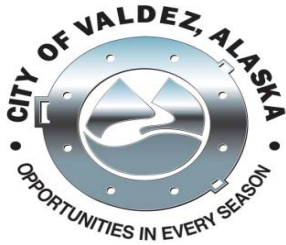


## FINANCIAL SUMMARY AS OF 6/30/2017

Prepared By: Brian Carlson, Finance Director

Contact: Bcarlson@ci.valdez.ak.us; (907) 834-3461

	ADOPTED BUDGET	REVISED BUDGET	BUDGET CHANGE	YTD ACTUAL	YTD TO BUDGET	NOTES
<b>GENERAL FUND SUMMARY</b>						
<b>BEGINNING FUND BALANCE</b>	<b>81,956,876</b>	<b>81,956,876</b>	-	<b>81,956,876</b>		1
REVENUE	45,402,249	45,410,999	8,750	45,186,861	99.5%	
EXPENSE	37,016,959	37,295,389	278,430	15,372,428	41.2%	
<b>NET REVENUE (EXPENSE)</b>	<b>8,385,290</b>	<b>8,115,610</b>	<b>(269,680)</b>	<b>29,814,432</b>		
TRANSFERS IN	2,600,000	2,670,059	70,059	2,670,059	100.0%	
TRANSFERS OUT	32,293,488	32,169,186	(124,302)	32,293,488	100.4%	
<b>NET TRANSFERS IN (OUT)</b>	<b>(29,693,488)</b>	<b>(29,499,127)</b>	<b>194,361</b>	<b>(29,623,429)</b>		
<b>ENDING FUND BALANCE</b>	<b><u>60,648,678</u></b>	<b><u>60,573,359</u></b>	<b><u>(75,319)</u></b>	<b><u>82,147,879</u></b>		
<b>GENERAL FUND DETAIL</b>						
<b>REVENUE</b>						
TAXES	43,400,100	43,400,100	-	43,868,935	101.1%	
STATE SHARED	195,000	195,000	-	202,890	104.0%	
PILT	703,500	703,500	-	3,558	0.5%	
INTEREST	101,000	101,000	-	527,820	522.6%	2
SERV CHARGES & SALES	402,900	402,900	-	238,740	59.3%	
FED & STATE GRANTS	377,149	384,649	7,500	200,575	52.1%	
UTILITIES	137,100	137,100	-	61,047	44.5%	
LICENSES & PERMITS	12,500	12,500	-	12,600	100.8%	
MISC	25,500	26,750	1,250	41,338	154.5%	3
RECREATION	33,500	33,500	-	23,184	69.2%	
FINES & FORFEITURES	14,000	14,000	-	6,176	44.1%	
<b>TOTAL REVENUE</b>	<b>45,402,249</b>	<b>45,410,999</b>	<b>8,750</b>	<b>45,186,861</b>	<b>99.5%</b>	
<b>TRANSFERS IN</b>	<b><u>2,600,000</u></b>	<b><u>2,670,059</u></b>	<b><u>70,059</u></b>	<b><u>2,670,059</u></b>	<b>100.0%</b>	
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b><u>48,002,249</u></b>	<b><u>48,081,058</u></b>	<b><u>78,809</u></b>	<b><u>47,856,920</u></b>	<b>99.5%</b>	



## FINANCIAL SUMMARY AS OF 6/30/2017

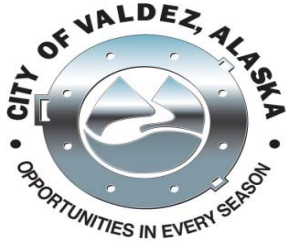
Prepared By: Brian Carlson, Finance Director

Contact: Bcarlson@ci.valdez.ak.us; (907) 834-3461

### GENERAL FUND DETAIL, CONT'D

#### DEPT EXPENSE

	ADOPTED BUDGET	REVISED BUDGET	BUDGET CHANGE	YTD ACTUAL	YTD TO BUDGET	NOTES
ADMINISTRATION	862,780	1,037,036	174,256	481,102	46.4%	
ANIMAL CONTROL	441,592	441,592	-	175,813	39.8%	
BUILDING MAINT	1,716,010	1,733,914	17,904	666,925	38.5%	
CITY CLERK	615,177	632,777	17,600	277,739	43.9%	
CITY COUNCIL	341,554	341,554	-	142,241	41.6%	
CIVIC CENTER	832,728	832,748	20	350,055	42.0%	
COMMUNITY DEVEL	965,819	965,819	-	331,395	34.3%	
ECON DEVEL	445,363	443,763	(1,600)	75,223	17.0%	4
ENGINEERING	755,985	755,985	-	279,799	37.0%	
FINANCE	1,134,240	1,203,240	69,000	482,464	40.1%	
FIRE	1,937,820	1,937,820	-	876,309	45.2%	
HOSPITAL	130,000	130,000	-	3,106	2.4%	5
INFORMATION TECH	1,043,437	1,043,437	-	374,158	35.9%	
INSURANCE	269,419	269,419	-	84,393	31.3%	
LAW	2,000,000	2,000,000	-	415,003	20.8%	
LAW ENFORCEMENT	2,109,106	2,109,106	-	862,930	40.9%	
LIBRARY	498,265	499,515	1,250	220,800	44.2%	
PARKS & REC	1,189,726	1,189,726	-	455,630	38.3%	
PARKS MAINT	661,382	661,382	-	294,727	44.6%	
PUB SAFETY SUPPORT	1,289,533	1,289,533	-	523,211	40.6%	
SOLID WASTE	1,745,703	1,745,703	-	507,038	29.0%	
STREET/SHOP	2,497,680	2,497,680	-	1,107,166	44.3%	
<b>TOTAL DEPT EXPENSES</b>	<b>23,483,319</b>	<b>23,761,749</b>	<b>278,430</b>	<b>8,987,228</b>	<b>37.8%</b>	
<b>SUPPORT EXPENSES</b>						
EDUCATION	10,328,503	10,328,503	-	5,223,972	50.6%	
COMMUNITY SVC ORGS	3,205,137	3,205,137	-	1,161,229	36.2%	
<b>TOTAL SUPPORT EXPENSES</b>	<b>13,533,640</b>	<b>13,533,640</b>	<b>-</b>	<b>6,385,201</b>	<b>47.2%</b>	
<b>TRANSFERS OUT</b>	<b>32,293,488</b>	<b>32,169,186</b>	<b>(124,302)</b>	<b>32,293,488</b>	<b>100.4%</b>	
<b>TOTAL DEPT EXPENSE, SUPPORT &amp; TRANSFER</b>	<b>69,310,447</b>	<b>69,464,575</b>	<b>154,128</b>	<b>47,665,916</b>	<b>68.6%</b>	



## FINANCIAL SUMMARY AS OF 6/30/2017

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### SPECIAL REVENUE FUNDS

#### AIRPORT FUND

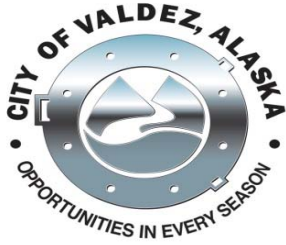
	ADOPTED BUDGET	REVISED BUDGET	BUDGET CHANGE	YTD ACTUAL	YTD TO BUDGET	NOTES
BEGINNING FUND BALANCE	738,254	738,254	-	738,254		
REVENUE	126,853	126,853	-	76,399	60.2%	
EXPENSE	324,846	327,152	2,306	130,994	40.0%	
NET REVENUE (EXPENSE)	(197,993)	(200,299)	(2,306)	(54,595)		
NET TRANSFER IN (OUT)	197,993	200,299	2,306	197,993		
ENDING FUND BALANCE	<u>738,254</u>	<u>738,254</u>	<u>-</u>	<u>881,652</u>		

#### HARBOR FUND

BEGINNING FUND BALANCE	191,820	191,820	-	191,820		
REVENUE	1,578,908	1,578,908	-	1,122,445	71.1%	
EXPENSE	1,205,857	1,205,857	(0)	493,105	40.9%	
NET REVENUE (EXPENSE)	373,051	373,051	0	629,340		
NET TRANSFER IN (OUT)	(373,050)	(373,050)	-	(373,050)		
ENDING FUND BALANCE	<u>191,821</u>	<u>191,821</u>	<u>0</u>	<u>448,110</u>		

#### PORT FUND

BEGINNING FUND BALANCE	1,173,714	1,173,714	-	1,173,714		
REVENUE	694,390	694,390	-	228,066	32.8%	
EXPENSE	706,609	753,041	46,432	311,813	41.4%	
NET REVENUE (EXPENSE)	(12,219)	(58,651)	(46,432)	(83,747)		
NET TRANSFER IN (OUT)	132,619	179,051	46,432	132,619		
ENDING FUND BALANCE	<u>1,294,114</u>	<u>1,294,114</u>	<u>-</u>	<u>1,222,586</u>		



## FINANCIAL SUMMARY AS OF 6/30/2017

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	ADOPTED BUDGET	REVISED BUDGET	BUDGET CHANGE	YTD ACTUAL	YTD TO BUDGET	NOTES
<b>SPECIAL REVENUE FUNDS, CONT'D</b>						
<b>UTILITY FUND</b>						
BEGINNING FUND BALANCE	1,843,185	1,843,185	-	1,843,185		
REVENUE	567,800	567,800	-	382,981	67.4%	
EXPENSE	1,352,476	1,352,476	-	585,931	43.3%	
NET REVENUE (EXPENSE)	(784,676)	(784,676)	-	(202,950)		
NET TRANSFER IN (OUT)	782,811	782,811	-	782,811		
ENDING FUND BALANCE	<u>1,841,320</u>	<u>1,841,320</u>	<u>-</u>	<u>2,423,046</u>		
<b>GILSON MEDICAL CLINIC</b>						
BEGINNING FUND BALANCE	359,497	359,497	-	359,497		
REVENUE	144,101	144,101	-	72,688	50.4%	
EXPENSE	104,050	104,050	-	37,243	35.8%	
NET REVENUE (EXPENSE)	40,051	40,051	-	35,444		
NET TRANSFER IN (OUT)	-	-	-	-		
ENDING FUND BALANCE	<u>399,548</u>	<u>399,548</u>	<u>-</u>	<u>394,941</u>		
<b>VALDEZ HOUSING IMPROVEMENT AUTHORITY</b>						
BEGINNING FUND BALANCE	3,126,737	3,126,737	-	3,126,737		
REVENUE	-	-	-	25,396	-	
EXPENSE	2,606,458	2,606,458	-	-	0.0%	6
NET REVENUE (EXPENSE)	(2,606,458)	(2,606,458)	-	25,396		
NET TRANSFER IN (OUT)	(500,000)	(500,000)	-	(500,000)		
ENDING FUND BALANCE	<u>20,279</u>	<u>20,279</u>	<u>-</u>	<u>2,652,133</u>		
<b>OTHER GOVERNMENTAL FUNDS</b>						
<b>DEBT SERVICE FUND</b>						
BEGINNING FUND BALANCE	9,823,965	9,823,965	-	9,823,965		
REVENUE	1,828,860	1,828,860	-	127,484	7.0%	7
EXPENSE	4,109,164	4,150,997	41,833	3,096,932	74.6%	
NET REVENUE (EXPENSE)	(2,280,304)	(2,322,137)	(41,833)	(2,969,448)		
NET TRANSFER IN (OUT)	2,260,000	41,833	(2,218,167)	2,260,000		
ENDING FUND BALANCE	<u>9,803,661</u>	<u>7,543,661</u>	<u>(2,260,000)</u>	<u>9,114,517</u>		

## Notes to Financial Summary

- <sup>1</sup> Fund balance is audited, and excludes all reserve funds (fund 350) and Capital funds (fund 310).
- <sup>2</sup> Budgeted figure is an estimate of portfolio interest earnings. Actual figure includes unrealized gains reflecting price increase of securities that will likely be held to maturity.
- <sup>3</sup> Over-budget amount is comprised of "clearing" accounts, which are temporary reconciliation adjustments, plus approximately \$6K of unbudgeted expense reimbursements.
- <sup>4</sup> Department is comprised of a single employee, and was staffed mid-year.
- <sup>5</sup> City cash-transfer to Hospital is pending as of 6/30/2017
- <sup>6</sup> Housing fund initiatives funded in 2016 are not likely to commence during 2017
- <sup>7</sup> State debt-service reimbursements are pending as of 6/30/2017

## Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of June 30, 2017, with the distribution as of March 31, 2017. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

### Asset Distribution Across Investment Managers

	June 30, 2017				March 31, 2017	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Domestic Equity</b>	<b>\$57,666,626</b>	<b>30.17%</b>	<b>\$(2,829)</b>	<b>\$1,445,173</b>	<b>\$56,224,282</b>	<b>30.28%</b>
<b>Large Cap Equity</b>	<b>\$40,196,729</b>	<b>21.03%</b>	<b>\$(2,829)</b>	<b>\$1,201,770</b>	<b>\$38,997,787</b>	<b>21.00%</b>
Vanguard Institutional Index	40,196,729	21.03%	(2,829)	1,201,770	38,997,787	21.00%
<b>Mid Cap Equity</b>	<b>\$11,573,842</b>	<b>6.06%</b>	<b>\$0</b>	<b>\$221,651</b>	<b>\$11,352,190</b>	<b>6.11%</b>
Vanguard S&P Mid Cap 400 Index	11,573,842	6.06%	0	221,651	11,352,190	6.11%
<b>Small Cap Equity</b>	<b>\$5,896,056</b>	<b>3.08%</b>	<b>\$0</b>	<b>\$21,751</b>	<b>\$5,874,305</b>	<b>3.16%</b>
RBC Small Cap Core	5,896,056	3.08%	0	21,751	5,874,305	3.16%
<b>International Equity</b>	<b>\$42,023,933</b>	<b>21.99%</b>	<b>\$390,395</b>	<b>\$2,692,997</b>	<b>\$38,940,540</b>	<b>20.97%</b>
Vanguard Intl Growth	16,974,821	8.88%	0	1,578,912	15,395,908	8.29%
Vanguard Intl Value	16,248,576	8.50%	410,808	888,175	14,949,593	8.05%
Brandes International Small Cap	8,800,537	4.60%	(20,413)	225,911	8,595,039	4.63%
<b>Fixed Income</b>	<b>\$73,268,905</b>	<b>38.33%</b>	<b>\$1,498,694</b>	<b>\$1,079,051</b>	<b>\$70,691,159</b>	<b>38.08%</b>
Alaska Permanent Cap Mgmt	26,020,123	13.61%	(1,306)	367,905	25,653,525	13.82%
Standish Global Fixed	21,390,800	11.19%	1,500,000	289,162	19,601,638	10.56%
Baird Aggregate Bond	25,857,981	13.53%	0	421,984	25,435,997	13.70%
<b>Real Estate</b>	<b>\$18,171,302</b>	<b>9.51%</b>	<b>\$(1,965,345)</b>	<b>\$331,911</b>	<b>\$19,804,737</b>	<b>10.67%</b>
UBS Trumbull Property	8,896,393	4.65%	(1,939,489)	103,509	10,732,373	5.78%
Morgan Stanley Prime Property Fund	9,274,909	4.85%	(25,856)	228,401	9,072,364	4.89%
<b>Total Fund</b>	<b>\$191,130,765</b>	<b>100.0%</b>	<b>\$(79,086)</b>	<b>\$5,549,132</b>	<b>\$185,660,719</b>	<b>100.0%</b>

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2017. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended June 30, 2017

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Domestic Equity</b>	<b>2.57%</b>	<b>18.22%</b>	<b>9.19%</b>	<b>14.44%</b>	<b>15.19%</b>
Russell 3000 Index	3.02%	18.51%	9.10%	14.58%	15.34%
<b>Large Cap Equity</b>	<b>3.08%</b>	<b>17.86%</b>	<b>9.59%</b>	<b>14.60%</b>	<b>15.38%</b>
Vanguard Institutional Index	3.08%	17.86%	9.59%	14.60%	15.38%
S&P 500 Index	3.09%	17.90%	9.61%	14.63%	15.41%
<b>Mid Cap Equity</b>	<b>1.95%</b>	<b>18.48%</b>	<b>8.47%</b>	-	-
Vanguard S&P Mid Cap 400 Index	1.95%	18.48%	8.47%	-	-
S&P Mid Cap 400 Index	1.97%	18.57%	8.53%	14.92%	15.42%
<b>Small Cap Equity</b>	<b>0.37%</b>	<b>20.14%</b>	<b>5.87%</b>	-	-
RBC Small Cap Core	0.37%	20.14%	5.87%	-	-
Russell 2000 Index	2.46%	24.60%	7.36%	13.70%	14.35%
<b>International Equities</b>	<b>6.84%</b>	<b>23.09%</b>	<b>3.54%</b>	<b>10.21%</b>	<b>9.22%</b>
Vanguard Intl Growth	10.26%	28.44%	5.50%	11.11%	10.22%
Vanguard Intl Value	5.77%	19.86%	0.42%	8.55%	7.66%
MSCI EAFE	6.12%	20.27%	1.15%	8.69%	7.91%
MSCI ACWI ex US IMI (net)	5.85%	20.43%	1.14%	7.58%	6.94%
International Equity Target	5.85%	20.54%	1.37%	7.77%	7.19%
Brandes International Small Cap	2.63%	19.34%	-	-	-
ACWI Sm Cap ex US	6.24%	20.32%	3.31%	10.02%	8.83%
<b>Fixed Income</b>	<b>1.50%</b>	<b>0.70%</b>	<b>2.65%</b>	<b>2.38%</b>	<b>3.33%</b>
Alaska Permanent Cap Mgmt	1.43%	(0.07%)	2.72%	2.47%	3.39%
Baird Aggregate Bond	1.66%	0.63%	-	-	-
Blmbg Aggregate Index	1.45%	(0.31%)	2.48%	2.21%	3.19%
Standish Global Fixed	1.39%	1.62%	-	-	-
Blmbg Global Aggregate Index	0.98%	(0.41%)	3.26%	3.32%	3.62%
<b>Real Estate</b>	<b>1.86%</b>	<b>7.72%</b>	<b>10.34%</b>	<b>10.25%</b>	-
UBS Trumbull Property - Net	0.87%	4.28%	8.32%	8.52%	-
Morgan Stanley Prime Property - Net	2.23%	9.12%	-	-	-
NFI-ODCE Equal Weight Net	1.62%	7.35%	10.71%	10.86%	12.12%
<b>Total Fund</b>	<b>2.97%</b>	<b>10.88%</b>	<b>5.25%</b>	<b>8.35%</b>	<b>8.67%</b>
Target Benchmark*	2.84%	10.06%	4.74%	7.74%	8.19%
CPI + 4.5%	1.58%	6.00%	5.08%	5.61%	6.09%

\* Current Quarter Target = 40.0% Blmbg Aggregate, 29.0% Russell 3000 Index, 21.0% MSCI ACWI ex US IMI and 10.0% NCREIF NFI-ODCE Eq Wt Net.

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2017. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2017			
	Last 10 Years	Last 15 Years	Last 19-3/4 Years
<b>Domestic Equity</b>	<b>7.10%</b>	<b>8.45%</b>	-
Russell 3000 Index	7.26%	8.66%	7.05%
<b>Large Cap Equity</b>	<b>7.18%</b>	<b>8.35%</b>	-
Vanguard Institutional Index	7.18%	8.35%	-
S&P 500 Index	7.18%	8.35%	6.86%
<b>International Equities</b>	<b>2.65%</b>	<b>7.26%</b>	-
Vanguard Intl Growth	3.75%	-	-
Vanguard Intl Value	1.16%	-	-
MSCI EAFE	1.03%	6.31%	4.38%
MSCI ACWI ex US IMI (net)	1.38%	7.32%	4.95%
International Equity Target	1.62%	7.39%	5.15%
<b>Fixed Income</b>	<b>4.14%</b>	<b>4.39%</b>	<b>5.12%</b>
Alaska Permanent Cap Mgmt	4.85%	4.87%	5.47%
Blmbg Aggregate Index	4.48%	4.48%	5.14%
<b>Total Fund</b>	<b>5.46%</b>	<b>6.63%</b>	<b>6.43%</b>
Target Benchmark*	5.38%	6.43%	6.09%
CPI + 4.5%	6.10%	6.56%	6.61%

\* Current Quarter Target = 40.0% Blmbg Aggregate, 29.0% Russell 3000 Index, 21.0% MSCI ACWI ex US IMI and 10.0% NCREIF NFI-ODCE Eq Wt Net.



## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2016- 6/2017	2016	2015	2014	2013
<b>Domestic Equity</b>	<b>7.50%</b>	<b>15.08%</b>	<b>(0.24%)</b>	<b>12.72%</b>	<b>33.25%</b>
Russell 3000 Index	8.93%	12.74%	0.48%	12.56%	33.55%
<b>Large Cap Equity</b>	<b>9.32%</b>	<b>11.93%</b>	<b>1.37%</b>	<b>13.65%</b>	<b>32.35%</b>
Vanguard Institutional Index	9.32%	11.93%	1.37%	13.65%	32.35%
S&P 500 Index	9.34%	11.96%	1.38%	13.69%	32.39%
<b>Mid Cap Equity</b>	<b>5.95%</b>	<b>20.66%</b>	<b>(2.23%)</b>	<b>9.72%</b>	-
Vanguard S&P Mid Cap 400 Index	5.95%	20.66%	(2.23%)	9.72%	-
S&P Mid Cap 400 Index	5.99%	20.74%	(2.18%)	9.77%	33.50%
<b>Small Cap Equity</b>	<b>(0.86%)</b>	<b>26.34%</b>	<b>(7.27%)</b>	<b>4.68%</b>	-
RBC Small Cap Core	(0.86%)	26.34%	(7.27%)	4.68%	-
Russell 2000 Index	4.99%	21.31%	(4.41%)	4.89%	38.82%
<b>International Equities</b>	<b>17.01%</b>	<b>5.17%</b>	<b>(0.43%)</b>	<b>(6.09%)</b>	<b>22.62%</b>
Vanguard Intl Growth	24.22%	2.17%	0.25%	(5.51%)	23.12%
Vanguard Intl Value	14.30%	5.33%	(5.41%)	(6.69%)	22.15%
MSCI EAFE	13.81%	1.00%	(0.81%)	(4.90%)	22.78%
MSCI ACWI ex US IMI (net)	14.30%	4.41%	(4.60%)	(3.89%)	15.82%
International Equity Target	14.30%	4.85%	(4.69%)	(3.44%)	15.78%
Brandes International Small Cap	9.46%	10.62%	-	-	-
ACWI Sm Cap ex US	15.56%	3.91%	2.60%	(4.03%)	19.73%
<b>Fixed Income</b>	<b>2.53%</b>	<b>2.98%</b>	<b>0.47%</b>	<b>5.85%</b>	<b>(1.87%)</b>
Alaska Permanent Cap Mgmt	2.16%	2.96%	1.04%	5.80%	(1.73%)
Baird Aggregate Bond	2.72%	2.59%	-	-	-
Blmbg Aggregate Index	2.27%	2.65%	0.55%	5.97%	(2.02%)
Standish Global Fixed	2.79%	2.45%	-	-	-
Blmbg Global Aggregate Index	1.43%	3.95%	1.02%	7.59%	(0.14%)
<b>Real Estate</b>	<b>3.52%</b>	<b>8.07%</b>	<b>12.96%</b>	<b>11.68%</b>	<b>10.43%</b>
UBS Trumbull Property - Net	1.72%	5.90%	11.64%	10.38%	9.12%
Morgan Stanley Prime Property	4.20%	-	-	-	-
NFI-ODCE Equal Weight Net**	3.27%	8.36%	14.18%	11.42%	12.36%
<b>Total Fund</b>	<b>6.99%</b>	<b>7.48%</b>	<b>1.08%</b>	<b>5.28%</b>	<b>14.77%</b>
Target Benchmark*	6.78%	6.70%	0.34%	6.01%	12.74%
CPI + 4.5%	3.65%	6.49%	4.89%	4.83%	5.96%

\* Current Quarter Target = 40.0% Blmbg Aggregate, 29.0% Russell 3000 Index, 21.0% MSCI ACWI ex US IMI and 10.0% NCREIF NFI-ODCE Eq Wt Net.

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2016- 6/2017	2016	2015	2014	2013
<b>Domestic Equity</b>	<b>7.50%</b>	<b>15.08%</b>	<b>(0.24%)</b>	<b>12.72%</b>	<b>33.25%</b>
Russell 3000 Index	8.93%	12.74%	0.48%	12.56%	33.55%
<b>Large Cap Equity</b>	<b>9.32%</b>	<b>11.93%</b>	<b>1.37%</b>	<b>13.65%</b>	<b>32.35%</b>
Vanguard Institutional Index	9.32%	11.93%	1.37%	13.65%	32.35%
S&P 500 Index	9.34%	11.96%	1.38%	13.69%	32.39%
<b>International Equity</b>	<b>17.01%</b>	<b>5.17%</b>	<b>(0.43%)</b>	<b>(6.09%)</b>	<b>22.62%</b>
Vanguard Intl Growth	24.22%	2.17%	0.25%	(5.51%)	23.12%
Vanguard Intl Value	14.30%	5.33%	(5.41%)	(6.69%)	22.15%
MSCI EAFE	13.81%	1.00%	(0.81%)	(4.90%)	22.78%
MSCI ACWI ex US IMI (net)	14.30%	4.41%	(4.60%)	(3.89%)	15.82%
International Equity Target	14.30%	4.85%	(4.69%)	(3.44%)	15.78%
<b>Fixed Income</b>	<b>2.53%</b>	<b>2.98%</b>	<b>0.47%</b>	<b>5.85%</b>	<b>(1.87%)</b>
Alaska Permanent Cap Mgmt	2.16%	2.96%	1.04%	5.80%	(1.73%)
Blmbg Aggregate Index	2.27%	2.65%	0.55%	5.97%	(2.02%)
<b>Total Fund</b>	<b>6.99%</b>	<b>7.48%</b>	<b>1.08%</b>	<b>5.28%</b>	<b>14.77%</b>
Target Benchmark*	6.78%	6.70%	0.34%	6.01%	12.74%
CPI + 4.5%	3.65%	6.49%	4.89%	4.83%	5.96%

\* Current Quarter Target = 40.0% Blmbg Aggregate, 29.0% Russell 3000 Index, 21.0% MSCI ACWI ex US IMI and 10.0% NCREIF NFI-ODCE Eq Wt Net.



## RESERVE FUND SUMMARY AS OF 06/30/2017

Account Description	2017			
	Available Balance	YTD Encumbrances	YTD Expenditures	Account Balance
School Budgetary Stabilization	500,000	-	-	500,000
Council Contingency HOLDING	105,803	-	-	105,803
Harbor Major Maint & Replacement	4,180,415	-	-	4,180,415
Projects Planning Reserve	2,407,982	-	-	2,407,982
Landfill Closure Reserve	2,478,591	-	-	2,478,591
Major Maintenance Reserve	8,093,559	1,140,812	236,989	6,715,758
Sewer & Lift Station Repairs	475,922	3,662	14,715	457,545
Leave Liability Reserve	284,606	-	183,413	101,193
Major Equipment Reserve	6,232,705	1,183,386	166,210	4,883,110
Energy Assistance Program	730,236	-	691,936	38,299
Technology Reserve	1,030,752	15,300	201,378	814,074
Special Events Reserve	2,202	-	(232)	2,434
Nuisance Abatement Program	371,144	7,140	1,500	362,504
Incident Management Reserve	1,469,767	49,092	87,016	1,333,659
Dike Repairs	542,359	-	136,000	406,359
<b>Flood Mittigation Maintenance</b>				
Lowe River Dike Slope Impr Design	10,910	-	10,825	85
South Glacier Stream Gravel Extraction	154,000	-	154,000	-
Copper Ave Levee Erosion Protection & Gravel	-	-	-	-
Lowe River Freeboard	-	-	-	-
Beautification Committee	90,566	-	1,541	89,025
ROW Road and Sidewalk Repair	129,457	-	-	129,457
Concrete/Asphalt Repairs for COV properties	50,000	-	-	50,000
LEPC Grant	6,984	-	6,984	-
LEPC Grant	-	-	-	-
<b>Master Planning</b>				
Master Planning Comprehensive	818,314	-	-	818,314
Master Planning Building Fire Code Revision	32,717	-	-	32,717
Master Planning CEDS	36,628	-	-	36,628
Master Planning Flood Planning	116,487	12,911	-	103,575
Master Planning Water/Sewer Study	125,000	-	-	125,000
Master Planning Solid Waste	75,000	-	-	75,000
Master Planning Water/Sewer	50,000	-	-	50,000
Pavement Management Plan	100,000	-	-	100,000
City Onsite Sewer Regulations	25,000	-	-	25,000
Mineral Creek Existing Revetment Evaluation	17,870	17,870	-	-
Mineral Creek Gravel Extraction PLAN	10,428	14	10,414	-



## RESERVE FUND SUMMARY AS OF 06/30/2017

Account Description	2017			
	Available Balance	YTD Encumbrances	YTD Expenditures	Account Balance
Glacier Stroom Gravel Extraction Plan	26,385	321	26,064	-
Mineral Creek Sediment Budget Analysis	29,419	29,419	-	-
Low River Gravel Extraction Imple Plan Review	56,990	56,990	-	-
Low River Buyout Option	13,740	13,740	-	-
COE Levee System Match	100,000	-	-	100,000
Low River Levee Evaluation	13,840	10,496	3,344	-
Qaniq Challenge	17,431	400	13,246	3,785
Running Series	2,106	-	-	2,106
<b>Land Development</b>				
Land Development Snow Lots	1,781,768	726	-	1,781,042
Land Development Misc	579,209	9,156	173,045	397,009
Surveying Municipal Land	43,767	28,000	-	15,767
<b>Grand Total Reserve</b>	<b>33,420,057</b>	<b>2,579,435</b>	<b>2,118,389</b>	<b>28,722,233</b>



## Major Maintenance Reserve as of 06/30/2017

6/30/2017

<i>Project</i>		<i>Budget</i>	<i>Amendment</i>	<i>Amended Budget</i>	<i>Prior Years Actual</i>	<i>Current Year Encumbrance</i>	<i>Current Year Actual</i>	<i>Balance</i>
Library/ Museum UST removal & Boilers Replace	908	250,000	378,134	628,134	615,559	7,633	-	4,942
Airport - replace water lines (design only)	1108	50,000	(9,724)	40,276	40,234	41	-	0
Airport Chair Replacement	1118	28,000	23,980	51,980	51,705	-	-	275
City Hall Fire Alarm Replacement	1201	250,000	(32,000)	218,000	157,830	-	-	60,170
Civic Center Weatherization Study/Design	1210	30,000	148	30,148	29,818	330	-	-
VCT Safety Railing Repair & Replacement	1306	100,000	45,240	145,240	140,285	-	-	4,955
2013 School Projects	1312	105,009	28,085	133,094	36,626	-	-	96,468
Police Storage Facility	1314	-	230,324	230,324	324	-	-	230,000
ARCS Transmitter	1315	-	5,000	5,000	3,466	-	-	1,534
Police Technology Upgrade <b>Grant</b>	1316	-	35,000	35,000	23,787	-	-	11,213
City Hall Day Tank & Stack Replacement	1401	100,000	240,000	340,000	298,466	10,696	-	30,838
VMF Warehouse UST Removal	1402	250,000	(100,000)	150,000	22,244	100	-	127,657
Zook Sewer Extension	1403	100,000	110,037	210,037	209,437	600	-	-
Museum Entry Door Replacement & ADA Upgrade (	1404	25,000	35,377	60,377	57,957	2,420	-	-
Citywide Electrical Tracing and Labeling	1406	100,000	(20,000)	80,000	74,967	1,457	-	3,577
VCT Scale Tank & Piping Replacement	1407	50,000	-	50,000	23,381	-	-	26,619
Senior Center Attic Repair	1409	20,000	250,000	270,000	263,866	-	-	6,134
VHS Gym Acoustics	1411	-	185,302	185,306	183,757	1,545	-	-
VCT Underwater Inspections	1412	-	997,831	997,831	247,831	-	605	749,395
VCT North Star Warehouse - lights and heating	1413	-	100,000	100,000	95,366	2,943	-	1,691
Fire Station 1 - air compressor	1414	-	150,000	150,000	64,069	-	-	85,931
High School Restroom ADA Upgrade	1416	-	500,000	500,000	49,109	6,760	-	444,131
Clark St Drainage & Street Repair	1417	-	467,391	467,391	64,161	364,194	11,050	27,986
Harbor - Stan Stephens Plaza	1418	-	95,000	95,000	59,295	-	-	35,705
Swimming Pool Cover & Boiler Upgrade	1419	-	1,150,000	1,150,000	80,555	-	-	1,069,445
Contingency Reserve	1500	129,565	(124,813)	4,752	-	-	-	4,752
Hospital - Transformer	1501	-	76,681	76,681	75,438	1,243	-	-
Effluent Testing	1502	35,000	-	35,000	-	-	-	35,000
Hospital - Electrical Line Conditioner	1503	-	200,000	200,000	3,720	-	-	196,280
Hospital - Water/Snow Drainage Study	1504	-	50,000	50,000	5,255	17,250	-	27,495
HHES Underground Fuel Tanks Replacement	1601	-	600,000	600,000	29,335	459,790	54,226	56,650
Water - New Well	1602	-	836,349	836,349	73,342	10,506	2,500	750,000
Library - Sewer Pump Replacement	1603	-	100,000	100,000	48,818	-	-	51,182
Library - Carpet and Repaint walls	1604	-	200,000	200,000	-	41,530	-	158,470
Fire Station I - Berthing Quarters (design)	1605	-	50,000	50,000	-	-	-	50,000
Animal Shelter - Kennel Curbs & Drains Replacemen	1606	-	175,000	175,000	3,743	8,100	-	163,157
Animal Shelter - Cremator Fire Box	1607	-	20,000	20,000	11,286	-	-	8,714
USFS Cabin - Romtec Restroom	1608	-	250,000	250,000	-	-	-	250,000
Harbor - Walk/Concrete/Fence Replacement	1609	-	150,000	150,000	-	-	-	150,000
Museum - Replace Lighting	1610	-	100,000	100,000	-	-	-	100,000
Hazmat Testing - various buildings	1611	-	250,000	250,000	-	-	-	250,000
Senior Center/City Hall - Elevator Controls	1612	-	270,000	270,000	-	-	-	270,000
Old Trap/Police Range - Remediation Study	1615	-	50,000	50,000	-	-	-	50,000
City-wide Exit Signs	1616	-	167,319	164,509	34,989	-	-	129,521
Port Office Renovations	1618	75,000	(70,000)	5,000	-	-	-	5,000
Hospital Humidity Control	1619	250,000	-	250,000	-	-	-	250,000
Hospital Long term Doors	1620	100,000	-	100,000	-	-	-	100,000
Hospital Security Enhancements	1621	100,000	-	100,000	-	-	-	100,000
Hospital Door Stops & Fire Door Closure	1622	75,000	-	75,000	-	-	-	75,000
Hospital New Power Supply	1623	-	50,000	50,000	7,109	2,900	-	39,992
Hospital Duct Above Server Room	1624	-	50,000	50,000	7,230	-	-	42,770
Hospital Panic Bar Upgrade	1625	-	-	60,000	-	-	-	60,000



## Major Maintenance Reserve as of 06/30/2017

6/30/2017

<i>Project</i>		<i>Budget</i>	<i>Amendment</i>	<i>Amended Budget</i>	<i>Prior Years Actual</i>	<i>Current Year Encumbrance</i>	<i>Current Year Actual</i>	<i>Balance</i>
Hospital Cuvert at Truck Delivery Drive	1626			100,000	-	-	-	100,000
Airport Door Upgrade	1627	-	215,000	215,000	171,053	24,800	14	19,133
VCT R.E. Staite Building Improvements	1628	-	80,000	80,000	3,925	-	-	76,075
New Playground	1629	65,000	-	65,000	3,677	-	60,229	1,095
City Hall Mall Asbestos Assessment	1632	-	150,000	150,000	8,448	4,540	12,175	124,837
633	1634	-	-	6,000	-	-	-	6,000
VCT Safety Ladder Replacement	1635	-	-	40,000	-	-	15	39,985
Staff Relocation - Airport	1636	-	-	96,273	95,674	(552)	748	404
Staff Relocation - City Hall	1637			32,200	2,965	1,659	54,576	(27,000)
Clinic - Sidewalks	1701			100,000	-	44,297	643	55,060
SBH - underwater inspections repairs	1702			125,000	-	-	-	125,000
HHES Coils Replacement	1703			20,000	-	-	-	20,000
Hospital- Infection Control Enhancements	1704			200,000	-	94,838	-	105,162
Hospital Emergency Lighting	1705			100,000	-	2,970	-	97,030
Hospital - Roof Maintenance	1706			100,000	-	-	-	100,000
Senior Center Bathroom and Apartment Remodel	1707			40,000	-	2,642	21,587	15,771
VCT Security Gate Replacement	1708			185,000	-	26,687	5,978	152,335
Kelsey Dock Security Cameras	1709			15,000	-	-	-	15,000
New Offices - Airport	1710			10,000	-	-	12,308	(2,308)
VCT North Laydown Yard Improvements	1711			170,000	-	-	337	169,663
VCT Repairs	1712			-	-	-	-	-
<b>Grand Total Major Maintenance Reserve</b>				<b>12,444,902</b>	<b>3,480,099</b>	<b>1,141,919</b>	<b>236,989</b>	<b>7,585,891</b>
Grant Funded Projects CY Funds						-	-	11,213
<b>Total Major Maintenance Reserve COV Funds</b>						<b>1,141,919</b>	<b>236,989</b>	<b>7,574,677</b>



## CAPITAL PROJECTS SUMMARY AS OF 06/30/2017

<u>GL Account</u>	<u>Project Description</u>	<u>Revenues To Date</u>	<u>Prior Years Expenditures</u>	<u>2017 Available Budget</u>	<u>YTD Encumbrances</u>	<u>YTD Expenditures</u>	<u>06/30/2017 Account Balance</u>
310020058200	Project Contingency	2,098,444	-	727,434	-	-	727,434
310052058000	Air National Guard Memorial	35,000	-	35,000	-	-	35,000
310104258010	Homestead Special Assessment	310,000	117,183	192,817	-	-	192,817
310112058000	Back up Generator	350,000	-	350,000	19,500	-	330,500
310113058000	Roof Replacements	1,463,120	1,405,311	2,417,809	149,270	27,220	2,241,319
310114058000	East Pioneer Reconstruction	1,740,113	1,396,036	344,077	66,224	91,941	185,911
310115058000	Egan Drive Beautification	3,534,696	3,102,954	431,742	23,374	260,468	147,900
310163255000	Fire Station -Assesment	50,000	-	50,000	-	-	50,000
310163355000	City Wide Storage Facility -	25,000	-	25,000	-	-	25,000
310196058000	Weather Station	20,000	9,710	10,290	-	-	10,290
310216058000	Alpine Woods Sewer Project	2,894,556	551,646	395,592	293,333	7,074	95,186
310243058000	STP SCADA Controls Upgrades	330,000	313,503	16,497	-	-	16,497
310251558000	STP Outfall Design	194,076	115,944	2,083	2,083	-	-
310253258000	STP Generator Project	50,000	-	150,000	20,402	-	129,598
310253458000	Water/Sewer Master Plan	139,647	-	33,046	33,046	-	-
310253558000	Water/Sewer Extension - New De	1,040,000	-	1,040,000	-	-	1,040,000
310253658000	Sewer Force Main Assesment	200,000	-	200,000	-	-	200,000
310253755000	North Tank Mineral Creek	750,000	-	750,000	52,867	666,905	30,228
310403258000	City Hall Generator Replacement	525,733	440,646	85,087	-	-	85,087
310403458000	City Hall Weatherization	460,000	350,131	91,133	-	-	91,133
310405058000	City Buildings - Mobile Genera	462,600	-	462,600	68,019	-	394,581
310453058000	MKG Medical Clinic Pipes	350,000	1,540	348,460	10,842	-	337,618
310471658000	Airport Plumbing & Restroom	400,000	10,054	739,946	396,582	1,285	342,079
310552058000	Meyring Park (North) Upgrades	684,951	641,398	63,553	23,290	840	39,423
310525058000	Wildlife Viewing Area	100,000	-	100,000	-	-	100,000
310573558000	Salmonberry Ski Hill	635,157	438,262	6,594	-	-	6,594
310644258000	SBH Dredging	542,000	97,168	752,832	564,402	1,881	186,549
310645058000	New Harbor Planning (COV \$\$)	33,989,076	1,555,096	31,499,637	27,036,303	300,536	4,162,798
310645058010	New Harbor GO 2015	20,000,000	19,397,091	602,909	422,704	180,206	(1)
310645049545	SBH Expansion and Uplands Grant 14-DC-141	1,000,000	744,591	255,409	11,750	1,696	241,963
310680458000	VCT Water Main	1,000,000	-	1,000,000	-	-	1,000,000
310806058000	Flood Mitigation Project	492,444	483,682	536,967	20,785	21,072	495,110
310806058001	Flood Mitigation (COV Contribution)	142,453	105,254	37,199	25,085	-	12,114
310806049542	Valdez Emergency Watershed Protection Grai	1,340,250	-	1,340,250	-	-	1,340,250
310806158000	Mineral Creek Kicker Dike Desi	37,010	-	37,010	37,010	-	-
310806258000	Glacier Streem Downstream Desi	26,943	-	26,943	73	26,870	-
310806358000	Glacier Stream Upstream Design	43,970	-	43,970	-	-	43,970
310806458000	South Lowe River Kicker Dike	934,500	-	934,500	916,760	17,740	-
310806558000	Watershed Match	535,790	-	535,790	-	-	535,790
310810058000	Land Purchase (3Bears/Tesoro)	400,000	-	400,000	-	-	400,000
310816558000	Whalen Ave Improvements	350,000	-	350,000	6,509	47,753	295,738
310817058000	Sawmill Road Extension to Atigun	300,000	25,018	300,000	-	-	300,000
310817558000	Alutian Avenue Improvements	2,600,000	-	2,600,000	-	-	2,600,000
310819058000	Airport Industrial Subd Water/Sewer	1,500,000	-	1,500,000	-	-	1,500,000
310916449565	Senior Center Facility Upgrade	150,000	119,746	30,254	188	3,104	26,962



## CAPITAL PROJECTS SUMMARY AS OF 06/30/2017

<u>GL Account</u>	<u>Project Description</u>	<u>Revenues</u> <u>To Date</u>	<u>Prior Years</u> <u>Expenditures</u>	<u>2017</u> <u>Available</u> <u>Budget</u>	<u>YTD</u> <u>Encumbrances</u>	<u>YTD</u> <u>Expenditures</u>	<u>06/30/2017</u> <u>Account Balance</u>
310916449566	Senior Center Canopies Grant	150,000	-	150,000	14,600	3,000	132,400
310919558000	Hospital Parking Lot Improvements	500,000	426,142	98,644	21,350	32,671	44,622
310919658000	Hospital Oxygen Generator	300,000	2,767	897,233	24,560	17,706	854,967
310919758000	Hospital Copper Pipe Replacement	1,250,000	25	1,249,975	62,749	27,812	1,159,414
310931058000	MKG Medical Clinic Backup Gene	75,000	-	75,000	-	-	75,000
310950258000	VHS HVAC Replacement	4,344,495	4,244,040	100,455	18,586	44,044	37,824
310950458000	VHS Library Windows & Carpet	600,000	-	600,000	-	-	600,000
310950658000	VHS Gym Floor Replacement	750,000	-	750,000	170,440	296,813	282,747
310950758000	New VMS (Bond Proceeds)	40,361,693	38,739,437	1,616,791	815,172	18,113	783,507
310950958000	HHES Exterior Upgrade	2,000,000	-	2,000,000	-	-	2,000,000
310951258000	New City Maintenance Building	5,420,002	5,416,769	2,765	1,514	-	1,252
310951458000	High School ADA	100,000	14,860	1,541,009	40,614	52,617	1,447,778
312640049560	Kelsey Dock 15RR008	1,667,094	-	1,667,094	-	-	1,667,094
312640049550	Kelsey Dock GRANT	800,000	-	800,000	4,900	-	795,100
312640058000	City's Contribution	2,037,367	-	355,106	-	-	355,106
	<b>Grand Total Capital Facilities Fund</b>	<b>144,583,178</b>	<b>80,266,004</b>	<b>63,756,500</b>	<b>31,374,884</b>	<b>2,149,367</b>	<b>30,232,248</b>
	Grant Funded Projects CY Funds				31,438	7,800	4,203,769
	<b>Total Capital Facilities Fund COV Funds</b>				<b>31,343,447</b>	<b>2,141,567</b>	<b>26,028,479</b>





Health Insurance Fund Report  
June 30, 2017

Prepared by: Brian Carlson, Finance Director  
Contact: 907.834.3461, bcarlson@ci.valdez.ak.us

MONTH	CITY				SCHOOL				COMBINED			
	DEPOSITS	CLAIMS	ADMIN FEE	VARIANCE	DEPOSITS	CLAIMS	ADMIN FEE	VARIANCE	DEPOSITS	CLAIMS	ADMIN FEE	VARIANCE
JAN	\$ 211,498	\$ 115,009	\$ 33,913	\$ 62,576	\$ 261,305	\$ 124,423	\$ 35,383	\$ 101,498	\$ 472,803	\$ 239,433	\$ 69,296	\$ 164,074
FEB	219,675	118,654	35,622	65,399	261,305	114,179	35,383	111,743	480,980	232,833	71,005	177,141
MAR	218,352	191,500	36,347	(9,495)	261,305	254,248	35,383	(28,327)	479,656	445,748	71,730	(37,822)
APR	228,531	-	38,638	189,893	261,305	-	37,656	223,649	489,836	-	76,294	413,542
MAY	240,433	311,712	37,379	(108,658)	-	182,032	37,083	(219,115)	240,433	493,744	74,462	(327,774)
JUN	229,478	293,462	37,389	(101,372)	518,103	221,248	37,083	259,772	747,581	514,710	74,472	158,400
JUL												
AUG												
SEP				-				-	-	-		-
OCT				-				-	-	-		-
NOV				-				-	-	-		-
DEC				-				-	-	-		-
TOTALS	\$ 1,347,968	\$ 1,030,337	\$ 219,288	\$ 98,342	\$ 1,563,322	\$ 896,130	\$ 217,972	\$ 449,220	\$ 2,911,289	\$ 1,926,468	\$ 437,260	\$ 547,562

Health Insurance Fund Balance (Including Reserve)12/31/15:	<b>\$2,919,197</b>
Total Deposits	2,911,289
Total Claims	(1,926,468)
Premiums/Admin.Fee/Cost:	(437,260)
Claims and Stop Loss	(3,931)
Refunds, Stop Loss	38,620
Annual Fee US Pay.Gov	(6,242)
Bank Fees	(750)
Interest Accrued	712
City Wellness & BIO Screening	(13,825)
Health Insurance Fund Balance (Including Reserve)	<b><u>\$3,481,343</u></b>