

WINCHESTER COMMISSION OF TRUST FUNDS

Meeting of July 31, 2019

A meeting of the Board of Commissioners of Trust Funds was held on Wednesday, July 31, 2019, in the Winchester Room at Town Hall. The meeting was attended by Commissioners Hayes Miller (Chair) and Bob MacIntosh, as well as by Sheila Tracy, Town Treasurer, and Stacie Ward, Town Comptroller. The meeting commenced at 8:04am. Commissioner MacIntosh served as Secretary.

First, the Commissioners approved the revised *minutes* from the meeting on May 16, 2019. These *minutes* will be placed on file at the Town Library by Ms. Tracy. However, the *minutes* from the most recent meeting on June 27, 2019, were not approved as several changes are required; the revised version will be presented for approval at the next meeting in August.

Following, the Commissioners approved expenditures from the Asa Fletcher Fund (\$3,000), Sandy’s Island Fund (\$135), Cemetery Permanent Care Fund (\$2,007), other cemetery funds (\$940), and Library Trust Funds (\$495.26). Ms. Tracey and Ms. Ward informed the Commissioners that there would no longer be withdrawals from the Asa Fletcher Fund to cover rent due from a destitute tenant. (These monthly payments had been made from the Asa Fletcher Fund for more than a full year.) Also, the Commissioners acknowledged receipts of \$28,600 into the Cemetery Permanent Care Fund (from sales of multiple grave sites) and \$275 into the Library Endowment Fund (from two donations).

Next, the attendees took up the topic of the OPEB Trust. Ms. Tracy informed the Commissioners that the consensus among Town Officials is that there is no need to secure a separate Federal Tax Identification Number for this Trust and, therefore, there will be no requirement for a separate meeting each month. Therefore, the participants agreed to oversee the investments in this Trust in the same fashion since its creation several years ago.

Subsequently, Ms. Tracy updated the Commissioners on the ongoing renovations to some meeting rooms at the Library. Construction bids received by the Library Administration came in approximately \$20,000 above budget (\$60,000), but the Library Trustees will only request that the ask for the original \$60,000 be withdrawn from the Library Endowment. Accordingly, the Commissioners agreed to ensure that these monies will be immediately available for transfer to cover this cost.

Finally, the Commissioners discussed the investments held in the various portfolios. Working from a spreadsheet of Asset Allocations provided by Commissioner MacIntosh, the Commissioners agreed to ask Ms. Tracy to execute a number of trades based on calculations performed by Commissioner Miller. These trades will bring the three growth-oriented portfolios back into alignment with one another. (These trades will be split into two equal executions over two trading days.) In addition, Ms. Tracy will make trades that will reduce the accounts’ exposures to general commodities while adding investments to the gold mining sector. (These trades will be calculated by Commissioner Miller and communicated to Ms. Tracy in the coming days.) The trades to be effected are as follows:

<u>Security</u>	<u>Main</u>	<u>Endowment</u>	<u>Retiree Health</u>	<u>Library Trusts</u>
Buys: iShares 3-7-year Treasuries (“IEI”)	-----	42sh	225sh	-----
iShares Intermed Corp Bond(“IGIB”)	-----	93sh	500sh	-----
SPDR Total Stock Mkt (“SPTM”)	-----	-----	2,000sh	-----
iShares MSCI EAFE(“IEFA”)	-----	-----	600sh	-----

Sells: SPDR Nat'l Resources ("GNR")	-----	-----	-----	-----
Gold miners ("XXXXX")	-----	-----	-----	-----

The meeting concluded at 8:59am.

The market values of the Funds as of June 30, 2019 were:

Main Account*:	\$4,437,030.48
Library Endowment*:	\$2,202,216.86
Retiree Health Care Trust*:	\$3,336,899.77
Library Trust Funds*:	\$892,422.07
Housing Capital Account**:	\$956,257.29

* custodied at Fidelity Investments

** an MMDT account

The Commissioners agreed to meet again on Thursday, August 22, 2019 at 8:00am.

Respectfully submitted,

Robert B. MacIntosh, CFA, Secretary