



NORTH SLOPE BOROUGH SCHOOL DISTRICT

MEMORANDUM

TO Roxanne Brower, President
Members of the School Board

THROUGH Kathy Ahgeak, Superintendent

FROM Fadil Limani, AAA Financial Consultant

DATE February 11, 2020

SUBJECT School District Investment Portfolio

MEMO#: SB20-181
(Informational Purposes)

2015-20 STRATEGIC PLAN SUMMARY – 2018-19 SCHOOL YEAR

DEVELOPMENT OF THE WHOLE CHILD

- 4 **FINANCIAL & OPERATIONAL STEWARDSHIP:** Effectively employ our operational and financial resources to support our strategic goals and long-term stability of the district.

OBJECTIVE

- 4.1 **FINANCIAL STEWARDSHIP/MANAGEMENT:** Ensure financial management based on what is best for our students.

AS OF JUNE 2017

Recommendation

The Administration recommends the Finance Committee and the School Board adopt the proposed Investment Plan in an effort to yield a higher rate of return to its main operating and investment accounts.

Issue Summary Currently, the North Slope Borough School District’s operating and investment accounts yield little to no return on its investments.

Background

See the Presentation -Potential Investment Options to Enhance Existing Fund Balances

Recommended Investment Plan of Action

As of January 31, 2020, the Districts Operating Checking Account had a value of \$16,419,013 and \$1,647,908 to a total of \$18,066,920.

1. Maintain a cash balance of \$3-4 million in the Wells Fargo Operating Checking Account
2. Establish an Investment Account with Alaska Permanent Capital Management with a 40% Equity Model and deposit an initial commitment of \$5 million.
3. Liquidate and Transfer the Wells Fargo Investment Trust Account in the amount of \$1,647,908 to the newly established Alaska Permanent Capital Management Investment Fund.
4. Establish an account with Alaska Municipal League Inc. Investment Pool Account (AMLIP) for a short-term investment option with an initial investment amount of \$7,419,012.

Motion:

“I move that the NSBSD Finance Committee and Board of Education approve the proposed Investment Plan including the establishment of the identified new accounts and engaging APCM as the Investment Advisors.”

Moved by _____ Seconded by _____

Vote _____