

Session 14-05 a Regular Meeting of the Permanent Fund Committee was called to order on November 13, 2014 at 5:17 p.m. by Committee Member Jo Johnson at the Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

**PRESENT:** COMMITTEE MEMBERS: JO JOHNSON, ZHIYONG (JOHN) LI,  
CATRIONA REYNOLDS, FRANCIE ROBERTS

ABSENT: MATT NORTH

### **APPROVAL OF AGENDA**

REYNOLDS/ROBERTS – MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA**

There were no public comments.

### **APPROVAL OF MINUTES**

A. Synopsis of Special Meeting of September 18, 2014

ROBERTS/LI – MOVED TO APPROVE THE MINUTES OF SEPTEMBER 18, 2014.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **VISITORS**

### **STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS**

### **PUBLIC HEARING**

### **PENDING BUSINESS**

A. Three-year Comparison of U.S. Bank Returns and the S&P 500

Committee Member John Li noted he is waiting for the detailed transaction statement from U.S. Bank. There was confusion with the statement. He will provide Matt North with the statement so that Matt can do the S&P 500 analysis.

REYNOLDS/ROBERTS – MOVE TO CONTINUE THIS UNTIL FEBRUARY.

The committee discussed time frames for breaking the contract with U.S. Bank and expressed concern of locking in another year without reviewing the statements. The return is substantially lower than the S&P 500; a detailed analysis will provide more information.

John will review the statements and if he finds information that needs to be addressed prior to the end of the year, he will notify Jo to schedule a special meeting.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. Review of Homer City Code 3.12 the Established Investment Policies of the Permanent Fund

The committee has been reviewing the policies for several months. The committee has expressed no intent to change the language within code. The committee agreed to make the recommendation to the Council that we are happy with the fund allocations as stated.

John Li reported the fees have been charged to both income and growth funds; the amount is \$15,000 per year.

ROBERTS/REYNOLDS - MOVED TO RECOMMEND TO THE CITY COUNCIL THAT THE COMMITTEE IS SATISFIED WITH CHAPTER 3.12 AS IT IS WRITTEN.

The wording in HCC 3.12.020(b) was discussed. The committee reviewed language pertaining to non-profits and found it sufficient as written.

HCC 3.12.030(b) – an annual balancing is required to maintain the 60%-40% funds. The City Council makes annual distributions to The Homer Foundation upon the recommendation of the committee.

The City could manage the account on its own. The third party may be more objective in managing public monies.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## **NEW BUSINESS**

A. Election of Chair and Vice Chair

ROBERTS/LI - MOVED TO POSTPONE ELECTION OF CHAIR AND VICE CHAIR UNTIL FEBRUARY.

Matt North is currently Vice Chair and will start the next meeting in the absence of a Chair.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## **INFORMATIONAL MATERIALS**

A. Appointment of Catriona Reynolds to the Permanent Fund Committee

B. U.S. Bank Income and Growth Statements, September 2014

Matt North will analyze the statements to review the fees and to see if the accounts are being actively managed.

## **COMMENTS OF THE AUDIENCE (3 MINUTE TIME LIMIT)**

There was no audience.

## **COMMENTS OF THE CITY STAFF**

## **COMMENTS OF THE COUNCILMEMBER**

Councilmember Roberts welcomed Catriona, noting it was a record short meeting.

## **COMMENTS OF THE CHAIR**

## **COMMENTS OF THE COMMISSION**

Committee Member John Li commented the meetings are usually concise. There may be a longer meeting when editing the policy. We are normally pretty efficient.

### **ADJOURNMENT/NEXT REGULAR MEETING**

There being no further business to come before the committee, Committee Member Johnson adjourned the meeting at 5:39 p.m. The next Regular Meeting is scheduled for Thursday, February 12, 2015 at 5:15 p.m. in the Homer City Hall Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

Submitted by Jo Johnson