

## **CTMEEC/Transco Board of Director's Special Meeting**

**July 22, 2016**

### **MINUTES**

A special meeting of the Connecticut Transmission Municipal Electric Energy Cooperative ("CTMEEC" or "Transco") Board of Directors (sometimes referred to as the "Board" or "BOD") was held on Friday, July 22, 2016 at the offices of CMEEC at 30 Stott Avenue, Norwich, CT.

The meeting was legally noticed in compliance with the Connecticut State law and all proceedings and actions hereinafter recorded occurred during the publicly open portions of the meeting.

The Chairman, Paul Yatcko, called the meeting to order at 11:27 a.m. and determined a quorum was present.

#### **The following Member Representatives/Directors participated:**

Bozrah Light and Power Company – David Collard.  
Jewett City – Louis Demicco, Kenneth Sullivan, Richard Throwe  
Groton – Edward DeMuzzio, David Collard  
Norwich – John Bilda, Robert Groner, Stephen Sinko  
East Norwalk – David Brown (by telephone), James Smith  
South Norwalk – Paul Yatcko (by phone)

#### **The following individuals from CTMEEC management participated:**

Drew Rankin, CTMEEC, Chief Executive Officer  
Edward Pryor, CTMEEC, Chief Financial Officer  
Justin Connell, CMEEC, Director, Portfolio Management  
Brian Forshaw, CMEEC, Regulatory and Risk Officer  
Robin Kipnis, CMEEC Assistant General Counsel  
Dylan Phillips, CMEEC Risk Analyst  
Michael Rall, CMEEC, Director, Asset Management  
Philip Sussler, CMEEC General Counsel  
Scott Whittier, CMEEC Director of Enabling Services

Others Present:

John Hiscock  
Edward Meyer.

Mr. Sussler recorded.

**Standard Action Items**

**(A) Approve Minutes of the CTMEEC March 24, 2016 CMEEC Board of Director’s Regular Meeting.**

**A motion was made by Director DeMuzzio, seconded by Director Demicco, to approve the minutes of the March 24, 2016 CTMEEC Board of Directors’ Meeting.**

**Vote passed (unanimously). (Transco -- 16-07-01).**

**Specific Action Items**

**(B) Investment Policy Adoption.**

Mr. Pryor referred the Board to the presentation made previously during the CMEEC Board of Directors’ meeting regarding the proposed Investment Policy and the prior distribution in writing to the members of the Board of the Investment Policy now proposed for adoption. He also indicated that a portion of the funds to be held and managed under the Investment Policy are CTMEEC derived funds (\$6 million of an aggregate \$40 million) such that approval of adoption of the policy is also required of the Transco Board. He stated that he was available to respond to further questions or concerns from the Board. No further questions or comments were raised by the Board.

**A motion was made by Director Collard, seconded by Director Sullivan to approve and adopt the “Resolution regarding approval of Investment Policy” in the form presented to the Board.**

**Vote passed (unanimously). (Transco – 16-07-02).**

Chairman Yatcko inquired whether there were any further matters coming before the Board for discussion or consideration. No further discussion or considerations were raised.

**A motion was made by Director Demicco, seconded by Director Collard, to adjourn the meeting.**

**Vote passed (unanimously). (Transco - 16-07-03).**

There being no further business to come before the Board, the meeting was adjourned at 11:35 a.m.

**Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC” or “Transco”)**

**Board of Directors Meeting**

**Resolution T 16-07-02**

**RESOLUTION REGARDING APPROVAL OF INVESTMENT POLICY**

**WHEREAS**, CMEEC management, with the assistance of an outside financial advisor, has developed an updated Investment Policy (the “Policy”); and,

**WHEREAS**, the proposed Policy in the form circulated to the Boards of Directors of CMEEC and Transco, at meetings held on June 23, 2016, has been previously fully reviewed and vetted by the CMEEC / Transco Joint Budget and Finance Committee (the “B&FC”) and circulated to the member representatives of the CMEEC and Transco Board of Directors for comment; and,

**WHEREAS**, the Policy provides a framework in which to operate with respect to the investment of funds by CMEEC and Transco and sets limitations to comply with the CMEEC and Transco Bond Resolutions and Connecticut state statutes applicable to the investment of municipal funds; and,

**WHEREAS**, the proposed Policy provides the framework to maximize the return on cash balances within appropriate risk parameters and is consistent with the objective of maximizing asset value; and,

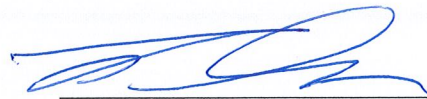
**WHEREAS**, the Policy outlines limits on the manner in which CMEEC and Transco can diversify the investment of funds, and delegates responsibility to the Chief Financial Officer (CFO) for the investment of funds, who can further delegate certain investment management responsibilities to outside investment advisory firms; and,

**WHEREAS**, monthly and quarterly investment performance and compliance reports will be produced and distributed to the Boards of Directors of CMEEC and Transco, respectively; and,

**WHEREAS**, the B&FC recommends approval by the Transco Board of Directors of the Policy as presented at the Transco Board of Directors’ at this meeting.

**NOW THEREFORE BE IT RESOLVED**, the Transco Board of Directors hereby approves the Policy in the form presented to the Transco Board of Directorw at this meeting, subject to approval of the Policy by the CMEEC Board of Directors at its meeting on July 22, 2016.

July 22, 2016



Louis Demicco  
Secretary