

CITY OF GUSTAVUS, ALASKA
Ordinance No. 2006-04

**AN ORDINANCE OF THE CITY OF GUSTAVUS AMMENDING Section
04.13.040 (a) Long Term Goal of the Endowment Fund; Section
04.13.070 (d) Permissible Investments; and Section 04.13.080 (a)
Income**

BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:

Section 1. Classification. This ordinance is of general and permanent nature and shall become a part of the City of Gustavus Municipal Code.

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

Section 3. Enactment. Now, therefore, be it enacted by the Gustavus City Council that Section 04.13.040 (a) Long Term Goal of the Endowment Fund; Section 04.13.070 (d) Permissible Investments; and Section 04.13.080 (a) Income be amended and adopted as amended. All items in brackets are additions to existing code and all items bolded and underlined are deletions.

Section 04.13.040 Long-term Goal of the Endowment Fund

- (a) The long-term goal **of the fund** is to achieve a 5% (return on the fund) **income level of earnings** plus the average rate of inflation as reported by the Anchorage CPI index plus administrative costs.

Section 04.13.070 Permissible Investments

- (d) Common and preferred stock of U.S (and foreign securities of developed economies) **domiciled corporations** listed on a national exchange or NASDAQ with a minimum market capitalization of five hundred million dollars or a mutual Fund that invests in these stocks.

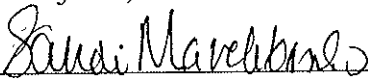
Section 04.13.080 Income

- (a) The net income of the Fund shall be determined annually as of the last day of the (fund) fiscal year ((March 31st)) in accordance with this section and utilizing generally accepted accounting practices.

Section 4. Effective Date. This ordinance becomes effective upon adoption by the Gustavus City Council.

DATE INTRODUCED: April 13, 2006

DATE OF PUBLIC HEARING: May 11, 2006



Sandi Marchbanks, Mayor

ATTEST:

Lexa Meyer, Clerk