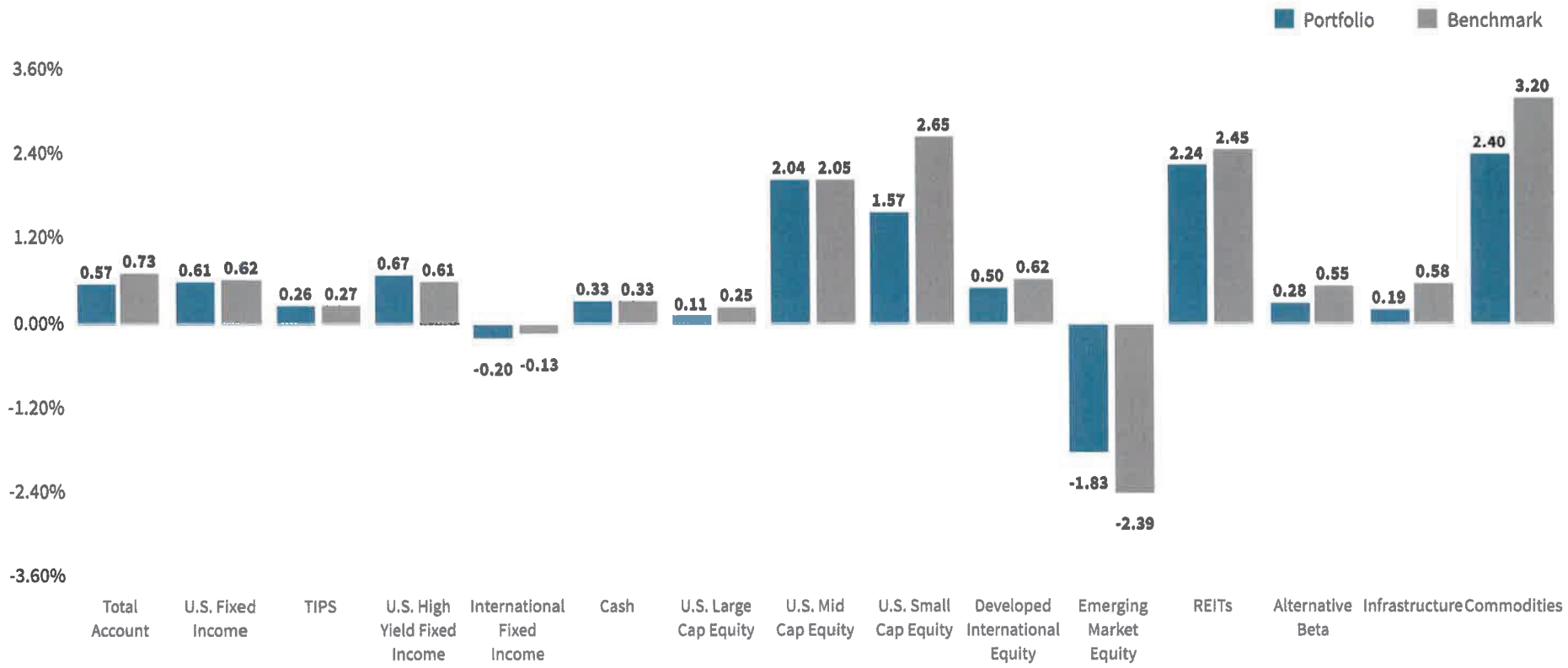
Asset Class Performance (Monthly)



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Portfolio Overview

BEGINNING VALUE + ACCRUED	$18,456,586
TRANSFERS IN/ OUT	-$3,557
REALIZED GAINS/ LOSSES	-$5,638
CHANGE IN MARKET VALUE	-$208,659
INTEREST INCOME	$21,548
DIVIDEND INCOME	$244,308
ENDING VALUE + ACCRUED	$18,504,588

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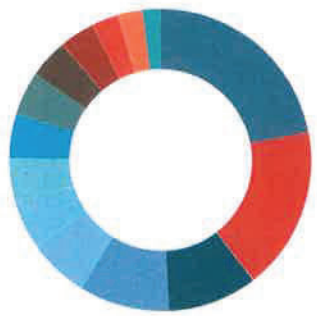
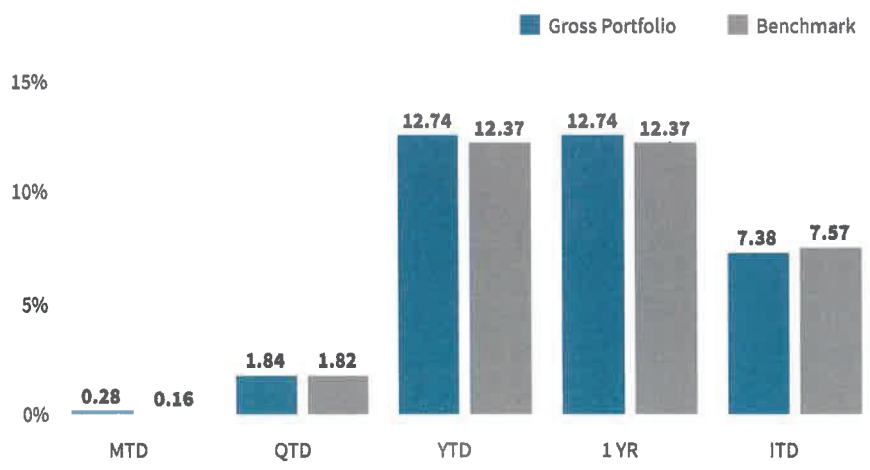
Portfolio Composition



- U.S. Large Cap Equity **22.1%**
- U.S. Fixed Income **17.6%**
- Alternative Beta **9.7%**
- U.S. Mid Cap Equity **9.6%**
- Developed International Equity **6.4%**
- U.S. Small Cap Equity **5.1%**
- International Fixed Income **4.8%**
- U.S. High Yield Fixed Income **4.8%**
- Infrastructure **4.7%**
- Emerging Market Equity **4.2%**
- Cash **3.7%**
- REITs **2.8%**
- Commodities **2.7%**
- TIPS **1.9%**

Investment Performance



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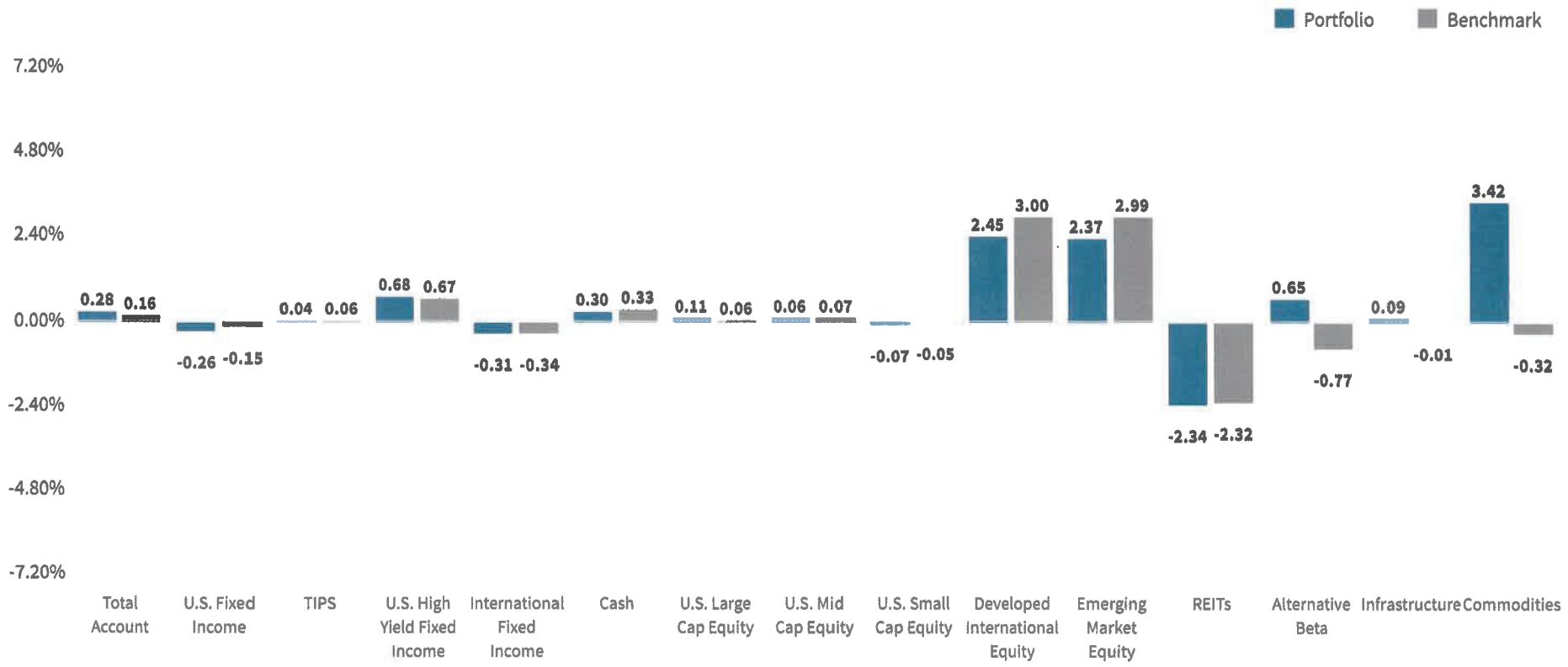
Asset Class Performance (Monthly)



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