

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Wayne Ogle, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: May 21, 2019

RE: Resolution 2019-032, 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 (Mayor)

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

Based on the recommendation of the Kenai Peninsula Borough's LTIF Investment Manager, Alaska Permanent Capital Management, this resolution sets the portfolio allocation at 55% equities and alternatives, and 45% fixed income, which can reasonably support a distribution rate of 3.75% of the 5-year average market values while protecting the LTIF from inflation. This resolution also provides appropriate benchmarks to measure the performance of the LTIF funds for FY2020.