

WINCHESTER COMMISSION OF TRUST FUNDS

Meeting of June 23, 2016

A meeting of the Board of Commissioners of Trust Funds was held on Thursday, June 23, 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, with two changes, the Commissioners approved the minutes from the previous meeting on May 23, 2016. Commissioner MacIntosh will send a revised version to Ms. Tracy for filing.

Next, the Commissioners approved expenditures of \$52 from the Lavey (School) Fund. There were no other expenditures this period. Also, the Commissioners acknowledged receipts of \$8,050 into the Cemetery Permanent Care Trust (from grave sales) and \$650 into the Library Endowment Fund.

Subsequently, Ms. Ward informed the Commissioners that she has been working with the Cemetery Department to correct improperly allocated grave sales. Accordingly, within the next few weeks there will be a transfer of monies from the Town's General Fund to the Cemetery Permanent Care Fund.

In addition, Ms. Ward reminded the Commissioners that there will be cash flows occurring shortly after the opening of the Town's new fiscal year (FY17) on July 1st. The Commissioners will handle the necessary investment changes at their next meeting in July.

Following, 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 -- using asset allocation spreadsheets that were provided by Commissioner MacIntosh and comprehensive analytical spreadsheets of the equity holdings provided by Commissioner Lamson -- discussed some of the individual equity positions and decided to pare two positions. In addition, one new holding in the Library Trust Fund -- which had been received as a donation from a citizen -- will be sold so that the proceeds can be reinvested into a more suitable investment. After these deliberations, 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>	Wells Fargo	100 sh	50 sh	-----	-----
<u>Sells:</u>	Aptar Group	100 sh	-----	-----	-----
	Home Depot	100 sh	-----	-----	-----

There was an additional discussion -- led by Commissioner Lamson -- concerning potential energy investments within the Meramec Formation in Oklahoma. Commissioner Lamson agreed to provide further information for discussion at the next meeting.

Finally, with no candidates yet having applied for the current vacancy on the Board (due to the pending retirement of Commissioner Lamson), all present pledged to renew their efforts to find suitable applicants.

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

Main Account*:	\$3,468,348.36
Library Endowment*:	\$1,500,363.76
Retiree Health Care Trust*:	\$1,822,513.94
Library Trust Funds*:	\$774,023.50
Housing Capital Account**:	\$979,032.43

* held at Fidelity Investments

** an MMDT account

The Commissioners agreed to meet again on Wednesday, July 20, 2016 at 8:00am.

Respectfully submitted,

Robert B. MacIntosh, CFA, Secretary