



FAIRBANKS CITY COUNCIL
AGENDA NO. 2011-09
REGULAR MEETING May 09, 2011
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

REGULAR MEETING

I 7:00 P.M.

1. ROLL CALL

2. INVOCATION

3. FLAG SALUTATION

4. **CITIZENS COMMENTS**, oral communications to Council on any item not up for Public Hearing. Testimony is limited to five (5) minutes. Any person wishing to speak needs to complete the register located in the hallway. Normal standards of decorum and courtesy should be observed by all speakers. Remarks should be directed to the City Council as a body rather than to any particular Council Member or member of the staff. In consideration of others, kindly silence all cell phone, electronic and messaging devices.

5. **APPROVAL OF AGENDA AND CONSENT AGENDA**

(Approval of Consent Agenda passes all routine items indicated by an asterisk (*). Consent Agenda items are not considered separately unless a Council Member so requests. In the event of such a request, the item is returned to the General Agenda).

6. **APPROVAL OF PREVIOUS MINUTES**

*a) Regular Meeting Minutes of April 25, 2011.

7. SPECIAL ORDERS

- a) The Fairbanks City Council, Sitting as a Committee of the Whole, will hear interested citizens concerned with the below-referenced Application for a New Liquor License. Public Testimony will be taken and limited to five (5) minutes.

License Type: Restaurant Eating Place
D.B.A.*: **Asiana Restaurant**, License #5051
Licensee/Applicant: Young Mi Jin
Physical Location: 2001 Airport Way

- b) The Fairbanks City Council, Sitting as a Committee of the Whole, will now hear interested citizens concerned with the below referenced Abatement Issue. Public Testimony will be taken and is limited to five (5) minutes.

Notice to Recover Cost for Abatement Project.

Lot 14 Tract B, Bjerremark Subdivision, 806 20th Ave, Fairbanks, Alaska

***NOTE:** The purpose of this hearing is to:

- 1) Determine the accuracy of the itemized demolition cost as submitted by the Public Works Department and Building Official;
- 2) Hear any protests regarding the total costs of demolition;
- 3) Make such revision, correction or modification in the report or the charge as it may deem just, and;
- 4) Determine whether to assign a personal obligation or create a lien against the property.

8. MAYOR'S COMMENTS AND REPORT

9. UNFINISHED BUSINESS

- a) Ordinance No. 5846 – An Ordinance to Present to the Qualified Voters of the City the Question of Approving Additional City Services Through Pre-Paying the Outstanding Bond Debt for the Police Station. Introduced by Mayor Cleworth. **SECOND READING AND PUBLIC HEARING.**

10. NEW BUSINESS

- *a) Ordinance No. 5847 – An Ordinance Authorizing Lease of the “Chena Building” from the City to the Early College of Alaska, Inc. Introduced by Mayor Cleworth.

11. DISCUSSION ITEMS (INFORMATION AND REPORT)

- a) Committee Reports

12. COMMUNICATIONS TO COUNCIL

- a) Proposed Findings and Conclusions – Board of Adjustment Appeal.
- *b) Appointment to the Chena Riverfront Commission.
- *c) Permanent Fund Review Board Meeting Minutes of February 3, 2011.

13. COUNCIL MEMBERS' COMMENTS

14. CITY ATTORNEY'S REPORT

15. CITY CLERK'S REPORT

16. ADJOURNMENT



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, APRIL 25, 2011
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council reconvened at 7:00 p.m. on the above date, after a Work Session on the New Charter School Proposal to Lease the Chena Building, to conduct a Regular Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor Jerry Cleworth presiding and with the following Council Members in attendance:

**DUE TO AUDIO EQUIPMENT MALFUNCTION, THE
FOLLOWING ARE ACTION MINUTES ONLY.**

Council Members Present: Vivian Stiver, Seat A
Chad Roberts, Seat B
Bernard Gatewood, Seat C
Jim Matherly, Seat D
Emily Bratcher, Seat E

Absent: John Eberhart, Seat F – Attempts to Connect Telephonically
Failed Due to Audio Equipment Failure

Also Present: Clem Clooten, Electrical Inspector
Patrick B. Cole, Chief of Staff
Warren Cummings, Fire Chief
Paul Ewers, City Attorney
Janey Hovenden, City Clerk
Debi Osterby, Deputy City Clerk
Michael J. Schmetzer, City Engineer
Tony C. Shumate, Director Personnel/Purchasing/RM

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

CITIZEN'S COMMENTS

Frank Turney, 201 7th Avenue, Fairbanks. Mr. Turney spoke to the fluoride issue.

Doug Yates, Box 221, Ester. Mr. Yates spoke about the fluoride issue.

L:isa Peger, 3873 Peger Rd., Fairbanks. Ms. Peger spoke against fluoride supplementation and commented on the ice park situation.

Ed Davis, 3110 Bunchberry Dr., Fairbanks. Mr. Davis spoke to the fluoride issue.

Sean McGuire, 351 Cloudberry, Fairbanks. Mr. McGuire spoke to the fluoride issue.

Sylvia Shultz, Fairbanks. Ms. Shultz indicated that she was a public health advocate and spoke to clean air in Fairbanks.

June Rogers, Fairbanks. Ms. Rogers spoke to the fluoride issue.

Scott Calder, PO Box 75011, Fairbanks. Mr. Calder spoke to the fluoride issue.

Jen Landry, 2240 Railroad Dr., Fairbanks. Ms. Landry spoke to the fluoride issue.

Will Finley, Fairbanks. Mr. Finley spoke to the fluoride issue.

Victor Buberger, PO Box 58192, Fairbanks. Mr. Buberger spoke to the fluoride issue.

Martha Rich, 1451 Flat Mountain Rd., Fairbanks. Ms. Rich spoke to the fluoride issue.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Roberts, seconded by **Mr. Matherly**, moved to APPROVE the Agenda and Consent Agenda.

Ms. Bratcher, pulled Resolution No. 4470 from the Consent Agenda.

Mayor Cleworth called for objection and, hearing none, so ORDERED.

City Clerk Hovenden read the Consent Agenda into the record.

APPROVAL OF PREVIOUS MINUTES

a) Meeting Minutes of April 11, 2011.

PASSED and APPROVED on the CONSENT AGENDA.

SPECIAL ORDERS

a) The Fairbanks City Council convened as a Board of Adjustment in the matter of the below-sated decision of the Fairbanks North Star Borough Planning Commission:

A request by Edward O'Leary for lot size variances in order to shift a lot line on Block 07 Graehl subdivision. (Located southeast of the Steese Highway and on the northeast side of Second Street).

Council members discussed the request by Mr. O'Leary.

Ms. Stiver, seconded by **Mr. Matherly**, moved to GRANT Variance.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO GRANT VARIANCE, AS FOLLOWS:

YEAS: Gatewood, Stiver, Matherly, Roberts

NAYS: Bratcher

Mayor Cleworth declared the MOTION CARRIED.

Mayor Cleworth instructed the City Attorney to draw up Findings of Fact and present to the Council for approval.

MAYOR'S COMMENTS AND REPORT

a) Fluoride Task Force Final Report

Report provided by Dr. Reichart on the year long process and conclusions presented by the task force.

Mayor Cleworth read a Proclamation thanking the task force and the Clerk's Office for their work on the issue.

Mayor Cleworth asked the Council for direction on how to proceed with the recommendations presented by the Fluoride Task Force. **Mayor Cleworth** complimented Ms. Bratcher on the award presented by the Fairbanks Convention and Visitor's Bureau (FCVB). **Mayor Cleworth** spoke of the investigation into the events at Kodiak Jack's.

UNFINISHED BUSINESS

a) ORDINANCE NO. 5840 – An Ordinance Authorizing Conveyance of an Easement Upon City Property Requested by the Alaska Department of Transportation for Construction of the Illinois Street Reconstruction Project. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Roberts, seconded by **Ms. Bratcher**, moved to ADOPT Ordinance No. 5840.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5840, AS FOLLOWS:

YEAS: Gatewood, Roberts, Matherly, Stiver, Bratcher

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and ORDINANCE NO. 5840 ADOPTED.

- b) ORDINANCE NO. 5841 – An Ordinance Authorizing a Utility Easement for the Chief Andrew Isaac Health Center. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Ms. Bratcher, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5841.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5841, AS FOLLOWS:

YEAS: Matherly, Bratcher, Roberts, Stiver, Gatewood

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and ORDINANCE NO. 5841 ADOPTED.

- c) ORDINANCE NO. 5842 – An Ordinance to Amend FGC Sections 10-311 and 10-312, Adopting the 2009 Uniform Swimming Pool, Spa, and Hot Tub Code. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Ms. Bratcher, seconded by **Mr. Matherly**, moved to ADOPT Ordinance No. 5842.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5842, AS FOLLOWS:

YEAS: Roberts, Matherly, Gatewood, Bratcher, Stiver

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and ORDINANCE NO. 5842 ADOPTED.

- d) ORDINANCE NO. 5843 – An Ordinance Amending the 2011 Budget Estimate for the First Time. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Matherly, seconded by **Ms. Bratcher**, moved to ADOPT Ordinance No. 5843.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5843, AS FOLLOWS:

YEAS: Stiver, Matherly, Gatewood, Bratcher, Roberts
NAYS: None
Mayor Cleworth declared the MOTION CARRIED and
ORDINANCE NO. 5843 ADOPTED.

- e) ORDINANCE NO. 5844 – An Ordinance Amending FGC Section 78-975 Authorizing Recovery of Ignition Interlock Devices from Impounded Motor Vehicles. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Ms. Bratcher, seconded by **Ms. Stiver**, moved to ADOPT Ordinance No. 5844.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5844, AS FOLLOWS:

YEAS: Bratcher, Roberts, Stiver, Matherly, Gatewood
NAYS: None
Mayor Cleworth declared the MOTION CARRIED and
ORDINANCE NO. 5844 ADOPTED.

- f) ORDINANCE NO. 5845 – An Ordinance Adopting the 2011 City of Fairbanks Code for Abatement of Dangerous Buildings. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Ms. Bratcher, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5845.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5845, AS FOLLOWS:

YEAS: Gatewood, Stiver, Bratcher, Matherly, Roberts
NAYS: None
Mayor Cleworth declared the MOTION CARRIED and
ORDINANCE NO. 5845 ADOPTED.

NEW BUSINESS

- a) RESOLUTION NO. 4470 – A Resolution Authorizing the Mayor to Submit a Petition to the Local Boundary Commission for the Detachment from City of the Open Skies Commercial Park Subdivision, Located at the Intersection of Badger Road and the Old Richardson Highway. Introduced by Mayor Cleworth.

Mr. Matherly, seconded by **Mr. Gatewood**, moved to APPROVE Resolution No. 4470.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4470, AS FOLLOWS:

YEAS: Gatewood, Roberts, Matherly, Stiver

NAYS: Bratcher

Mayor Cleworth declared the MOTION CARRIED and RESOLUTION NO. 4470 PASSED.

- b) ORDINANCE NO. 5846 – An Ordinance to Present to the Qualified Voters of the City the Question of Approving Additional City Services through Pre-paying the Outstanding Bond Debt for the Police Station. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS

- a) Committee Reports

FMATS. Mr. Roberts provided a brief report on the recent meeting.

Fairbanks Parking Authority. Mr. Matherly provided a brief report on the recent meeting.

COMMUNICATIONS TO COUNCIL

- a) Public Safety Commission Meeting Minutes of March 8, 2011

ACCEPTED on the CONSENT AGENDA.

- b) Code Review Commission Meeting Minutes of March 9, 2011

ACCEPTED on the CONSENT AGENDA.

- c) Fluoride Task Force Meeting Minutes of March 29, 2011.

ACCEPTED on the CONSENT AGENDA.

- d) Fluoride Task Force Meeting Minutes of March 31, 2011.

ACCEPTED on the CONSENT AGENDA.

- e) Fluoride Task Force Meeting Minutes of April 5, 2011.

ACCEPTED on the CONSENT AGENDA.

COUNCIL MEMBERS' COMMENTS

Ms. Bratcher spoke about Ice Alaska and the ice park. **Ms. Bratcher** thanked the Fluoride Task Force for its work. She indicated that the Borough should get involved and suggested presenting an ordinance for a vote and not make it a ballot issue.

Mr. Matherly thanked the Fluoride Task Force and asked that an ordinance be drafted for the Council. **Mr. Matherly** indicated that the ice park issue should be left to Ice Alaska and the railroad.

Mr. Gatewood thanked the Fluoride Task Force and indicated that an ordinance should be brought to the Council for a vote. He concurred that the Borough should be involved.

Mr. Roberts also thanked the Fluoride Task Force. He indicated that he would be fine if the issue was presented to the people for a vote.

Ms. Stiver thanked Ms. Foote for the information provided during the work session. **Ms. Stiver** concluded that the issue with the ice park was convoluted. **Ms. Stiver** shared that she voted to remove fluoride from the water supply as she did in 2008.

Mr. Matherly, seconded by **Ms. Bratcher**, moved to go into Executive Session for the purpose of discussing the A Street Apartments Claim.

Mayor Cleworth called for objection and, hearing none, so ORDERED.

EXECUTIVE SESSION

a) A Street Apartments Claim

The City Council met in Executive Session to discuss the A Street Apartments Claim and staff was given direction.

ADJOURNMENT

Mr. Roberts, seconded by **Ms. Stiver**, moved to ADJOURN the meeting.

Mayor Cleworth called for objection and, hearing none, so ORDERED.

Mayor Cleworth declared the Meeting adjourned at 10:10 p.m.

JERRY CLEWORTH, MAYOR

ATTEST:

JANEY HOVENDEN, CMC, CITY CLERK

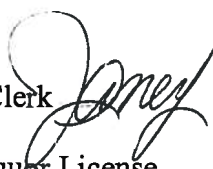
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MEMORANDUM

City of Fairbanks Clerk's Office

Janey Hovenden, City Clerk

TO: Mayor Jerry Cleworth
City Council Members

FROM: Janey Hovenden, City Clerk 

SUBJECT: Application for New Liquor License

DATE: May 9, 2011

Attached you will find notification from the ABC Board of an application for a new liquor license following applicant:

License #: **5051**
License Type: **Restaurant Eating Place**
D.B.A.*: Asiana Restaurant
Licensee/Applicant: **Young Mi Jin**
Physical Location: 2001 Airport Way

Mail Address: 1585 Crosson Ave Fairbanks AK 99501
Telephone #: 907-457-3333 907-451-6689 Fax

Corp/LLC Agent:	Address	Phone	Date and State of Limited Partnership/Corporation	Good standing?
N/A				

Please note: the Members/Officers/Directors/Shareholders (principals) listed below are the principal members. There may be additional members that we are not aware of because they are not primary members. We have listed all principal members and those who hold at least 10% shares.

Member/Officer/Director:	DOB	Address	Phone	Title/Shares (%)
Young Mi Jin	5/3/64	1585 Crosson Ave Fairbanks AK 99701	479-8901	Owner 100%
Sung C Jin	10/2/62	1585 Crosson Ave Fairbanks AK 99701	479-8901	Affiliate

Pursuant to FCG Sec. 14-178 the Council must determine whether or not to protest the liquor license action after holding a public hearing.

FGC Section 14-168 – New Locations, requires advertising in the newspaper and mailing to all owners of record of land within 500 feet of the place where alcoholic beverages will be sold, notice of the date, time and place of public hearing. Attached is documentation reflecting that was done.

I have also attached the departmental responses which reflect no objections to this new license.

State of Alaska
Alcoholic Beverage Control Board

Date of Notice: April 7, 2011

Application Type: NEW X

 TRANSFER
 Ownership
 Location
 Name Change

Governing Body: **City of Fairbanks**
 Community Councils: None

License #: **5051**
 License Type: **Restaurant Eating Place**
 D.B.A.*: **Asiana Restaurant**
 Licensee/Applicant: **Young Mi Jin**
 Physical Location: **2001 Airport Way**

Mail Address: **1585 Crosson Ave Fairbanks AK 99501**
 Telephone #: **907-457-3333 907-451-6689 Fax**
 EIN: **574086392**

Corp/LLC Agent:	Address	Phone	Date and State of Limited Partnership/Corporation	Good standing?
N/A				

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Member/Officer/Director:	DOB	Address	Phone	Title/Shares (%)
Young Mi Jin	5/3/64	1585 Crosson Ave Fairbanks AK 99701	907-479-8901	Owner 100%
Sung C Jin	10/2/62	1585 Crosson Ave Fairbanks AK 99701	907-479-8901	Affiliate

If **transfer** application, current license information:

License #: N/A
 Current D.B.A.: N/A
 Current Licensee: N/A
 Current Location: N/A

Additional comments: None.

****Date of Birth**

*** Doing Business As**

Cc: Fairbanks North Star Borough

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board **and** the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is “arbitrary, capricious and unreasonable”. Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 15 AAC 104.145, Local Governing Body Protest.

Note: Applications applied for under AS 04.11.400(g), 15 AAC 104.335(a)(3), AS 04.11.090(e), and 15 AAC 104.660(e) must be approved by the governing body.

Sincerely,

/s/ Reeda Jaramillo
Reeda Jaramillo
Lead Business Registration Examiner

Alcoholic Beverage Control Board
5848 E. Tudor Rd Anchorage, AK 99507 - Voice (907) 269-0350 - Fax (907) 272-9412



City of Fairbanks

Office of the City Clerk

800 Cushman Street

Fairbanks, AK 99701

(907)459-6715
Fax (907)459-6710

ALCOHOL BEVERAGE CONTROL BOARD LIQUOR LICENSE RESPONSE FORM

TO: FINANCE DEPT. DATE: 04/08/2011
 BUILDING DEPT.
 FAIRBANKS POLICE DEPT. FIRE DEPT.

FROM: CITY CLERK'S OFFICE

RE: LIQUOR LICENSE ACTION-NEW LICENSE APPLICATION

DATE NOTICE RECEIVED AT CLERKS OFFICE: 04-07-2011 (60 DAY DUE DATE 06/06/2011)

DATE RESPONSE DUE: 05/03/2011 for City Council Meeting of 05/09/2011

License #: 5051
License Type: Restaurant Eating Place
D.B.A.*: Asiana Restaurant
Licensee/Applicant: Young Mi Jin
Physical Location: 2001 Airport Way

Mail Address: 1585 Crosson Ave Fairbanks AK 99501
Telephone #: 907-457-3333 907-451-6689 Fax
EIN: 574086392

Corp/LLC Agent:	Address	Phone	Date and State of Limited Partnership/Corporation	Good standing?
N/A				

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If transfer application, current license information: N/A

NO PROTEST:
COMMENTS

PROTEST
REASONS:

DEPARTMENT SIGNEE: _____

(Signature)

Jim Soileau
(Printed Name)

NOTE: THIS COMPLETED FORM MUST BE RETURNED TO THE CITY CLERK'S OFFICE BY THE DATE INDICATED ABOVE. YOU MAY E-MAIL OR FAX (459-6710) THE FORM. ANY QUESTIONS CALL OUR OFFICE AT 459-6774. THANK YOU.



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If transfer application, current license information: N/A

NO PROTEST:
COMMENTS

PROTEST
REASONS:

DEPARTMENT SIGNER:  / 
(Signature) (Printed Name)

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If transfer application, current license information: N/A

NO PROTEST:
COMMENTS

PROTEST
REASONS:

DEPARTMENT SIGNEE:  , CARON J. ZAAB
(Signature) (Printed Name)

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If transfer application, current license information: N/A

NO PROTEST:
COMMENTS Fire Inspection completed and no issues...

PROTEST
REASONS:

DEPARTMENT SIGNEE:  (Signature) WARNER B CUMMINS (Printed Name)

NOTE: THIS COMPLETED FORM MUST BE RETURNED TO THE CITY CLERK'S OFFICE BY THE DATE INDICATED ABOVE. YOU MAY E-MAIL OR FAX (459-6710) THE FORM.
ANY QUESTIONS CALL OUR OFFICE AT 459-6774. THANK YOU.

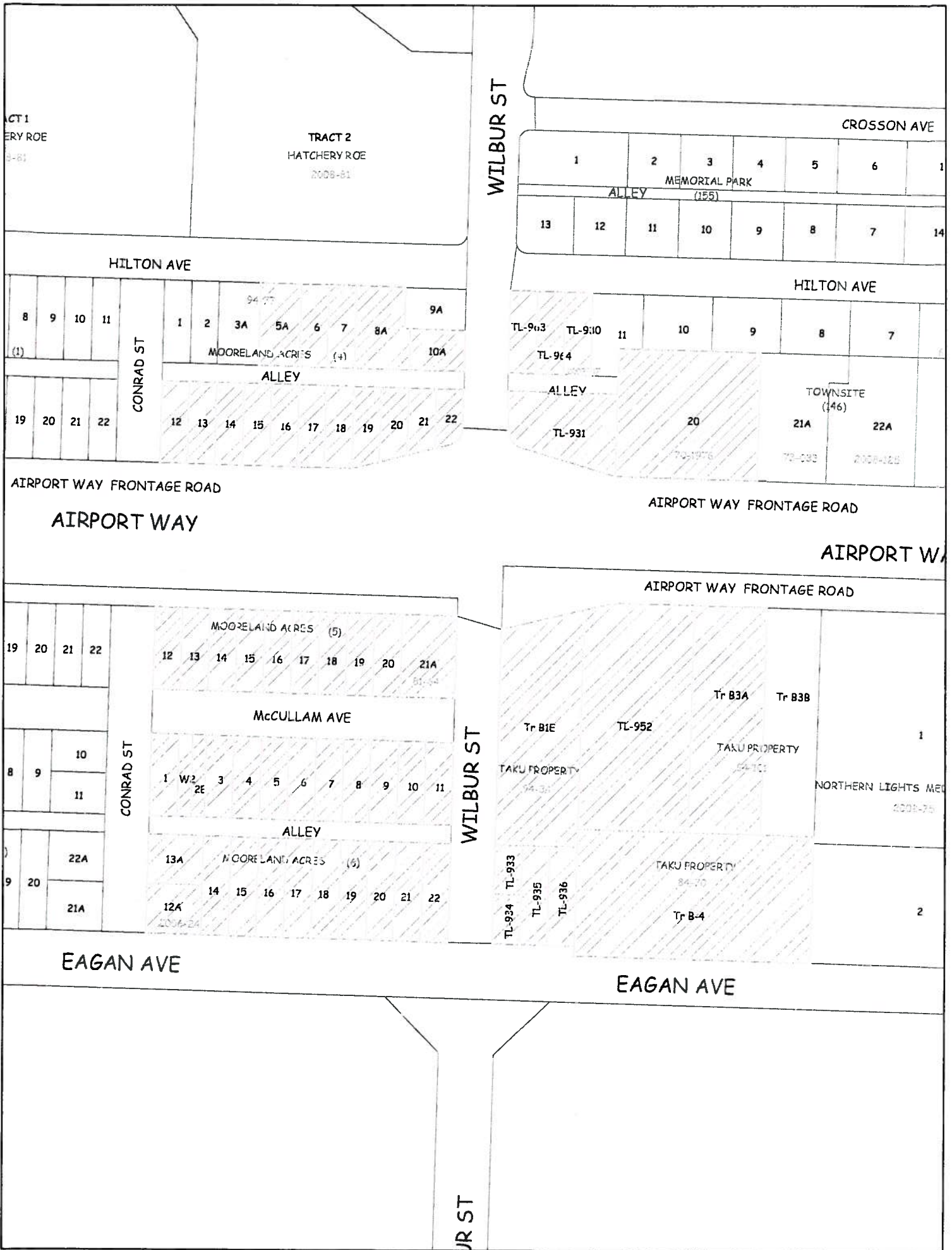
**CITY OF FAIRBANKS
PUBLIC NOTICE**

Application has been made for a NEW Restaurant Eating Place Liquor License:

D.B.A.:	Asiana Restaurant
Licensee/Applicant:	Young Mi Jin
Physical Location:	2001 Airport Way

The Fairbanks City Council will hear interested citizens concerned with the above-referenced New Liquor License, speaking for or against said application, at the regular meeting of the Fairbanks City Council on May 9, 2011, beginning at 7:00 PM, in the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska. If you have any questions please call the Office of the City Clerk at 459-6774.

Janey Hovenden
City Clerk



AIRPORT PARK LLC
1901 AIRPORT WAY STE 102
FAIRBANKS AK 99701 4049

ANDERSON SIGNE T
1429 WILBUR ST
FAIRBANKS AK 99701 5719

ARS LLC
PO BOX 60908
FAIRBANKS AK 99706 0908

BAER PAUL BRET
2022 MCCULLUM AVE
FAIRBANKS AK 99701 5712

BIERINGER GERALD F
BIERINGER HYE K
2711 SUZIE LN
MELBOURNE FL 32940 2005

BROOKS KELLY L
2018 MCCULLAM AVE
FAIRBANKS AK 99701 5712

BROWN GLENN L
BROWN LYNNE A
2013 MCCULLAM AVE
FAIRBANKS AK 99701 5711

COLUMBUS PROPERTIES LLC
C/O PENINSULA GROUP
PO BOX 14099
TUMWATER WA 98511 4099

CRISIS PREGNANCY CENTER
PREGNACY RESOURCE CENTER
PO BOX 82522
FAIRBANKS AK 99708 2522

CRISWELL DEBORAH V
PO BOX 82092
FAIRBANKS AK 99708 2092

CURRINGTON GARY B
620 GOLDMINE TRL
FAIRBANKS AK 99712 2068

D OF ALASKA INC
1345 RUDAKOF CIR STE 102
ANCHORAGE AK 99508 6104

DAVIS GLORIA
2021 MCCULLAM AVE
FAIRBANKS AK 99701 5711

DEBENHAM K MELODY
2020 EAGAN AVE
FAIRBANKS AK 99701 5706

DENALI STATE BANK
C/O WEAVER RANDY CFO
PO BOX 74568
FAIRBANKS AK 99707 4568

DRURY DAVID M
PO BOX 82540
FAIRBANKS AK 99708 2540

HAFELE DAVID J
HAFELE MYRIAM
PO BOX 80232
FAIRBANKS AK 99708 0232

HARR PATRICIA T
2027 HILTON AVE
FAIRBANKS AK 99701 4025

HENDRICKSON JONATHAN M
PO BOX 10019
FAIRBANKS AK 99710 0019

HOUTARY VICKI L
1991 HILTON AVE
FAIRBANKS AK 99701 4023

HUFMAN KIMBERLY
2026 MCCULLAM AVE
FAIRBANKS AK 99701

HUNTSBURY JOHN V
PO BOX 71600
FAIRBANKS AK 99707 1600

HURLBUT JOAN L
HURLBUT JOHN E
1201 WILBUR ST
FAIRBANKS AK 99701 4067

~~HURLBUT JOHN E
HURLBUT JOAN L
1201 WILBUR ST
FAIRBANKS AK 99701 4067~~

~~INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS 1547
3333 DENALI ST STE 200
ANCHORAGE AK 99503 4038~~

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS LCL 1547
3333 DENALI ST STE 200
ANCHORAGE AK 99503 4038

JOHNSON LENEVE A
2034 EAGAN AVE
FAIRBANKS AK 99701 5706

KURANI KURBAN
PO BOX 92413
ANCHORAGE AK 99509 2413

LARIVIERE PAUL A
2019 HILTON AVE
FAIRBANKS AK 99701 4025

LEFEBVRE SARAH
PO BOX 58603
FAIRBANKS AK 99711 0603

MCDONALDS CORPORATION
PO BOX 182571
COLUMBUS OH 43218 2571

MCGHAN DARYL J
PO BOX 74287
FAIRBANKS AK 99707 4287

MEDFORD SCOT E
WOODS BETH A
PO BOX 84986
FAIRBANKS AK 99708 4986

MILLER ELIZABETH C
2001 MCCULLAM AVE
FAIRBANKS AK 99701 5711

MOORE GRACE
510 AQUILA ST
FAIRBANKS AK 99712 1320

NESS DORIS M
KUBANYI BOBBY L
2019 MCCULLAM AVE
FAIRBANKS AK 99701 5711

OMSTEAD DENISE M
OMSTEAD JASON
2028 EAGAN AVE
FAIRBANKS AK 99701 5706

PARRY THOMAS S
2038 MCCULLAM AVE
FAIRBANKS AK 99701 5712

REECE ANDREW
REECE MARY
PO BOX 81827
FAIRBANKS AK 99708 1827

RISTAU MELVIN C
2038 AIRPORT WAY
FAIRBANKS AK 99701 4012

RUSSEL WILLIAM E
RUSSEL MARSHA L
2023 HILTON AVE
FAIRBANKS AK 99701 4025

SCULLION JOHN W
SCULLION KRISTINE L
2033 MCCULLAM AVE
FAIRBANKS AK 99701 5711

STOOP JUDITH A
571 AQUILA ST
FAIRBANKS AK 99712 1320

SWINDEL DOUGLAS E
SWINDEL LINDA
1210 WILBUR ST
FAIRBANKS AK 99701 4027

THINOI SISOUPHANH
2034 MCCULLAM AVE
FAIRBANKS AK 99701 5712

TORNELL ARNOLD C LIVING TRST
PO BOX 73253
FAIRBANKS AK 99707 3253

TURLEY SUSAN
116 TRINIDAD DR
FAIRBANKS AK 99709 2901

WILDER RICHARD V
WILDER KAREN L
2026 AIRPORT WAY
FAIRBANKS AK 99701 4012

WORTMAN CHRISTOPHER
PO BOX 70422
FAIRBANKS AK 99707 0422

MEMORANDUM

City of Fairbanks

City Clerk's Office

Janey Hovenden, City Clerk

Date: April 26, 2011

To: Mayor Jerry Cleworth
City Council Members

From: Janey Hovenden, CMC, City Clerk



Re: Abatement Hearing

Attached is a copy of notice from Building Official Steve Shuttleworth regarding the costs associated with the demolition of dangerous and substandard building located at 806 20th Avenue, Lot 14, Track B, Bjerremark Subdivision, owned by Mr. Dan Cofey, Sr. The demolition was completed October 21, 2010. A copy of the itemized charges is also attached.

Notice has been sent to the owner and as of this date no objections or protests have been filed with this office.

The City Council is required to hold public hearing for the purpose of:

- Determining the accuracy of the itemized demolition cost as submitted by the Public Works Department and Building Official;
- hearing any protests regarding the total costs of demolition;
- making such revision, correction or modification in the report or the charge as it may deem just, and;
- determining whether to assign a personal obligation or create a lien against the property.

If you have any questions you may contact me at 459-6774.

Thank you.

Extremely Alaska
Visit us on the Web at www.ci.fairbanks.ak.us



CITY OF

— FAIRBANKS

800 Cushman Street
Fairbanks, AK 99701

Building Department

Phone (907) 459-6720
Fax (907) 459-6719

April 12, 2011

Joe Cofey
588 Old Steese Highway Apt #2
Fairbanks, Alaska 99709

Certified Letter No. 7007149000016420820

Re: 806 20th Avenue
Lot 14 Tract B Bjerremark Subdivision
Notice of Public Hearing
Determination of Demolition Costs 6 Plex Residential Structure

Dear Mr. Cofey,

In accordance with the Code for the Abatement of Dangerous Buildings as adopted by the City of Fairbanks a public hearing will be held May 9, 2011 at 7:00 pm City Hall in the City Council Chambers located at 800 Cushman Street. The purpose of the hearing is to hear and pass upon the Public Works Director's report, together with any objections or protests which may be filed by any person interested in or affected by the proposed demolition charges.

Enclosed with this letter is a summary of all costs associated with the demolition of the dangerous and substandard building located at the referenced address. The total demolition cost is \$64,373.85. If you have any questions please give us a call at 459-6725.

Sincerely,

Steve Shuttleworth
Building Official

CC: Mayor Cleworth
✓ City Clerk
City Attorney
Abatement File

encl. Copy of Abatement Costs

PHASE II abatement
806 20TH AVENUE
LOT 14 Bjerremark Sub.

public works
and R&D Sub Contractor \$ 58,737.45

Bldg. asbestos testing \$ 4,095.⁰⁰

lead paint testing \$ 1,411.40

Cart Courier Services \$ 130.⁰⁰

TOTAL LIEN ⇒ \$ 64,373.85

ABATEMENT COSTS

806 20th Avenue - ABATEMENT
Lot 14 Tract B, Bjerremark Subdivision
Owner: Dan Cofey Sr.

Project 0011-470
October 21, 2010

✓ Labor, PW	2,423.45	13-0011-470 (Abatement) Labor report attached
Labor, Engineering (Hazmat)	-	N/A
✓ Equipment Usage, PW	5,800.00	13-0011-470 Equipment Usage report attached
Equipment Usage, Engineering	-	N/A
Materials/Rentals	3,555.00	Subtotal
<i>Fill material from PW stockpile</i>	3,555.00	900 yds fill material @ \$3.95/yd
<i>Equipment Rental</i>	-	N/A
Contractor Services	46,959.00	R&D Environmental, PO 20102888, Invoice # 1448
Hazmat Disposal	-	N/A
FNSB - Tipping Fees	-	N/A
	58,737.45	TOTAL



Purchase Order

Fiscal Year 2010

Page 1 of 1

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20102888-004

B I L L T O
 FINANCE DEPARTMENT
 CITY OF FAIRBANKS
 800 CUSHMAN STREET
 FAIRBANKS, AK 99701
 Attention: PUBLIC WORKS

V E N D O R
 3612
 R&D ENVIRONMENTAL INC
 DBA ROCK AND DIRT ENVIRONMENTAL
 600 NOBLE ST SUITE H
 FAIRBANKS, AK 99701-4952

P U B L I C W O R K S
 PUBLIC WORKS
 CITY OF FAIRBANKS
 2121 PEGER ROAD
 FAIRBANKS, AK 99709

Vendor Phone Number		Vendor Fax Number		Requisition Number		Delivery Reference	
907-374-9170				50101439		FB-10-36	
Date Ordered	Vendor Number	Date Required	Freight Method/Terms		Department/Location		
09/30/2010	3612				50 - DPW		
Item#	Description/Part No.			Qty	UOM	Unit Price	Extended Price
	PO Requisitioner Name: Annie Witt						
1	COFEY ABATEMENT, 805 20TH AVENUE: ASBESTOS ABATEMENT OF A SIX-UNIT RESIDENTIAL STRUCTURE. CONTRACTOR TO FURNISH ALL LABOR, EQUIPMENT AND MATERIALS TO PERFORM ALL WORK NECESSARY FOR THE FOLLOWING: 1) BASE BID: REMOVAL OF ALL FRIABLE ASBESTOS MATERIAL FROM THE STRUCTURE SUCH THAT THE REMAINDER OF THE BUILDING AND ITS CONTENTS CAN BE LEGALLY DEMOLISHED AND DISPOSED.			1.0	LS	\$4,685.00000	\$4,685.00
	<i>0000-01-15-00-00000-7213</i>						<i>\$4,685.00</i>
2	2) ADDITIVE ALTERNATE 1: DEMOLISH THE ABATED STRUCTURE IN ITS ENTIRETY, INCLUDING SUB GRADE BASEMENT AND FLOOR SLAB BY CONVENTIONAL MEANS AND TRANSPORT THE DEBRIS TO THE FAIRBANKS NORTH STAR BOROUGH LANDFILL FOR PROPER DISPOSAL.			1.0	LS	\$42,274.00000	\$42,274.00
	<i>0000-01-15-00-00000-7213</i>						<i>\$42,274.00</i>
3	CITY PERSONNEL WILL PERFORM ADDITIVE ALTERNATE 2: BACKFILL.			1.0	LS	\$0.00000	\$0.00
	<i>0000-01-15-00-00000-7213</i>						<i>\$0.00</i>
	C/O TO CORRECT ACCOUNT ALLOCATION ON PO.						

DEPARTMENT COPY

- Partial Order
- Purchase Order Complete

Receiver _____ Date _____

Purchase Order Total
\$46,959.00

R & D Environmental, Inc.

600 Noble Street, Ste H
Fairbanks, AK 99701

Invoice

Date	Invoice #
11/10/2010	1448

Bill To
City of Fairbanks Purchasing Office 800 Cushman Street Fairbanks, AK 99701

P.O. No.	Account #

Description	Amount
Abatement and Demolition of 806 20th Ave FB-10-36	46,959.00
Total	\$46,959.00

EQUIPMENT MAINTENANCE CHARGES
COFFEY ABATEMENT - FILL MATERIAL FROM PW STOCKPILE
FROM: 10/21/2010 THROUGH: 10/21/2010

Date	Equip #	Hours	Charge Out Rate	Total
13-0011-470 - PW/STOCKPILING				
10/21/2010	L-13	10	\$150.00	\$1,500.00
10/21/2010	L-11	10	\$150.00	\$1,500.00
10/21/2010	DT-18	10	\$70.00	\$700.00
10/21/2010	DT-02	10	\$70.00	\$700.00
10/21/2010	DT-19	10	\$70.00	\$700.00
10/21/2010	DT-01	10	\$70.00	\$700.00
Project Subtotal:		60.00		\$5,800.00
Report Total:		60.00		\$5,800.00

**COFEY ABATEMENT - 806 20TH AVENUE
PUBLIC WORKS LABOR**

Date	Employee	Project	Hours	Rate	Burden	Total Labor
10/21/10	COTTER, JEREMIAH J	0011470	10	25.43	14.50	399.25
10/21/10	HARTT, ROBERT D	0011470	10	25.43	14.50	399.25
10/21/10	SIEBELS, BEN G	0011470	10	25.43	14.50	399.25
10/21/10	STEINKE, ARNOLD D	0011470	10	25.43	14.50	399.25
10/21/10	WALN, CORY J	0011470	10	25.43	14.50	399.25
10/21/10	WHEELOCK, MYRLENE D	0011470	10	27.21	15.51	427.20

Total Labor: 2,423.45

\\nanook\CITYHALL\PW\PWShared\Abatements & Cleanup Projects\Abatements & Refuse
Cleanup\Abatements\Coffey\Coffey Abatement



ORIGINAL

Purchase Order

Fiscal Year 2010

Page 1 of 2

Fiscal Code C
 Revisions 000
 Fiscal Period 08
 Expiration Date 12/31/2010

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
 Purchase Order # **20102532-000**

CITY OF FAIRBANKS

BUILDING DEPARTMENT
 CITY OF FAIRBANKS
 800 CUSHMAN STREET
 FAIRBANKS, AK 99701
 Attention: BUILDING DEPARTMENT

ASBESTOS REMOVAL SPECIALIST

1204
 ASBESTOS REMOVAL SPECIALIST
 OF ALASKA INC
 3049 DAVIS RD
 FAIRBANKS, AK 99709

CITY OF FAIRBANKS

BUILDING DEPARTMENT
 CITY OF FAIRBANKS
 800 CUSHMAN STREET
 FAIRBANKS, AK 99701

Vendor Phone Number	Vendor Fax Number	Requisition Number	Delivery Reference
907-451-8550	907-452-6374	60100046	

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/30/2010	1204			60 - BUILDING

Item#	Description/Part No.	Qty	UOM	Unit Price	Extended Price
1	PO Requisitioner Name: Danyielle Snider BUILDING MATERIALS TESTING (ASBESTOS) - 83 SAMPLES; HOURLY PAY FOR TECH, CLERICAL PAY <i>for 806 20th Ave ABATEMENT</i> 0000-01-15-00-00000-7213	1.0	Each	\$4,095.00000	\$4,095.00

For Accounting Use ONLY!		Sales Tax Discount Freight Order Total	\$4,095.00
Invoice Date ___/___/___	Invoice Amount \$ _____		
Date invoice will be paid ___/___/___			

ACCOUNTING COPY

Req # 6010096
 PO # 20102532

Asbestos Removal Specialists of Alaska, Inc

3049 Davis Road
 Fairbanks, AK 99709
 Phone: (907) 451-8550
 Fax: (907) 452-6374

Invoice

DATE	INVOICE NO
8/27/2010	8321

BILL TO:
City of Fairbanks 800 Cushman Street Fairbanks, AK 99701

RECEIVED
 AUG 27 2010 @ 12:10pm

TERMS	DUE DATE
30 Days	9/26/2010

DESCRIPTION	AMOUNT
Building Material Testing 83 Samples at 22.00 ea	1,826.00
Asbestos Tech 14.5 hours at \$78.00 hour	1,131.00
JJ Middleton- competent 10 hours at \$95.00 hour	950.00
Clearical 4 hours at \$47.00	188.00

Thank you for your business.	Total	\$4,095.00
	Balance Due	\$4,095.00



ORIGINAL

file - copy
Purchase Order

Fiscal Year 2010

Page 1 of 2

Fiscal Code C
Revisions 000
Fiscal Period 08
Expiration Date 12/31/2010

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # **20102452-000**

OFFICE

BUILDING DEPARTMENT
CITY OF FAIRBANKS
800 CUSHMAN STREET
FAIRBANKS, AK 99701
Attention: BUILDING DEPARTMENT

PODZEM

2475
SUNEX INC
121 TRINIDAD DR
FAIRBANKS, AK 99709-2902

SHIP TO

BUILDING DEPARTMENT
CITY OF FAIRBANKS
800 CUSHMAN STREET
FAIRBANKS, AK 99701

Vendor Phone Number	Vendor Fax Number	Requisition Number	Delivery Reference
907-457-5478	907-457-5479	60100045	

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/23/2010	2475			60 - BUILDING

Item#	Description/Part No.	Qty	UOM	Unit Price	Extended Price
	PO Requisitioner Name: Danyielle Snider				
1	LEAD-BASED PAINT & TCLP SURVEY, 806 20TH AVE ABATEMENT 08/11/10; LABOR, 13.5 HRS @ \$95.00/HR	1.0	Each	\$1,282.50000	\$1,282.50
	0000-01-15-00-00000-7213			\$1,282.50	
2	SHIPPING	1.0	Each	\$28.90000	\$28.90
	0000-01-15-00-00000-7213			\$28.90	
3	ANALYTICAL, 2 TCLP LEAD ANALYSES @ \$50.00/EA	1.0	Each	\$100.00000	\$100.00
	0000-01-15-00-00000-7213			\$100.00	

For Accounting Use ONLY!
 Invoice Date ___/___/___ Invoice Amount \$ _____
 Date invoice will be paid ___/___/___

Sales Tax	
Discount	
Freight	
Order Total	\$1,411.40

ACCOUNTING COPY

evrd

SUNEX, Inc.

EIN 92-0178110

REQ # 60100045
PO 20102452

Invoice

Date	Invoice #
8/20/2010	2010017

SUNEX, Inc.
121 Trinidad Drive
Fairbanks, AK 99709-2902

Phone # 907-457-5478 Fax # 907-457-5479 E-mail sunex@ptialaska.net

RECEIVED

AUG 20 2010

Bill To
City of Fairbanks 800 Cushman Street Fairbanks, AK 99701

Contract/Project No.	806 20th Avenue
----------------------	-----------------

Description	Amount
Lead-Based Paint & TCLP Survey, 806 20th Ave., 2010 August 11	1,282.50
Labor, 13.5 hrs @ \$95.00/hr	
Shipping	28.90
Analytical, 2 TCLP Lead analyses @ \$50.00/ea	100.00
Thank you.	Total \$1,411.40



ORIGINAL

Purchase Order

Fiscal Year 2010

Page 1 of 2

Fiscal Code C
Revisions 000

Fiscal Period 08
Expiration Date 12/31/2010

THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20102419-000**

BUILDING DEPARTMENT

BUILDING DEPARTMENT
CITY OF FAIRBANKS
800 CUSHMAN STREET
FAIRBANKS, AK 99701
Attention: BUILDING DEPARTMENT

COURT COURIER SERVICES

1410
COURT COURIER SERVICES
ED STERN
P O BOX 72898
FAIRBANKS, AK 99707-2898

BUILDING DEPARTMENT

BUILDING DEPARTMENT
CITY OF FAIRBANKS
800 CUSHMAN STREET
FAIRBANKS, AK 99701

Vendor Phone Number	Vendor Fax Number	Requisition Number	Delivery Reference
		60100044	

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/19/2010	1410			60 - BUILDING

Item#	Description/Part No.	Qty	UOM	Unit Price	Extended Price
1	PO Requisitioner Name: Danyielle Snider COURT COURIER SERVICES - CORRESPONDENCE/SERVICE TO DAN & JOE COFEY RE: COFEY ABATEMENT AT 806 20TH AVE 0000-01-15-00-00000-7213	1.0	Each	\$130.00000	\$130.00
					\$130.00

For Accounting Use ONLY!

Invoice Date ____/____/____ Invoice Amount \$ _____

Date invoice will be paid ____/____/____

Sales Tax	
Discount	
Freight	
Order Total	\$130.00

ACCOUNTING COPY

Revised

Court Courier Services

P.O. Box 72898
Fairbanks, AK 99707

Rec'd 8/17/10
Invoice

Date	Invoice #
8/10/2010	1353

Bill To
City of Fairbanks-City Attorney's Office 800 Cushman Street Fairbanks, Alaska 99701

REQ # 60100044
PO # 20102419

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
* *	Service re: Jeffrey A. Skelly/10-1860C1 Service re: Delivery Correspondence/Dan Cofey Jr/806 20th Avenue Attempted Service re: Joe Cofey/806 20th Avenue	65.00 65.00 65.00	65.00 65.00 65.00
<p>Steve —</p> <p>Pls advise what acct to pay these fees, or, Daniyelle can pay. Let me know.</p> <p>8/18/10</p> <p>Linda</p>			<p>ADBY BLDG DEPT</p> <p>gen svcs</p> <p>* Abatement</p>
Please Reference Invoice # When Making Payment.		Total	\$195.00

Introduced by: Mayor Jerry Cleworth
Finance Committee: April 19, 2011
Introduced: April 25, 2011

ORDINANCE NO. 5846

AN ORDINANCE TO PRESENT TO THE QUALIFIED VOTERS OF THE CITY THE QUESTION OF APPROVING ADDITIONAL CITY SERVICES THROUGH PRE-PAYING THE OUTSTANDING BOND DEBT FOR THE POLICE STATION

WHEREAS, Fairbanks voters in 2000 approved borrowing \$7,000,000 to build the new Police Station; as of December 31, 2011, \$1,890,000 will remain owing; and

WHEREAS, under the current payment schedule, the bonds will be paid in full in 2014; and

WHEREAS, the City Charter's Tax Cap provides that the maximum amount of taxes levied in any year includes annual debt payments; and

WHEREAS, paying off the outstanding debt in 2011 will end the need for annual payments; the total of 2011 payments is \$695,380; and

WHEREAS, pre-payment of this debt presents an opportunity to use the avoided debt service expense for additional City services without any increase in taxes,

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. That the following proposition be presented to the qualified voters of the City at the next general October election as follows:

Do you approve the City Mayor and City Councils' recommendation to pay off the full Police Station debt in 2011 and adjust the Tax Cap to use the \$695,380 in savings to provide additional City services annually?

And that the following information be provided to the voters:

INFORMATION REGARDING CITY PROPOSITION _____. The City is proposing to increase revenues by paying off existing debt instead of raising current taxes. Under the City Tax Cap, reduction of annual debt payments decreases the total amount of taxes that may be levied. The City Mayor and City Council are proposing to pay off the entire remaining Police Station bond debt in 2011 and request voter approval to use the annual savings of \$695,380 to fund additional City services by adjusting the annual Tax Cap by that amount on a recurring basis.

Section 2. That the effective date of this ordinance shall be the ___ day of _____ 2011.

Jerry Cleworth, Mayor

AYES:
NAYS:
ABSTAIN:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

Introduced by: Mayor Jerry Cleworth
Finance Committee: April 19, 2011
Introduced: April 25, 2011

ORDINANCE NO. 5846 AS AMENDED

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Section 2. That the effective date of this ordinance shall be the ___ day of _____ 2011.

Jerry Cleworth, Mayor

AYES:
NAYS:
ABSTAIN:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

ORDINANCE NO. 5847

**AN ORDINANCE AUTHORIZING LEASE OF THE "CHENA BUILDING"
FROM THE CITY TO THE EARLY COLLEGE OF ALASKA, INC**

WHEREAS, the City of Fairbanks is the owner of Lots 21 & 22, Block 13, Fairbanks Townsite, including the building thereon, located at 514 Second Avenue, known as the Chena Building, as shown on attached "Exhibit A", and

WHEREAS, the Chena Building has been leased to the University of Alaska since 1993, which lease will expire on June 30, 2011, at which time the University will vacate the premises, and

WHEREAS, the Early College of Alaska Inc has expressed a desire to occupy and lease the Chena Building beginning July 1, 2011, and

WHEREAS, the Early College of Alaska, Inc., is an existing registered non-profit and proposed charter school dedicated to students in grades 9-12, providing rigorous academic instruction to prepare students for college and providing early college attendance, and

WHEREAS, the City administration has reviewed said Chena Building space and determined that same is not required for municipal purposes and can be leased to others, and

WHEREAS, Fairbanks General Code of Ordinances Section 70-44 provides that the City may lease to a non-profit organization without public sale and for less than market value, whenever in the judgment of the City Council it is advantageous to do so, and

WHEREAS, it is the sense of the City Council that lease of the premises described above for the purposes stated is in the best interest of the community,

NOW THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

SECTION 1. That a lease instrument substantially in the form shown on attached "Exhibit B" is hereby authorized by Council for the purposes herein stated, providing for a 5-year lease term, and including rent escalators.

SECTION 2. That execution of said lease is contingent upon the Early College of Alaska obtaining final approval of its proposed charter by the State of Alaska before June 15, 2011.

SECTION 2. That the Mayor is hereby authorized and directed to execute said lease on behalf of the City, and the City Clerk is authorized to attest and affix the City Seal to said instrument, the execution of which shall take place not less than thirty (30) days after the effective date of this ordinance, as prescribed by section 8.3 of the City Charter and Sec. 7-56 of the Fairbanks General Code.

SECTION 3. That the effective date of this ordinance shall be the 28th day of May, 2011.

JERRY CLEWORTH, Mayor

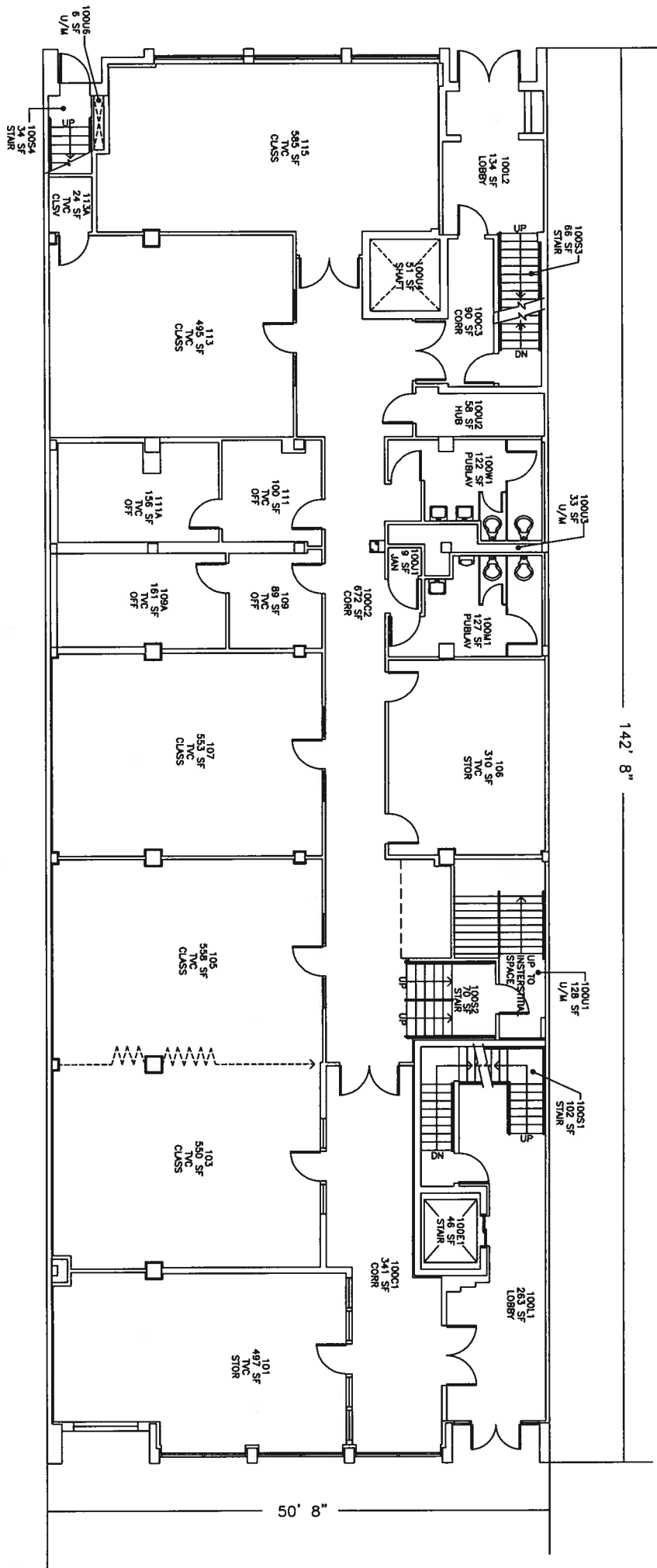
AYES:
NAYS:
ABSTAIN:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

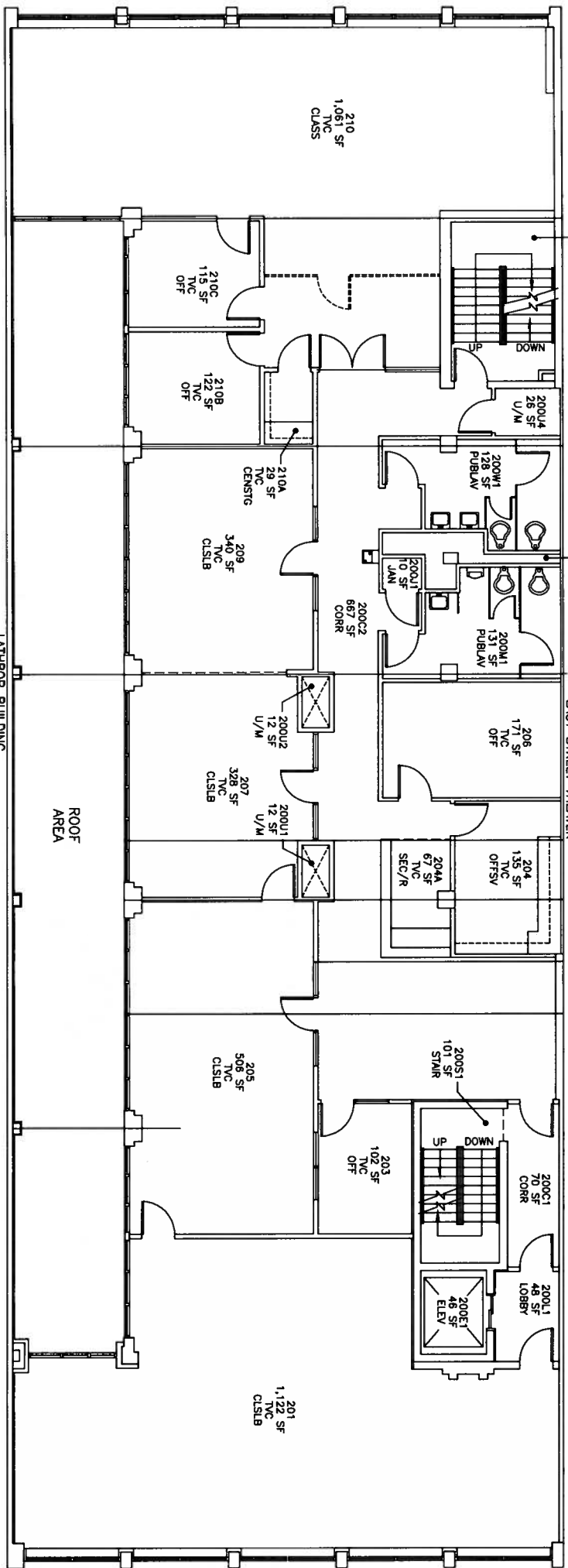
JANEY HOVENDEN, CMC, City Clerk

PAUL EWERS, City Attorney



FIRST LEVEL

EXHIBIT 'A' 1 OF 3
ORDINANCE 5847



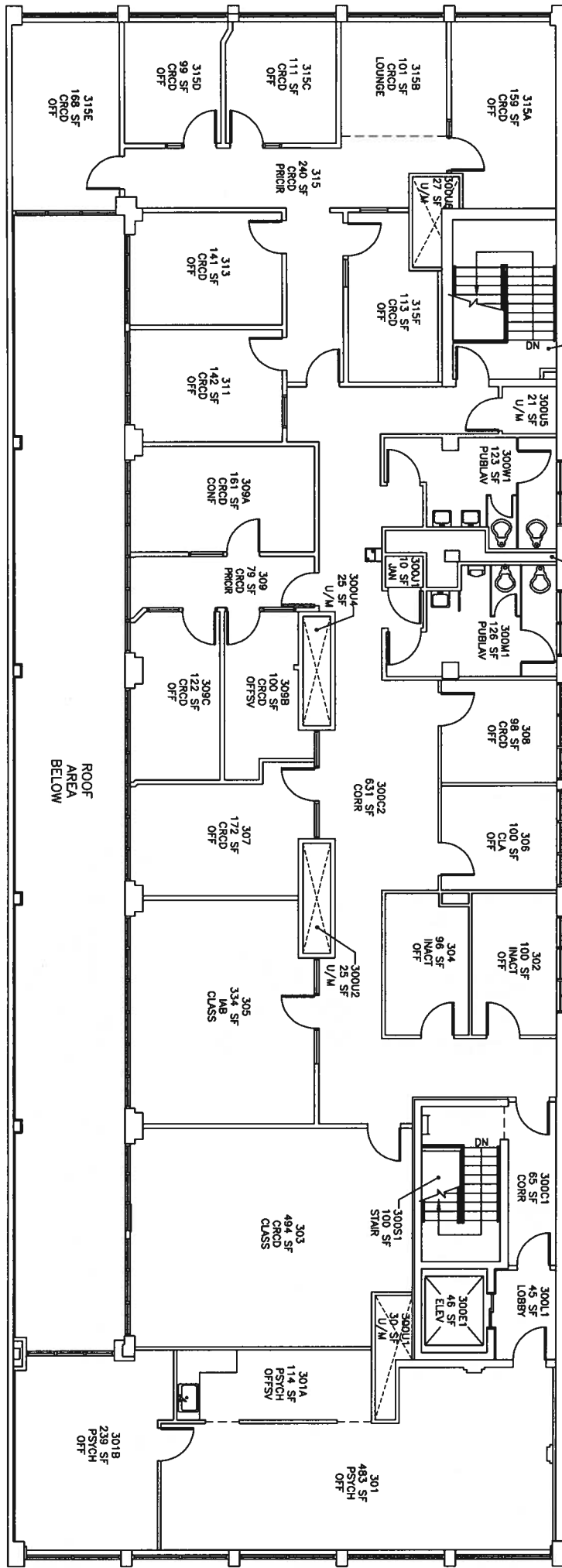
LATHROP BUILDING

LACY STREET THEATER

ROOF AREA

SECOND LEVEL

EXHIBIT 'A' 2 OF 3
ORDINANCE 5847



THIRD LEVEL

ROOF AREA BELOW

EXHIBIT 'A' 3 OF 3
ORDINANCE 5847

EXHIBIT 'B' TO ORDINANCE No. 5847
REAL ESTATE LEASE

THIS LEASE made this _____ day of _____, 2011, between THE CITY OF FAIRBANKS, a municipal corporation of the State of Alaska, with address of 800 Cushman Street, Fairbanks, Alaska 99701, hereinafter called "Lessor", and EARLY COLLEGE OF ALASKA, INC., its agents or employees, with address of PO Box 82562 Fairbanks, Alaska 99708, hereinafter called "Lessee";

WITNESSETH:

WHEREAS, the City of Fairbanks, by Ordinance No. 5847, authorized execution of this lease of City owned property identified below.

NOW THEREFORE, Lessor, in consideration of the rent hereinafter specified and of the mutual covenants and agreements herein expressed has leased and by these presents does lease that certain real property, including land and buildings, described as follows:

1. Lease of Premises. The Lessor leases to Lessee, and Lessee leases from Lessor, the real property located at Fairbanks, Alaska, more particularly described as follows:

- a. Land & Building

All of that certain building located at 514 Second Avenue, Fairbanks, Alaska, located on and including Lots 21 and 22, Block 13, Fairbanks Townsite, more commonly known as the "Chena Building", containing 19,500 square feet of above grade area and 7,200 square feet of basement area, more or less, hereinafter referred to as "premises", as indicated on attached Exhibit "B".

2. Parking. The following parking is made part of this Lease:

- 2.1 Parking Garage. Lessee shall have non-exclusive use of 36 parking spaces inside the Downtown Parking Garage, located at 201 Lacey Street. The Parking Garage is operated by the Fairbanks Parking Authority. Lessee shall observe the policies and regulations of the Parking Authority in use of the parking facility.

3. Term. The term of this Lease shall be for five (5) years, commencing on _____, 2011, and ending at midnight on _____ 2016.

4. Annual Funding Contingency. The Parties acknowledged that Lessee relies on and is subject to annual funding appropriation by the State of Alaska, which appropriation is not guaranteed. In the event funding is not appropriated, Lessee shall have the right to cancel this lease upon sixty days notice given to Lessor in writing.

5. Rent.

5.1 As compensation for use of the premises during the first year of this lease (months one through twelve, inclusive), Lessee shall pay:

- a. 100% of the utilities and maintenance expenses for the Premises, as set forth under Section 11, below; and
- b. The monthly cost of 36 spaces located in the Downtown Parking Garage and operated by the Parking Authority, at a monthly rate established by the Fairbanks Parking Authority, and as from time to time revised. Payment for said parking shall be made directly to the Parking Authority, 201 Lacey Street, Fairbanks, Alaska 99701.

5.2 As compensation for use of the premises during the second year (months thirteen through twenty-four), inclusive)of this lease, Lessee shall pay:

- a. 100% of the utilities and maintenance expenses for the Premises, as set forth under Section 11, below; and
- b. The monthly cost of 36 spaces located in the Downtown Parking Garage (payable to the Parking Authority), plus a monthly rent to the City in the amount of \$3,530.

5.3 As compensation for use of the premises during years three through five of this lease, Lessee shall pay:

- a. 100% of the utilities and maintenance expenses for the Premises, as set forth under Section 11, below, and;
- b. The monthly cost of 36 spaces located in the Downtown Parking Garage (payable to the Parking Authority), and;
- b. Revised rent: Within sixty (60) days prior to beginning of each of the third, fourth and fifth years, the Lessee shall meet with the City of Fairbanks Finance Committee to review the rent for increase. Lessee shall disclose its financial capability and ability to fund such increase. If a rent increase cannot be mutually agreed, either party may terminate this lease upon sixty (60) days written notice to the other.

5.4 Other provisions of this section notwithstanding, if at any time during the term of this lease the Early College of Alaska student enrollment shall meet or exceed 150 students, Lessee shall immediately notify the Lessor, and be subject to rent review. This clause is intended to recognize that state educational funding increases when an enrollment of 150 students is achieved, and to recognize that the initial rent is below market rates. In no event shall the Lessee be required to pay a greater rent than fair market rent.

6. Renovation or Remodeling. Any Lessee renovations or modifications of the lease space shall first be submitted to the City Engineer for review and approval at his discretion. In addition, Building Department review and permitting may be required. Such review and approval shall not be required where renovations are of a cosmetic nature that do not involve safety, egress, or structural concerns. To the extent Lessee performs any major or structural repairs, including replacement of windows, energy efficiency upgrades, and the like, Lessor shall agree to an abatement of rent for the cost of such repairs, with the parties to agree as to whether the abatement shall be pro rata or lump sum.

7. Condition. Lessee has inspected the premises, is familiar with the physical condition and accepts the premises in its "as-is" condition.

8. Permitted Uses. Lessee shall use the premises for the nonprofit business of educational and development activities and necessary administrative office space.

8.1 Third Party Use. Lessee agrees to notify Lessor of any agreements made to allow agencies, groups, or organizations not affiliated with or necessary to implement the Permitted Use of Lessee to utilize the leased premises on an incidental basis. Lessor shall have the right to reject or restrict such agreements. In all events, such incidental third party use shall not exceed a period of ten days, unless otherwise approved under Section 14, Assignment and Sublease.

9. Prohibited Uses. Lessee shall not use or permit the use of the premises or any part thereof in violation of any applicable law, ordinance, or regulation.

10. Access and Security. Lessee shall control access and security at the premises, bearing responsibility for same.

11. Payment of Expenses Relating to the Premises.

11.1 Utilities. Lessee shall be responsible for payment of telephone, data and other cable services and other privately contracted services as required by the utility provider.

11.2 Maintenance. Lessee shall perform all routine interior and exterior maintenance associated with the leased premises proper, including but not limited to incidental replacement of light bulbs, routine repair of electrical and mechanical systems

within the lease area but not to include replacement of infrastructure, window cleaning, and general maintenance, and keeping the premises in a clean, safe condition. In the event that Lessor performs maintenance or repair under this section, whether at its election or upon request of Lessee, Lessee shall repay Lessor for the actual costs of materials and labor expended for same.

Lessee shall also maintain the sidewalks adjacent the leased premises, including snow removal. Lessee shall notify Lessor of hazards or safety concerns in the exterior common areas in a timely manner.

11.3 Janitorial and Garbage Collection. Janitorial and garbage service within the premises, if any, shall be provided by Lessee.

11.4 Taxes. Lessor is a municipality of the State of Alaska and is therefore exempt from property taxes. If taxes are levied against the leased premises by a governmental body so long as Lessor remains the owner of record, any such taxes shall be paid by Lessee. Should taxes be levied against the property at such time as the record owner of the leased fee estate is a taxable entity, such owner shall be responsible for payment of taxes.

12. Exculpation and Indemnity.

12.1 Exculpation of Lessor. Lessor shall not be liable to Lessee for any damage to Lessee or Lessee's property from any cause. Lessee shall bear all risk of loss as to all personal property of the Lessee, stored, or remaining on or near the premises, including without limitation, inventory, equipment, fixtures, and employees' personal effects.

12.2 Indemnity. Lessee shall defend and hold the Lessor harmless from all damages arising out of any damage or injury to any person or property occurring in, about, or on the premises, excluding exterior public areas.

12.3 Public Liability and Damage Insurance. Lessee at its sole cost shall at all times maintain public liability and damage insurance with a single combined liability limit of \$1,000,000 and insuring against all liability of Lessee and its authorized representatives arising out of and in connection with Lessee's use or occupancy of the premises, excluding exterior public areas. All public liability insurance and property damage insurance shall insure performance by Lessee of the indemnity provisions provided herein. Lessor shall be named as an additional insured.

13. Prevention of Waste and Nuisance. Lessee shall not use the premises in any manner that will constitute waste, nuisance, or unreasonable annoyance to Lessor or the owners or occupants of adjacent properties. Violation or breach under this section shall be determined at the sole discretion of the City Engineer.

14. Assignment and Sublease. Lessee shall not assign its rights under this Lease or sublet all or any portion of the premises without the prior written consent of Lessor. Consent shall be at the sole discretion of Lessor.

15. Liens. Lessee shall keep the premises free from any liens, including without limitation those liens arising out of any work performed, materials furnished, or obligations incurred by Lessee.

16. Consultation with Attorney. Lessee acknowledges that it has the right to review this Lease and all other documents relating to the Lease with its own attorney. Each party electing to have this Lease reviewed by an attorney shall bear the costs and expenses so incurred.

17. Destruction. If during the Lease term, the premises are totally or partially destroyed from any cause, rendering the premises totally or partially inaccessible or unusable, Lessee, at its election, may either terminate this Lease or restore the premises. Lessor shall have no duty to repair or restore the premises, but shall abate the rent pro rata to reflect the decreased usage or utility of the premises. If lessee elects to restore the premises, Lessee will have one hundred eighty (180) days in which to complete the repairs. If Lessee elects not to repair the premises, this agreement will be terminated at the earlier of the notice of election or within sixty (60) days of the casualty, without further recourse for lease payments for the remainder of the term.

18. Right of Entry. Lessor, its agents and authorized employees, shall have the right to enter the leased premises to examine the same and to make repairs as Lessor may deem necessary or desirable during Lessee's business hours. All such entry shall be preceded by 24 hours advance notice to Lessee, except that immediate entry shall be allowed in event of emergency, as determined by the City Engineer.

19. Default. Failure to occupy and operate the premises for thirty (30) consecutive days, or failure to perform any provision of this Lease shall constitute default by Lessee of this Lease. Upon Lessee's default, Lessor shall give Lessee ten (30) days notice to cure the default. No default notice shall be deemed a forfeiture or a termination of this Lease unless Lessor so elects in the notice.

20. Notice. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first class mail, addressed to the other party at the address set forth in the introductory paragraph of this Lease. Either party may change its address by notifying the other party of the change of address.

21. Effect of Prior Agreements. This lease supersedes and replaces any prior agreements between the Parties.

22. Attorney's Fees. If Lessor brings or maintains an action for enforcement of any of the covenants, terms or conditions of this Lease, Lessee shall pay all costs incurred by Lessor for such action including attorney's fees in the event Lessee is found to be at fault.

23. Right of First Refusal. In the event that Lessor elects to sell the subject property during the term of this lease, Lessee shall have the right to either purchase the property at Lessor's asking price, as may be established by Lessor at that time, or to meet any other bonafide offer received in response to Lessor's offer to sell.

24. Time of the Essence. Time is of the essence of each provision of this Lease.

25. Successors. This Lease shall be binding on and inure to the benefit of the parties and their successors.

26. Captions. The captions of this Lease shall have no interpretive effect.

27. Singular and Plural. When required by the context of this Lease, the singular shall include the plural.

28. Severability. The unenforceability, invalidity, or illegality of any provision shall not render the other provisions unenforceable, invalid, or illegal.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the date first written above.

LESSEE:
Early College of Alaska, Inc.

LESSOR:
City of Fairbanks

By: Steve Levey
Title: APC Chairperson

By: Jerry Cleworth
Title: Mayor

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC
City Clerk

Paul Ewers
City Attorney

(City seal)

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____, 2011, the undersigned, a Notary Public for the State of Alaska, duly commissioned and sworn as such, personally appeared JERRY CLEWORTH, and JANEY HOVENDEN, and that they acknowledged before me that they executed the same for and on behalf of The City of Fairbanks and under the authority of said municipal corporation so granted by the City Council, as their free and voluntary act and deed of said corporation.

IN WITNESS, I have set my hand and affixed my official seal on this _____ day of _____, 2011.

Notary Public
My Commission Expires:_____

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____, 2011, the undersigned, a Notary Public for the State of Alaska, duly commissioned and sworn as such, personally appeared _____, to me known to be the person described in and who executed the foregoing instrument and acknowledged to me that she/ he signed the same freely and voluntarily for the uses and purposes therein mentioned.

IN WITNESS, I have set my hand and affixed my official seal on this _____ day of _____, 2011.


Notary Public
My Commission Expires:_____

City of Fairbanks

From the
City Attorney's Office

MEMORANDUM

TO: Mayor and Council Members

FROM: Paul Ewers, City Attorney 

SUBJECT: Draft Decision - Board of Adjustment Appeal

DATE: April 29, 2011

Attached for your review is a draft decision in the Board of Adjustment Appeal matter that was heard at the April 25 Council Meeting. The FNSB code requires that every decision be based upon findings and conclusions adopted by the board of adjustment.

The draft decision will be on the May 9 meeting agenda under communications to council. There will need to be a motion to approve the decision. Any proposed amendments to the language of the decision can be made at that time.

In the Matter of the Board of Adjustment regarding V2011-001 (O'Leary)

An appeal from the Fairbanks North Star Borough
Planning Commission denial of V2011-001.

DECISION

Edward O'Leary appealed to the Fairbanks City Council sitting as a board of adjustment pursuant to FNSB Code Sec. 18.52.030. O'Leary appealed the denial by the Planning Commission of his request for lot size variances of 32,250 square feet and 28,390 square feet to the General Use-1 minimum lot size requirement of 40,000 square feet in order to shift a lot line, resulting in a 7,750 square foot lot at Lot 16A (Lot 16-A-1 after proposed replat) and an 11,610 square foot lot at 17 (Lot 17-A after proposed replat), Block 07 GraehlTownsite (located southeast of the Steese Highway and on the northeast side of Second Street).

Summary of Facts

O'Leary wished to shift the shared lot line between his two lots twenty-five to the west in order to increase the size of Lot 17 and decrease the size of Lot 16A in anticipation of the changes that will be brought about by the Third Street widening project. DOT's Third Street widening project will require the acquisition of 47 feet of Lots 1-7A on the northeastern half of this block and will reduce access off of Third Street. Dr. Michael Helbrecht's dental office will be affected by this project, and he has stated that he will be building a new office on Lot 5. He is working with Mr. O'Leary to secure alternative access. The new office will have access off Third Street and, through Lot 16-A-1, onto Second Street. Shifting of the shared lot line westward will allow access to be maintained adjacent to the new shop that has been constructed on Lot 17.

O'Leary's proposed replat reduces the size of Lot 16-A and increases the size of Lot 17. Decreasing the size of an already undersized lot requires a variance. Increasing the size of an

undersized lot does not strictly require a variance, but Mr. O'Leary applied for a lot size variance for both lots.

The lots in question were originally platted in 1921. There was no minimum lot size at that time. The minimum lot size was established in 1988 with the GU zone. All of Graehl is zoned GU-1. It is a pocket of GU-1 in the city. The subject lots are surrounded by GU-1, but across the Steese to the west is zoned general commercial, to the north is MFO and light commercial and to the south and the east you have multiple-family and two-family zones. As noted in the staff report presented at the Planning Commission meeting on December 14, 2010, GU-1 is not an appropriate zone for this area. Few of the lots in Graehl meet the minimum lot size for GU-1.

Findings and Conclusions

The appeal was presented to the council by way of a motion to grant the O'Leary's appeal, thereby granting his request for variances. At the conclusion of the hearing, the council voted 4 to 1 to grant the appeal.

The Council noted that the current situation was triggered by the Third Street Project wherein the State DOT would be taking property in order to improve Third Street. It also noted that even the Borough recognized that GU-1 was not the appropriate zone for this area and that almost no lots in Graehl met the minimum lot size. The Council also recognized the uniqueness of this area of the city and that the many of the lots in this area were originally platted in 1921.

The Council finds that denial of the propose variance will deprive Mr. Leary of use of his property that he would have been allowed and that owners of property in the immediate area would have been allowed but for the vagaries of the 1921 platting and the imposition of the current inappropriate zone.

Granting the variances results in no change in the current situation as there is no net gain or loss – there will still be two undersized lots of roughly the same size. There will be no change to the neighborhood and no harm to the health and welfare of the people in the area.

The Council finds that contrary to the findings of the Planning Commission, the proposed variance does not “*not*” conform to the intent and purpose of Title 18 and other Ordinances and State Statutes. To find that these variances, the net result of which would maintain the status quo, somehow do not conform to the intent and purpose of land use law is to elevate style over substance, especially in an area where there is almost no conformity.



CITY OF FAIRBANKS
 Clerk's Office
 800 Cushman Street
 Fairbanks, Alaska 99701-4615
 Office: 907 459-6774
 jjhovenden@ci.fairbanks.ak.us

RECEIVED
 APR 21 2011
 CITY CLERKS OFFICE

**BOARDS AND COMMISSIONS
 APPLICATION FORM**

DATE: 4/19/2011
 NAME: Lee A. Wood
 BOARD: Chena Riverfront Commission

The information provided below will be made available to the public. The Clerk's Office will provide a mailing address, at least one phone contact, and an e-mail address, please indicate your preferred method of contact with the public by placing a check mark in the appropriate box(es).

RESIDENCE ADDRESS: 1524 2nd Ave, Fairbanks AK 99701

MAILING ADDRESS: same

BUSINESS ADDRESS: same

CELL PHONE: () -

WORK PHONE: (907) 452-8320

HOME PHONE: (907) 452-8320

E-MAIL: leeawood@hotmail.com

Statement of Interest:

I live in Downtown Fairbanks across the street from the Chena. I use the River and believe it is Downtown's most valuable public asset.

Brief Personal Biography (or attach resume): Grew up in Anchorage, moved to Fairbanks 1981 to attend UAF, BS Anthropology, semi-retired Housekeeper, owner/head instructor Arctic Dragon Tai Chi Association.

Professional Licenses/Training:

BS Anthropology, Instructor Certificate in several Tai Chi solo forms, sword, saber, fan

Please return this application to the City Clerk's Office.

FOR INTERNAL USE ONLY

Date Seated on Board	Date of Resolution or Council Action	Term Dates

City of Fairbanks
Permanent Fund Review Board
(Quarterly Meeting Minutes)
February 03, 2011

The Permanent Fund Review Board (PFRB) convened at 1:30 p.m. on the above date, to conduct a quarterly meeting with the following review board members in attendance.

Board Members Present: Jeff Johnson
Tom Freeman
Council Member Bernard Gatewood
Patty Mongold

Board Members Absent: Darren Franz

Also Present: Jerry Cleworth, Mayor
Paul Ewers, City Attorney
Antonio Shumate, City Purchasing Agent
Jim Soileau, Chief Financial Officer
Carmen Randle, Controller
Bert Wagnon, Senior Vice President, Investments - APCM
Brandy Niclai, Senior Investment Analyst - APCM

The Board approved the minutes from the November 3, 2010 meeting.

Jim Soileau provided the account performance through December 31, 2010. The balance of the Permanent Fund portfolio at December 31, 2010 as reported by Key Trust was \$100,016,997. During 2010, the City deposited \$396,900 in lease payments and \$1,632,037 in land sales and payments on notes receivables. As allowed by City Charter, the City withdrew \$4,482,955 for operations and capital. The dividend and interest earnings through December 2010 were \$3,228,543. Permanent Fund expenses through December 2010 were \$199,582. The account's earnings through December 31, 2010 were \$10,537,978 net of expenses.

Jim Soileau reviewed the proposed 2011 drawdown schedule. Mayor Cleworth suggested the City delay withdrawal as long as possible. A firm schedule was not established. Based on cash flow requirements, Jim will provide APCM sufficient notice prior to any request to withdraw the 2011 allocation. (See attachment – Permanent Fund draw down schedule)

Jim Soileau informed the Board that Resolution 4444, accepting the proposal of Alaska Permanent Fund Capital Management to serve as the Fund's investment manager was passed and approved on November 22, 2010. The contract was completed on December 9, 2010.

Bert Wagon reviewed asset allocations as of December 31, 2010 including the current percentage, current targets and ranges. For the fourth quarter, the account returned 4.01% versus a blended benchmark return of 3.05%. For the past twelve months, the account returned 11.89% versus a blended benchmark return of 10.94%. The 50 bps hurdle on an annual basis was 11.44%. (See attached – APCM Investment Review for the period ending December 31, 2010)

Brandy Niclai presented the allocation and selection effects on the portfolio and Bert Wagon followed up with a review of the compliance reports. (See attached – APCM Investment Review for the period ending December 31, 2010)

Brandy and Bert provided a review of commodities as an asset class to include, but not limited to benchmark selection, index composition, and exchange traded products. (See attached – APCM Commodities Review Report)

Board member Tom Freeman made a motion to allow APCM to invest in commodities in accordance with the Fairbanks General Code. The motion was seconded by Council Member Bernard Gatewood. Performance will be measured against the target weighting using the Dow-Jones-UBS Commodity Index. The investment vehicle will be the IPATH Dow Jones UBS Commodity Index ETN issued by Barclays Bank PLC. The IPATH ETNs are not rated, but are backed by the credit of Barclay's Bank PLC. Motion passed unanimously.

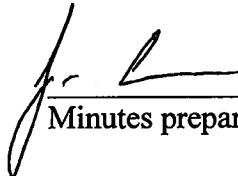
APCM provided a report describing the University of Texas Investment Management Companies investment in the gold market. (See attached – College Endowments Turning to Gold)

Agenda item number 6 was moved to the next meeting.

The Board set the next quarterly meeting for Wednesday April 27, 2011 at 1:30 P.M.

The meeting adjourned at approximately 3:40 P.M.

Minutes approved April 27, 2011.



Minutes prepared by Jim Soileau

	A	B	C	D	E	F	G
1	City of Fairbanks - Permanent Fund History						
2	2011 Permanent Fund Appropriation Calculation						
3							
4	January 19, 2011						
5							
6							
7							
8		Audited	Audited	Audited	Audited	UnAudited	
9		2006	2007	2008	2009	2010	Average
10	Marketable securities						
11	Cash and investments	\$ 678,213	\$ 1,890,926	\$ 774,607	\$ 559,720	\$ 1,225,492	\$ 1,025,792
12	Fixed income securities	44,589,188	47,311,194	41,247,119	59,807,621	50,535,399	48,698,104
13	Equity securities	60,898,389	59,906,336	43,181,888	31,107,843	47,837,719	48,586,435
14	Due from general fund	-	383,892	-	-	-	76,778
15	Due from enterprise fund	-	-	-	-	-	-
16	Interest receivable	339,981	388,359	364,888	463,600	425,369	396,439
17	Other receivables	-	-	-	-	-	-
18							
19	Total marketable securities	\$ 106,505,771	\$ 109,880,707	\$ 85,568,502	\$ 91,938,784	\$ 100,023,979	\$ 98,783,548
20							
21	Nonmarketable securities						
22	Tract G-3, Replat of Tract G, ASLS 80-64	\$ 168,315	\$ 163,998	\$ 158,793	\$ 153,319	\$ 147,353	\$ 158,356
23	Tract G-2A South Davis Park Subdivision	149,079	144,964	140,334	135,464	130,157	140,000
24	Weeks Field - Note Receivable	-	-	-	781,500	781,500	312,600
25	Weeks Field - Interest Receivable	-	-	-	19,734	69,152	17,777
26	ACS - Note Receivable	429,930	220,380	-	-	-	130,062
27	Gavora - Note Receivable	163,789	-	-	-	-	32,758
28							
29		\$ 911,113	\$ 529,342	\$ 299,127	\$ 1,090,017	\$ 1,128,162	\$ 791,553
30							
31	Liabilities	21,532	19,002	15,486	16,265	17,472	\$ 17,951
32							
33	Total Permanent Fund Value	\$ 107,395,352	\$ 110,391,047	\$ 85,852,143	\$ 93,012,536	\$ 101,134,669	\$ 99,557,150
34							
35							
36	2011 PILOT Replacement to General Fund (four percent of five-year average)						\$ 3,982,286
37							
38	2011 Transfer from Permanent Fund for Capital (one half of one percent of five-year average)						\$ 497,786
39							
40						2011 Total	4,480,072
41		2011 Drawdown Schedule					
42		Date	Operating Draw	Capital Draw	Total		
43		31-Mar	995,572	497,786	1,493,358		
44		30-Apr	995,572	-	995,572		
45		30-Jun	1,991,142	-	1,991,142		
46							
47		Total	3,982,286	497,786	4,480,072		
48							
49							
50							
51							
52							
53							
54							
55				2011 BUDGET	GF		3,924,985
56					Capital		490,623
57							4,415,608
58							
59				Budget Amendment	GF		57,301
60					Capital		7,163
61							64,464
62							
63							
64	U:\Permanent Fund\Appropriation Calculations\2011 PermFund Actual Appropriation.xlsx\2011 Actual						

INVESTMENT REVIEW

FAIRBANKS PERMANENT FUND

for period ending December 31, 2010



Agenda

- Portfolio Review & Performance

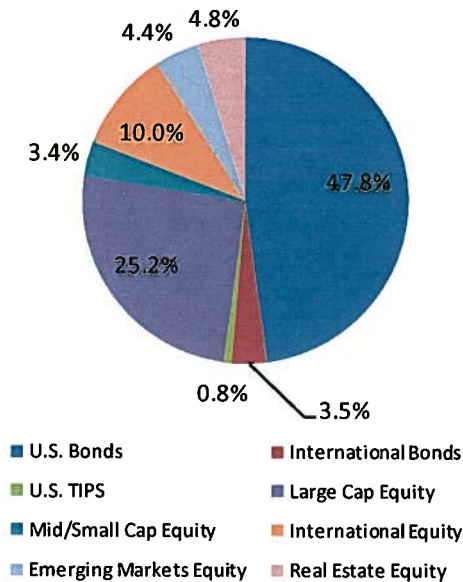
- Compliance Report

- Appendix
 - Portfolio Appraisal
 - Economy & Financial Markets



Portfolio Review

Asset Allocation for Fairbanks Permanent Fund as of December 31, 2010

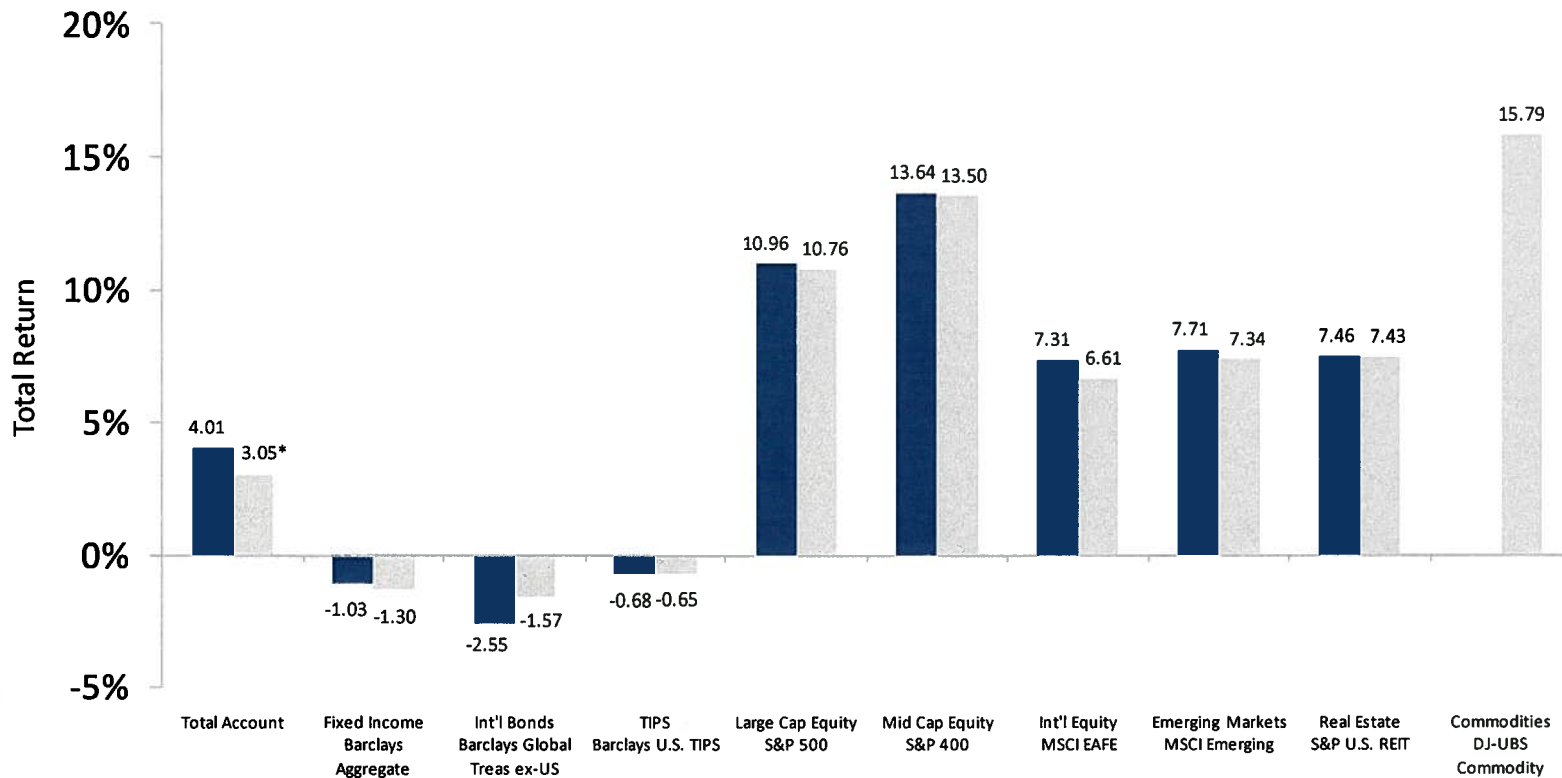


Investment Category	Percentage	Target	Range	Assets
Fixed Income	52.2%	60%	50-70%	\$52,156,191
U.S. Bonds	47.8%	45	40-70	\$47,818,568
International Bonds	3.5%	5	0-10	\$3,493,920
U.S. TIPS	0.8%	10	0-15	\$843,702
Equities	47.8%	40	30-50	\$47,837,719
Large Cap Equity	25.2%	22	20-50	\$25,244,026
Mid/Small Cap Equity	3.4%	3	0-10	\$3,435,156
International Equity	10.0%	8	0-15	\$10,004,621
Emerging Markets Equity	4.4%	2	0-5	\$4,357,213
Real Estate Equity	4.8%	5	0-10	\$4,796,703
Commodities	0.0%	0	0-10	\$0
Total				\$99,993,909



Portfolio Review

Account Performance Fourth Quarter 2010



* 50 bps Hurdle 3.18%



Portfolio Review

- Q4 portfolio return of **+4.01%** vs. blended benchmark return of **+3.05%**. Outperformance primarily due to an overweight in equity which had good returns for the quarter, and an underweight in TIPS.
- Actively managed fixed income Q4 return of **-1.03%** vs. Barclays Aggregate return of **-1.30%**. Outperformance attributable to overweight positions in CMBS and corporates relative to the Barclays Aggregate Index.



Portfolio Review

	October 10	November 10	December 10	Q4 2010
Allocation Effect				
Aggregate Bonds	-0.057	0.009	-0.086	-0.135
Domestic Large Cap	0.072	0.053	0.175	0.300
Domestic Mid Cap	0.002	0.008	0.014	0.025
Domestic Small Cap	0.000	0.000	0.000	0.000
International Equity	0.031	-0.078	0.102	0.055
Emerging Market Equity	0.020	-0.034	0.111	0.096
Real Estate	-0.008	0.001	-0.005	-0.012
TIPS	-0.057	0.048	0.341	0.333
International Bonds	0.011	0.061	-0.013	0.059
Total	0.014	0.069	0.638	0.720
Selection Effect				
Aggregate Bonds	-0.042	0.002	0.161	0.121
Domestic Large Cap	-0.003	0.000	0.057	0.054
Domestic Mid Cap	-0.001	0.002	0.004	0.004
Domestic Small Cap	0.000	0.000	0.000	0.000
International Equity	0.045	-0.009	0.033	0.069
Emerging Market Equity	0.009	-0.009	0.017	0.016
Real Estate	0.000	0.006	-0.004	0.001
TIPS	-0.005	0.006	-0.002	0.000
International Bonds	0.013	-0.032	-0.021	-0.040
Total	0.015	-0.034	0.243	0.225
Total Attribution	0.03	0.03	0.88	
Bench Return	2.03	-1.17	2.20	
Account Return	2.06	-1.13	3.08	
Difference	0.03	0.03	0.88	

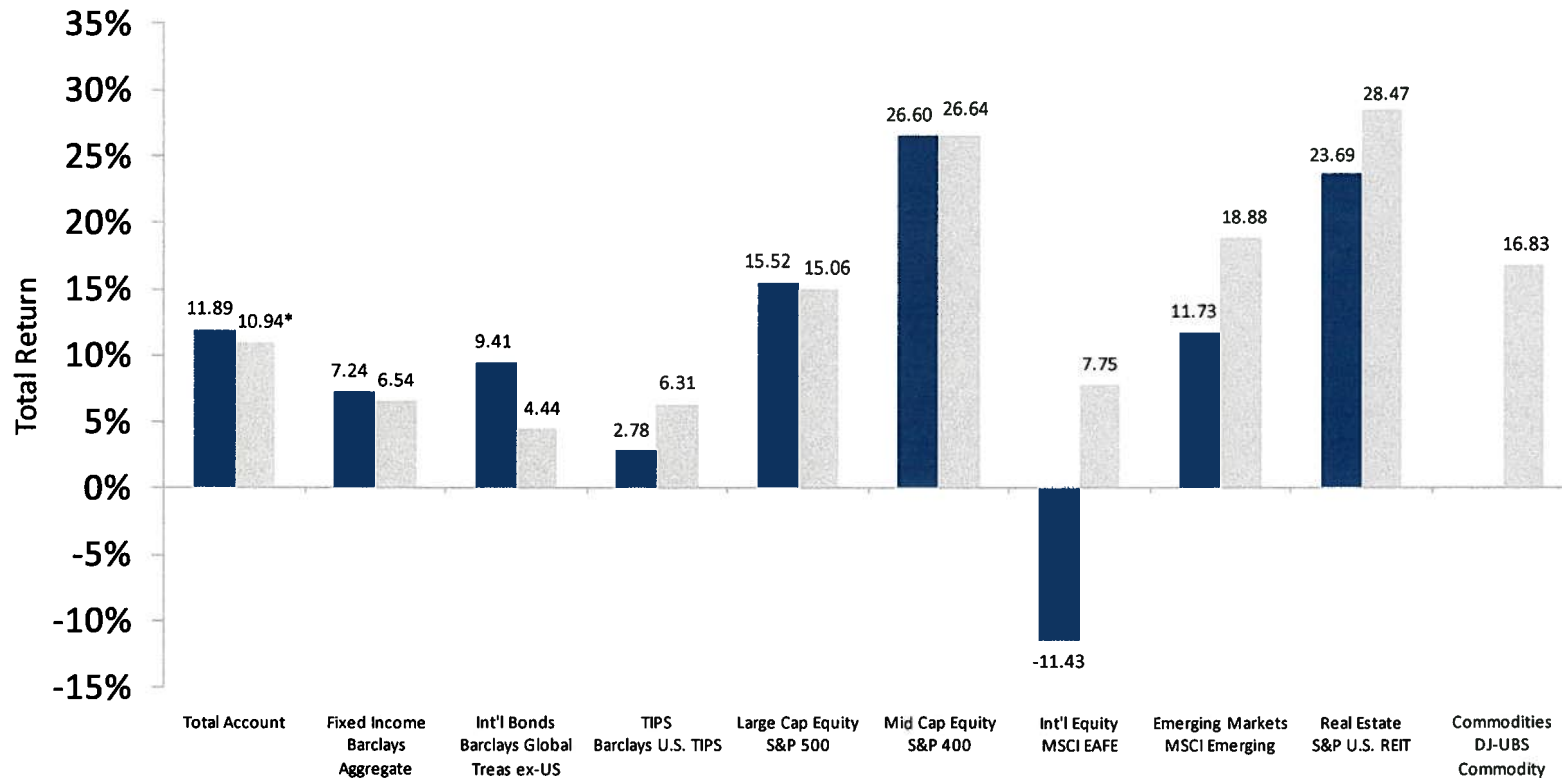


Portfolio Return = Allocation Effect + Selection Effect

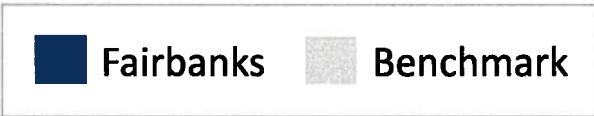
$(\text{Weight}_{\text{Port Sector}} - \text{Weight}_{\text{Bench}}) (\text{Return}_{\text{Sector Bench}} - \text{Return}_{\text{Port Bench}}) + (\text{Weight}_{\text{Port Sector}}) (\text{Return}_{\text{Port Sector}} - \text{Return}_{\text{Sector Bench}})$

Portfolio Review

Account Performance Calendar Year 2010

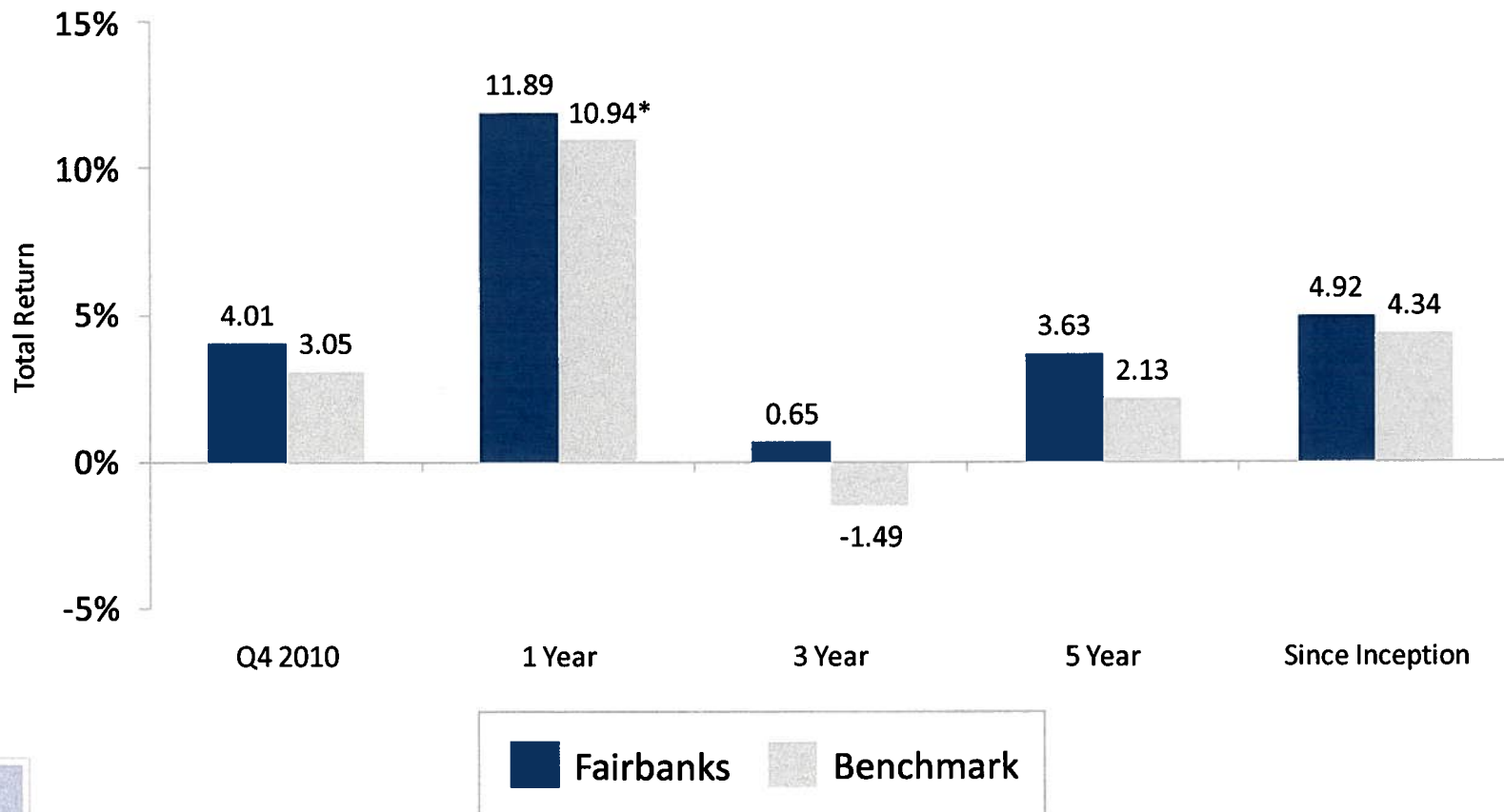


* 50 bps Hurdle 11.44%



Portfolio Review

Account Performance *as of December 31, 2010*



*50 bps Hurdle 11.44%

Performance is annualized for periods greater than one year. Inception Performance begins January 31, 1998.

Compliance Report



April 21, 2010

To: Permanent Fund Review Board

From: City of Fairbanks, Finance Department and APCM

Subject: Compliance

During this year's audit of the Permanent Fund the question was raised as to exactly how does the Finance Department know the Fund was in compliance with the various restrictions contained in the authorizing ordinances and resolutions. While the auditor's questions were answered it became apparent that a more formalized compliance system would make this question mute.

Nine specific compliance questions have been identified and it is recommended that a compliance appendix be included at each quarterly meeting illustrating that the Fund meets all of the respective criteria. The identified nine items are as follows:

1. Equity and Fixed-income limitations as wells range limitations within the two categories.
2. Corporate debt limitation of 30% of total portfolio market value.
3. Limitation on the purchase of any bond in excess of 600 basis points above a comparable duration US treasury.
4. Limitation on the purchase of any CMBS after January 1, 2009.
5. Ratings and downgrade limitations on corporate securities.
6. Five percent limitation on any one security (total portfolio).
7. Ten percent limitation on Baa rated securities (fixed income portfolio).
8. Duration constraint of between 80-120 percent of the Barclays Aggregate.
9. Twenty-Five percent industry limitation (total portfolio).

In the attached packet each of the nine limitations are addressed by either a specific report or calculation based upon an enclosed report to illustrate compliance. Should the Board approve of the format; the Compliance Report will become a regular appendix presented at each quarterly meeting.



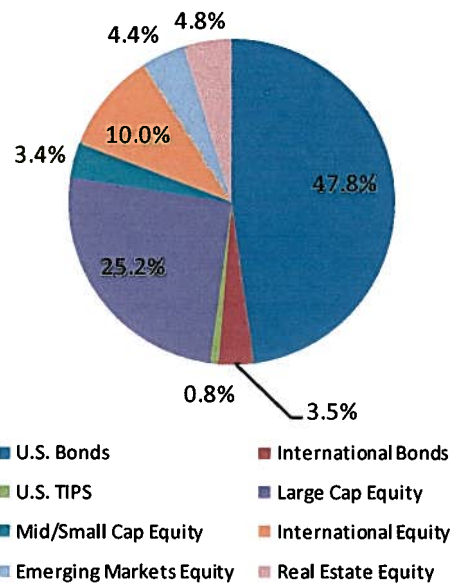
Compliance Report

- Equity and fixed-income limitations as well as range limitations within the two categories
 - Copy of quarterly chart illustrating targets and ranges versus actual
 - Portfolio Appraisal report (Appendix)



Portfolio Review

Asset Allocation for Fairbanks Permanent Fund as of December 31, 2010



Investment Category	Percentage	Target	Range	Assets
Fixed Income	52.2%	60%	50-70%	\$52,156,191
U.S. Bonds	47.8%	45	40-70	\$47,818,568
International Bonds	3.5%	5	0-10	\$3,493,920
U.S. TIPS	0.8%	10	0-15	\$843,702
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Large Cap Equity	25.2%	22	20-50	\$25,244,026
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International Equity	10.0%	8	0-15	\$10,004,621
Emerging Markets Equity	4.4%	2	0-5	\$4,357,213
Real Estate Equity	4.8%	5	0-10	\$4,796,703
Commodities	0.0%	0	0-10	\$0
Total				\$99,993,909



Compliance Report

- Corporate debt limitations of 30% of the total portfolio market value
 - See attached Portfolio Appraisal report

Portfolio Appraisal – as of December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
CORPORATE BONDS									
500,000	METROPOLITAN LIFE GLOBAL FDG I RESTR 5.125% Due 11-09-11	99.87	499,370	103.57	517,860	0.52	25,625	3,701	0.92
500,000	BERKSHIRE HATHAWAY FIN. 4.750% Due 05-15-12	107.40	537,025	105.30	526,500	0.53	23,750	3,035	0.85
500,000	JOHNSON & JOHNSON 5.150% Due 08-15-12	109.41	547,045	107.25	536,275	0.54	25,750	9,728	0.65
725,000	ASTRAZENECA PLC 5.400% Due 09-15-12	99.81	723,615	107.83	781,804	0.78	39,150	11,527	0.77
500,000	JOHN DEERE CAPITAL CORP 5.250% Due 10-01-12	99.75	498,750	107.56	537,815	0.54	26,250	6,562	0.88
500,000	UNITED PARCEL SVC INC 4.500% Due 01-15-13	100.22	501,110	106.97	534,860	0.53	22,500	10,375	1.03
500,000	CARGILL INC MEDIUM TERM NTS RESTR 5.200% Due 01-22-13	99.92	499,585	107.89	539,440	0.54	26,000	11,483	1.30
500,000	BARCLAYS BANK PLC 2.500% Due 01-23-13	99.87	499,335	101.62	508,120	0.51	12,500	5,486	1.69
500,000	AMERICAN INTL GROUP INC SENIOR NT 4.250% Due 05-15-13	95.12	475,580	103.48	517,425	0.52	21,250	2,715	2.72
500,000	ONTARIO PROV CDA 3.500% Due 07-15-13	99.68	498,425	105.49	527,455	0.53	17,500	8,069	1.29
500,000	BARRICK GOLD FINANCE CO. 6.125% Due 09-15-13	99.98	499,890	111.92	559,600	0.56	30,625	9,017	1.60
250,000	BP CAPITAL MARKETS PLC 5.250% Due 11-07-13	108.02	270,039	108.30	270,752	0.27	13,125	1,969	2.22
500,000	CREDIT SUISSE NEW YORK 5.500% Due 05-01-14	99.90	499,485	109.66	548,325	0.55	27,500	4,583	2.46
500,000	BANK OF NY MELLON 4.300% Due 05-15-14	100.91	504,550	106.70	533,495	0.53	21,500	2,747	2.22
450,000	US BANCORP 4.200% Due 05-15-14	104.98	472,396	106.82	480,699	0.48	18,900	2,415	2.09
500,000	CITIGROUP INC 5.500% Due 10-15-14	100.17	500,870	107.74	538,725	0.54	27,500	5,806	3.30
500,000	DOMINION RESOURCES INC. 5.000% Due 12-01-14	106.38	531,910	108.74	543,680	0.54	25,000	2,083	2.64
500,000	JP MORGAN CHASE & CO 4.750% Due 03-01-15	98.36	491,795	106.77	533,875	0.53	23,750	7,917	3.00
500,000	MORGAN STANLEY 6.000% Due 04-28-15	99.88	499,380	108.30	541,500	0.54	30,000	5,250	3.89
500,000	BANK OF MONTREAL 2.850% Due 06-09-15	100.59	502,930	101.58	507,895	0.51	14,250	871	2.47



Portfolio Appraisal – as of December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
500,000	BANK AMER CORP 5.625% Due 10-14-16	99.93	499,670	103.68	518,400	0.52	28,125	6,016	4.88
500,000	CONOCOPHILLIPS CDA FDG FDG CO 5.625% Due 10-15-16	100.09	500,475	113.66	568,290	0.57	28,125	5,937	3.03
500,000	INTERNATIONAL BUSINESS MACHS 5.700% Due 09-14-17	106.27	531,328	114.77	573,875	0.57	28,500	8,471	3.23
500,000	EXELON GENERATION CO LLC 6.200% Due 10-01-17	100.83	504,145	111.92	559,585	0.56	31,000	7,750	4.15
500,000	WELLS FARGO & CO NEW 5.625% Due 12-11-17	99.58	497,920	110.72	553,590	0.55	28,125	1,562	3.85
500,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	497,860	111.03	555,150	0.56	28,750	11,979	3.95
500,000	MCDONALDS CORP M/T/N 5.350% Due 03-01-18	105.75	528,740	112.20	561,005	0.56	26,750	8,917	3.41
500,000	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	89.86	449,305	109.05	545,255	0.55	28,125	4,687	4.18
500,000	GLAXOSMITHKLINE CAP INC 5.650% Due 05-15-18	104.59	522,950	114.34	571,715	0.57	28,250	3,610	3.43
500,000	CATERPILLAR FINANCIAL 7.150% Due 02-15-19	99.16	495,805	122.97	614,830	0.61	35,750	13,506	3.83
500,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	99.78	498,905	116.60	582,995	0.58	37,500	14,167	4.99
500,000	PROCTER & GAMBLE CO. 4.700% Due 02-15-19	99.82	499,120	108.25	541,240	0.54	23,500	8,878	3.52
500,000	MICROSOFT CORP 4.200% Due 06-01-19	99.73	498,650	104.98	524,905	0.52	21,000	1,750	3.51
500,000	BELLSOUTH CORP 6.000% Due 11-15-34	97.52	487,595	99.60	498,010	0.50	30,000	3,833	6.03
500,000	NEWS AMER INC 6.200% Due 12-15-34	95.28	476,420	105.00	524,995	0.53	31,000	1,378	5.81
500,000	SOUTHERN CAL EDISON CORP BOND 5.950% Due 02-01-38	99.54	497,700	110.03	550,175	0.55	29,750	12,396	5.25
	Accrued Interest				230,178	0.23			
			18,039,674		19,660,293	19.66		230,178	



Compliance Report

- Limitation on the purchase of any bond in excess of 600 basis points above a comparable duration U.S. Treasury

- Limitation on the purchase of any CMBS after January 1, 2009
 - See attached Purchase and Sale report



Purchase and Sale – from 9/30/2010 to 12/31/2010

Portfolio Name	Trade Date	Settle Date	Quantity	Security	Unit Price	Amount	Yield On Cost	Spread Over TSY	Sector	Sec Type Code
PURCHASES										
FAIRBANKS PERMANENT	10-29-10	11-03-10	20,434.0000	SPDR BARCLAYS CAPITAL INT	61.18	1,250,101.04	?		International Fixed	gfus
FAIRBANKS PERMANENT	12-21-10	12-22-10	1,700,000	US TREASURY NOTES 2.625% Due 11-15-20	93.91	1,596,539.06	3.35		US Treasury Notes	tnus
FAIRBANKS PERMANENT	12-21-10	12-22-10	500,000	U S TREASURY NOTES 5.250% Due 02-15-29	113.27	566,367.19	4.20		US Treasury Notes	tnus
FAIRBANKS PERMANENT	12-21-10	12-22-10	800,000	US Treasury Note 3.500% Due 02-15-39	84.47	675,781.25	4.48		US Treasury Notes	tnus
FAIRBANKS PERMANENT	12-29-10	12-29-10	1,114.1070	VANGUARD INSTL INDEX FUN	115.06	<u>128,189.10</u> 4,216,977.64	<u>?</u> 2.23		Domestic Large Cap E	mfus
							2.23			
SALES										
FAIRBANKS PERMANENT	12-21-10	12-22-10	21,690.0920	VANGUARD INSTL INDEX FUN	115.26	2,500,000.00	<u>?</u> 0.00		Domestic Large Cap E	mfus



Compliance Report

- Ratings and downgrade limitations on corporate securities
 - See attached Portfolio Holdings (Expanded) report



Portfolio Holdings (Expanded)

Portfolio: FAIRBANK (019)

Representative:

Pricing Date: 12/31/10

Currency: USD

Par (000)	Identifier	Ticker	Issuer	Sect	Industry	Mdys	S&P	Coup	Maturity	Curr	Price	Mkt Val (000)	% of Port	YTM/C	Mod Dur	Eff Dur	Conv
1,218	000000CM	CASH	CASH & EQUIVALENTS	CASH		AAA	AAA	0.200	01/31/11	USD	100.000	1,218	2.50	0.200	0.08	0.08	0.00
1,000	912828KL	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	0.875	04/30/11	USD	100.227	1,004	2.06	0.190	0.33	0.33	0.00
500	59217EBD	MET	METROPOLITAN LIFE GLBL 144A	FIN	Insr-Life	AA3	AA-	5.125	11/09/11	USD	103.572	522	1.07	0.922	0.84	0.84	0.01
500	084670AS	BRKA	BERKSHIRE HATHAWAY INC DEL	FIN	Insr-P&C	AA2	AA+	4.750	05/15/12	USD	105.300	530	1.09	0.856	1.34	1.33	0.01
500	478160AP	JNJ	JOHNSON & JOHNSON	IND	Pharmctls	AAA	AAA	5.150	08/15/12	USD	107.255	546	1.12	0.647	1.55	1.55	0.02
725	046353AC	AZN	ASTRAZENECA PLC	IND	Pharmctls	A1	AA-	5.400	09/15/12	USD	107.835	793	1.63	0.767	1.63	1.63	0.02
500	24422EQW	DE	DEERE JOHN CAP CORP MTNS BE	IND	ConstMach	A2	A	5.250	10/01/12	USD	107.563	544	1.12	0.884	1.67	1.67	0.02
1,000	31364FGL	FNM	FEDERAL NATL MTG ASSN MTN	AGY	AGY	AGY	AGY	6.410	11/13/12	USD	110.369	1,112	2.29	0.802	1.78	1.78	0.02
500	911312AG	UPS	UNITED PARCEL SERVICE INC	IND	Tran Srvc	AA3	AA-	4.500	01/15/13	USD	106.972	545	1.12	1.035	1.93	1.93	0.02
500	141784DG	CARGIL	CARGILL INC MTN BE 144A	IND	Food Proc	A2	A	5.200	01/22/13	USD	107.888	551	1.13	1.303	1.93	1.93	0.02
500	06739FGP	BARC	BARCLAYS BK PLC	FIN	Bank	AA3	AA-	2.500	01/23/13	USD	101.624	514	1.05	1.695	1.99	1.99	0.03
500	026874AT	AIG	AMERICAN INTL GROUP INC	FIN	Insr-Life	A3	A-	4.250	05/15/13	USD	103.485	520	1.07	2.722	2.24	2.25	0.03
500	683234ZR	ONTPV	ONTARIO PROV CDA	OGVT	LocalAuth	AA1	AA-	3.500	07/15/13	USD	105.491	536	1.10	1.294	2.40	2.41	0.04
500	06849TAA	ABX	BARRICK GOLD FINANCECO LLC	IND	Metl/Mine	BAA1	A-	6.125	09/15/13	USD	111.920	569	1.17	1.604	2.49	2.50	0.04
500	3133XSAE	FHLB	FEDERAL HOME LOAN BANKS	AGY	AGY	AGY	AGY	3.625	10/18/13	USD	106.781	538	1.11	1.154	2.66	2.67	0.05
250	05565QBF	BP	BP CAP MKTS P L C	IND	Enrg-Intg	A2	A	5.250	11/07/13	USD	108.301	273	0.56	2.227	2.65	2.66	0.05
500	31398AVZ	FNM	FEDERAL NATL MTG ASSN	AGY	AGY	AGY	AGY	2.750	03/13/14	USD	104.521	527	1.08	1.303	3.05	3.07	0.06
500	22546QAA	CSGN	CREDIT SUISSE NEW YORK BRANC	FIN	Bank	AA1	A+	5.500	05/01/14	USD	109.665	553	1.14	2.461	3.04	3.06	0.06
500	06406HBL	BK	BANK NEW YORK MTN BK	FIN	Bank	AA2	AA-	4.300	05/15/14	USD	106.699	536	1.10	2.226	3.13	3.16	0.06
450	91159HGR	USB	U S BANCORP MTNS BK ENT	FIN	Bank	AA3	A+	4.200	05/15/14	USD	106.822	483	0.99	2.094	3.14	3.16	0.06
500	3133XLJP	FHLB	FEDERAL HOME LN BKS	AGY	AGY	AGY	AGY	5.500	08/13/14	USD	114.394	583	1.20	1.404	3.27	3.30	0.07
500	172967EZ	C	CITIGROUP INC	FIN	Bank	A3	A	5.500	10/15/14	USD	107.745	545	1.12	3.307	3.40	3.43	0.07
1,250	31398AZV	FNM	FEDERAL NATL MTG ASSN	AGY	AGY	AGY	AGY	2.625	11/20/14	USD	103.802	1,301	2.67	1.612	3.69	3.73	0.08
500	209615CA	D	CONSOLIDATED NAT GAS CO	UTIL	Electric	BAA2	A-	5.000	12/01/14	USD	108.736	546	1.12	2.637	3.56	3.60	0.08
500	46625HCE	JPM	JP MORGAN CHASE & CO	FIN	Bank	AA3	A+	4.750	03/01/15	USD	106.775	542	1.11	3.007	3.73	3.78	0.09
500	61747YCE	MS	MORGAN STANLEY	FIN	Bank	A2	A	6.000	04/28/15	USD	108.300	547	1.12	3.895	3.79	3.83	0.09
500	063679BV	BMO	BANK OF MONTREAL 144A	FIN	Bank	AAA	N/A	2.850	06/09/15	USD	101.579	509	1.04	2.472	4.15	4.21	0.10
1,000	36159JBM		GE_CAP_CC_TALF_2009-2- A	ABS	CARD	AAA	N/A	3.690	07/15/15	USD	103.833	1,040	2.14	1.176	1.49	1.49	0.02



Portfolio Holdings (Expanded)

Portfolio: FAIRBANK (019)
 Representative:

Pricing Date: 12/31/10
 Currency: USD

Par (000)	Identifier	Ticker	Issuer	Sect	Industry	Mdys	S&P	Coup	Maturity	Curr	Price	Mkt Val (000)	% of Port	YTM/C	Mod Dur	Eff Dur	Conv
500	060505CS	BAC	BANK OF AMERICA CORPORATION	FIN	Bank	A2	A	5.625	10/14/16	USD	103.680	524	1.08	4.886	4.86	4.96	0.15
500	20825TAA	COP	CONOCOPHILLIPS CDA FDG CO I	IND	Enrg-Intg	A1	A	5.625	10/15/16	USD	113.658	574	1.18	3.034	4.95	5.06	0.15
149	31371KKG		FNMA POOL - 254195	PASS	AGY	AGY	AGY	5.500	02/01/17	USD	108.019	161	0.33	1.859	2.24	1.91	-0.12
138	31294KHM		FHLMC GOLD POOL - E01136	PASS	AGY	AGY	AGY	5.500	03/01/17	USD	107.589	149	0.31	2.095	2.22	1.91	-0.13
500	459200GJ	IBM	INTERNATIONAL BUSINESS MACH	IND	Electrnics	AA3	A+	5.700	09/14/17	USD	114.775	582	1.20	3.230	5.58	5.72	0.20
500	30161MAE	EXC	EXELON GENERATION CO LLC	UTIL	Electric	A3	BBB	6.200	10/01/17	USD	111.917	567	1.17	4.156	5.50	5.64	0.19
500	3137EABA	FRE	FEDERAL HOME LN MTG CORP	AGY	AGY	AGY	AGY	5.125	11/17/17	USD	113.871	572	1.18	2.886	5.84	6.01	0.21
500	949746NX	WFC	WELLS FARGO & CO	FIN	Bank	A1	AA-	5.625	12/11/17	USD	110.718	555	1.14	3.851	5.78	5.94	0.21
783	912828HN	TSY	UNITED STATES TREAS NTS 1/8	TSY	InfI Indx	TSY	TSY	1.625	01/15/18	USD	107.008	844	1.73	1.778	6.59	4.75	0.13
500	92976WBH	WFC	WACHOVIA CORP GLOBAL MTN	FIN	Bank	A1	AA-	5.750	02/01/18	USD	111.030	567	1.17	3.949	5.75	5.91	0.21
500	58013MEE	MCD	MCDONALDS CORP MED TERM INT	IND	Restrnmts	A2	A	5.350	03/01/18	USD	112.201	570	1.17	3.415	5.93	6.09	0.22
500	36962G3U	GE	GENERAL ELEC CAP CORP MTN BE	FIN	Fin-Divfd	AA2	AA+	5.625	05/01/18	USD	109.051	550	1.13	4.178	6.00	6.17	0.23
500	377372AD	GSK	GLAXOSMITHKLINE CAP INC	IND	Pharmctls	A1	A+	5.650	05/15/18	USD	114.343	575	1.18	3.431	6.09	6.26	0.23
500	14912L4E	CAT	CATERPILLAR FINL SVCS MTNS B	IND	ConstMach	A2	A	7.150	02/15/19	USD	122.966	628	1.29	3.832	6.25	6.44	0.26
500	38141EA2	GS	GOLDMAN SACHS GRP INC MTN BI	FIN	Bank	A1	A	7.500	02/15/19	USD	116.599	597	1.23	4.988	6.09	6.27	0.25
500	742718DN	PG	PROCTER & GAMBLE CO	IND	Consumer	AA3	AA-	4.700	02/15/19	USD	108.248	550	1.13	3.523	6.68	6.91	0.28
1,075	912828KD	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.750	02/15/19	USD	98.711	1,072	2.20	2.929	7.15	7.43	0.31
500	594918AC	MSFT	MICROSOFT CORP	IND	Info Tech	AAA	AAA	4.200	06/01/19	USD	104.981	527	1.08	3.511	7.07	7.33	0.31
427	312970E4		FHLMC GOLD POOL - B17355	PASS	AGY	AGY	AGY	5.000	12/01/19	USD	106.570	456	0.94	2.426	2.56	1.91	-0.45
550	3129702P		FHLMC GOLD POOL - B17982	PASS	AGY	AGY	AGY	4.000	03/01/20	USD	104.177	575	1.18	2.502	2.82	2.51	-0.43
340	31406MWJ		FNMA POOL - 814349	PASS	AGY	AGY	AGY	4.500	03/01/20	USD	105.795	361	0.74	2.255	2.65	2.11	-0.46
319	31406T4F		FNMA POOL - 819922	PASS	AGY	AGY	AGY	5.500	04/01/20	USD	107.742	345	0.71	2.355	2.52	1.68	-0.47
414	31406T4H		FNMA POOL - 819924	PASS	AGY	AGY	AGY	4.500	04/01/20	USD	105.920	440	0.90	2.255	2.71	2.12	-0.50
1,700	912828PC	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.625	11/15/20	USD	94.328	1,609	3.31	3.303	8.55	8.96	0.45
508	31410F5H		FNMA POOL - 888348	PASS	AGY	AGY	AGY	5.000	05/01/22	USD	106.558	544	1.12	2.222	2.44	1.48	-0.68
57	36202CZ4		GNMA POOL - 002563	PASS	AGY	AGY	AGY	6.500	03/20/28	USD	113.682	65	0.13	2.120	3.12	1.93	-0.50
1,375	912810FG	TSY	UNITED STATES TREAS BDS	TSY	TSY	TSY	TSY	5.250	02/15/29	USD	114.688	1,604	3.30	4.094	11.91	12.59	1.03
82	36201MFQ		GNMA POOL - 587075	PASS	AGY	AGY	AGY	6.500	05/15/32	USD	114.516	94	0.19	2.486	3.60	2.01	-0.72



Portfolio Holdings (Expanded)

Portfolio: FAIRBANK (019)

Pricing Date: 12/31/10

Representative:

Currency: USD

Par (000)	Identifier	Ticker	Issuer	Sect	Industry	Mdys	S&P	Coup	Maturity	Curr	Price	Mkt Val (000)	% of Port	YTM/C	Mod Dur	Eff Dur	Conv
500	3134A4KX	FRE	FEDERAL HOME LN MTG CORP	AGY	AGY	AGY	AGY	6.250	07/15/32	USD	122.154	625	1.28	4.616	12.45	13.06	1.19
75	31292HRY		FHLMC GOLD POOL - C01403	PASS	AGY	AGY	AGY	6.000	09/01/32	USD	110.425	83	0.17	3.490	4.11	3.06	-0.90
153	31296RKB		FHLMC GOLD POOL - A16590	PASS	AGY	AGY	AGY	6.000	12/01/33	USD	110.019	169	0.35	3.561	4.07	3.15	-0.88
500	079860AK	T	BELLSOUTH CORP	IND	Wireline	A2	A-	6.000	11/15/34	USD	99.602	502	1.03	6.031	12.49	12.96	1.23
500	652482BJ	NWS	NEWS AMER INC	IND	Media-Oth	BAA1	BBB+	6.200	12/15/34	USD	104.999	526	1.08	5.811	12.65	13.13	1.25
120	31406UU8		FNMA POOL - 820607	PASS	ARM	AGY	AGY	2.231	03/01/35	USD	103.905	125	0.26	0.449	2.59	0.11	-0.01
540	31407BXT		FNMA POOL - 826090	PASS	ARM	AGY	AGY	4.684	07/01/35	USD	104.792	568	1.17	1.284	2.37	-0.68	-0.09
452	31297SNU		FHLMC GOLD POOL - A36703	PASS	AGY	AGY	AGY	4.500	08/01/35	USD	102.958	467	0.96	3.809	4.28	4.16	-1.27
381	31407RKE		FNMA POOL - 838293	PASS	ARM	AGY	AGY	2.757	08/01/35	USD	104.719	400	0.82	0.495	2.55	0.13	-0.22
599	31407M4Z		FNMA POOL - 835240	PASS	ARM	AGY	AGY	4.965	09/01/35	USD	105.740	636	1.31	1.002	2.02	-0.90	0.09
91	31403DH5		FNMA POOL - 745552	PASS	ARM	AGY	AGY	3.479	02/01/36	USD	103.563	95	0.20	0.606	2.07	0.09	-0.21
702	36290TSC		GNMA POOL - 617115	PASS	AGY	AGY	AGY	5.500	06/15/36	USD	107.273	757	1.55	2.834	2.76	1.70	-1.23
180	3128JRS5		FHLMC POOL - 847740	PASS	ARM	AGY	AGY	5.458	04/01/37	USD	106.259	192	0.40	1.559	1.88	0.14	0.02
489	225458RR		CSFB_2005-C2- A3	CMBS	CMBS	AAA	AAA	4.691	04/15/37	USD	100.296	492	1.01	4.365	1.29	1.29	0.00
499	3128QSLD		Federal Home Loan Mortgage C	PASS	ARM	AGY	AGY	6.050	08/01/37	USD	109.928	550	1.13	2.472	3.07	2.67	-0.39
269	31413EE3		FNMA POOL - 943054	PASS	ARM	AGY	AGY	3.372	08/01/37	USD	105.329	284	0.58	-0.279	1.87	-0.34	-0.41
500	842400FH	EX	SOUTHERN CALIF EDISON CO	UTIL	Electric	A1	A	5.950	02/01/38	USD	110.035	563	1.16	5.251	13.70	14.23	1.51
697	3128MJJJ		FHLMC GOLD POOL - G08264	PASS	AGY	AGY	AGY	6.000	04/01/38	USD	110.299	772	1.59	2.948	3.38	2.16	-0.98
629	36295KJQ		GNMA POOL - 672671	PASS	AGY	AGY	AGY	4.500	04/15/38	USD	104.038	657	1.35	3.516	4.11	3.96	-1.33
700	50180CAB		LB_UBS_CMBS_2006-C7- A2	CMBS	CMBS	NA	AAA	5.300	11/15/38	USD	102.051	716	1.47	2.626	0.77	0.77	0.00
900	912810QA	TSY	UNITED STATES TREAS BDS	TSY	TSY	TSY	TSY	3.500	02/15/39	USD	86.172	787	1.62	4.357	16.64	17.58	2.12
500	07383F7W		BEAR_STEARNS_05-PWR8- A4	CMBS	CMBS	AAA	NA	4.674	06/11/41	USD	104.913	527	1.08	3.246	3.36	3.36	0.07
500	07388LAC		BEAR_STEARNS_06-PWR13- A3	CMBS	CMBS	NA	AAA	5.518	09/11/41	USD	104.884	527	1.08	3.081	1.99	1.99	0.03
183	929766R3		WACHOVIA_2005-C18- A2	CMBS	CMBS	AAA	AAA	4.657	04/15/42	USD	102.140	188	0.39	2.591	1.10	1.10	0.01
1,000	12513EAG		CD_MTG_2005-CD1 A4	CMBS	CMBS	AAA	AAA	5.222	07/15/44	USD	107.621	1,081	2.22	3.376	3.98	4.00	0.10
492	20047EBG		COMM_CMBS_2006-C08- A2B	CMBS	CMBS	AAA	NA	5.248	12/10/46	USD	102.238	505	1.04	2.891	0.98	0.98	0.01
500	46630VAD		JP_MORGN_2007-CIBC19- A4	CMBS	CMBS	AA2	A+	5.742	02/12/49	USD	106.238	534	1.10	4.585	5.17	5.19	0.17
500	05952CAB		BA_MTG_CMBC_2007-005- A2	CMBS	CMBS	NA	AAA	5.434	02/10/51	USD	104.223	523	1.08	2.545	1.46	1.46	0.02
500	46632HAD		JPMRGN_CMBS_2007-LDP12 A4	CMBS	CMBS	AAA	A-	5.882	02/15/51	USD	105.875	532	1.09	4.819	5.26	5.26	0.17
45,462						AA1	AA+	4.575	5.78		106.526	48,668	100.00	2.628	4.43	4.30	0.10



Compliance Report

- Five percent limitations on any one security within the entire portfolio
 - See Portfolio Appraisal report (Appendix)

Compliance Report

- Ten percent limitation on Baa rated securities within the fixed income portfolio
- Duration constraint between 80-120 percent of the Barclays Aggregate Index
 - See attached Duration-Weighted Distribution by Quality report



Duration-Weighted Distribution by Quality

Portfolio: FAIRBANK (019)
 Benchmark: BC AGGREGATE INDEX
 Base Currency: USD

Portfolio Pricing Date: 12/31/10
 Benchmark Pricing Date: 12/31/10

Quality	Portfolio					Benchmark				
	Mkt Val (000)	% Held	Para (Eff) Dur	Cont. to Dur	% Total Dur	% Held	Para (Eff) Dur	Cont. to Dur	% Total Dur	
CASH	1,218	2.5	0.08	0.00	0.05	0.0	0.00	0.00	0.00	
TSY	6,920	14.2	8.78	1.25	29.03	34.0	5.31	1.80	37.58	
AGY	14,205	29.2	2.71	0.79	18.40	38.9	3.43	1.33	27.77	
Aaa/AAA	7,712	15.8	2.72	0.43	10.03	4.2	3.88	0.16	3.34	
Aa/AA	7,775	16.0	3.42	0.55	12.71	4.5	6.19	0.28	5.85	
A	8,629	17.7	5.66	1.00	23.33	9.9	6.48	0.64	13.36	
Baa/BBB	2,208	4.5	6.11	0.28	6.45	8.5	6.83	0.58	12.11	
Ba/BB	0	0.0	0.00	0.00	0.00	0.0	0.00	0.00	0.00	
B	0	0.0	0.00	0.00	0.00	0.0	0.00	0.00	0.00	
Caa/CCC	0	0.0	0.00	0.00	0.00	0.0	0.00	0.00	0.00	
Ca/CC	0	0.0	0.00	0.00	0.00	0.0	0.00	0.00	0.00	
C	0	0.0	0.00	0.00	0.00	0.0	0.00	0.00	0.00	
/D	0	0.0	0.00	0.00	0.00	0.0	0.00	0.00	0.00	
NR	0	0.0	0.00	0.00	0.00	0.0	0.00	0.00	0.00	
OTHER	0	0.0	0.00	0.00	0.00	0.0	0.00	0.00	0.00	
	48,668			4.30				4.79		

Portfolio Duration as a % of Benchmark 90%



Duration gauges price sensitivity of fixed income securities and represents the expected change in market value when interest rates change by 1%.

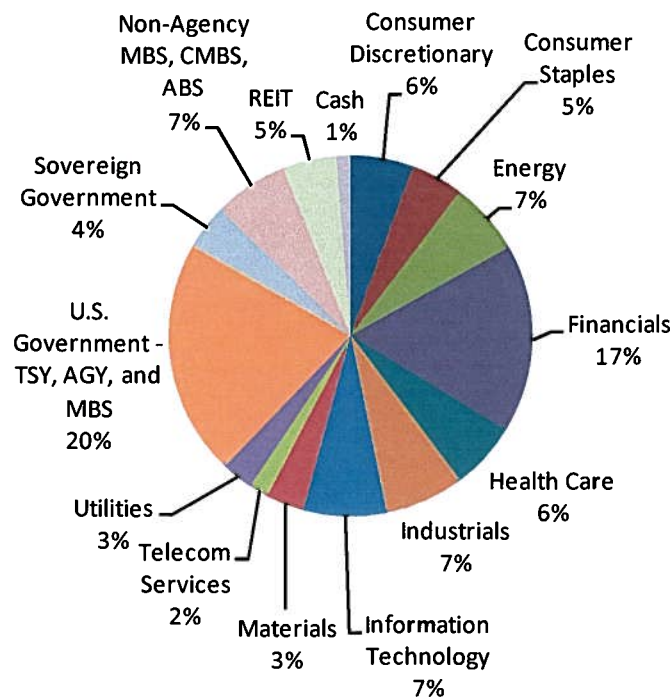
Compliance Report

- Twenty-five percent industry limitation within the entire portfolio
 - See attached GICS Sector Concentration report



GICS Sector Concentration

GICS* Sector Concentration for Fairbanks Permanent Fund as of December 31, 2010



Sector	Market Value	% of Portfolio
Consumer Discretionary	5,614,869	6%
Consumer Staples	4,677,596	5%
Energy	6,572,203	7%
Financials	16,867,995	17%
Health Care	5,941,326	6%
Industrials	7,138,029	7%
Information Technology	7,392,818	7%
Materials	3,438,017	3%
Telecommunication Services	1,740,728	2%
Utilities	2,782,202	3%
U.S. Government - Treasury/Agency/Agency MBS	21,097,865	21%
Sovereign Government	4,029,445	4%
Non-Agency MBS, CMBS, ABS	6,664,775	7%
REIT	4,796,703	5%
Cash	1,239,337	1%
Total Portfolio	99,993,909	100%



Includes Individual Bond and ETF Holdings

* As defined by the Global Industry Classification Standard (GICS) provided by Standard & Poor's/MSCI Barra

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Appendix



Portfolio Appraisal – as of December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
1,000,000	US TREASURY NOTES 0.875% Due 04-30-11	100.40	1,004,023	100.23	1,002,270	1.00	8,750	1,499	0.19
1,075,000	US TREASURY NOTES 2.750% Due 02-15-19	97.19	1,044,807	98.71	1,061,143	1.06	29,562	11,166	2.93
1,700,000	US TREASURY NOTES 2.625% Due 11-15-20	93.91	1,596,539	94.33	1,603,576	1.60	44,625	5,794	3.30
1,375,000	U S TREASURY NOTES 5.250% Due 02-15-29	110.42	1,518,207	114.69	1,576,960	1.58	72,187	27,266	4.09
900,000	US Treasury Note 3.500% Due 02-15-39	84.79	763,067	86.17	775,548	0.78	31,500	11,898	4.36
	Accrued Interest				57,623	0.06			
			5,926,643		6,077,121	6.08		57,623	
U.S. TREASURY INFLATION									
782,955	US TREASURY INFLATION INDEX 1.625% Due 01-15-18	105.06	822,572	107.01	837,824	0.84	12,723	5,877	NA
	Accrued Interest				5,877	0.01			
			822,572		843,702	0.84		5,877	
AGENCIES									
1,000,000	FANNIE MAE MED TERM NT 6.410% Due 11-13-12	104.98	1,049,760	110.37	1,103,690	1.10	64,100	8,547	0.80
500,000	FHLB 3.625% Due 10-18-13	104.20	520,981	106.78	533,905	0.53	18,125	3,675	1.15
500,000	FNMA 2.750% Due 03-13-14	101.05	505,261	104.52	522,605	0.52	13,750	4,125	1.30
500,000	FHLB 5.500% Due 08-13-14	113.46	567,284	114.39	571,970	0.57	27,500	10,542	1.40
1,250,000	FNMA 2.625% Due 11-20-14	100.66	1,258,272	103.80	1,297,525	1.30	32,812	3,737	1.61
500,000	FHLMC 5.125% Due 11-17-17	111.91	559,567	113.87	569,355	0.57	25,625	3,132	2.89
500,000	FEDERAL HOME LOAN MORTGAGE CORP 6.250% Due 07-15-32	120.42	602,104	122.15	610,770	0.61	31,250	14,410	4.61
	Accrued Interest				48,167	0.05			
			5,063,229		5,257,987	5.26		48,167	
FNMA & FHLMC									
148,513	FNMA POOL # 254195 5.500% Due 02-01-17	99.33	147,515	107.70	159,953	0.16	8,168	681	1.29



Portfolio Appraisal – as of December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
137,736	FGLMC POOL E01136 5.500% Due 03-01-17	99.55	137,112	107.46	148,012	0.15	7,575	631	1.62
426,549	FGLMC POOL B17355 5.000% Due 12-01-19	101.34	432,264	106.70	455,120	0.46	21,327	1,777	2.13
550,230	FGLMC POOL B17982 4.000% Due 03-01-20	97.59	536,990	103.47	569,318	0.57	22,009	1,834	2.76
340,484	FNMA POOL 814349 4.500% Due 03-01-20	98.62	335,789	105.50	359,210	0.36	15,322	1,277	2.32
318,775	FNMA POOL 819922 5.500% Due 04-01-20	102.41	326,470	107.83	343,729	0.34	17,533	1,461	2.28
413,717	FNMA POOL 819924 4.500% Due 04-01-20	99.55	411,875	105.50	436,472	0.44	18,617	1,551	2.32
508,198	FNCI 5.00% POOL 888348 5.000% Due 05-01-22	103.55	526,223	106.15	539,457	0.54	25,410	2,117	2.67
56,909	GNMA POOL 2563 6.500% Due 03-20-28	100.44	57,158	113.14	64,384	0.06	3,699	308	1.47
74,775	FGLMC POOL C01403 6.000% Due 09-01-32	101.81	76,131	109.90	82,177	0.08	4,487	374	2.53
153,343	FGLMC POOL A16590 6.000% Due 12-01-33	103.27	158,351	109.90	168,523	0.17	9,201	767	2.55
120,231	FRN - FNMA POOL 820607 2.221% Due 03-01-35	100.53	120,874	103.91	124,927	0.12	2,670	223	1.11
540,149	FNMA POOL 826090 4.737% Due 07-01-35	99.47	537,280	104.79	566,033	0.57	25,587	2,132	1.80
452,067	FHLMC # A36703 4.500% Due 08-01-35	95.69	432,571	103.10	466,081	0.47	20,343	1,695	3.72
380,825	FRN - FNMA POOL # 838293 2.757% Due 08-01-35	99.67	379,561	104.72	398,796	0.40	10,499	875	1.28
598,891	FRN - FNMA POOL 835240 4.966% Due 09-01-35	99.54	596,130	105.74	633,267	0.63	29,741	2,478	2.03
91,487	FNMA ARM POOL 745552 4.740% Due 02-01-36	99.27	90,815	103.56	94,746	0.09	4,336	361	1.48
180,121	FRN - FHLMC # 847740 5.458% Due 04-01-37	98.88	178,109	106.26	191,395	0.19	9,831	819	2.65
499,084	FRN - FHLMC # 1G2124 5.955% Due 08-01-37	99.81	498,148	107.44	536,206	0.54	29,720	2,477	3.22
269,137	FRN - FNMA POOL 943054 3.372% Due 08-01-37	100.94	271,660	105.33	283,479	0.28	9,075	756	1.34
697,106	FHLMC # G08264 6.000% Due 04-01-38	100.76	702,389	108.43	755,872	0.76	41,826	3,486	3.10
	Accrued Interest				28,082	0.03			
			6,953,415		7,405,239	7.41		28,082	



Portfolio Appraisal – as of December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
GNMA									
81,734	GOV'T NAT'L MTG ASSN POOL# 587075 6.500% Due 05-15-32	101.25	82,755	113.53	92,795	0.09	5,313	443	1.37
702,310	GOV'T NAT'L MTGE ASSN POOL # 617115 5.500% Due 06-15-36	97.77	686,618	108.30	760,573	0.76	38,627	3,219	2.72
629,130	GOV'T NAT'L MTGE ASSN POOL # 672671 4.500% Due 04-15-38 Accrued Interest	97.12	611,043	104.02	654,422	0.65	28,311	2,359	3.68
					6,021	0.01			
			1,380,416		1,513,810	1.51		6,021	
ASSET-BACKED SECURITIES									
1,000,000	GE CAPITAL CREDIT CARD MASTER NOTE TRUST 3.690% Due 07-15-15 Accrued Interest	103.37	1,033,750	103.88	1,038,766	1.04	36,900	1,640	1.15
					1,640	0.00			
			1,033,750		1,040,406	1.04		1,640	
COMMERCIAL MORTGAGE-BACKED SECURITIES									
488,825	CREDIT SUISSE FIRST BOSTON MTG 4.691% Due 04-01-37	100.48	491,173	100.30	490,271	0.49	22,931	1,911	4.59
700,000	LB-UBS COML MTG TR 2006-C7 5.300% Due 11-11-38	100.35	702,460	102.05	714,355	0.71	37,100	2,061	2.70
500,000	BEAR STEARNS COML MTG SECS INC 4.674% Due 06-11-41	100.54	502,723	104.91	524,563	0.52	23,370	1,947	3.41
500,000	FRN - BEAR STEARNS COML MTG SECS TR 5.518% Due 09-11-41	100.55	502,726	104.88	524,418	0.52	27,590	2,299	3.23
183,469	WACHOVIA BK COML MTG TR 4.657% Due 04-01-42	99.93	183,341	102.14	187,395	0.19	8,544	712	2.40
1,000,000	FRN - CD 2005-C1 COMMERCIAL MTG TR 5.222% Due 07-15-44	100.09	1,000,856	107.62	1,076,213	1.08	52,219	4,352	3.46
491,922	COMM 2006-C8 MTG TR 5.248% Due 12-10-46	100.50	494,376	102.24	502,930	0.50	25,816	2,151	3.37
500,000	FRN - J P MORGAN CHASE COML MTG SECS 5.745% Due 02-12-49	100.21	501,049	106.24	531,192	0.53	28,724	2,394	4.66
500,000	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51	100.55	502,732	104.22	521,113	0.52	27,170	2,264	2.61
500,000	J P MORGAN CHASE COML MTG SECS 5.882% Due 02-15-51 Accrued Interest	100.50	502,481	105.88	529,377	0.53	29,410	2,451	4.83
					22,542	0.02			
			5,383,918		5,624,371	5.62		22,542	



Portfolio Appraisal – as of December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
CORPORATE BONDS									
500,000	METROPOLITAN LIFE GLOBAL FDG I RESTR 5.125% Due 11-09-11	99.87	499,370	103.57	517,860	0.52	25,625	3,701	0.92
500,000	BERKSHIRE HATHAWAY FIN. 4.750% Due 05-15-12	107.40	537,025	105.30	526,500	0.53	23,750	3,035	0.85
500,000	JOHNSON & JOHNSON 5.150% Due 08-15-12	109.41	547,045	107.25	536,275	0.54	25,750	9,728	0.65
725,000	ASTRAZENECA PLC 5.400% Due 09-15-12	99.81	723,615	107.83	781,804	0.78	39,150	11,527	0.77
500,000	JOHN DEERE CAPITAL CORP 5.250% Due 10-01-12	99.75	498,750	107.56	537,815	0.54	26,250	6,562	0.88
500,000	UNITED PARCEL SVC INC 4.500% Due 01-15-13	100.22	501,110	106.97	534,860	0.53	22,500	10,375	1.03
500,000	CARGILL INC MEDIUM TERM NTS RESTR 5.200% Due 01-22-13	99.92	499,585	107.89	539,440	0.54	26,000	11,483	1.30
500,000	BARCLAYS BANK PLC 2.500% Due 01-23-13	99.87	499,335	101.62	508,120	0.51	12,500	5,486	1.69
500,000	AMERICAN INTL GROUP INC SENIOR NT 4.250% Due 05-15-13	95.12	475,580	103.48	517,425	0.52	21,250	2,715	2.72
500,000	ONTARIO PROV CDA 3.500% Due 07-15-13	99.68	498,425	105.49	527,455	0.53	17,500	8,069	1.29
500,000	BARRICK GOLD FINANCE CO. 6.125% Due 09-15-13	99.98	499,890	111.92	559,600	0.56	30,625	9,017	1.60
250,000	BP CAPITAL MARKETS PLC 5.250% Due 11-07-13	108.02	270,039	108.30	270,752	0.27	13,125	1,969	2.22
500,000	CREDIT SUISSE NEW YORK 5.500% Due 05-01-14	99.90	499,485	109.66	548,325	0.55	27,500	4,583	2.46
500,000	BANK OF NY MELLON 4.300% Due 05-15-14	100.91	504,550	106.70	533,495	0.53	21,500	2,747	2.22
450,000	US BANCORP 4.200% Due 05-15-14	104.98	472,396	106.82	480,699	0.48	18,900	2,415	2.09
500,000	CITIGROUP INC 5.500% Due 10-15-14	100.17	500,870	107.74	538,725	0.54	27,500	5,806	3.30
500,000	DOMINION RESOURCES INC. 5.000% Due 12-01-14	106.38	531,910	108.74	543,680	0.54	25,000	2,083	2.64
500,000	JP MORGAN CHASE & CO 4.750% Due 03-01-15	98.36	491,795	106.77	533,875	0.53	23,750	7,917	3.00
500,000	MORGAN STANLEY 6.000% Due 04-28-15	99.88	499,380	108.30	541,500	0.54	30,000	5,250	3.89
500,000	BANK OF MONTREAL 2.850% Due 06-09-15	100.59	502,930	101.58	507,895	0.51	14,250	871	2.47



Portfolio Appraisal – as of December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
500,000	BANK AMER CORP 5.625% Due 10-14-16	99.93	499,670	103.68	518,400	0.52	28,125	6,016	4.88
500,000	CONOCOPHILLIPS CDA FDG FDG CO 5.625% Due 10-15-16	100.09	500,475	113.66	568,290	0.57	28,125	5,937	3.03
500,000	INTERNATIONAL BUSINESS MACHS 5.700% Due 09-14-17	106.27	531,328	114.77	573,875	0.57	28,500	8,471	3.23
500,000	EXELON GENERATION CO LLC 6.200% Due 10-01-17	100.83	504,145	111.92	559,585	0.56	31,000	7,750	4.15
500,000	WELLS FARGO & CO NEW 5.625% Due 12-11-17	99.58	497,920	110.72	553,590	0.55	28,125	1,562	3.85
500,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	497,860	111.03	555,150	0.56	28,750	11,979	3.95
500,000	MCDONALDS CORP M/T/N 5.350% Due 03-01-18	105.75	528,740	112.20	561,005	0.56	26,750	8,917	3.41
500,000	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	89.86	449,305	109.05	545,255	0.55	28,125	4,687	4.18
500,000	GLAXOSMITHKLINE CAP INC 5.650% Due 05-15-18	104.59	522,950	114.34	571,715	0.57	28,250	3,610	3.43
500,000	CATERPILLAR FINANCIAL 7.150% Due 02-15-19	99.16	495,805	122.97	614,830	0.61	35,750	13,506	3.83
500,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	99.78	498,905	116.60	582,995	0.58	37,500	14,167	4.99
500,000	PROCTER & GAMBLE CO. 4.700% Due 02-15-19	99.82	499,120	108.25	541,240	0.54	23,500	8,878	3.52
500,000	MICROSOFT CORP 4.200% Due 06-01-19	99.73	498,650	104.98	524,905	0.52	21,000	1,750	3.51
500,000	BELLSOUTH CORP 6.000% Due 11-15-34	97.52	487,595	99.60	498,010	0.50	30,000	3,833	6.03
500,000	NEWS AMER INC 6.200% Due 12-15-34	95.28	476,420	105.00	524,995	0.53	31,000	1,378	5.81
500,000	SOUTHERN CAL EDISON CORP BOND 5.950% Due 02-01-38	99.54	497,700	110.03	550,175	0.55	29,750	12,396	5.25
	Accrued Interest				230,178	0.23			
			18,039,674		19,660,293	19.66		230,178	
INTERNATIONAL FIXED INCOME FUNDS/ETF									
59,766	SPDR BARCLAYS CAPITAL INTL D	56.06	3,350,670	58.46	3,493,920	3.49	NA		
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
219,494	VANGUARD INST'L INDEX FUND	92.48	20,297,973	115.01	25,244,026	25.25	NA		



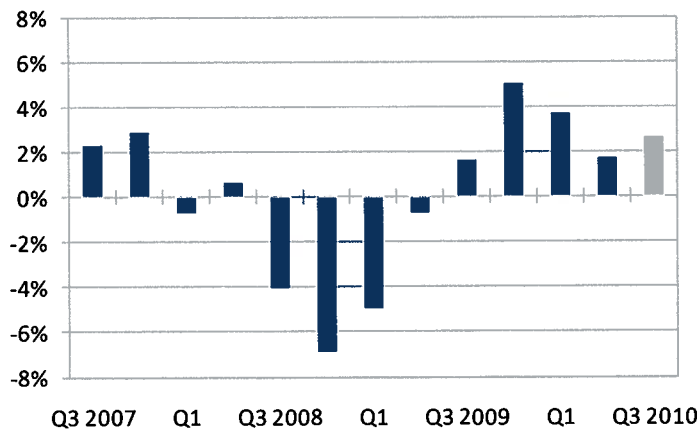
Portfolio Appraisal – as of December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
DOMESTIC MID CAP EQUITY FUNDS/ETF									
37,878	ISHARES S&P MIDCAP 400	63.58	2,408,435	90.69	3,435,156	3.44	NA		
INTERNATIONAL FUNDS/ETF									
276,753	VANGUARD EUROPE PACIFIC ETF	33.97	9,400,982	36.15	10,004,621	10.01	NA		
EMERGING MARKET FUNDS/ETF									
90,500	VANGUARD EMERGING MARKET ETF	43.27	3,915,893	48.15	4,357,213	4.36	NA		
REAL ESTATE									
86,630	VANGUARD REIT ETF	48.08	4,165,282	55.37	4,796,703	4.80	NA		
CASH AND EQUIVALENTS									
	ALASKA MUNICIPAL LEAGUE INVESTMENT POOL		1,218,510		1,218,510	1.22			
	CASH RECEIVABLE		20,827		20,827	0.02	NA		
			1,239,337		1,239,337	1.24			
TOTAL PORTFOLIO			89,382,189		99,993,905	100	2,078,188	400,130	



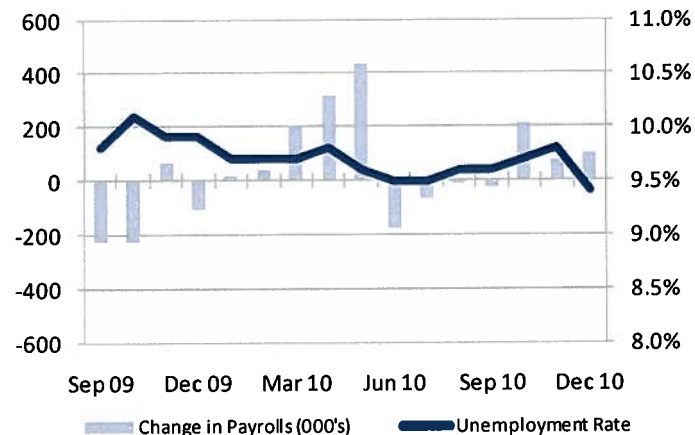
Economy & Financial Markets

Gross Domestic Product



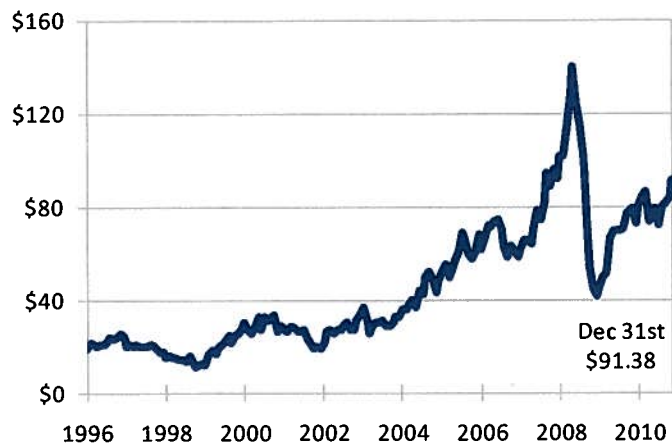
Bureau of Economic Analysis

Job Growth and Unemployment Rate



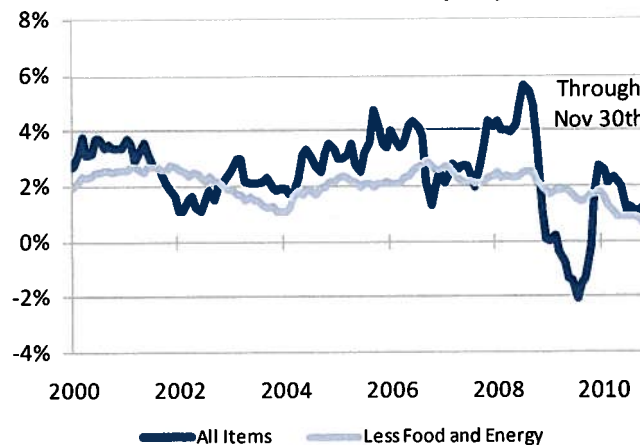
Bureau of Labor Statistics

Oil Price - West Texas Intermediate



Bloomberg

Consumer Price Index (YoY)



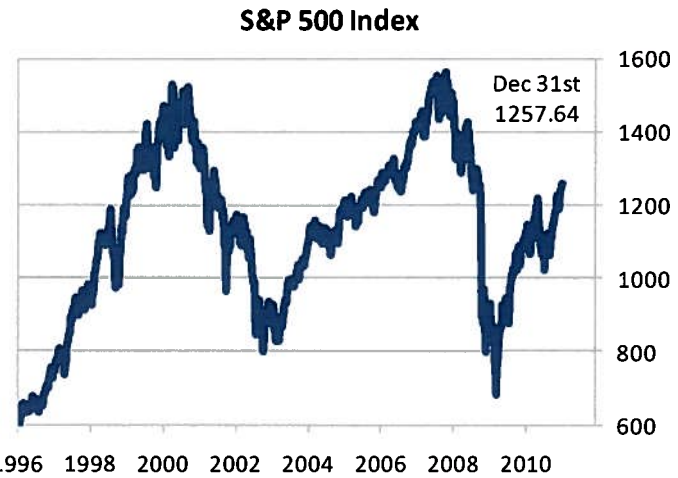
Bureau of Labor Statistics



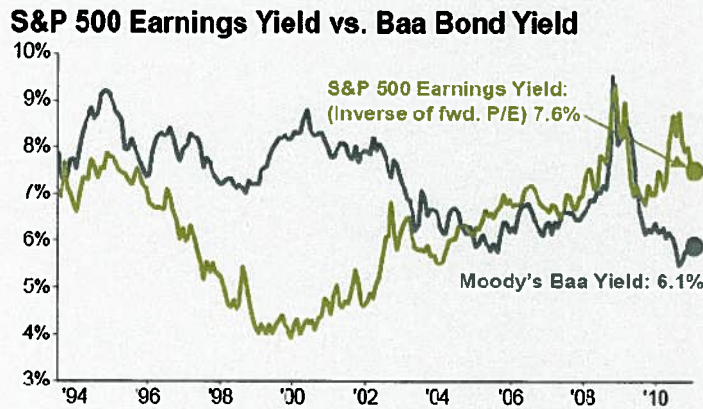
Economy & Financial Markets

Total Return (%) as of December 31, 2010				
	Q4 2010	1 Year	3 Years	5 Years
Domestic Equities				
Large Cap S&P 500	10.8	15.1	-2.9	2.3
Mid Cap S&P 400	13.5	26.6	3.5	5.7
Small Cap S&P 600	16.2	26.3	3.0	4.6
International Equities				
Developed MSCI EAFE	6.6	7.8	-7.0	2.5
Emerging MSCI Emerging Markets	7.3	18.9	-0.3	12.8
Other				
Commercial Property S&P U.S. REIT	7.4	28.5	0.6	2.9
Commodities DJ-UBS Commodity	15.8	16.8	-3.7	1.2
Fixed Income				
Total Bond Market Barclays Aggregate	-1.3	6.5	5.9	5.8
1-3 Yr U.S. Treasury/Agency Barclays 1-3 Gov	-0.1	2.4	3.5	4.3
Int'l Treasury Barclays Global Tsy ex-US	-0.7	8.4	8.1	8.2

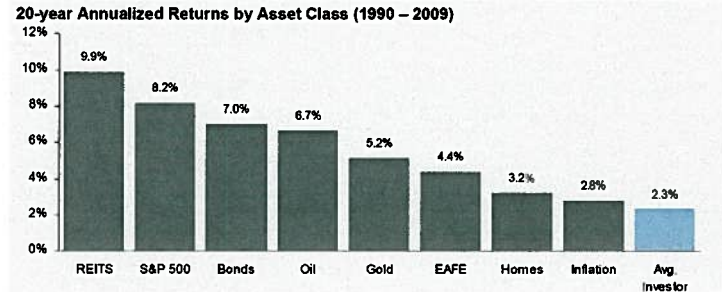
Returns are annualized for periods greater than one year



Bloomberg



Sources: Standard & Poor's, Moody's, J.P. Morgan Asset Management



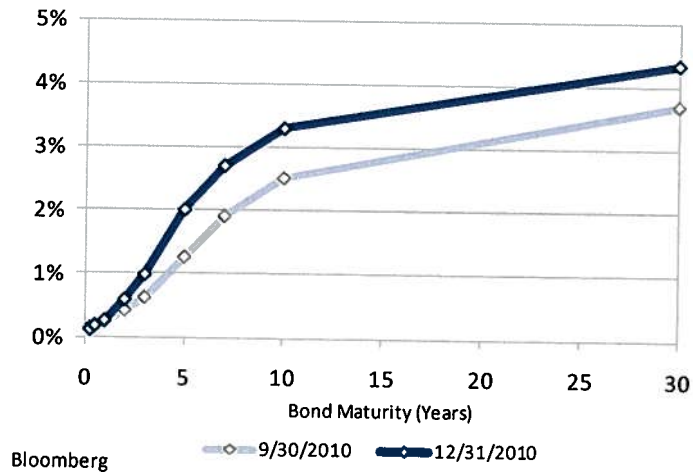
Source: J.P. Morgan Asset Management

Average asset allocation investor return is based on an analysis by Dalbar Inc. All returns are annualized (and total return where applicable) and represent the 20-year period ending 12/31/09 to match Dalbar's most recent analysis.

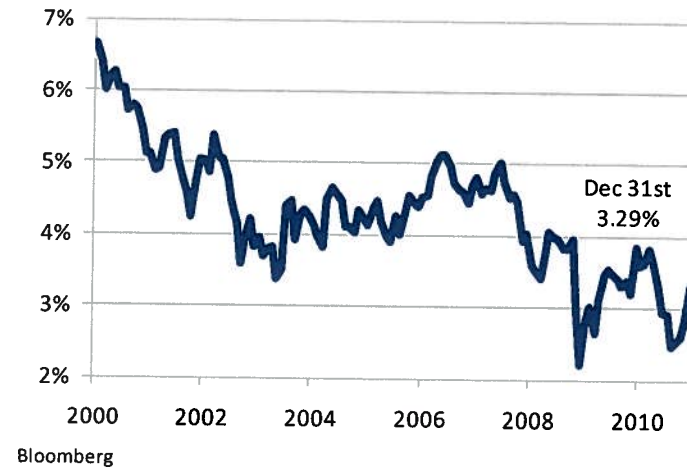


Economy & Financial Markets

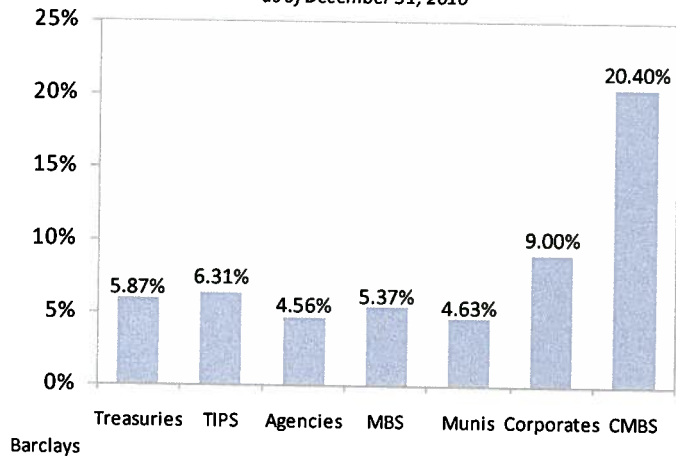
Yield Curve Comparison



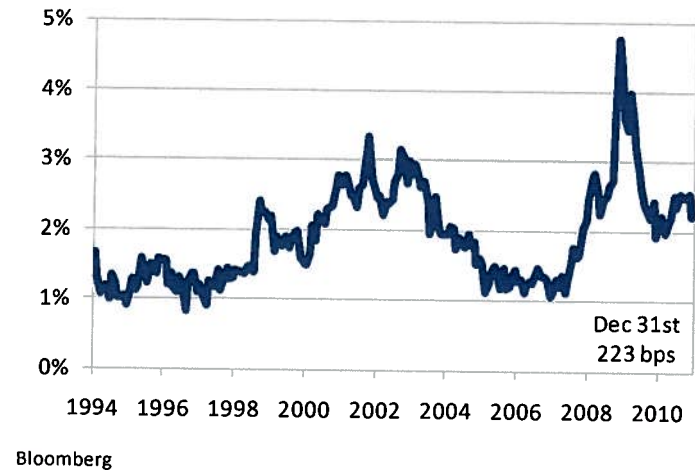
10 Year Treasury Note Yield



2010 Bond Total Return
as of December 31, 2010



Corporate A Spread/10 Year Treasury



Current Outlook

Economic Outlook

The U.S. economy is recovering, but still faces major headwinds from the ongoing deleveraging of consumer and financial balance sheets. The unemployment rate fell to 9.4% last month. Job gains are slowly improving. Manufacturing activity is picking up, however both the residential and commercial property markets remain sluggish. Third quarter GDP growth was +2.6% and the fourth quarter is expected to be at least +3.0%. Most economists expect 3-3.5% growth in 2011.

Worldwide GDP declined -0.6% in 2009. Growth of +4.8% is estimated for 2010. The IMF forecasts world growth of +4.2% this year. This growth will likely be led by the emerging markets – many of which have had economies that continued to grow throughout the financial crisis.

Inflation Outlook

Inflation is up +1.1% year-over-year and the “core” rate is +0.8% - the lowest level since 1957. Inflationary pressures are likely to remain muted given substantial unused capacity in the labor and product markets. Commodity prices have climbed higher recently and Alaska North Slope crude ended December at \$92 per barrel. Gold has set new all time highs above \$1,400 per ounce.

Policy Actions

The Federal Reserve is maintaining a ZIRP (zero interest rate policy) with the federal funds rate pinned close to zero for a “considerable period.” The Fed is engaging in another round of quantitative easing dubbed “QE2” where they will buy \$600 billion of Treasury bonds through June 2011. Some worry about the inflationary implications of this action.

Republican gains in the US midterm elections suggested gridlock and an end to stimulus spending. However, the tax compromise by the President and Republicans at year end will improve growth in 2011 but add to the federal budget deficit. We can’t continue to kick the can down the road. We expect cuts in federal spending as the year unfolds.

Overseas, Europe continues to grapple with a financial system that was more levered than the U.S. The ECB and IMF have taken significant steps to shore up confidence and provide liquidity to EU governments struggling with deficit/debt problems. Greece and Ireland have accepted bailouts. Many countries have undertaken “austerity” measures to close their budget gaps.

Bond Outlook

Quantitative easing will probably keep interest rates low for a considerable period, though rates did back up in December. Corporate spread product and CMBS securities have performed well and that should continue. We remain underweight Treasuries and Agency securities. We believe that interest rates are eventually headed higher.

Equity Outlook

The equity markets rallied strongly in December. Corporate earnings have been strong and companies are beating expectations. We generally like domestic large company stocks over smaller names. Globally we favor emerging markets over developed international (EAFE). REITs have performed well, but they are overvalued in our judgment. Very low interest rates and reasonable valuations trump uncertainty about Europe, China, etc. We remain tilted towards equities.



January 2011

COMMODITIES REVIEW

FAIRBANKS PERMANENT FUND



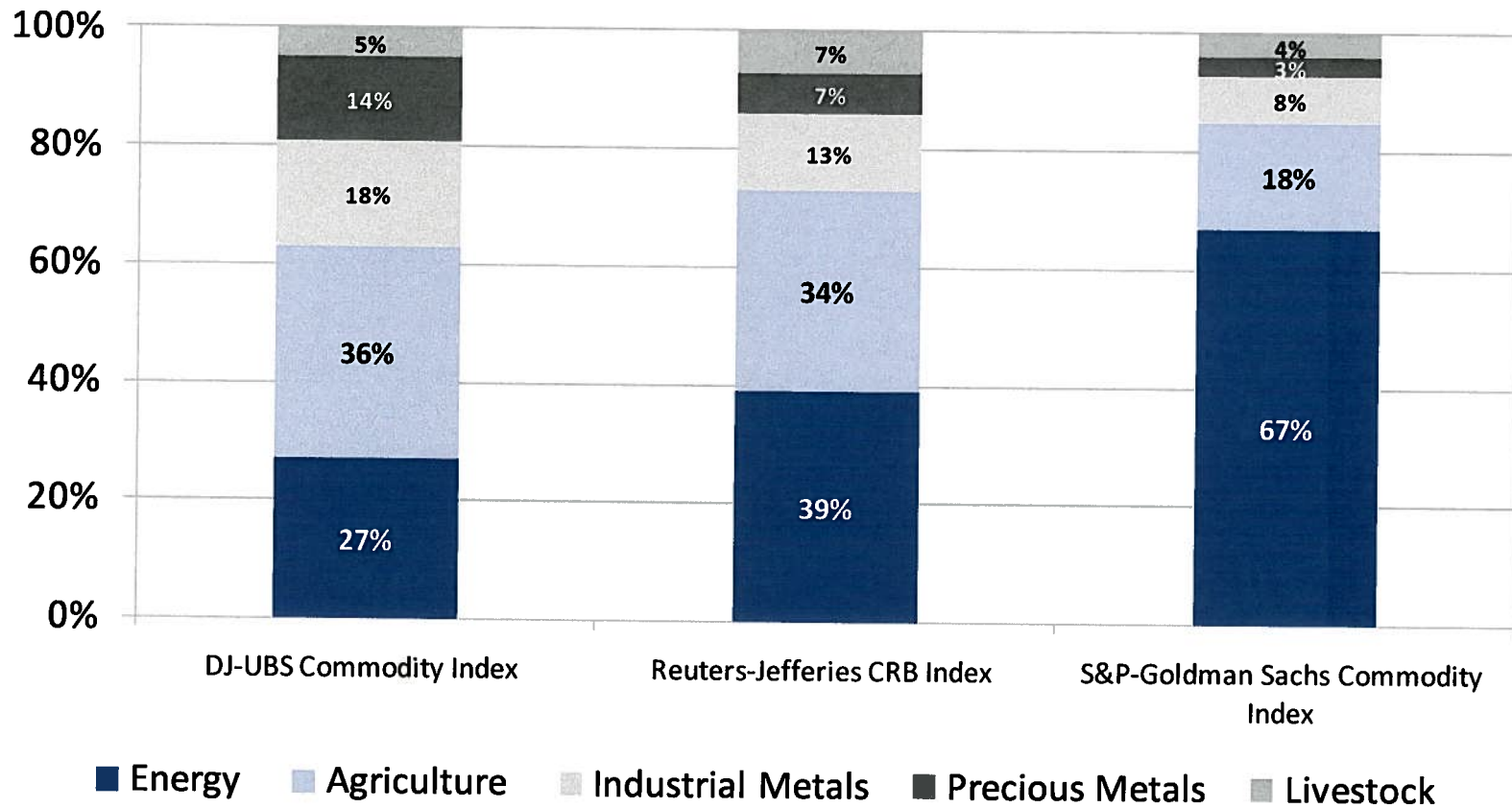
Benchmark Selection

- **Broad market representation**
 - Adequate history with broad coverage of the asset class
- **Investable**
 - Easily replicated and cost effective
- **Transparency and consistency of approach**
 - Widely understood methodology applied consistently overtime
- **Index Maintenance**
 - Maintained and managed to reflect the evolution of the underlying universe
- **Wide acceptance and use**
 - Accepted and used by investors to satisfy many different needs
- **Benchmark family of indexes**
 - Components (large, mid, small cap) and segments (growth and value) should individually meet characteristics of good benchmark index



Index Composition

Composition of Commodity Indices



Data as of December 31, 2010

Exchange Traded Products

➤ Physical Funds

- Hold a given commodity in a vault and issue shares based on the price of that supply, minus management fees
- Limited to precious metals, which do not rot or decompose

➤ Futures-Based Funds

- Track a basket or index of one or more commodities futures contracts, buying up (or “rolling over”) to another contract whenever the current one expires
- Offers pure-play exposure to the commodities markets
- Market structure can impact total returns

➤ Exchange Traded Notes (ETNs)

- Unstructured debt instruments, holds no contracts or securities
- Simply a promise from a credit issuer to match a certain index’s performance
- Can perfectly replicate benchmarks without incurring transaction costs, minus fees
- Credit risk

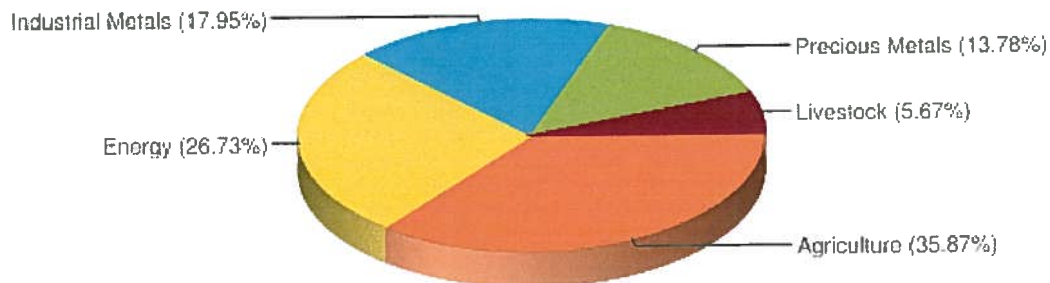
➤ Equity Exchange Traded Funds (ETFs)

- Basket of commodity companies, such as drillers, explorers, growers and refiners
- Different risk/return profiles than futures-based
- Correlate more closely with U.S. equities



Dow Jones UBS Commodity Index ETN (DJP)

As of December 31, 2010



Yearly fee: 0.75% Inception: 6/06/06 Maturity: 6/12/36

Issuer: Barclays Bank PLC, unsecured obligation* S&P Rating: AA- Moody's Rating: Aa3

Returns (As of 12/31/2010)

	1 mo.	3 mo.	6 mo.	YTD	1Yr.	3 Yr.	5 Yr.	10 Yr.	Since Note Incept.
Index	10.69%	15.79%	29.24%	16.83%	16.83%	-3.67%	1.18%	5.84%	0.33%
iPath Indicative Value Return	11.03%	16.17%	29.93%	16.61%	16.61%	-4.37%	N/A	N/A	-0.38%

Market Price Returns (As of 12/31/2010)

	1 mo.	3 mo.	6 mo.	YTD	1Yr.	3 Yr.	5 Yr.	10 Yr.	Since Note Incept.
iPath Market Price Return	10.92%	16.17%	30.32%	16.27%	16.27%	-4.42%	N/A	N/A	-0.39%

Source: BlackRock. Period ending 12/31/2010.

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investment, when sold or redeemed may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. See additional market price information.

*The iPath ETNs are not rated, but are backed by the credit of Barclays Bank PLC.

The iPath ETNs rely on the rating of their issuer, Barclays Bank PLC.



Source: iPath



iPath Exchange Traded Notes

iPath® Dow Jones-UBS Commodity Index Total Return™ ETN

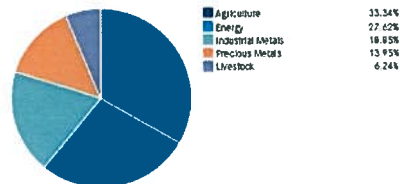
iPath Exchange Traded Notes (ETNs) are senior, unsubordinated, unsecured debt securities issued by Barclays Bank PLC delivering exposure to the returns of a market or strategy with the trading flexibility of a listed security.

NOTE DETAILS

Table with 2 columns: Field (Ticker, Intraday indicative value ticker, Bloomberg index ticker, CUSIP, Primary exchange, Yearly fee, Inception date, Maturity date, Index) and Value (DJP, DJPIV, DJUBSTR, 06738C778, NYSE Arca, 0.75%, 06/06/06, 06/12/36, Dow Jones-UBS Commodity Index Total Return™)

* The investor fee is equal to the Yearly Fee times the principal amount of your securities times the index factor, calculated on a daily basis in the following manner: the investor fee on the inception date will equal zero.

INDEX COMMODITY GROUPS



Source: UBS Securities LLC, Dow Jones Indexes, as of 09/30/10. Subject to change.

ISSUER DETAILS

Table with 2 columns: Field (Barclays Bank PLC long-term, unsecured obligations*, S&P rating, Moody's rating) and Value (AA-, Aa3)

The iPath ETNs are not rated, but are backed by the credit of Barclays Bank PLC. The iPath ETNs rely on the rating of their issuer, Barclays Bank PLC.

* We have not obtained a rating from any rating organization with respect to the iPath ETNs. A security rating is not a recommendation to buy, sell or hold securities, and each rating should be evaluated independently of any other rating.

INDEX CORRELATIONS

Table with 2 columns: Index (Dow Jones-UBS Commodity Index Total Return™, S&P GSCI® Total Return Index, S&P GSCI® Crude Oil Total Return Index, S&P 500 Index, Barclays Capital U.S. Aggregate Bond Index, MSCI EAFE Index) and Correlation (1.00, 0.92, 0.81, 0.51, 0.17, 0.62)

Sources: S&P, UBS Securities LLC, Dow Jones Indexes, Barclays Capital, MSCI Inc., Bloomberg, BlackRock 09/05 - 09/10, based on monthly returns

INDEX TOTAL RETURNS & STANDARD DEVIATION

Table with 5 columns: Index (Dow Jones-UBS Commodity Index Total Return™, S&P GSCI® Total Return Index, S&P GSCI® Crude Oil Total Return Index, S&P 500 Index, Barclays Capital U.S. Aggregate Bond Index, MSCI EAFE Index) and 4 columns of returns (1-YEAR RETURN %, 3-YEAR RETURN% ANNUALIZED, 5-YEAR RETURN% ANNUALIZED, STANDARD DEVIATION % ANNUALIZED)

* Based on monthly returns for 09/05 - 09/10. Sources: S&P, UBS Securities LLC, Dow Jones Indexes, Barclays Capital, MSCI Inc., Bloomberg, BlackRock. Index returns are for illustrative purposes only and do not represent actual iPath ETN performance.

* Investors may redeem at least 50,000 units of the iPath® Dow Jones-UBS Commodity Index Total Return™ ETN on a daily basis directly to the issuer, Barclays Bank PLC, subject to the procedures described in the relevant prospectus.

iPath® Dow Jones-UBS Commodity Index Total Return™ ETN

The Dow Jones-UBS Commodity Index Total Return™ was introduced in July 1998 to provide a unique, diversified, economically rational and liquid benchmark for commodities as an asset class. The Index was created using the following four main principles as goals: economic significance, diversification, continuity and liquidity.

TOP TEN CONTRACTS INCLUDED IN THE DOW JONES-UBS COMMODITY INDEX TOTAL RETURN™

Table with 5 columns: COMMODITY, TICKER, WEIGHTING, TRADING FACILITY, COMMODITY GROUP. Lists top 10 contracts like Oil - WTI Crude Oil Contract, Gold, Soybeans, Corn, Copper, Natural Gas, Aluminum, Wheat, Cattle - Live, Silver.

* As of 09/30/10. Source: UBS Securities LLC, Dow Jones Indexes, NYM-IMMEX DIVISION New York Mercantile Exchange, CBT-CHICAGO BOARD OF TRADE, COME-CHICAGO MERCANTILE EXCHANGE, LME-LONDON METAL EXCHANGE, COMEX-GOUEX DIVISION New York Mercantile Exchange, NYF-ACE FUTURES U.S.

An investment in iPath ETNs involves risks, including possible loss of principal. For a description of the main risks see "Risk Factors" in the applicable prospectus. Barclays Bank PLC has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication refers.

iPath ETNs (the "Securities") are unsecured obligations of Barclays Bank PLC and are not covered debt. The Securities are similar to ordinary unsecured debt securities and have no principal protection. Risks of investing in the Securities include limited public diversification, trade price fluctuations, uncertain principal repayment, and liquidity.

The Securities may be sold throughout the day on the exchange through any brokerage account. There are restrictions on the maximum number of Securities you may redeem directly with the issuer as specified in the applicable prospectus.

iPath ETNs typically have lower investor fees than equity or equity mutual funds that invest in similar markets and are available to retail investors. Buying and selling iPath ETNs will result in brokerage commissions. The index components for iPath ETNs linked to commodities indexes are concentrated in the commodities sector.

exhibit higher volatility. The current or "spot" prices of the underlying physical commodities may also affect, in a volatile and inconsistent manner, the prices of futures contracts in respect of the relevant commodity. These factors may affect the value of the index and the value of your Securities in various ways.

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Dow Jones-UBS Commodity IndexSM

Fact Sheet

Stated Objective

The Dow Jones-UBS Commodity IndexSM aims to provide broadly diversified representation of commodity markets as an asset class.

Key Features

- The index is made up of exchange-traded futures on physical commodities.
- The index represents 19 commodities, which are weighted to account for economic significance and market liquidity.
- Weighting restrictions on individual commodities and commodity groups promote diversification.

Performance

Index Name	Total Return (%)				Annualized Total Return (%)				
	1-Month	3-Month	YTD	2009	1-Year	3-Year	5-Year	10-Year	Since Inception*
Dow Jones-UBS Commodity Index SM	10.69	15.79	16.83	18.91	10.83	-3.87	1.18	5.84	9.09

Data calculated as of December 31, 2010.

Index performance data prior to initial calculation dates are based on back-testing. Initial calculation dates for the indexes listed are as follows: Dow Jones-UBS Commodity IndexSM: 7/14/1998

*Inception date: December 31, 1980

Sector Subindex Weightings

Subindex	Weight (%)
Agriculture	35.87%
Energy	28.73%
Industrial Metals	17.95%
Precious Metals	13.78%
Livestock	5.67%

Dow Jones Indexes
A CME Group Company

Dow Jones-UBS Commodity IndexSM Fact Sheet

Individual Commodity Subindex Weightings

Commodity	Weight (%)
Crude Oil	12.91%
Gold	9.28%
Soybeans	8.79%
Corn	8.68%
Copper	8.05%
Natural Gas	7.21%
Wheat	5.44%
Aluminum	5.01%
Silver	4.50%
Live Cattle	3.84%
Coffee	3.53%
Soybean Oil	3.52%
Heating Oil	3.38%
Unleaded Gasoline	3.24%
Cotton	3.23%
Sugar	2.89%
Nickel	2.58%
Zinc	2.31%
Lean Hogs	2.03%

Quick Facts

Component Number	Variable
Weighting	No related group of commodities may constitute more than 33% of the index and no single commodity may constitute less than 2% or more than 15% of the index. The weighting restrictions are applied annually.
Review Frequency	Revised/first rebalanced annually on a price-percentage basis
Base Value/Base Date	100 as of December 31, 1990
Calculation Frequency	Every 15 seconds
Date of Introduction	Dow Jones-UBS Commodity Index, July 14, 1998

Dow Jones Indexes
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Are College Endowments Turning To Gold?

A news report from insidehighered.com recently reported that the University of Texas would be buying up to \$500 million worth of gold with its massive endowment fund amid concerns in the economy and potential inflation.

A few excerpts from the report:

“The University of Texas Investment Management Company (UTIMCO) announced last month that it would move \$500 million into gold. While that constitutes just 3 percent of the \$22.3 billion in assets UTIMCO controls, it's a marked shift in strategy for a management company that had no gold in its portfolio a year ago.

Bruce Zimmerman, UTIMCO's chief executive officer, described the gold investment as a “hedge,” which would protect the portfolio if a “lack of monetary and fiscal discipline on the part of governments” drives down the value of other assets. While not naming names, Zimmerman said he knew of several other endowment managers adopting the same strategy.

“I don't believe we're the only endowment [doing this],” he said. “We just happen to be public.”

Fund managers who are using gold to offset other risks are employing a fundamental principle of investment diversity, explains John Nelson, managing director of Moody's Public Finance Group. Any endowment manager's goal is to have a portfolio with assets that hold inverse relationships; in other words, if one asset declines in value, the other will increase in value and thereby hedge against risk, Nelson says.

“If you're worried about inflation, and you're worried about whether the U.S. dollar will hold its value less than it has historically, then gold is one of the few options you'd have,” Nelson said.

Given the fact that a gold investment strategy is predicated on the idea that the dollar is declining and the nation is too deep in debt some have described the gaga for gold trend gripping the conservative movement as ideologically driven.

But you don't have to be a conservative talk show host to see the merits of UTIMCO's position, said Sandy Leeds, a senior lecturer of finance at the University of Texas at Austin's McCombs School of Business. Leeds was so fired up by the news of UTIMCO's strategy that he wrote an op-ed on the subject for The Houston Chronicle, which originally reported on a public meeting where the investments were discussed.

"While unstated by UTIMCO, we should consider the possibility that they are hedging against a U.S. meltdown," Leeds wrote.

UTIMCO isn't the only investor pursuing gold in this shaky economy. Indeed, gold futures climbed for the fourth straight week, and it has gained 13 percent this year.

By investing in gold, UTIMCO is bracing for the possibility that inflation will outpace the returns the company is getting on some or many of its bonds, Leeds told Inside Higher Ed. "In a high inflation environment, bonds will get crushed," Leeds said.

Even so, gold is "notoriously volatile," and "in real terms, it generally has not held its value in the last 25 years," Nelson said. "It always spikes up when people are concerned about the future."

That volatility may be among the reasons gold isn't a fixture in a lot of college endowments, but talk of such investments is growing. John Paulson, president, portfolio manager, and director of Paulson & Co., recently championed gold at a meeting of the National Association of College and University Business Officers."

Is Gold the Focus of a New College Endowment Trend?

Not necessarily... but they may be looking to cut their exposure to stocks, and looking to get into other types of investments, including gold and silver.

One thing to keep in mind— The money managers who run these funds are not making very big bets on gold— at least not yet. While the \$500 million referenced above is an enormous figure, it still represents less than 3% of the total assets in the fund.

And an endowment's time horizon for the performance is most certainly long term... 10+ years.

In the meantime, we'll keep you posted on any new developments.

September 9th, 2010 in [All Free Reports](#), [College Planning and Savings News](#), [Help with College Planning](#), [How to Pay for College](#) | tags: [All Free Reports](#), [college endowments](#), [gold](#)
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University Of Texas Invests Three Percent Of Its Funds In Gold

First Posted: 07-16-10 08:19 AM | Updated: 07-16-10 05:52 PM

What's Your Reaction?

The University of Texas system has invested \$500 million, or 3 percent of its total investment funds, in gold.

The *Houston Chronicle* reports that the university bought the gold out of fears of "unstable international financial markets and the possibility of high inflation." It is relatively uncommon for a university to invest in gold, the value of which only increases through inflation.

Last month, the school system had to borrow \$516 million to cover an IRS audit. The system's flagship campus in Austin is being investigated for the inordinately high salaries of some of its employees including football coach Mack Brown, who earns \$5.1 million per year.

The University of Texas has the fifth-largest endowment in the country.

Filed by Leah Finnegan | [Report Corrections](#)

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Created in March 1996, **UTIMCO** is the first external investment corporation formed by a public university system and oversees investments for The University of Texas and Texas A&M Systems.

⌘ **UTIMCO's Mission:**

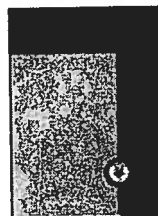
- For our clients, UTIMCO will provide competitive, innovative and effective asset management and financial advisory services to our clients within The University of Texas and Texas A&M Systems.
- For the community, UTIMCO accepts its responsibilities as the manager for the largest public endowment fund in the United States and will act as a leader to advance endowment fund management practices at both public and private endowments.

⌘ **More Information**

- **Private Endowments**
 - **UTIMCO Survey (Summary)**
 - **Meeting Information**
- **UTIMCO Feature Stories**
 - **PUF Timeline**

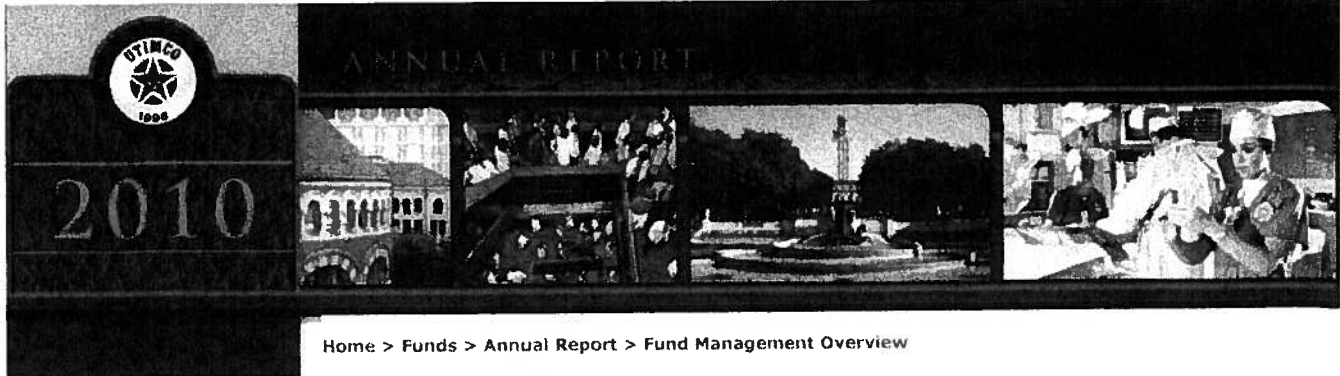
⌘ **UTIMCO Publications**

- **2010 Annual Report**
- **2010 Annual Report - Print Version**
 - **2009 Annual Report**
- **2009 Annual Report - Print Version**
 - **2008 Annual Report**
 - **2007 Annual Report**



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[Annual Report Home](#)

FUND MANAGEMENT OVERVIEW

[Fund Management Overview](#)

The University of Texas Investment Management Company (UTIMCO) manages the investment assets under the fiduciary care of the Board of Regents of The University of Texas System (UT Board). UTIMCO is governed by a Board of Directors consisting of three members of the UT Board, the Chancellor of The University of Texas System (UT System), one director nominated by the Board of Regents of Texas A&M University System (A&M Board), and four outside directors with experience in investment management. The UT Board has delegated the day-to-day investment management responsibilities of the funds to UTIMCO, subject to compliance with UT Board approved investment policies. The UTIMCO staff includes approximately 55 specialists in various investment disciplines, as well as risk management, compliance, legal, accounting, finance and information technology.

[Letter from the Executive Management](#)

[UTIMCO Board of Directors](#)

[UT System Board of Regents](#)

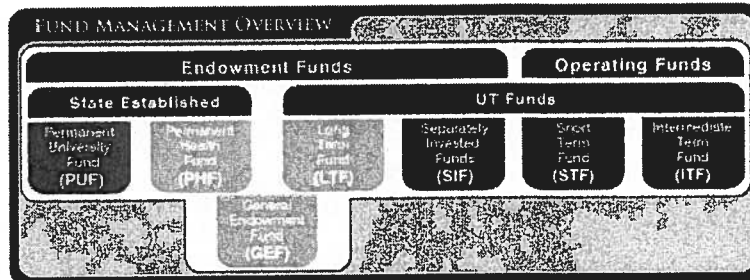
[UT System Officers](#)

[UTIMCO Senior Management](#)

UTIMCO invests the endowment and operating assets entrusted to its management primarily through external investment managers in accordance with the approved investment policies. These external investment managers are then combined into internal "mutual funds", each with distinct time horizons and unique risk and return characteristics.

[Frequently Asked Questions](#)

[Feature Stories](#)



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ENDOWMENT FUNDS

UTIMCO manages four major endowment funds under the fiduciary care of the UT Board. These four endowment funds, with a combined market value of \$17.2 billion, are the Permanent University Fund (PUF), the Permanent Health Fund (PHF), the Long Term Fund (LTF), and the Separately Invested Funds (SIF). Two of the endowment funds, the PHF and the LTF, are invested in shares of the General Endowment Fund (GEF), a broadly diversified pooled investment fund managed by UTIMCO. The GEF was created to increase efficiencies in managing investments, reduce costs, and streamline reporting.

Representing a permanent legacy, endowment funds provide the means to create a margin of excellence in higher education for UT and Texas A&M Systems' institutions. Since endowment funds are permanent funds by their nature, they must provide for the economic needs of today while remaining intact to provide the same level of economic support for future generations, not just the next ten to twenty years, but hundreds of years in the future. The trade-off between preserving assets for tomorrow and supporting the educational and health care needs of today creates the need for a delicate balancing act in managing the endowment funds.

Balancing the competing needs of current beneficiaries, future beneficiaries and donors is the motivating force behind UTIMCO's efforts to achieve the following two primary

objectives:

1. Provide for current beneficiaries by increasing annual distributions at a rate at least equal to the current rate of inflation so that real purchasing power is maintained, and
2. Provide for future beneficiaries by increasing the market value of endowment assets so that future distributions to future beneficiaries will buy the same or better level of goods and services received by today's beneficiaries (before adding any current contributions and after deducting current distributions).

Four factors affect an endowment fund's ability to meet the competing needs of current and future beneficiaries. These factors are a) fund distributions, b) the rate of inflation, c) fund investment return, and d) fund expenses.

a) Endowment Fund Distributions (Spending). The UT Board determines the annual distributions from the endowments. The key to preservation of endowment purchasing power over the long-term is control of spending through a target distribution rate. This target rate should not exceed the funds' average annual investment return minus fund expenses and inflation over the long-term. The UT Board has approved two distinct forms of distribution or spending policies. One is the so-called "constant growth" spending policy, and the other is the "percent of assets" spending policy.

The PHF and LTF utilize the constant growth spending policy. The PHF and LTF distributions are increased annually at the average rate of inflation for the three preceding years, provided that the distribution rate remains within a range of 3.5% and 5.5% of fund asset value. The constant growth spending policy uses a smoothing formula to reduce annual volatility in spending and to maintain spending on a sustainable basis.

The PUF utilizes the percent of assets spending policy. The PUF's annual distributions are based on a distribution rate of 4.75% of the PUF's three-year average net asset value. This policy has been chosen for the PUF because it is best for endowments in which the current distribution is small relative to the total budget, and where long-term growth of the fund is the key objective, which are the characteristics of the PUF and its beneficiaries.

b) Inflation. Inflation erodes the economic value of an endowment fund by reducing the endowment's purchasing power over time. Endowment assets must be invested so as to maximize the total return after inflation. The long-term expected rate of inflation is 3.0%.

c) Investment Returns. Investment returns generated by the endowment funds are determined primarily by the allocation of fund assets to different asset classes and types of investments, and by the ability of the UTIMCO staff to add value by earning returns greater than those generally available from each asset category. UTIMCO draws on years of investment experience and expertise to determine the best allocations to different categories of assets in order to achieve the returns necessary to meet objectives while endeavoring to protect endowment assets from severe losses in adverse market environments. Once allocation decisions are made, UTIMCO focuses on earning the highest returns possible within each asset category while maintaining strict risk control through a quantitative risk budgeting process and qualitative judgments. **Figure A** shows the investment returns earned for periods ended August 31, 2010, which are a result of these asset allocation decisions and risk budgeting processes.

FIG A INVESTMENT RETURNS

Endowment Funds	Dollars		Percent Return for Periods Ended August 31, 2010		
	Net Asset Value August 31, 2010	One Year	Three Years	Five Years	Ten Years
Permanent University Fund	\$10,725	13.04%	(1.66%)	4.04%	4.65%
General Endowment Fund		13.02%	(1.68%)	4.12%	N/A
Permanent Health Fund	905	12.91%	(1.74%)	4.05%	N/A
Long Term Fund	5,130	12.90%	(1.74%)	4.05%	4.73%
Separately Invested Funds	397	N/A	N/A	N/A	N/A
Total Endowment Funds	\$17,157				

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UTIMCO's strategy is to invest the assets of the PUF and GEF in broadly diversified portfolios of equity, fixed income and real assets across global markets using a long-term investment horizon. In order to earn above market returns, UTIMCO also focuses on a number of different investment categories characterized by complex, illiquid, and mispriced securities where proprietary information and sophisticated investment strategies offer the opportunity for value-added returns. These asset categories have an additional

important advantage. Because these assets typically provide returns which have a low correlation with those of the more traditional exchange-traded equities and fixed income securities ("More Correlated and Constrained") in the PUF and GEF portfolios, they offer the additional advantage of diversifying and, therefore, reducing the overall risk level. These investments include hedge funds ("Less Correlated and Constrained") and private investments, including venture capital, buy-out, growth, real estate and natural resources-related opportunities.

To properly diversify the PUF and GEF assets, UTIMCO invests in a broad variety of asset categories. Asset allocation policy recommendations to the UT Board are developed through careful asset allocation reviews with the UTIMCO Board in which potential returns for each asset category and investment type are balanced against the contribution to total portfolio risk by each category. An asset allocation review is undertaken by the UTIMCO staff, the UTIMCO Board and the UT Board every year.

While the allocations in **Figure B** indicate the actual asset allocation as of August 31, 2010, UTIMCO repositions the allocations to each asset category and investment type from time to time in response to changes in the investment outlook, within the ranges specified in the investment policies adopted by the UT Board.

FIG. B COMBINED PUF AND GEF ASSET ALLOCATION as of August 31, 2010 (\$ in millions)

Asset Group	Asset Class	More Correlated & Constrained	Less Correlated & Constrained	Private Investments	Grand Total
Fixed Income	Investment Grade Credit-Related	\$ 2,199 13.1%	\$ 319 1.9%	\$ -- 0.0%	\$ 2,518 15.0%
		212 1.3%	1,327 7.9%	1,216 7.2%	2,755 16.4%
Fixed Income Total		2,411 14.4%	1,646 9.8%	1,216 7.2%	5,273 31.4%
Real Assets	Real Estate	509 3.0%	107 0.6%	145 0.9%	760 4.5%
	Natural Resources	1,350 8.1%	13 0.1%	348 2.1%	1,720 10.3%
Real Assets Total		1,857 11.1%	120 0.7%	493 3.0%	2,450 14.8%
Equity	Developed Country	2,075 12.4%	2,900 17.3%	1,736 10.4%	6,711 40.1%
	Emerging Markets	1,560 9.4%	416 2.5%	311 1.8%	2,286 13.7%
Equity Total		3,634 21.8%	3,316 19.8%	2,047 12.2%	9,017 53.5%
Grand Total		5,792 47.3%	5,092 39.0%	3,165 22.4%	12,049 100.0%

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While the UTIMCO staff works diligently to earn the highest investment returns possible while maintaining risk at acceptable levels, there are still risks associated with the investments held in the PUF and GEF. Equity values can fluctuate in response to the activities of individual companies as well as to general market conditions. Bond prices can fluctuate based on changes in interest rates and the credit quality of the issuers. Real assets prices respond to inflation expectations and specific market supply and demand factors. Investments in non-U.S. securities can involve political and macroeconomic risk in addition to typical individual company risks. An additional element of risk in non-U.S. investments is the currency risk, as the returns on those investments must be converted to U.S. dollars for use here. Private investments (and, to some extent hedge funds) also have an element of liquidity risk, due to the fact that some of these investments cannot be easily converted to cash at short notice. Hedge funds also often entail leverage risk.

All these risks are carefully monitored by both the UTIMCO staff and the UTIMCO Board. It is essential that some risk must be assumed in order to earn the levels of real returns necessary to meet the long term goals of the PUF and GEF. However, it is particularly important to carefully weigh each element of risk against the reward – expected future returns. The quantitative process used at UTIMCO to evaluate risks and rewards is known as risk budgeting. The UTIMCO staff is charged with carefully budgeting risks so that the risk assumed in the aggregate does not exceed the risk limits set by the UT Board. Risks are monitored daily and monthly by UTIMCO staff and quarterly by the UTIMCO Board.

Figure C indicates how the current strategic allocation of the PUF and GEF compares with a peer group of endowment funds which is comprised of endowment funds with portfolios greater than \$2.5 billion and staffs utilizing private investments and hedge funds.

FIG. C ASSET ALLOCATION COMPARISON

	Endowment Funds Peer Group May 31, 2010	Combined PUF and GEF Actual Allocation August 31, 2010
Fixed Income	12.3%	14.4%
Equity	26.0%	21.8%
Real Estate	0.0%	3.0%
Natural Resources	2.7%	8.1%
Hedge Funds	25.5%	32.3%
Private Investments	35.5%	22.4%

Expenses. UTIMCO incurs expenses associated with analysis, portfolio management, custody and safekeeping, accounting, and other investment related services. Investment fees and other fees paid to external managers are, by far, the largest component of expenses. The majority of external investment manager fees are netted against the PUF's and GEF's asset value or capital, with the remainder being paid from fund assets.



Endowments require investment management in accordance with long-term investment objectives because of the perpetual nature of the funds. Recognizing that the investment environment will only become more challenging in the future, UTIMCO will meet the challenge by maintaining a specialized and experienced investment staff focused on adding value within a well-structured and disciplined asset allocation and risk control process.

UTIMCO's management of \$23 billion of assets, including both endowment and operating funds, provides for exceptional economies of scale in the investment of the assets. The ratio of investment expenses, excluding external management fees and UT System administrative charges, to assets under management was .076% for the year ended August 31, 2010.

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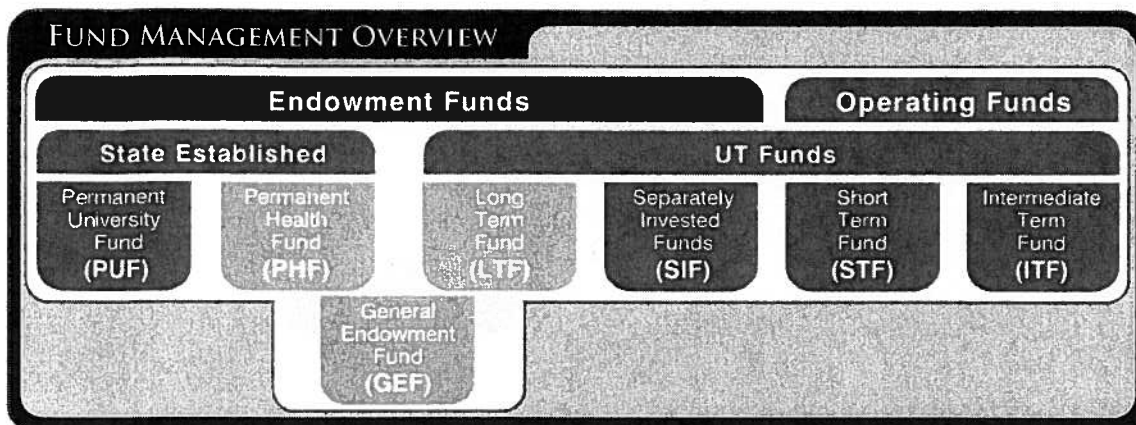


FIG. A INVESTMENT RETURNS

Endowment Funds	Net Asset Value August 31, 2010 (in millions)	Annual Returns for Periods Ended August 31, 2010			
		One Year	Three Years	Five Years	Ten Years
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General Endowment Fund		13.02%	(1.68%)	4.12%	N/A
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Long Term Fund	5,130	12.90%	(1.74%)	4.05%	4.73%
Separately Invested Funds	397	N/A	N/A	N/A	N/A
Total Endowment Funds	\$17,157				

FIG. B COMBINED PUF AND GEF ASSET ALLOCATION

Asset Group	Asset Class	as of August 31, 2010 (\$ in millions)							
		More Correlated & Constrained		Less Correlated & Constrained		Private Investments		Grand Total	
Fixed Income	Investment Grade	\$ 2,199	13.1%	\$ 319	1.9%	\$ -	0.0%	\$ 2,518	15.0%
	Credit-Related	212	1.3%	1,327	7.9%	1,216	7.2%	2,755	16.4%
Fixed Income Total		2,411	14.4%	1,646	9.8%	1,216	7.2%	5,273	31.4%
Real Assets	Real Estate	508	3.0%	107	0.6%	145	0.9%	760	4.5%
	Natural Resources	1,359	8.1%	13	0.1%	348	2.1%	1,720	10.3%
Real Assets Total		1,867	11.1%	120	0.7%	493	3.0%	2,480	14.8%
Equity	Developed Country	2,075	12.4%	2,900	17.3%	1,736	10.4%	6,711	40.1%
	Emerging Markets	1,569	9.4%	416	2.5%	311	1.8%	2,296	13.7%
Equity Total		3,644	21.8%	3,316	19.8%	2,047	12.2%	9,007	53.8%
Grand Total		\$ 7,922	47.3%	\$ 5,082	30.3%	\$ 3,756	22.4%	\$16,760	100.0%



FIG. C ASSET ALLOCATION COMPARISON

	Endowment Funds Peer Group May 31, 2010	Combined PUF and GEF Actual Allocation August 31, 2010
Fixed Income	12.3%	14.4%
Equity	26.0%	21.8%
Real Estate	0.0%	3.0%
Natural Resources	2.7%	8.1%
Hedge Funds	23.5%	30.3%
Private Investments	35.5%	22.4%

Source: Cambridge Associates, Inc.

FIG. D LONG TERM FUND FINANCIAL HIGHLIGHTS

Years Ended August 31,	2006	2007	2008	2009	(in millions) 2010
Beginning Net Asset Value	\$4,001	\$4,441	\$5,333	\$5,285	\$4,517
Contributions (Net of Withdrawals)	172	363	355	192	290
Distributions (Payout)	(180)	(199)	(217)	(236)	(253)
Net Investment Return	448	728	(186)	(724)	576
Ending Net Asset Value	\$4,441	\$5,333	\$5,285	\$4,517	\$5,130

FIG. E OWNERSHIP OF LONG TERM FUND

August 31, 2010	Accounts	(in millions) Value
UT System Administration	124	\$26
Benefit of Multiple Institutions	4	5
UT Arlington	440	65
UT Austin	4,516	2,348
UT Dallas	190	192
UT El Paso	565	118
UT Pan American	94	28
UT Brownsville	99	7
UT Permian Basin	98	15
UT San Antonio	315	50
UT Tyler	203	60
UT Southwestern Medical Center at Dallas	468	700
UT Medical Branch at Galveston	665	377
UT Health Science Center at Houston	408	128
UT Health Science Center at San Antonio	344	149
UT MD Anderson Cancer Center	413	336
UT Health Science Center at Tyler	40	10
Other Accounts	419	516
Total	9,405	\$5,130



FIG. F PERMANENT HEALTH FUND FINANCIAL HIGHLIGHTS

Years Ended August 31,	2006	2007	2008	2009	(in millions) 2010
Beginning Net Asset Value	\$926	\$987	\$1,100	\$1,026	\$842
Contributions (Net of Withdrawals)	-	-	-	-	-
Distributions (Payout)	(40)	(41)	(42)	(43)	(44)
Net Investment Return	101	154	(32)	(141)	107
Ending Net Asset Value	\$987	\$1,100	\$1,026	\$842	\$905

FIG. G PERMANENT HEALTH FUND OWNERSHIP ALLOCATION

August 31, 2010	(in millions) Value
Permanent Health Fund for Higher Education	\$386
UT Health Science Center at San Antonio	220
UT MD Anderson Cancer Center	110
UT Southwestern Medical Center at Dallas	55
UT Medical Branch at Galveston	28
UT Health Science Center at Houston	28
UT Health Science Center at Tyler	28
UT El Paso	28
Regional Academic Health Center	22
Total	\$905

FIG. H PERMANENT UNIVERSITY FUND FINANCIAL HIGHLIGHTS

Years Ended August 31,	2006	2007	2008	2009	(in millions) 2010
Beginning Net Asset Value	\$9,427	\$10,313	\$11,743	\$11,359	\$9,674
PUF Lands Mineral Contributions	215	273	458	340	338
Distributions to AUF	(358)	(401)	(449)	(531)	(516)
Net Investment Return	1,029	1,558	(393)	(1,494)	1,229
Ending Net Asset Value	\$10,313	\$11,743	\$11,359	\$9,674	\$10,725



PUF BENEFICIARIES

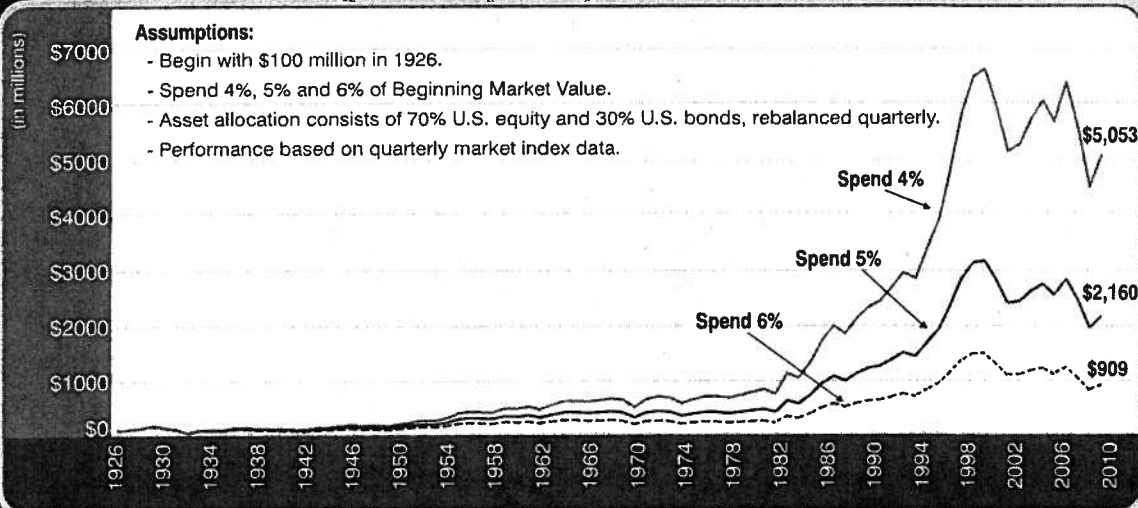
THE UNIVERSITY OF TEXAS SYSTEM

- UT Arlington
- UT Austin
- UT Dallas
- UT El Paso
- UT Permian Basin
- UT San Antonio
- UT Tyler
- UT Southwestern Medical Center at Dallas
- UT Medical Branch at Galveston
- UT Health Science Center at Houston
- UT Health Science Center at San Antonio
- UT MD Anderson Cancer Center
- UT Health Science Center at Tyler

THE TEXAS A&M UNIVERSITY SYSTEM

- Prairie View A&M University
- Tarleton State University
- Texas A&M University
- Texas A&M at Galveston
- The Texas A&M Health Science Center
- Texas Agricultural Experiment Station
- Texas Agricultural Extension Service – Texas Cooperative Extension
- Texas Engineering Experiment Station
- Texas Engineering Extension Service
- Texas Forest Service
- Texas Transportation Institute

FIG. 1 ENDOWMENT MARKET VALUES AFTER SPENDING



Source: Cambridge Associates, LLC

Assumptions: (Begin with \$100 million in 1926. Spend 4%, 5%, and 6% of average beginning market value of the previous four quarters. Asset allocation consists of 70% U.S. equity (performance measured by Ibbotson Yearbook, Large Company Stocks 1926-68; S&P 500 1969-present) and 30% U.S. bonds (performance measured by CA Corp Bond Series [derived from Salomon yields] 1926-68; Salomon High Grade Corporate Bond Total Rate of Return Index, Red SB Book 1969-79; SSB High Grade AAA/AA Corporate 10+ Year Index 1980-present), rebalanced quarterly. Management fees have been disregarded.

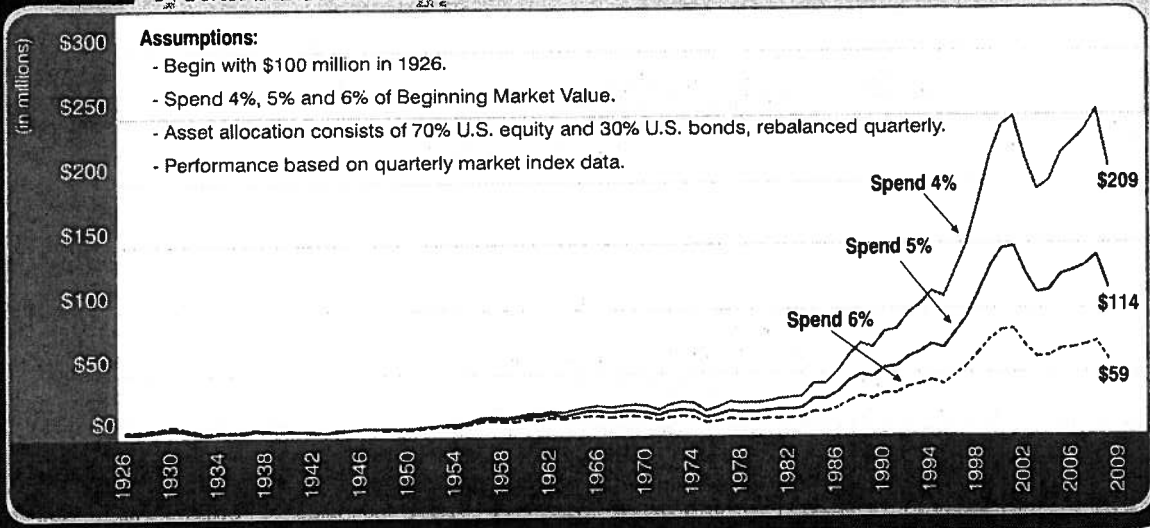


FIG. J SPENDING RATE COMPARISON

As of June 30,	2005	2006	2007	2008	2009
LTF	4.8%	4.6%	4.4%	3.9%	4.1%
Endowments Greater than \$1 Billion	4.7%	4.6%	4.4%	4.2%	4.6%
Public	4.6%	4.5%	4.5%	4.2%	4.2%
Independent	5.1%	4.8%	4.7%	4.4%	4.5%

Source: 2005-2007 NACUBO Endowment Study; 2008-2009 NACUBO-Commonfund Study of Endowments 2009.

FIG. K NOMINAL SPENDING



Source: Cambridge Associates, LLC

Assumptions: Begin with \$100 million in 1926. Spend 4%, 5%, and 6% of average beginning market value of the previous four quarters. Asset allocation consists of 70% U.S. equity (performance measured by Ibbotson Yearbook, Large Company Stocks 1926-68; S&P 500 1969-present) and 30% U.S. bonds (performance measured by CA Corp Bond Series [derived from Salomon yields] 1926-68; Salomon High Grade Corporate Bond Total Rate of Return Index, Red SB Book 1969-79; SSB High Grade AAA/AA Corporate 10+ Year Index 1980-present), rebalanced quarterly. Management fees have been disregarded.

FIG. L LTF RATIO OF EXPENSES TO AVERAGE NET ASSETS

Years Ended August 31,	2006	2007	2008	2009	2010
UTIMCO Management	0.05%	0.08%	0.08%	0.11%	0.06%
External Investment Managers ¹	0.30%	0.16%	0.11%	0.16%	0.22%
Other Service Providers Fees	0.04%	0.04%	0.07%	0.01%	0.03%
Total Investment Fees and Expenses	0.39%	0.28%	0.26%	0.28%	0.31%
UT System Administrative Fees ²	0.08%	0.08%	0.19%	0.27%	0.25%
Total	0.47%	0.36%	0.45%	0.55%	0.56%

(1) Fees incurred by the general partners in private investments, fees incurred by mutual fund managers, and fees charged by hedge fund managers are not included in these totals. Fees incurred by partnerships, mutual funds and hedge funds are netted directly against returns for those investments in accordance with standard industry practice.

(2) During the fiscal year ended August 31, 2008, the UT System administrative fee assessed on behalf of the UT System and UT System institutions for the support of endowment administration and management was increased from .08% to .20% of a rolling twelve quarter average net asset value of the LTF. The change in the ratios between 2008 and 2009 are reflective of the expense ratios being calculated on a five-quarter average net asset value of the LTF, and the fee assessment being calculated on a twelve-quarter average net asset value of the LTF.



UTIMCO Performance Summary

PRELIMINARY

December 31, 2010

	Net Asset Value 12/31/2010 (in Millions)	Periods Ended December 31, 2010 (Returns for Periods Longer Than One Year are Annualized)							
		Short Term		Year to Date		Historic Returns			
		1 Mo	3 Mos	Fiscal	Calendar	1 Yr	3 Yrs	5 Yrs	10 Yrs
ENDOWMENT FUNDS									
Permanent University Fund	\$ 11,917	3.38%	5.98%	10.39%	14.77%	14.77%	0.41%	5.35%	6.03%
General Endowment Fund		3.40	6.05	10.43	14.81	14.81	0.36	5.46	N/A
Permanent Health Fund	984	3.37	6.00	10.38	14.73	14.73	0.28	5.39	6.21
Long Term Fund	5,841	3.37	6.00	10.38	14.74	14.74	0.28	5.39	6.16
Separately Invested Funds	183	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Endowment Funds	18,925								
OPERATING FUNDS									
Short Term Fund	2,233	0.02	0.07	0.09	0.24	0.24	1.24	2.81	2.58
Intermediate Term Fund	4,566	3.29	4.32	9.04	13.01	13.01	2.36	N/A	N/A
Total Operating Funds	6,799								
Total Investments	\$ 25,724								
VALUE ADDED (Percent)									
Permanent University Fund		(0.57%)							
General Endowment Fund		(0.55)							N/A
Short Term Fund		-							
Intermediate Term Fund		(0.32)						N/A	N/A
VALUE ADDED (\$ IN MILLIONS)									
Permanent University Fund		\$(66)	\$126	\$31	\$318	\$318	\$1,001	\$1,129	\$2,151
General Endowment Fund		(36)	75	19	179	179	552	667	N/A
Intermediate Term Fund		(14)	29	25	165	165	340	N/A	N/A
Total Value Added		\$ (116)	\$ 230	\$ 75	\$ 662	\$ 662	\$ 1,893	\$ 1,796	\$ 2,151

(1) - Benchmark returns for the PUF, GEF/LTF, and ITF have been restated for certain prior periods. [Click for Details](#) related to the restatements and previous policy portfolio benchmark history.

(2) - Value added is a measure of the difference between actual returns and benchmark or policy portfolio returns for each period shown. Value added is a result of the active management decisions made by UTIMCO staff and external managers.