
MINUTES OF THE MEETING OF THE INVESTMENT COMMITTEE

November 13, 2013



CALL TO ORDER / OPEN SESSION

Community Director and committee chair Ernie Drewry called the meeting of the Investment and Finance Committee to order at 9:15 a.m. This meeting of the Investment and Finance Committee of the West Hills Community College Foundation was held on November 13, 2013, at the North District Center, Firebaugh with teleconferencing at West Hills College Lemoore and West Hills College Coalinga.

Investment and Finance Committee present:

Don Warkentin, Staff Director
Ken Stoppenbrink, Staff Director and WHCCD Chief Financial Officer
Ann Stone, Community Director, Foundation Board President
Nina Oxborrow, Community Director
Ernest Drewry, Community Director and Chief Financial Officer, Foundation

Others present:

Frances Squire, Executive Director
Tina Simas, Foundation Secretary
Olga Keough, Accountant Technician
David Ivarie, Morgan Stanley Advisor
Mike Urner, Wells Fargo Advisor

Public Comments

There were no public comments

Committee Reports

Foundation investment advisors Mike Urner and David Ivarie attended the meeting at North District Center, Firebaugh, to give a report on the foundation's portfolio for the quarter ended September 30, 2013.

Total portfolio value at the beginning of the quarter was \$1,731,119.70 and at the end of the quarter \$1,832,122.02 with a realized loss of \$2,088.87, which came when an investment was sold to cover foundation cash flow requirements. (See attached financial report).

Mr. Urner noted that since the portfolio inception, the first quarter was extremely volatile and the next quarter was more stable. He expects that the current quarter will settle down and allow us to dig out of the hole that was created during that first quarter. Net income is the primary goal of the portfolio and the 3.766 percent actual portfolio income from the last quarter is closing in on the goal of five percent that is the goal in the foundation's investment guidelines.

Mr. Urner and Mr. Ivarie discussed the quality of the portfolio with 58 percent of bonds rated at AAA, which means the quality of the account is very high.

There was also a discussion of the cash liquidity needs of the foundation. Ken Stoppenbrink suggested matching cash flow requirements to bond maturity.

There was also discussion regarding a question by finance committee member David Silviera at the previous meeting about separating the bonds from the rest of the portfolio when reporting. A concern was expressed that this is not standard reporting for Morgan Stanley and Wells Fargo. Much discussion ensued. It was agreed that beginning at the start of the next quarter, a draft document would be created with equities and bonds reported separately. After review, a decision can be made on whether or not this meets the requirements of the board.

Nina Oxborrow expressed confidence in the abilities of the investment advisors and their expertise.

Actions Items

1. On a motion by Ken Stoppenbrink, seconded by Nina Oxborrow , the minutes of the September 11, 2013, investment committee meeting were approved with the removal of the name of Jeff Garcia as a voting member. Jeff Garcia is a voting member of the committee but attended the meeting as a guest.

- Ann Stone Aye
- Ken Stoppenbrink Aye
- Don Warkentin Aye
- Ernie Drewry Aye
- Nina Oxborrow Aye

Adjournment

9:57am

/tsa