

CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY

MINUTES OF THE INVESTMENT SUBCOMMITTEE
MEETING OF MARCH 27, 2008

A meeting of the Investment Subcommittee of the Central San Joaquin Valley Risk Management Authority (CSJVRMA) was held on March 27, 2008, at the Piccadilly Inn Hotel, Fresno, California.

SUBCOMMITTEE MEMBERS PRESENT: Robert Ford, Chairperson, Clovis
Ken Walker, Lindsay
Leon Compton, Ripon
Tom Haglund, Hanford
Tim Przybyla, Kerman

SUBCOMMITTEE MEMBERS ABSENT: None

OTHERS PRESENT: Jeanette Workman, Administrator
Mary Ann Reilly, Board Secretary
K Shyne, Senior Account, BRS
Martin Cassell, Chandler Asset Management
Dave Elias, Fowler (arrived during item 5.)

1. CALL TO ORDER

Meeting was called to order by Robert Ford at 12:30 p.m.

2. INTRODUCTIONS

Introductions of those present took place.

3. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Tim Przybyla moved to approve the agenda as posted. Seconded by Ken Walker. Motion passed unanimously.

4. PUBLIC COMMENTS

None.

5. REVIEW OF INVESTMENT POLICY

The CSJVRMA Bylaws require an annual review of the Investment Policy. The Investment Policy of the CSJVRMA was sent to Mr. Martin Cassell, Chandler Asset Management for review. Prior to the meeting, the Subcommittee received a copy of the amended Investment Policy in underline/strikeout text.

Mr. Cassell noted that the changes include two minor language changes along with the inclusion of an updated glossary.

Tim Przybyla moved to recommend the Board of Directors, approve the amended Investment Policy. Seconded by Leon Compton. Motion passed unanimously.

6. REPORT ON INVESTMENTS BY CHANDLER ASSET MANAGEMENT

Prior to the meeting, the Subcommittee received an investment report for the period ended February 29, 2008, prepared by Chandler Asset Management. Mr. Cassell reviewed the report with the Subcommittee.

Mr. Cassell addressed the current economic downturn and noted the Federal Government is undertaking several steps to address the downturn including the Stimulus Package. In addition, the Federal Reserve has lowered the discount rate, which is the rate at which the Federal Reserve issues loans to commercial banks.

Mr. Cassell noted the CSJVRMA portfolio consists of two accounts; a claims payment account and a long term growth account. At the time of the report, the claims payment account had a balance of approximately \$8 million with a modified duration of 2.19 and the long term growth account had a balance of approximately \$39 million with a modified duration of 3.28. Both accounts hold agency, treasury, commercial and corporate securities with very good credit ratings. In addition, both accounts have balances in a money market fund.


The pool participants fund balance had a balance of approximately \$34.8 million with a modified duration of 2.19. This fund is comprised of monies invested by the member cities.

Mr. Cassell provided graphs showing the total rate of return for the latest three months and since the inception of June 30, 1999, compared against the appropriate government index.

Mr. Cassell also reviewed the CSJVRMA current portfolio holdings with the Subcommittee.

7. ADJOURNMENT

The March 27, 2008, CSJVRMA Investment Subcommittee meeting adjourned at 1:31 p.m.



Mary Ann Reilly, Board Secretary