

**MINUTES OF THE AUGUST 17, 2016
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 Wednesday, August 17, 2016, at 10:00 a.m. Central Time via conference call.

The meeting was called to order by Patrick Butler, who acted as Chair of the meeting. 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 and Peter K. Butler. Also present were John Butler and Robert Hybben.

The Chair called for consideration of the minutes of the February 24, 2016 meeting of the Investment Committee, which had been previously circulated to the Committee members. The committee requested that under the attestation the title for Patrick Butler be changed from Vice-President to Committee Chair. Upon motion duly made, seconded and unanimously carried, the minutes of the August 5, 2015 Investment Committee were approved, ratified and confirmed as corrected.

Patrick Butler commented that it would be beneficial to have more expertise on the Committee. Mr. John Butler mentioned that he was talking to Patrick O'Brien about joining the Committee, and that Patrick has an extensive finance and investment background. The Committee expressed the opinion that Mr. O'Brien would be an excellent addition.

The Chair called on Mr. John Butler, Chief Investment Officer, to review the current holdings of the portfolio and summarize any major changes since December 31, 2015. Mr. Butler began by orientating Committee members with the new summary statements produced by the Foundation's custodian, Wells Fargo. Mr. Butler noted that reports from the custodian are considered the book of records for the account. This report replaces the Portfolio Appraisal report previously shown to the Committee. The Committee commented that they would like the opportunity to see more detailed investment reports. Mr. Butler recommended that the full Wells Fargo report (125 pages) be made available for Trustees at the Spring and Fall meetings. The Committee agreed with this suggestion. Mr. Butler then reviewed the performance of the portfolio and asset allocation, noting that the performance for the first six months of the year was strong, and that the actual asset allocation was within target ranges for all asset classes.

The Committee next reviewed the Investment Policy Statement. The current statement was adopted by the Board of Trustees on October 3, 2014, and the Investment Committee Charter notes that it will be reviewed by the Committee each year at the August meeting. After review and discussion, it was decided that no changes needed to be made to the Statement.

Mr. Butler then provided the Committee with an update on any new investments or any significant changes to current investments. He noted that the Foundation's most recent investment, the Wastewater Opportunity Fund, had has two capital calls totaling \$233,000 since the investment

closed in March of this year. The Fund anticipates calling between 20-35% of committed capital this year. Mr. Butler stated that the annual meeting for the Fund will be held in Columbus Ohio in October and that he is planning to attend. Both the Northstar Mezzanine Fund and the Morgan Stanley Real Estate Fund continue to call capital.

Mr. Butler then gave the Committee a brief overview of what is called the "J Curve", and referenced an article on the subject by Goldman Sachs. The J Curve refers to phenomenon of poor returns in the early years of many private investments. This is an important concept for the Committee to understand, as the Foundation has invested in a number of private investments in the past two years. The Committee agreed that while the J Curve is a negative for private investments, it was offset by the many positive attributes of this investment class.

The next Committee meeting will be in February, 2017. The meeting will be scheduled in January and materials for the meeting will be sent one week prior to the meeting.

The meeting adjourned at 11:00 p.m. Central Time.

ATTEST: Patrick Butler
Patrick Butler, Jr., Committee Chair

John K. Butler
John K. Butler, Secretary