

WINCHESTER COMMISSION OF TRUST FUNDS

Meeting of February 18, 2016

A meeting of the Board of Commissioners of Trust Funds was held on Thursday, February 18, 2016 in the Board of Selectmen's Room at Town Hall. The meeting was attended by Commissioners Ted Lamson (Chair), Forrest Fontana (via conference call), and Bob MacIntosh (Secretary), as well as by Sheila Tracy, Town Treasurer, and Stacie Ward, Town Comptroller.

First, the Commissioners approved the minutes from the previous meeting on January 28, 2016.

Next, the Commissioners approved expenditures of \$1,300 from the Asa Fletcher Fund, \$500 from the Sandy's Island Trust Fund, \$1,094.47 from the Library Trust Funds, \$670 from the Cemetery Permanent Care Trust Fund, and \$878.22 from other cemetery-related trust funds. Also, the Commissioners acknowledged receipts of \$10,368.75 into the Cemetery Permanent Care Trust (resulting mostly from sales of niches in the new columbarium) and \$8,331 into the Library Endowment Fund.

Subsequently, the Commissioners reviewed the investments in the various portfolios. They first noted that the previously requested trades had been properly executed by Ms. Tracy. Then the Commissioners – led by Commissioners Fontana and Lamson -- discussed at length the efficacy and logistics of bringing both individual holdings and sector exposures closer to one another between the Main Account and the Library Endowment Fund. This discussion was supplemented by asset allocation spreadsheets that were provided by Commissioner MacIntosh and comprehensive analytical spreadsheets of the equity holdings provided by Commissioner Lamson. As part of these discussions, Commissioner MacIntosh pointed out that a sizable US Treasury Bond holding will be maturing in mid-May (proceeds of which will need to be reinvested with income replacement being of paramount importance). Ultimately, the Commissioners requested that Ms. Tracy effect the following trades:

	<u>Security</u>	<u>Main</u>	<u>Endowment</u>	<u>Retiree Health</u>	<u>Library Trusts</u>
<u>Buys:</u>	CVS HealthCare	100 sh	-----	-----	-----
	Gilead	100 sh	-----	-----	-----
	Novartis	100 sh	-----	-----	-----
<u>Sells:</u>	-- none --	-----	-----	-----	-----

The Commissioners agreed to focus between meetings on both the health care and technology sectors, and to be prepared to make specific trade recommendations which factor both relative value and consistency across multiple accounts.

Finally, Commissioner MacIntosh informed the attendees that he had met with former Commissioner Mike Elefante and, in the process, is now in possession of a number of trust-related files that had been stored with former Commissioner Elefante.

The market values of the Funds as of January 31, 2016 were:

Main Account*:	\$3,219,603.96
Library Endowment*:	\$1,387,799.92
Retiree Health Care Trust*:	\$1,699,608.77
Library Trust Funds*:	\$741,606.54
Housing Capital Account**:	\$977,180.72

* held at Fidelity Investments

** an MMDT account

The Commissioners agreed to meet again on Thursday, March 17, 2016 at 7:30am.

Respectfully submitted,

Robert B. MacIntosh, CFA, Secretary