

# Kenai Peninsula Borough

## Finance Department

### MEMORANDUM

**TO:** Wayne Ogle, Assembly President  
Members of the Kenai Peninsula Borough Assembly

**THRU:** Charlie Pierce, Borough Mayor *CP*

**THRU:** Brandi Harbaugh, Finance Director *BH*

**DATE:** March 5, 2019

**RE:** Investment Report quarter ended 12/31/18

Attached is the Quarterly Investment Report of the Kenai Peninsula Borough for the quarter ending December 31, 2018.

| Portfolio Statistics      | Quarter Ended 09/30/18 | Quarter Ended 12/31/18 |
|---------------------------|------------------------|------------------------|
| Average Daily Balance     | \$221,389,852          | \$252,921,150          |
| Earned Interest Yield     | 2.050%                 | 2.264%                 |
| Duration in Years         | 2.10                   | 2.07                   |
| Book Value                | \$246,832,556          | \$254,609,263          |
| Market Value              | \$244,451,332          | \$253,555,669          |
| Percent % of Market Value | 99.03%                 | 99.59%                 |

| Investment Description    | Percentage of Portfolio | Book Value quarter ending 12/31/18 | Market Value quarter ending 12/31/18 |
|---------------------------|-------------------------|------------------------------------|--------------------------------------|
| Cash and Cash Equivalents | 21.10%                  | \$53,718,428                       | \$53,718,428                         |
| AMLIP                     | 10.76%                  | 27,401,054                         | 27,401,054                           |
| Commercial Paper          | 4.44%                   | 11,304,595                         | 11,410,220                           |
| U.S. Treasury Securities  | 15.33%                  | 39,023,429                         | 39,328,781                           |
| US Agencies               | 14.62%                  | 37,236,039                         | 36,533,849                           |
| Corporate Bonds           | 20.33%                  | 51,758,236                         | 51,538,575                           |
| Municipal Bonds           | 8.94%                   | 22,763,539                         | 22,220,819                           |
| Money Market Mutual Funds | 3.96%                   | 10,088,436                         | 10,088,436                           |
| Special Assessments       | 0.52%                   | 1,315,507                          | 1,315,507                            |
| Total                     | <b>100.00%</b>          | <b>\$254,609,263</b>               | <b>\$253,555,669</b>                 |

| Major Categories:  | Percentage of Portfolio | Book Value quarter ending 12/31/18 |
|--|-------------------------|------------------------------------|
| Bond related funds   | 13.00%                  | \$33,090,624                       |
| Land Trust Investment Fund                                     | 2.08%                   | 5,296,721                          |
| Hospital plant/equipment replacement funds (PERF)- unobligated | 13.81%                  | 35,166,245                         |
| School District  | 17.13%                  | 43,609,957                         |
| Capital Project fund restrictions                              | 18.73%                  | 47,692,251                         |
| Special Revenue funds restrictions                             | 18.15%                  | 46,212,760                         |
| Internal Service/Agency fund restrictions                      | 4.43%                   | 11,291,607                         |
| General Fund   | 12.67%                  | 32,249,098                         |
| <b>Total</b>   | <b>100.00%</b>          | <b>\$254,609,263</b>               |

**INVESTMENT PORTFOLIO  
December 31, 2018**

|   | Par Value             | Purchase Price        | Fair Value 12/31/18   |
|---|-----------------------|-----------------------|-----------------------|
| <b>Investments by Borough Finance Director</b>          |                       |                       |                       |
| CORPORATE   | 21,900,000.00         | 21,845,354.50         | 21,828,783.00         |
| COMMERCIAL PAPER  | 11,500,000.00         | 11,304,595.42         | 11,410,220.00         |
| MUNICIPAL   | 500,000.00            | 498,615.00            | 498,505.00            |
| AGENCY  | 5,474,000.00          | 5,422,794.80          | 5,428,689.92          |
| US TREASURY - less than 1 year                          | 18,000,000.00         | 17,866,329.57         | 17,933,575.00         |
| <b>Total Investment by Borough Finance Director:</b>    | <b>57,374,000.00</b>  | <b>56,937,689.29</b>  | <b>57,099,772.92</b>  |
| <b>Investment with External manager:</b>                |                       |                       |                       |
| CORPORATE   | 30,050,000.00         | 29,912,881.00         | 29,709,792.50         |
| MUNICIPAL   | 21,715,000.00         | 22,264,923.80         | 21,722,313.65         |
| AGENCY  | 31,465,582.46         | 31,813,243.86         | 31,105,158.71         |
| US TREASURY   | 21,650,000.00         | 21,157,099.86         | 21,395,206.00         |
| <b>Total Security Investment with External manager:</b> | <b>104,880,582.46</b> | <b>105,148,148.52</b> | <b>103,932,470.86</b> |
| <b>TOTAL SECURITY INVESTMENTS</b>                       | <b>162,254,582.46</b> | <b>162,085,837.81</b> | <b>161,032,243.78</b> |
| CASH & CASH EQUIVALENTS                                 | 91,207,918.13         | 91,207,918.13         | 91,207,918.13         |
| SPECIAL ASSESSMENTS                                     | 1,315,506.98          | 1,315,506.98          | 1,315,506.98          |
| <b>TOTAL PORTFOLIO</b>                                  | <b>254,778,007.57</b> | <b>254,609,262.92</b> | <b>253,555,668.89</b> |

