

<b>Committee Name:</b>	Investment Committee	<b>Session #:</b>	
<b>Committee Chair:</b>	Phil Dodson	<b>Vice Chair</b>	Stan Benson
<b>Minutes recorded by:</b>	Phil Dodson	<b>Date/time of meeting:</b>	11/15/2016

## Motions Passed:

1. Selected the Pimco High Yield Fund for investments allocated to High Yields. Moved by Homer Lane, seconded by Ralph Davis. Passed unanimously.
2. To invest \$80,000 from our current Ultra Short Fund into the High Yield Fund by Pimco. Moved by Stan Benson, seconded by Guy Davis. Passed unanimously.

<b>Number of committee members present:</b> 8	<b>Absent:</b> 0	<b>Number of other delegates present:</b> 0
<b>Committee members present (list all, including chair and vice chair):</b> Phil Dodson, Stan Benson, Guy Davis, Ralph Davis (Ex-officio), Jay Definis, Susan Kuhlman (Ex-officio), homer Lane, Bill Sherman		
Not present: None		
Guests: Jim Gregory our Northern Trust (NT) investment manager		

## Minutes

The meeting was called to order at 7:30pm EST.

The meeting began with a presentation of the 2016 / 2107 investment outlook by Jim Gregory. In brief: the market outlook has changed with the unexpected election of Trump as the next US President. The markets now have a growth bias. US growth is expected to accelerate with infrastructure #1 on the list. Monetary policy by the Fed is expected to slowly tighten with small rate increases expected in Dec 2016 and two more in 2017. Tax rates are expected to decrease and inflation to increase above 2%. The Northern Trust strategic allocations increased slightly in US and Natural Resources 2% each, underweight International Developed and neutral on Emerging Markets. Asset class returns: previous laggards are leading this year, Natural Resources and Gold. NT still promoting exposure to High Yield Funds (an action we took later in the meeting)

Jim Gregory briefly reviewed both the USMS and SSL portfolio performances.

The committee members discussed redeploying short term Ultra Short fund into High Yield and Infrastructure funds. There was an extensive Q&A with Jim Gregory and between committee members. As evidenced by the two passed motions the Committee was ready and decided both which High Yield Bond fund manager to select (Pimco) and an amount (\$80K) to redeploy into HY Funds.

It was also decided to defer a decision on redeploying funds into Infrastructure funds (which one and how much), though general consensus was to redeploy \$80K plus year end dividends and interest distributions. It was also decided that the Committee would reach these decisions any time between now and the next meeting, or at the next meeting.

It was agreed that Ralph Davis would sign the new NT IPS on behalf of USMS.

It was also decided Ralph Davis would inform NT of our decision to redeloy \$80K from the Ultra Short Fund to the PIMCO High Yield Fund once these minutes are approved by the Committee

Next meeting is scheduled for January 24, 2017, 7:00 EST.