
Investment Committee Minutes

Thursday, August 3, 2023, 4:00 p.m.
Harrigan Centennial Hall

Goal: To make recommendations for and oversee the Investment Policy of the City and Borough of Sitka enacted as Chapter 4.28.

Investment Committee Members: Michael Reif, Bert Stedman,
Kenneth Cameron (Alternate)
Thor Christianson (Assembly Liaison)

The Chair called the meeting to order at approximately 4:00 p.m.

I. Roll Call

Present: Michael Reif, Kenneth Cameron, Bert Stedman

Absent: None.

Staff: Municipal Administrator John Leach, Finance Director Melissa Haley,
Deputy Clerk Jessica Earnshaw

Assembly Liaison: Thor Christianson

Others: Blake Phillips with Alaska Permanent Capital Management (APCM)

II. Approval of the minutes

A. November 17, 2022

**M – Cameron / S - Stedman– moved to approve the minutes from August 3, 2023.
Motion carried unanimously by the two members present.**

III. Persons to be Heard

None.

IV. Reports

B. APCM Portfolio Review

Blake Phillips gave an overview of the account summary as of June 30, 2023, covering annual inception, contributions, cumulative withdrawals, market values, and strategic allocation, which included risk control, risk assets, and alternatives. He discussed the Historical Performance, highlighting positive returns and uncertainties. First Republic Bank (FRC) had revealed steep deposit outflows and later became the third U.S. regional bank to fail since March, but a subsidized sale helped contain broader fallout. Optimism surrounding Artificial Intelligence (AI) had boosted Technology stocks, leading to a 20% weekly gain for NVIDIA (NVDA) after its AI projections drove an increase in revenue guidance. The S&P 500 Index had entered a new bull market after crossing the 20% threshold above its October 2022 low, primarily driven by the largest companies in the index. Phillips also addressed the recession and the associated expectations, noting that the resilient economy could have led the Fed to tighten further than

expected, increasing the chances of a more severe recession.
Reif thanked Blake Phillips and his staff for their work on keeping them updated.

V. Unfinished Business

None.

VI. New Business

None.

VII. Adjourn

M – Cameron / S –Stedman- moved to adjourn. Seeing no objection, the meeting adjourned at 4:40 p.m.

Attest:
Jessica Earnshaw, Deputy Clerk