

## Friends of the Library - Edward Jones Stock Question

Today at 12:45 PM

**CHERYL HOUSEMAN**

to Tena Hanson, [lilirjensen@gmail.com](mailto:lilirjensen@gmail.com), [l.hevern@cityofestherville.org](mailto:l.hevern@cityofestherville.org), Kim Anderson, [happy2bred@hotmail.com](mailto:happy2bred@hotmail.com), [ejnims75@gmail.com](mailto:ejnims75@gmail.com), [dawnwebbod@hotmail.com](mailto:dawnwebbod@hotmail.com), [christensendorothy5@gmail.com](mailto:christensendorothy5@gmail.com), [becky\\_domek@hotmail.com](mailto:becky_domek@hotmail.com)

Doug Wagner, Edward Jones, contacted me today (and several other non-profits gifted shares of John Deere by Hugh Greig), regarding a significant value increase in John Deere stock.

The Friends of the Library currently owns 437 shares of this stock and our records show those as being worth \$171.49/share in 2018 totalling \$74,941.13. Today, the share price is \$316.00/share totalling \$138,092.00. Currently, our dividends are directly deposited into our checking account quarterly, and this is the only portion of these investments we're allowed to utilize. The John Deere dividends are currently around 1.00%..

Wagner recommends we take roughly one-half of our John Deere stock (200 shares), sell it, and reinvest in other stock as this trend is not expected to continue with this particular stock. With grain prices accelerated along with government farm subsidies these factors have increased this stock greatly. If we reinvest one-half of the stock it would allow us to honor the Greig family's gift by continuing to own John Deere stock, but would allow us to utilize this unexpected increase and invest in other stocks that would return us higher dividends which could then be utilized by the Friends organization.

We currently hold stocks in 5 companies: GlaxoSmithKline, AT&T, Exxon, 3M and John Deere. It's been recommended that we reinvest in one existing company and one new company. Note there are fees related to buying and selling the stocks, which would amount to approximately \$1,000 (approximately \$350 to sell and 1% or \$630 to purchase the new stock. Wagner has indicated he's willing to reduce their normal fees for our non-profit organization for this transaction to the approximate \$1,000.

I would like to make a motion that we sell 200 shares of John Deere stock, and reinvest one-half of the proceeds into GlaxoSmithKline (an existing investment with expected dividends of 7.5%), and use the other one-half to purchase First Energy stock. First Energy is a stock we currently do not own, but has expected dividends of 5.0%.

Please respond to this email by 5:00 p.m. Thursday with your vote, as this is a time-sensitive issue.

Please contact me by email or phone @ 712/209-3177 with any questions regarding this motion.

I have discussed this with Tena Hanson who concurs with my motion.

Thanks!

Cheryl Houseman

Replies:

- I vote in favor of Cheryl's recommendation/motion. Dorothy
- I will 2nd the motion if you need someone & vote yes. Becky
- Cheryl was able to reach Kathy by phone, who voted yes.
- I approve the motion. Stay warm 😊 Lyle
- I vote in favor of the motion. Lili Jensen
- Yes, I approve. Joan Nims
- I vote yes. Kim
- I vote yes, Lavonne

Having a quorum of responses, Cheryl contacted Doug Wagner on 2/11 to move forward with the approved action.