

**MINUTES OF THE FEBRUARY 17, 2017
INVESTMENT COMMITTEE MEETING
OF THE
PATRICK AND AIMEE BUTLER FAMILY FOUNDATION**

The Investment Committee meeting of the Patrick and Aimee Butler Family Foundation was held on Friday, February 17, 2017, at 10:00 a.m. Central Time via conference call.

The meeting was called to order by Patrick Butler, current Chair of the Committee. John K. Butler acted as recording Secretary of the meeting.

Upon call of the Secretary, the following Committee members were present: Patrick Butler, Jr., Bridget McElroy, Brigid Butler, Patrick O'Brien and Peter K. Butler. Also present was Foundation Chief Investment Officer John Butler. The Chair welcomed Patrick O'Brien to his first meeting and thanked him for volunteering for the Committee.

The Chair called for consideration of the minutes of the August 17, 2016 meeting of the Investment Committee, which had been previously circulated to the Committee members. The committee noted that the date of the minutes approved by the Committee on August 17 should have been stated as February 24, 2016, rather than August 5, 2015. Upon motion duly made, seconded and unanimously carried, the minutes of the August 17, 2016 Investment Committee were approved, ratified and confirmed as corrected.

Mr. Patrick Butler Jr. then noted that next order of business would be to select a new Chair, as his term as Chair has expired. Upon motion duly made, seconded and unanimously carried, Bridget McElroy was elected Chair of the Patrick & Aimee Butler Investment Committee. Ms. McElroy then assumed the role of Chair for the remainder of the meeting.

The new Chair called on Mr. John Butler, Chief Investment Officer, to review the current holdings of the portfolio and summarize any major changes since June 30, 2016. Mr. Butler began by reviewing a slightly different summary statement produced by the Foundation's custodian, Wells Fargo. The new summary statement has more detailed information than the statement previously shown to the Committee, as was requested by Committee members. Mr. Butler also reminded the Committee that complete statements from Wells Fargo for June and December are available at the Foundation office for any Committee member or Trustee to review.

Mr. Butler next reviewed the performance of the overall Foundation portfolio for the year. He noted that the return of 9.5% was much stronger than he had predicted at the beginning of the year and that it compares very favorably to the expected returns by other foundations, which Mr. Butler estimated at 7% (actual results will not be known until August).

Mr. Butler then reviewed the asset allocation of the Foundation and the performance of the Foundation's individual asset managers. The asset allocation remains within the targets set by the Foundation's Investment Policy Statement, with the exception of the cash allocation, which is slightly above the upper end of the range. Mr. Butler explained the reasons for this and stated that he expected the cash levels to decline over the course of the year. Mr. Butler also reviewed the performance of the individual asset managers, noting that all outperformed their benchmarks for

the year, especially the domestic equity portfolio. Because of the strong absolute and relative performance of the domestic equity portfolio, Mr. Butler estimated that it contributed roughly two-thirds of the Foundation's overall performance for the year.

At the request of Patrick Butler, John Butler gave a short overview of his visit last fall to the Wastewater Opportunity Fund's Annual meeting in Columbus Ohio. Mr. Butler was noted that it was a good opportunity to review the strategic direction of the Fund and to get an up-close look at one of the Fund's first investments. The visit triggered no concerns about the investment.

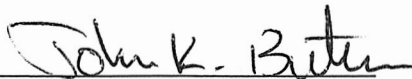
Mr. Butler proceeded to update the Committee on the relationship with the Foundation's custodian, Wells Fargo. Mr. Butler noted that while the Foundation has used Wells Fargo as a custodian for several years for the fixed income portfolio, 2016 was the first year that Wells Fargo was custodian for the majority of the Foundation assets. He stated that everything has gone smoothly and that he was pleased with how the relationship has worked out. Mr. Butler also mentioned that while Wells Fargo has had some well-publicized problems in the past year, these issues in no way impact the Foundation.

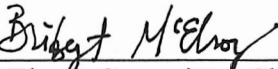
Mr. Butler then gave a brief overview of what he called the Foundation's "legacy" limited partnerships. There are four limited partnerships held by the Foundation, which combined total less than 1% of the Foundation assets. Two of these partnerships are older Northstar Mezzanine debt funds, and Mr. Butler has spoken to the investment manager and reiterated that the Foundation would like to see these funds terminated as soon as reasonably possible. The other two partnerships are older real estate funds gifted by the estate of Kate Butler Peterson. The Albuquerque Associates fund has notified investors that it has received a buyout of its only asset and that it expects to close on that sale in May of this year. Mr. Butler noted that there will be a realized loss on the sale as the contract price is significantly below the value established by the estate. Mr. Butler emphasized that while this will be a modest drag on reported performance for the year, it really is not a loss as the Foundation never invested in this asset. Mr. Butler will follow-up with the remaining fund, the Gateway Partnership, in the next few months.

Finally, the Committee discussed a suggestion by Ms. Brigid Butler that the Committee perform a self-evaluation. There was not time during this meeting for a full discussion, so it was decided that this topic would be an agenda item for the next meeting.

The next Committee meeting will be in August of 2017. The meeting will be scheduled in July and materials for the meeting will be sent one week prior to the meeting.

The meeting adjourned at 11:05 p.m. Central Time.


John K. Butler, Secretary

ATTEST: 
Bridget McElroy, Committee Chair