

LEAGUE OF WOMEN VOTERS OF HONOLULU
EDUCATION FUND

CALL TO ORDER: A meeting of the Board of the League of Women Voters of Honolulu Education Fund was called to order at 10:45 a.m. on Tuesday, May 6, 2008, in the League office.

PRESENT: Jean Aoki, Arlene Ellis, Helen Griffin, Robin Loomis, Suzanne Meisenzahl, and David Takagi.

OLD BUSINESS

Selection of company to handle Monson Trust Fund – The Board decided at its last meeting to invest the Monson Trust Fund money with American Funds handled by David Takagi. He said that we must have a “statement of intent”. For example, one scenario is that we invest \$500,000 or more over the next twelve months either incrementally or all at once. How much money should we have available in a money market fund? We need to think about the “10-year money”, the amount to be invested in a “capital income builder” that should double in ten years. After discussion, Jean Aoki, Helen Griffin, and Robin Loomis voted to invest \$500,000 in a capital income builder fund all at once (Suzanne Meisenzahl voted for investing incrementally over 12 months, Arlene Ellis said either way), and all opted to put \$100,000 into a money market account. The minimum check that can be written on American Funds money market account is \$250, so we should keep our Merrill Lynch account for check writing. Some day we will need to open a regular checking account somewhere. Arlene Ellis wrote a \$600,000 check to American Funds.

David Takagi said that the capital income builder fund he will use is a global balanced fund in which one-third of the fund is in cash and bonds and two-thirds is invested in the largest companies worldwide that pay dividends. A good return is 6% to 10% per year. Since this is fiduciary money, we need to be conservative. As we get to know each other better, we may be able to move small amounts of money in other directions. Historically, there have been eleven 10-year periods since this mutual fund began. Each period has been positive in that in every 10-year period, money has at least doubled and in five periods the money has tripled. Takagi left with the \$600,000 check and a copy of our incorporation papers showing we are a 501©3 organization.

Tax accountant – Suzanne Meisenzahl said accountant Jan Choy will be invited to our next meeting, since she couldn't attend this one. Meisenzahl will bring her to the office ahead of time to show her the books so that she isn't meeting with us cold.

NEXT MEETING:

The Board will meet on **Tuesday, May 27, 2008**, 10:30 a.m. in the League office.
The meeting was adjourned at 12:05 p.m.

Respectfully submitted,

Robin Loomis, Secretary

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