

TRUSTEE OF TRUST FUNDS

Peterborough, New Hampshire

QUARTERLY BOARD OF TRUSTEE MEETING

May 15, 2013

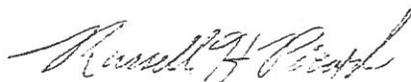
The Town of Peterborough Trustees of Trust Funds met on Tuesday March 26, 2013 pursuant to notice, at 8:00 A.M. at the offices of Charter Trust Company, Main St., Peterborough, New Hampshire. The Trustees were represented by Andrew N. Manns, Chairman of the Board of Trustees, J. Roderick Falby and Russell H. Picard. Russell Picard kept the records of the meeting. Also in attendance were John Griffiths and Kim Franklin of Charter Trust Company.

1. The minutes of the last quarterly meeting held on December 12, 2012 were accepted as drawn. (Falby/Manns)
2. Mr. Griffiths presented his commentary on the economy and market conditions. He noted the US economy is growing at a moderate pace with strengthening employment and well-contained inflation. Low inflation rates have afforded the Central Banks the opportunity to maintain low yield rates to support the growth. He mentioned the equity markets are facing sequestration, however, any resulting downturn in the markets will represent a buying opportunity for equities.
3. The Town portfolio results for the calendar Year 2012 were presented showing an overall 7.79% increase for the Principal and Income portfolio and 8.40% for the Library fund. Also, there was a review of the top ten best and worst for the 12 month period.
4. The year-to-date results through February 28, 2013 were reviewed. The Principal and Income portfolio increased 3.15% overall and the Library fund increased 4.19% for the two month period. Also reviewed were the top ten and worst equity investments.
5. The three recommended investment programs (Town of Peterborough-Principal, Town of Peterborough-Income, Town of Peterborough-Library) were discussed and accepted. Please see the attached three sale and purchase recommendations as signed by the trustees.

6. Asset allocation for the three portfolios after the investment programs are as follow: **Principal Portfolio:** Cash 2.54%, Fixed Income Securities (including short-term investments) 37.43%, Equities 60.03%. **Invested Income Portfolio:** Cash 14.86%, Fixed Income Securities 50.05%, Equities 35.09%. **Peterborough Library Portfolio:** Cash 2.53%, Fixed Income 37.43%, Equities 60.04%
5. Receipts and disbursements since the last meeting were reviewed. Receipts totaled \$11,005 and disbursements \$18,000. The activity report since December 12, 2012 is attached.
6. The Town of Peterborough Trustee of Trust Funds Policy Statement with Charter Trust Company was reviewed and accepted as signed by the Trustees and Kim Franklin of Charter Trust.
7. The next meeting of the Trustees of Trust Funds will be held on Thursday June 13, 2013, at 8 A.M. at the offices of Charter Trust Company in Peterborough, NH.

There being no further business to conduct, it was unanimously voted that the meeting be adjourned at 9:30.

For the Board of Trustees



Russell H. Picard, Trustee