

WINCHESTER COMMISSION OF TRUST FUNDS

Meeting of October 27, 2016

A meeting of the Board of Commissioners of Trust Funds was held on Thursday, October 27, 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. In addition, newly-appointed Commissioner Hayes Miller was present and participated in the following discussions/decisions.

First, the Commissioners approved the minutes from the previous meeting on September 21, 2016 for filing at the Library.

Next, the Commissioners approved expenditures of \$9,610.63 from the Asa Fletcher Trust, \$1,000 from the School Scholarship Trust, \$393.37 from the Library Trust Funds, and \$323.50 from the Housing Capital Fund. There was much discussion concerning both the magnitude and purposes of the expenditures from the Asa Fletcher Trust. Also, the Commissioners acknowledged receipts of \$9,270 into the Cemetery Permanent Care Trust (from grave sales) and \$500 into the Library Endowment.

Then Ms. Tracy reminded the Commissioners that she would soon be changing the on-line password at Fidelity Investments for access to the various accounts and that each Commissioners should update his status to “read-only” on the website.

Ms. Tracy also informed the Commissioners that she had been contacted by Jim Shattuck, the Winchester Cemetery Coordinator, about the availability of monies for future capital expenditures at the Cemetery. Even though no funds will be available for such purposes until FY18 (beginning in July, 2017) such discussions will likely be on-going for the next ten months.

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 a number of the individual equity positions and sector exposures. Accordingly, 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> Devon Energy | 150 sh | 75 sh | ----- | ----- |
| Fidelity Floating Rate Fund | ----- | ----- | \$40,399----- | |
| <u>Sells:</u> -- none -- | ----- | ----- | ----- | ----- |

Also, at the suggestion of Ms. Ward, Commissioner MacIntosh will drop off to Ms. Ward the trust documents that are in his possession. Ms. Ward will have these documents copied and kept on file at either Town Hall or the Library.

In addition, Commissioner MacIntosh agreed to calculate the recent relative performances of the various portfolios and to provide this information at the next meeting.

Finally, since this meeting concluded the service of Commissioner Lamson, all in attendance thanked him for his efforts over the years on behalf of the Town as a Commissioner of Trust Funds. As part of the

transition, Commissioner MacIntosh will provide Commissioner Miller with copies of the Investment Policy Statements.

The market values of the Funds as of September 30, 2016 were:

| | |
|------------------------------------|-----------------------|
| Main Account*: | \$3,586,577.78 |
| Library Endowment*: | \$1,618,120.65 |
| Retiree Health Care Trust*: | \$2,267,644.75 |
| Library Trust Funds*: | \$776,813.64 |
| Housing Capital Account**: | \$981,182.32 |

* held at Fidelity Investments

** an MMDT account

The Commissioners agreed to meet again on Tuesday, November 22, 2016 at 8:00am.

Respectfully submitted,

Robert B. MacIntosh, CFA, Secretary