

## **Investments Committee Report**

The Midwest Association of Fish and Wildlife Agencies' Financial Committee met June 14, 2013 via teleconference. Members of the Financial Committee are Joe Kramer, Kansas; Scott Gunderson, Wisconsin; and Bob Ziehmer, Missouri. Scott Gunderson was not available to participate on the teleconference meeting. The meeting began at 1:00PM and adjourned at 1:38PM. MAFWA investment advisor and broker Shane Hessman of Hampton-Hampton Company participated in the teleconference.

The Committee reviewed the financial portfolio, which currently consists of approximately 62% bonds and 38% mutual funds. This percentage is slightly different than MAFWA Investment Guidelines of 75% bonds and 25% mutual funds; however, our investment advisor indicates the current market conditions justify/support the existing allocations. It was agreed that the MAFWA portfolio being managed by Mr. Hessman is performing very well (up 12.86% from last year). A longer term review documents the MAFWA portfolio has experienced a seven year average return rate of 6.70%.

No actions were taken by the Committee.

The Committee, based on the solid portfolio performance and no action items needed, decided that Shane Hessman will participate in the upcoming MAFWA business meeting via conference call. This will allow Shane to: 1) provide an overview of the financial portfolio; and 2) field any questions members might generate. This approach will save MAFWA travel expenses (flight, hotel) otherwise needed for Shane's travel to the meeting. At the upcoming June 26 business meeting, Joe Kramer will handle introducing the Financial Committee report agenda topic and introducing Shane Hessman.

# MIDWEST ASSOCIATION OF FISH AND WILDLIFE AGENCIES

## Current Investment Allocation 6/11/2013

	Amount	Int. Rate	Est. Ann. Int.
Money Market	\$ 16,838.76	0.150%	\$ 25.26

### Bond Ladder Held at Southwest Securities

Security	Face Value	Int. Rate	Maturity	Mrkt. Value	Annual Interest
Dean Foods	\$ 20,000.00	7.00%	6/1/2016	\$ 16,575.00	\$ 1,400.00
GMAC	\$ 12,000.00	6.850%	7/15/2016	\$ 12,002.88	\$ 822.00
ALCOA	\$ 10,000.00	5.550%	2/1/2017	\$ 10,777.00	\$ 555.00
GMAC	\$ 5,000.00	7.300%	1/15/2018	\$ 5,006.55	\$ 365.00
AK Steel Corp	\$ 20,000.00	7.625%	5/5/2020	\$ 17,600.00	\$ 1,525.00
Genworth Financial	\$ 20,000.00	7.70%	6/15/2020	\$ 23,684.00	\$ 1,540.00
Goodyear Tire & Rubber	\$ 20,000.00	7.00%	5/15/2022	\$ 21,100.00	\$ 1,400.00
SLM Corp	\$ 10,000.00	6.05%	12/15/2026	\$ 8,542.60	\$ 605.00
Bank of America	\$ 20,000.00	6.800%	3/15/2028	\$ 22,270.60	\$ 1,360.00
Country Wide	\$ 15,000.00	6.00%	7/23/2029	\$ 14,612.55	\$ 900.00
SLM Corp	\$ 10,000.00	5.50%	6/15/2029	\$ 7,802.00	\$ 550.00
SLM Corp	\$ 12,000.00	6.25%	9/15/2029	\$ 10,193.76	\$ 750.00
Bristol Myers Squibb	\$ 10,000.00	5.88%	11/15/2036	\$ 12,167.10	\$ 587.50
Total Face Value	\$ 184,000.00			\$ 182,334.04	\$ 12,359.50

Current Annual Interest Income \$ 12,359.50  
Average Interest Rate 6.72%

### Mutual Fund Holdings (American Funds)

Purchased \$50,000.00 A Shares 9/13/2005  
Purchased \$25,000.00 A Shares 8/24/2007  
Purchased \$20,000.00 A Shares 4/18/2013

Name of Fund	Invested	Curr. Val.	
Growth Fund of America	\$ 25,000.00	\$ 27,836.81	
High Income Trust	\$ 10,000.00	\$ 16,189.58	
Investment Co. of America	\$ 5,000.00	\$ 7,114.21	
Income Fund of America	\$ 5,000.00	\$ 7,552.39	
Capitol Income Builder	\$ 10,000.00	\$ 14,611.13	
Cap. World Grwth & Inc.	\$ 15,000.00	\$ 22,999.82	
American Funds EuroPacific Fund	\$ 12,500.00	\$ 12,848.34	
American Funds Fundamental Investors	\$ 12,500.00	\$ 15,113.42	
Total	\$ 95,000.00	\$ 124,265.70	30.81%

Total Account Market Value June 22, 2012 \$ 286,573.55

Total Account Market Value June 11, 2013 \$ 323,438.50

Increase/ Decrease \$ 36,864.95  
Increase/ Decrease 12.86%

### Points of Comparison:

Balance of account 6/22/2006 \$ 220,332.22  
Seven year avg return not including w/d 6.70%  
Seven year dollar growth not including w/d \$ 103,106.28  
S & P close on 6/26/2006 1270.2  
S & P close on 6/10/2013 1626  
Seven year avg return of S & P 4.00%

# MIDWEST ASSOCIATION OF FISH AND WILDLIFE AGENCIES

## Current Investment Allocation 6/22/2012

Money Market	Amount	Int. Rate	Est. Ann. Int.
	\$ 46,641.47	0.150%	\$ 69.96

### Bond Ladder Held at Southwest Securities

Security	Face Value	Int. Rate	Maturity	Mrkt. Value	Annual Interest
GMAC	\$ 12,000.00	6.850%	7/15/2016	\$ 11,632.80	\$ 822.00
ALCOA	\$ 10,000.00	5.550%	2/1/2017	\$ 10,928.00	\$ 555.00
GMAC	\$ 5,000.00	7.300%	1/15/2018	\$ 4,867.10	\$ 365.00
Genworth Financial	\$ 20,000.00	7.70%	6/15/2020	\$ 19,950.00	\$ 1,540.00
Goodyear Tire & Rubber	\$ 20,000.00	7.00%	5/15/2022	\$ 19,875.00	\$ 1,400.00
SLM Corp	\$ 10,000.00	6.05%	12/15/2026	\$ 7,969.80	\$ 605.00
Bank of America	\$ 10,000.00	5.900%	8/15/2028	\$ 9,998.70	\$ 590.00
Bank of America	\$ 20,000.00	6.800%	3/15/2028	\$ 20,785.00	\$ 1,360.00
Country Wide	\$ 15,000.00	6.00%	7/23/2029	\$ 14,207.25	\$ 900.00
SLM Corp	\$ 12,000.00	6.25%	9/15/2029	\$ 9,586.20	\$ 750.00
Prudential Financial	\$ 11,000.00	6.00%	11/15/2031	\$ 11,000.00	\$ 660.00
Bristol Myers Squibb	\$ 10,000.00	5.88%	11/15/2036	\$ 12,941.30	\$ 587.50
Total Face Value	\$ 155,000.00			\$ 153,741.15	\$ 10,134.50

Current Annual Interest Income	\$ 10,134.50
Average Interest Rate	6.54%

### Mutual Fund Holdings (American Funds)

Purchased \$50,000.00 A Shares 9/13/2005  
Purchased \$25,000.00 A Shares 8/24/2007

Name of Fund	Invested	Curr. Val.	
Growth Fund of America	\$ 5,000.00	\$ 5,787.62	
High Income Trust	\$ 10,000.00	\$ 14,547.52	
Investment Co. of America	\$ 5,000.00	\$ 5,738.13	
Income Fund of America	\$ 5,000.00	\$ 6,458.37	
Capitol Income Builder	\$ 10,000.00	\$ 12,763.85	
Cap. World Grwth & Inc.	\$ 15,000.00	\$ 18,440.12	
American Funds EuroPacific Fund	\$ 12,500.00	\$ 10,555.61	
American Funds Fundamental Investors	\$ 12,500.00	\$ 11,899.71	
Total	\$ 75,000.00	\$ 86,190.93	14.92%

Total  
Mutual Fund  
Growth

Total Account Market Value June 24, 2011	\$ 278,876.64
--	---------------

Total Account Market Value June 22, 2012	\$ 286,573.55
	Increase/ Decrease
	\$ 7,696.91
	Increase/ Decrease
	2.76%

### Points of Comparison:

Balance of account 6/22/2006	\$ 220,332.22
Six year avg return not including w/d	5.10%
Six year dollar growth not including w/d	\$ 66,241.33
S & P close on 6/26/2006	1270.2
S & P close on 6/25/2012	1313.7
Six year avg return of S & P	0.50%