

Foundation of the ARC of Anchorage  
2211 Arca Drive  
Anchorage, AK 99508

April 23, 2024

Alaska Mental Health Trust Authority  
ATTN: Board of Trustees  
3745 Community Park Loop  
Anchorage, AK 99508

RE: Letter of Support for The Arc of Anchorage

Dear Trustees of the Alaska Mental Health Trust Foundation:

Throughout the years, the Foundation of the Arc of Anchorage has been a steadfast supporter of The Arc and its beneficiaries. Many of our board members have deep-rooted connections to the organization and those it serves, and we remain committed to continuing our support.

Established in 1990, the Foundation was initially conceived as a rainy-day fund, drawing its primary funds from the pick-up service donation program. Since then, we have diligently managed our resources, with an initial portfolio ranging between \$600,000 and \$1,000,000, under the guidance of Merrill Lynch as our investment advisor.

Early on, we recognized the need to provide direct assistance to individuals receiving services from The Arc, particularly for essential needs like dental care, which could not always be covered by other sources such as SSI or Medicaid. Consequently, we allocated 5% of the Foundation's value for this purpose, supported by administrative assistance from The Arc.

In the mid to late 1990s, we opted to bring investment management in-house, establishing an investment policy and transferring assets to the National Bank of Alaska to align with our long-term strategy.

The establishment of the Arctrust within the Foundation's framework in the late 1990s or early 2000s marked a significant milestone. With an exemption from the State of Alaska, we began offering special needs trust services, managing approximately 45 trusts with assets nearing \$2,000,000 today. The Arc's administrative support has been crucial in managing these trusts effectively.

Over the years, the Foundation has provided funding for various initiatives at The Arc, including the establishment of the coffee shop, technology upgrades, consulting projects for program development, and more. Additionally, we have contributed funds to reimburse the State of Alaska following an audit, amounting to approximately \$2,500,000 to \$3,000,000.

In recent years, the Foundation has continued to offer operational support to The Arc, totaling approximately \$3,000,000 in direct subsidy during a period of acute financial stress. Presently, the Foundation's assets stand at just over \$600,000. Reflecting our commitment to prudent financial management while fulfilling our mission of supporting The Arc and its community, we are currently evaluating what base level of reserves the Foundation should retain to ensure its future viability and that of the Arc.

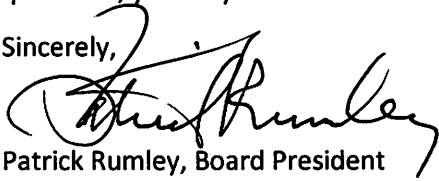
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We express our sincere gratitude for the ongoing partnership with the Alaska Mental Health Trust and look forward to continuing our collaboration for the betterment of those we serve. If you have any questions, you may contact me at 907.222.7866.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Rumley". The signature is written in a cursive style with a large initial "P" and "R".

Patrick Rumley, Board President  
Foundation of the Arc