



**Trustees of Trust Funds
Meeting Minutes
Friday, April 12, 2013 at 8:30 AM
Conference Room, Merrimack Town Hall, East Wing**

The meeting was called to order at 8:30 a.m. Trustees present were Balcom, Christensen and Wilkes.

On a motion by Wilkes, second by Balcom, the minutes of March 15, 2013 were approved as distributed, 3-0-0.

Accounts at Cambridge Trust were reviewed. Consensus was to approve the revised strategy for the scholarship funds. Secretary will notify Cambridge Trust. General discussion followed including looking at future needs and verifying accurate transfer from Merrill Lynch.

The new Investment policy was signed. Copies will be sent to the Town for posting on the web site, and to Ameriprise, and Cambridge Trust.

Review of the permanent funds, A, B, C, and D continued. We are a little cash heavy at present, but it was agreed that in view of current market growth and a pending correction, this was a better position than buying at peak prices.

Fund A is generally in good shape. Kellogg is just over 10% of that fund and sale of an amount to bring it down to 8-9% was authorized. The resulting cash will go into GE. Both transactions will be on the principal side of the ledger.

Fund B is overweight in utilities. It was agreed to sell Teco Energy. Although Teco (TE) pays a consistent dividend to yield 4.8%, we own other utilities in this fund that are showing growth while Teco is flat. A parallel buy of People's Bank (PBCT) which also yield's 4.8%, was authorized. Both transactions are on the principal side of the ledger.

Fund C is generally in good shape, but is cash heavy, having sold some DUK, IBM and PG as a first step in rebalancing. It was agreed that we would add \$25,000 to the UPS position, and buy \$25,000 in a new position in Wells Fargo (WFC). The WFC position will be on the income side as that is where the IBM sales occurred*.

We continue to expect a cash buyout of CH Energy by Fortis, a Canadian company, at \$65.00 per share, but the deal seems to have been delayed.

Approved: June 14, 2013

Stock continues to pay a regular dividend and price fluctuates around \$64.75 to \$65.00.

No changes were recommended for Fund D at this time.

We continue to expect a cash buyout of CH Energy by Fortis, a Canadian company, at \$65.00 per share, but the deal seems to have been delayed. Stock continues to pay a regular dividend and price fluctuates around \$64.75 to \$65.00.

Meeting adjourned at 9:45 a.m.

Respectfully submitted,

Chris Christensen
Trustee Secretary/Treasurer

* 125 sh. IBM purchased 2/9/1997 for \$14,425.25 (principal side); balance of 824 shares were the result of drp (income side).
IBM drp closed and all shares were moved Ameriprise in FY2012
Dividends are now paid in cash.