

WINCHESTER COMMISSION OF TRUST FUNDS

Meeting of November 22, 2016

A meeting of the Board of Commissioners of Trust Funds was held on Tuesday, November 22, 2016 in the Board of Selectmen’s Room at Town Hall. The meeting was attended by Commissioners Hayes Miller, 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 agreed that Commissioners Fontana and MacIntosh would serve as Chair and Secretary, respectively, until this coming March.

Next, the Commissioners approved the minutes from the previous meeting on October 27, 2016 for filing at the Library.

Following, the Commissioners approved expenditures of \$690 from the Sandy’s Island Trust Fund, \$970.45 from the Library Trust Funds, \$1,105.26 from the Library Endowment Fund, and \$529 from the Housing Capital Fund. 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 she will circulate instructions for each Commissioner to change their access status to “read-only” on the website.

Subsequently, Commissioner MacIntosh informed the other Commissioners that – based on the Capital Planning Committee’s Report to Fall Town Meeting – the Cemetery Department will be requesting approximately \$75,000 for capital projects for FY18.

Next, Commissioner MacIntosh discussed a relative performance report as of October 31st that he prepared using information available on the Fidelity Investments website.

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 the monthly statements from Fidelity – discussed a number of the individual equity positions and sector exposures – including the strong performance of “financials” since the Presidential election. The Commissioners ultimately concluded that no trades were necessary this month:

<u>Security</u>	<u>Main</u>	<u>Endowment</u>	<u>Retiree Health</u>	<u>Library Trusts</u>
<u>Buys:</u> -- none --	-----	-----	-	-----
<u>Sells:</u> -- none --	-----	-----	-----	-----

A number of investment management-related topics were broached during this discussion: 1) The Commissioners agreed to use Commissioner Miller’s background in asset allocation rather than for individual stock decisions; 2) Commissioner Fontana suggested that the Commissioners should make an effort to circulate relevant economic and market articles; 3) Commissioner Hayes will research the Fidelity website for helpful reports; and 4) Commissioner Hayes suggested that future tactical moves might be more efficaciously executed by using Exchange-Traded Funds (rather than individual stocks).

Finally, 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.

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

Main Account*:	\$3,514,142.91
Library Endowment*:	\$1,584,825.97
Retiree Health Care Trust*:	\$2,229,817.11
Library Trust Funds*:	\$769,151.14
Housing Capital Account**:	\$981,182.32

* held at Fidelity Investments

** an MMDT account

The Commissioners agreed to meet again on Tuesday, December 20, 2016 at 7:30am.

Respectfully submitted,

Robert B. MacIntosh, CFA, Secretary