

**ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION**

**BOARD OF TRUSTEES MEETING BY TELECONFERENCE**

**September 25, 2012**

**Minutes**

Present: Joe Strupek - Chairman, Cindy Fischer, Jerry Kolb, Nancy Levenick, William Tammone, Chet Tomczyk; Guest – Michael Mahoney – Asset Advisor, Cypress Asset Management LLC

Absent: Wayne Baum, John Burklund, Joe O’Neill, Chuck Walker.

A quorum of voting members present, Mr. Strupek called the meeting to order at 7:32 a.m.

Mr. Michael Mahoney, the asset manager retained by the Board to manage the WTVP Endowment funds was introduced to the group by Mr. Tomczyk.

Mr. Mahoney reviewed various scenarios regarding spending rate versus investment returns and inflation. The Committee members agreed with Mr. Kolb’s definition of risk as “Risk = Volatility”, and further agreed that while a conservative approach to maintaining principal was the overall goal, to not provide for a regular infusion of cash into the operations budget would not make sense.

Current policy calls for up to 7% of principal to be transferred annually (20% in extreme emergency) from the endowment, so in order to meet that need, Mr. Mahoney suggested that the 75% fixed/25% equity investment mix needed to be broadened somewhat. Following discussion, a motion was made by Mr. Kolb and seconded by Dr. Fischer that the investment target be changed to 65% fixed, 35% equity with a  $\pm 5$  range. The motion passed unanimously.

There being no other business, the meeting adjourned at 7:46 a.m.

Respectfully submitted,

Chet Tomczyk  
President & CEO  
September 26, 2012