

**CITY OF HOMER
HOMER, ALASKA**

Howard/Wythe/
Permanent Fund Committee

RESOLUTION 10-20

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, REJECTING ALL PROPOSALS FOR PERMANENT FUND INVESTMENT SERVICES, MODIFYING THE SCOPE OF WORK, AND A NEW SOLICITATION OF PROPOSALS FOR PERMANENT FUND INVESTMENT SERVICES.

WHEREAS, A Request for Proposals for investment services for the City's Permanent Fund was issued in October, 2009; and

WHEREAS, Proposals were received from three financial firms specializing in investment services; and

WHEREAS, The Permanent Fund Committee selected US Bank as the proposer most closely meeting the needs of the City and conducted an interview with same at a special meeting on January 28, 2010; and

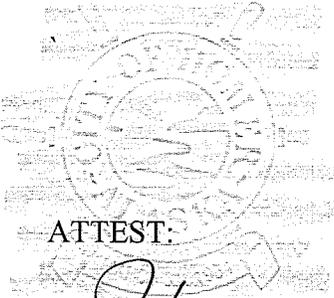
WHEREAS, It was the consensus of the Committee that US Bank's proposed management fees would exceed the amount available from Permanent Fund investment earnings to pay management fees; and

WHEREAS, The Committee determined an actively managed fund company would be better suited to manage Permanent Fund investments at a much reduced price; and

WHEREAS, The Permanent Fund Committee recommended rejecting all proposals for Permanent Fund investment services and issuing a new Request for Proposals for a qualified firm to develop an actively managed investment portfolio wholly funded through the annual investment earnings of the Permanent Fund.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, hereby rejects all proposals for Permanent Fund Investment Services, and authorizes the City Manager to issue a new Request for Proposals for a qualified firm to develop an actively managed investment portfolio wholly funded through the annual investment earnings of the Permanent Fund.

PASSED AND ADOPTED by the Homer City Council this 8th day of February, 2010.



ATTEST:


JO JOHNSON, CMC, CITY CLERK

CITY OF HOMER


JAMES C. HORNADAY, MAYOR

Fiscal Note: Costs associated with investment services to be determined.