

City of Fairbanks
Permanent Fund Review Board
(Special Meeting Minutes)
August 22, 2018

The Permanent Fund Review Board (PFRB) convened at 1:30 P.M. in Council Chambers with the following board members in attendance.

Board Members Present: Council Member Valerie Therrien
Patty Mongold
Dave Owen
Bernard Gatewood

Also Present: Carmen Randle, Chief Financial Officer
Brandy Nicoli, Chief Investment Officer-APCM, via telephone

Dave motioned, and Valerie seconded to approve the July 24, 2018 minutes and the PFRB unanimously agreed.

Valerie asked Brandy to review the “Summary Explanation of Proposed Ordinance Changes” document APCM drafted. Brandy described the Portfolio Benefits and Key Takeaways each Infrastructure and Diversifying Alternative Beta Funds strategy would provide. She indicated that the Diversifying Alternate Beta fund that APCM would start with is the JP Morgan JPHF exchange traded fund (ETF). Brandy pointed out that the document also includes the investment policy sections that are proposed to change.

Valerie requested APCM to make changes to their document that would provide more clarity to the Council and define industry terminology.

The PFRB agreed with the proposed changes to the investment policy. In addition, Valerie noted that the term “substantially similar index” was not uniformly applied throughout Sections 2-260 and 2-261. The PFRB asked Brandy to update the policy to include the term where indexes are used.

The PFRB agreed that the changes to the investment policy should be presented to the Council using red lettering.

Valerie requested that a Council work session be held on October 8, 2018 at 5:30 p.m. to present the changes. She invited the other PFRB members and Brandy attend the work session.

The next quarterly meeting is set for Wednesday, October 17, 2018 at 2:00 pm in the Council Chambers.

The meeting adjourned at 2:30 p.m.

Minutes will be placed on the October 17, 2018 agenda for approval.