

<b>Committee Name:</b> Investment Committee	<b>Session #:</b>	<b>Report #:</b>
<b>Committee Chair:</b> Dave Burgio	<b>Vice Chair:</b> Elyce Dilworth	
<b>Minutes recorded by:</b> Dave Burgio	<b>Date/time of meeting:</b> June 21, 2012	

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## Motions Passed:

- To recommend approval of the USMS Spending Policy to the USMS Board of Directors

<b>Number of committee members present: 6 – 100%</b>	<b>Absent: 0</b>	<b>Number of other delegates present: 0</b>
<b>Committee members present (list all, including chair and vice chair): Dave Burgio, Chair, Elyce Dilworth, Vice-Chair, Stan Benson, Ralph Davis, Homer Lane and Bill Sherman</b>		
Ex-Officio: Susan Kuhlman		

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## Minutes

The first meeting was called to order at 7:02pm, EST.

- The minutes of the previous meetings on March 15 and 19 were approved as distributed.
- The Committee discussed the Proposed USMS Spending Policy as dialogued by the Finance Committee. An additional amendment by the Investment Committee was proposed to be incorporated changing the 2 year rolling average to a 3 rolling average by adding the June 30, 2011 date as the first one of three to be used, and continuing that format forward. It was agreed that this change would be merged into the policy and then redistributed to the Committee for a final review before forwarding to Ralph Davis, for discussion with the USMS Board of Directors.
- The Committee approved the recommendation from our Portfolio Manager, Jim Walker, to move ½ of the balance in the Northern Small Cap Index Fund to the Northern Small Cap Value Fund. Approximately, \$24,000 would be moved into this actively managed Northern fund.
- Elyce Dilworth discussed the proposed wording for Money Market Fund Investing planned to be recommended to the Finance Committee at the upcoming Convention for incorporation into FOG. After considerable discussion it was agreed to add some additional wording to the proposal. This would be completed and then forwarded to the Committee for additional review and comment.
- Lastly, Jim Walker's visit to the USMS Audit Committee Meeting in Sarasota was discussed. It was agreed that Jim's credentials and experience would be of great benefit to USMS, and we were looking forward to working with him.

The second meeting with Jim Walker was called to order at 8:03pm, EST.

- Jim reviewed two reports with the Committee on total Portfolio performance as well as individual Fund performance related to appropriate benchmarks. There was much interaction with Jim on both US and Global activities and what Northern was anticipating for the future relating to the specific portfolio of USMS. The Committee interacted with Jim in detail regarding the two reports and expressed approval with the format of both reports.
- Jim was then asked to review the USMS Investment Policy and to make recommendations that could be discussed by the Investment Committee at the upcoming Convention.
- Jim was advised that the Investment Committee agreed with his recommendation for reallocating ½ of the value in the Small Cap Index Fund to the Small Cap Value Fund.

The meeting was adjourned at 8:40pm, EST

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