

Session

The Local Government Investment Pool: How to Analyze and Compare Risks, Costs, and Return With Other Investment Options

Speakers

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- I. A West Virginia view
- II. How do you make your investment decisions?
- III. Define the Objectives
 - A. Safety
 - B. Liquidity
 - C. Rate of Return
- IV. Investment Policy
 - A. Objectives
 - B. Duration
 - C. Permitted Investments
 - D. Benchmark
- V. Investment Products
- VI. Local Government Investment Pool
 - A. Stable NAVVS Variable NAV
 - B. What Are the Differences?
- VII. Advantages of LGIP
 - A. Economies of Scale
 - B. Professional management
 - C. Ease
- VIII. Other considerations
 - A. Transparency
 - B. Resources
 - C. Fees
 - D. Ratings
 - E. Rated or not
 - F. 2a7-like *or not*
- IX. We're not in Kansas anymore, Toto
 - A. Delegate, but don't abdicate
 - B. Know what you are invested in
 - C. Monitor
- X. More Analysis
 - A. Cash Forecast
 - B. Investment horizon

- C. Strategy
- D. Yield Curve
- E. Create your diversified portfolio
- F. Benchmark
- G. Adjust

XI. Matching Investments to Needs

XII. Questions to Ask

- A. What is the investment policy?
- B. How is interest calculated?
- C. What is the size of the pool?
- D. Who is invested?
- E. What is the expertise of management?
- F. What is the availability?
- G. What are the fees?
- H. What are the earnings history?
- I. What is the level of transparency and support?