Craig City School District

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Jackie Hanson, Superintendent
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Memorandum
Item 10d

TO: CCSD School Board Members
FROM: Jackie Hanson, Superintendent
DATE: October 16, 2025
SUBJECT: Request for City of Craig Council Agenda Item – CCSD Authority to Invest

I would like to move forward with submitting a formal letter to the City of Craig requesting an agenda item for their November 6, 2025 City Council Meeting. The purpose of the request is to initiate discussion on the delegation of investment authority under AS 14.14.060(a) from the City to the Craig City School District Board of Education**.**

Under AS 14.14.060(a)**,** a borough or city administrator is responsible for managing school funds in a centralized treasury, including investment authority. However, the statute also provides that a city or borough may, by ordinance, delegate some or all of this authority to the school board.

At present, it does not appear that the City of Craig has adopted an ordinance delegating investment authority to the School Board. Confirming this with the City is an important first step. If no such ordinance exists, CCSD would like to formally request that the City consider adopting one.

This delegation would allow the District to develop a formal investment policy**,** establishing clear standards for the management of district funds and enabling the Board to invest in a manner that supports long-term financial stability.

Please note, once such delegation is approved, any investment made by CCSD would still be required to comply with Craig City Code Section 3.14 – "Investment of Operating Funds." This section governs how surplus operating funds may be invested, with the goal of avoiding capital losses (Section 3.14.010). The City Code limits investments to the following instruments:

- Federally insured or fully collateralized certificates of deposit of banks and credit unions maturing within two years;
- U.S. Government Treasury, agency, and instrumentality securities;
- Notes or bonds issued by the State of Alaska or its political subdivisions, or by other U.S. states, with a minimum credit rating of A-/A3 from two national ratings agencies, maturing within two years;
- Repurchase agreements collateralized by U.S. Treasury securities and marked to market (with certain exceptions for overnight or overcollateralized agreements);
- A state investment pool formed within the State of Alaska and comprised of agencies or political subdivisions of the state; and
- Money market mutual funds whose portfolios consist entirely of U.S. Government securities.

Including this item on the November 6 City Council agenda will provide an opportunity for collaboration between the City and CCSD, public input, and a clear path forward for developing a CCSD Investment Policy consistent with state law and City Code.

Thank you in advance for your support with this initiative.

Suggested Motion: Move to approve authorization for Superintendent Hanson to submit the attached letter to the City of Craig requesting an agenda item for the November 6, 2025 City Council meeting to discuss delegation of investment authority under AS 14.14.060(a) to the CCSD Board of Education.