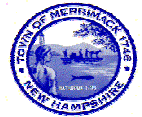




**Trustees of Trust Funds
Meeting Minutes
Friday, February 28, 2014 at 8:30 AM
Conference Room, Merrimack Town Hall, East Wing**



The meeting was called to order at 8:40 a.m. Trustees present were Balcom, Christensen and Wilkes. Also present was Tom Boland, the Deputy Finance Director for the Town of Merrimack.

The minutes of January 23, 2014 were approved as distributed, 3-0-0. Motion by Balcom, second by Wilkes.

Correspondence

A telephone call was received from Barbara Watson. She plans to continue the High School Scholarships and the Lego League but the actual check has been delayed while she sets up a new foundation. We have sufficient funds to pay this year's awards (all but one already paid) and next year's.

We have not yet received an invoice from the school district for the Reeds Ferry School Library.

Deborah Woelflein from the Middle School contacted us regarding the Watkins prize spelling and speaking contests. She will attend the April meeting.

The Shedd-Harris funds were discussed. Moving funds out of Fund A and D was delayed while we determine the long term future investment strategy for the Shedd-Harris Fund. It was noted that the current fund (AWSHX) is a load fund and putting in small amounts only to be removed shortly thereafter would be expensive. Holdings in AWSHX were discussed and they are consistent with our general approach. Growth has been good with a yield of 2.2%. The question was raised as to how we might best improve the income by buying more growth oriented stocks on the income side of the ledger.

Other fund reviews:

Broad discussion followed on Fund A. We are generally satisfied with the distribution and specific holdings, except the level of cash. It was agreed that we purchase 300 shares of Potash (POT) and 200 shares of Equity Residential (EQR) yielding 4.2% and 4.4% respectively. This is about \$10,000 each. These purchases will both be on the income sides of the ledger.

Approved: March 28, 2014

Fund D has about \$80,000 cash on both sides of the ledger. We agreed that we should buy cautiously as markets are at high points. Nevertheless, some rebalancing is in order as 3M (MMM) is about 12.1% of the fund, and Coke (KO) and Pepsi (PEP) combined represent about 14% of the fund. Several options were reviewed and it was agreed that we would sell \$20,000 each of Pepsi and 3M and buy \$40,000 in TD Bank which yields 3.6%.

All agreed that the addition of projecting internet financial web sites onto the wall was beneficial and should be continued.

The use of limit orders, with a current cost of \$19.95 per trade, was authorized to make it easier to make trades at specific price points.

March 28 was set for our next meeting date.

On a motion by Balcom, second by Wilkes, (3-0-0) the meeting adjourned at 10:15 am.

Respectfully submitted,

Chris Christensen
Trustee Secretary/Treasurer