City of Fairbanks
Permanent Fund Review Board
Quarterly Meeting Minutes
April 15, 2026

The Permanent Fund Review Board (PFRB) convened at 1:31 p.m. in the Meeks Conference Room to conduct a quarterly meeting with Alaska Permanent Capital Management (APCM).

Board Member Present:	Chair Patty Mongold Vice Chair Bernard Gatewood Board Member Dave Owen Board Member Kimberly McGinnis Council Member Valerie Therrien (online)
Board Member Absent:	None
Also Present:	Margarita Bell, Chief Financial Officer Blake Phillips, Director of Institutional Solutions - APCM Brandy Niclai, Chief Investment Officer – APCM

Bernard Gatewood moved, and Dave Owen seconded to approve the minutes of the January 26, 2026, meeting. The PFRB unanimously agreed.

Margarita Bell reviewed the portfolio's performance as of March 31, 2026:

- $ 167,308,252 - Balance including accrued income
- $ 620,668 - Dividends and interest earnings
- $ 1,149,577 - Realized gain
- $ (521,184) – Unrealized loss
- $ (26,120) - Management and custodial fees
- $ 1,222,941 - Earnings, net of expenses

Margarita Bell reported that the 2026 annual draw will be made in December 2026 in the amount of $6,713,453 to the general fund ($5,967,514) and capital fund ($745,939).

Blake Phillips reported that the balance of the fund was $173.5 million as of April 13, 2026.

Blake Phillips presented an account summary as of March 31, 2026. He stated that APCM inception annualized account return is 5.99% and that the annualized account return as of March 2017 since the diversification beyond traditional stocks and bonds is 7.33%. Since APCM inception, the portfolio received contributions of $110.8 million, had withdrawals of $136.3 million, and had $192.5 million in earnings.

Brandy Niclai reported that market performance was largely driven by the energy shock tied to the Iran conflict. She stated that United States equities lagged during the period while commodities and energy sensitive assets performed the strongest.

Brandy Niclai presented a portfolio review for the first quarter. The allocation effect was positive by a slight overweight in commodities which developed as oil prices moved higher. The selection effect benefited from allocations to semiconductor chips and outperformed Alternative Beta.

The first quarter portfolio summary is as follows:

Portfolio Summary							
1st Quarter		Year to Date		Prior Year		Inception to Date	
Account	Benchmark	Account	Benchmark	Account	Benchmark	Account	Benchmark
0.60%	0.40%	-4.10%	-4.20%	13.90%	13.40%	6.00%	5.80%
	0.13% 1		0.13% 2		0.50% 3		
0.60%	0.53%	-4.10%	-4.08%	13.90%	13.90%	6.00%	5.80%

1 - 12.5 bps - per quarter rounded
2 - 50 bps hurdle -annual (YTD = 12.5 basis pts X # quarters)
3 - 50 bps hurdle codified in March 2009. Inception performance begins January 31, 1998.

Brandy Niclai reported that credit markets remain stable and are not signaling a meaningful increase in recession risk. Equity markets are reacting to uncertainty around inflation, policy, and earnings. She also reported that geopolitical events tend to cause short-term volatility but have not resulted in sustained market declines and that the broader economic backdrop remains more resilient than in typical pre-recession environments.

PFRB reviewed the memorandum summarizing council special work session on February 23, 2026, requesting targeted returns of 8.0% to 9.0%. Brandy Niclai reported that to achieve 8.0% to 9.0% returns the city would need to add private markets to the current investment policy and that the city needs to consider that there is a level when risk does not produce the returns.

Brandy Niclai presented the annual strategic plan that considers the goal of asset preservation and budgetary stability as stated within city code. She reported that the current portfolio allocation is performing better than other portfolios. Valerie Therrien requested that a comparison report be provided at the next meeting. Brandy Niclai stated that she will prepare a new portfolio allocation with the highest risk with no private market exposure that is within the threshold level for review at the next meeting.

The compliance report was presented to the PFRB with no compliance issues.

The next quarterly meeting is scheduled to be held at 1:30 p.m. on Wednesday, July 29, 2026, in the Meeks Conference Room.

The meeting was adjourned at 3:05 p.m.