

**CITY OF CRAIG  
ORDINANCE NO. 727**

**AN ORDINANCE MODIFYING TITLE 3 OF THE CRAIG MUNICIPAL CODE,  
RELATING TO INVESTMENT POLICIES FOR THE CITY OF CRAIG, ALASKA,  
BY ADDING SPECIFIC ASSET CLASSES TO THE PERMISSIBLE RANGE OF  
INVESTMENTS WITHIN THE CRAIG ENDOWMENT FUND**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CRAIG:**

Section 1. Classification. This ordinance is of a general and permanent nature and the code sections adopted shall become a part of the code of the City of Craig, Alaska.

Section 2. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 4. Action. This ordinance modifies Sections 3.15.050 and 3.15.055 as shown below. New text is shown underlined.

3.15.050 Permissible Investments.

A. The City of Craig Endowment Fund may be invested in:

11. Domestic equities which, taken as a whole, attempt to replicate the Standard and Poor's 400 MidCap Index or a substantially similar index, including both mutual funds and exchange traded funds.
12. Domestic equities which, taken as a whole, attempt to replicate the Standard and Poor's 600 SmallCap Index or a substantially similar index, including both mutual funds and exchange traded funds (ETFs);
13. International equities which, taken as a whole, attempt to replicate the MSCI Emerging Market Index or a substantially similar index, including both mutual funds and exchange traded funds;
14. Equities which, taken as a whole, attempt to replicate the universe of publicly traded infrastructure investments as represented by the STOXX Global Broad Infrastructure Index or a substantially similar index, including both mutual funds and exchange traded funds;
15. Commodities which, taken as a whole represent the Bloomberg Commodity Index or a substantially similar index, including both mutual funds and exchange traded funds;

Target asset allocation with ranges shown in the table below;

<u>Asset Class</u>	<u>Strategic Weight</u>	<u>Range</u>
<u>Fixed Income</u>	<u>34%</u>	<u>20%-45%</u>
<u>Large Cap Domestic Equity</u>	<u>24%</u>	<u>15%-35%</u>
<u>Mid Cap Domestic Equity</u>	<u>7%</u>	<u>2%-12%</u>
<u>Small Cap Domestic Equity</u>	<u>3%</u>	<u>0%-6%</u>
<u>International Developed Equity</u>	<u>12%</u>	<u>7%-17%</u>
<u>Emerging Markets</u>	<u>5%</u>	<u>0%-10%</u>
<u>Real Estate</u>	<u>5%</u>	<u>0%-10%</u>
<u>Infrastructure</u>	<u>5%</u>	<u>0%-10%</u>
<u>Commodities</u>	<u>5%</u>	<u>0%-10%</u>

3.15.055 Asset allocation and performance.

B. Performance of the Craig endowment fund's investment advisors will be measured as follows:

6. Performance measurement for the Small- Cap equity allocation will be measured against the target weighting, using the Standard and Poor's 600 SmallCap Index as the benchmark.
7. Performance measurement for the emerging market equity allocation will be measured against the target weighting, using the MSCI Emerging Market Index or a substantially similar index for the benchmark.
8. Performance measurement for the Infrastructure allocation will be measured against the target weighting using the STOXX Global Broad Infrastructure Index or a substantially similar index for the benchmark.
9. Performance measurement for the Commodity allocation will be measured against the target weighting using the Bloomberg Commodity Index or a substantially similar index for the benchmark.

Passed and approved this 21 day of May, 2020.

  
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Mayor Tim O'Connor



  
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Jillian Carl, City Clerk