

Introduced by: Mayor
 Date: 05/21/19
 Action: Adopted
 Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
 RESOLUTION 2019-032**

**A RESOLUTION ESTABLISHING THE LAND TRUST INVESTMENT FUND (LTIF)
 FINANCIAL ASSET ALLOCATION PLAN, APPROVING AUTHORIZED
 INVESTMENTS, AND ESTABLISHING APPROPRIATE BENCHMARKS TO
 MEASURE PERFORMANCE OF THE BOROUGH’S LTIF FUNDS FOR FISCAL
 YEAR 2020**

WHEREAS, pursuant to KPB Code 5.10.200(A)(2), the investments, allocation of, and benchmarks of the Land Trust Investment Fund (LTIF) shall be approved by resolution annually, usually during the budgetary processes; and

WHEREAS, KPB 5.10.200(B) permits investment of the LTIF funds in various asset classes and establishing asset allocation criteria for these various asset classes in the best interest of the borough; and

WHEREAS, the annually approved Asset Allocation Plan will provide benchmarks to measure investment performance.

BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. Adopts the Asset Allocation Plan of Fiscal Year 2020 as follows:

<u>Asset Class</u>	<u>Target</u>	<u>Minimum</u>	<u>Maximum</u>
FIXED INCOME	45%		
Cash	5%	0%	10%
U.S. Fixed Income	25%	15%	35%
TIPS	10%	5%	15%
International Bonds	5%	0%	10%
EQUITY	47%		
U.S. Large-Cap Equity	22%	12%	32%
U.S. Mid-Cap Equity	7%	0%	15%
U.S. Small-Cap Equity	3%	0%	6%
International Developed Equity	10%	5%	15%
Emerging Markets Equity	5%	0%	10%
ALTERNATIVES	8%		
Real Estate	2%	0%	5%
Infrastructure	3%	0%	6%
Commodities	3%	0%	6%

SECTION 2. The performance of the Fund and investment managers will be measured as follows:

Performance measurement of the U.S. Fixed Income allocation will be measured against the Target weighting, using the Bloomberg Barclays US Aggregate Bond Index or a substantially similar index for the benchmark.

Performance measurement of the U.S. Large-Cap Equity allocation will be measured against the Target weighting, using the Standard & Poor's 500 Index or a substantially similar index for the benchmark.

Performance measurement of the U.S. Mid-Cap Equity allocation will be measured against the Target weighting, using the Standard & Poor's 400 Mid-Cap Index or a substantially similar index as the benchmark.

Performance measurement of the U.S. Small-Cap Equity allocation will be measured against the Target weighting, using the Standard & Poor's 600 Small-Cap Index or a substantially similar index as the benchmark.

Performance measurement of the International Developed Equity allocation will be measured against the Target weighting, using the MSCI EAFE Index or a substantially similar index for the benchmark.

Performance measurement of the Emerging Markets Equity allocation will be measured against the Target weighting, using the MSCI Emerging Markets Index or a substantially similar index as the benchmark.

Performance measurement of the Real Estate allocation will be measured against the Target weighting, using the Standard & Poor's US REIT Index or a substantially similar index as the benchmark.

Performance measurement of the US Treasury Inflation Protected Securities (TIPS) allocation will be measured against the Target weighting, using the Bloomberg Barclays 0-5 Year Treasury Inflation Protected Securities Index or a substantially similar index as the benchmark.

Performance measurement of the International Bonds allocation will be measured against the Target weighting, using the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index or a substantially similar index as the benchmark.

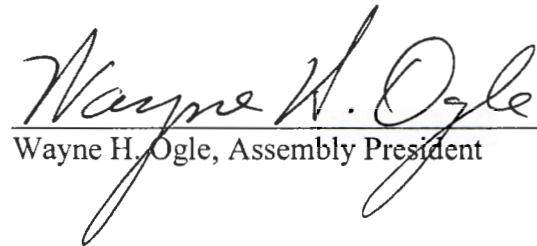
Performance measurement of the Cash allocation will be measured against the Target weighting, using the Citi Group 90 Day T-Bill Index or a substantially similar index as the benchmark.

Performance measurement of the Infrastructure allocation will be measured against the Target weighting, using STOXX Global Broad Infrastructure Index or a substantially similar index as the benchmark.

Performance measurement of the Commodity allocation will be measured against the Target weighting, using the Bloomberg Commodity Index or a substantially similar index as the benchmark.

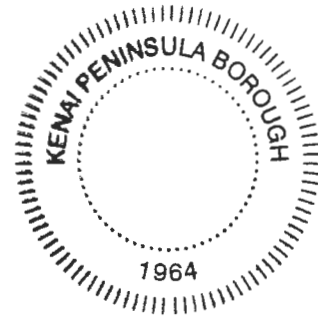
SECTION 3. That this resolution takes effect at 12:01 a.m., Alaska Daylight Time, on July 1, 2019.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 21ST DAY OF MAY, 2019.


Wayne H. Ogle, Assembly President

ATTEST:


John Blankenship, MMC, Borough Clerk



Yes: Bagley, Blakeley, Carpenter, Cooper, Dunne, Fischer, Hibbert, Smalley, Ogle
No: None
Absent: None