
Investment Committee Minutes

Wednesday, December 15, 2021 2:00 p.m.
Harrigan Centennial Hall/Videoconference

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,
Jere Christner
Thor Christianson (Assembly Liaison)

The Chair called the meeting to order at approximately 2:00 p.m.

I. Roll Call

Present: Michael Reif, Jere Christner

Absent: Bert Stedman (excused)

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

III. Persons to be Heard

None.

IV. Reports

A. APCM Portfolio Review

Blake Phillips gave an account summary starting with a market review. He told of trends regarding COVID-19, unemployment, inflation, and central banks programs. He showed how the overall fund had performed and stated the decision due to the uncertainty of COVID-19, not to rebalance. He told of the high wage inflations and signing bonuses. He explained about job openings that continue to rise even though hourly earnings show an increase of eight percent and labor costs have also increased. Companies are paying more but have a record high of job openings.

Blake Phillips went over the Operating Fund noting the fund was different with a primary goal of meeting or exceeding the benchmark. He stated his team worked closely on elements with Haley and the CBS team. He noted the target benchmarks and performance. He showed how the maturities of the bonds were set up with the ongoing cash needs of the city. He showed the available investment funds for the city. He told of returns going forward and noted there would be some increase in rates next year, depending on as things get under control, do expect a slow process for this.

Reif thanked Bake Phillips and his team for doing a fabulous job for the City and Borough of Sitka.

Blake said he appreciated being an investment partner for the City and Borough of Sitka.

V. Unfinished Business

B. Discussion of increasing duties and responsibilities of the Investment Committee and the possibility of becoming the Finance Committee.

Finance Director Melissa Haley told about the advantages of moving forward with having a Finance Committee. She said that a Finance Committee could help with the fiscal policy side before presenting to the Assembly. She noted that it would be best to wait until a full committee was on board.

VI. New Business

None.

VII. Adjourn

M - Christner / S - Reif - moved to adjourn. Seeing no objection, the meeting adjourned at 2:52 p.m.

Attest:
Jessica Earnshaw, Deputy Clerk