
MINUTES OF THE MEETING OF THE INVESTMENT COMMITTEE

November 4, 2015



CALL TO ORDER / OPEN SESSION

Community director and committee chair Ernie Drewry called the meeting of the Investment and Finance Committee to order at 9:05 a.m. on November 4, 2015, at Harris Ranch.

Investment and Finance Committee present:

Ken Stoppenbrink, Staff Director and WHCCD Chief Financial Officer
David Silveira, Community Director
Ernest Drewry, Community Director and Chief Financial Officer, Foundation

Investment and Finance Committee absent:

Don Warkentin, Staff Director
Ann Stone, Community Director, Foundation Board President
Nina Oxborrow, Trustee Director

Others present:

Frances Squire, Executive Director
Tina Simas, Foundation Secretary
Olga Keough, Accountant Technician
David Ivarie, Morgan Stanley Advisor
Mike Urner, Wells Fargo Advisor
Dave Bolt, VP Educational Services, WHCL

Public Comments

There were no public comments

Committee Reports

Investment advisors David Ivarie, Morgan Stanley, and Mike Urner, Wells Fargo, attended the meeting to report on foundation portfolio performance for the third quarter 2015. Mike Urner, Wells Fargo, and David Ivarie, Morgan Stanley, investment advisors to the foundation, presented the portfolio performance review for the third quarter of 2015. This is the first time the report was divided between fixed income and equities. The consolidated fixed-income report showed a beginning value of \$954,986.47 on June 30, 2015. Value at the end of the quarter was \$965,380.92 for a gain of \$10,394.45 or 1.09 percent. The consolidated summary for both stocks and bonds started with a value of \$1,973,697.13 on June 30, 2015. And ended the quarter at \$1,925,094.19 for an unrealized loss of \$48,602.94 or 2.46 percent. The investment advisors noted that bonds rallied on a drop in the stock market during the quarter and that the foundation's very conservative investment guidelines provide a buffer against volatility, which at the same time, limit returns during upturns in the market.

Mike Urner commented that there was extraordinary movement in the bond sector during the quarter and that very few bonds were being issued and that those issued were being bid up. Of the \$580,000 held in bonds by the foundation, almost 95 percent are rated AA or AAA. He and David Ivarie noted that stocks were down an average of 5.8 percent during the quarter but rebounded in Oct. 5.47 percent. Discussion ensued on the formats for the quarterly reports with several changes suggested and the annual evaluation of the investment guidelines.

Actions Items

- On a motion by Ken Stoppenbrink, with a second by Ernie Drewry, the minutes of the August 19, 2015, Investment Committee were unanimously approved as submitted.

Adjournment

9:59am

/ts