

Town of Westmoreland: Draft Minutes of meeting of the Trustees of the Trust Funds on April 16, 2021, 9:36am to 12:05pm. Attending: Financial Advisor Charlie Salisbury, Trustees Bill Franzen, Ceil Goff, and Tim Thompson.

- Charlie presented an analysis of the Trustees' portfolio of balanced growth and income. Total cash and income comprise 45% and total equity 55% of the investments. Mr. Salisbury offered a variety of ETF's for the trustees' consideration, but a significant part of his presentation dealt with understanding the Morningstar reports used to evaluate the funds.
- Bill moved, Ceil seconded and trustees unanimously approved the Minutes from March 12.
- Again Bill moved, Ceil seconded and trustees approved without dissent the Quarterly and Transaction Report for the first quarter. Both accounts were true to the penny. The Capital Reserves have a balance of \$745,995, and the Trust Funds stand at \$438,488, including unrealized value.
- Trustees briefly reviewed the law regarding Trust Funds created by towns as well as the statutory process for repurposing a Capital Reserve Fund.
- Trustees acknowledged voter approval of Warrant Article #9 at the 2021 Town Meeting, the repurposing of the Land Purchase CRF into the new Town Hall Septic Tank Fund. In a working draft of 2021's MS9, Bill indicated that the principal and income of the new fund equal \$31,925, exclusive of any income to be earned in 2021.
- Mr. Franzen will ensure that auditors receive the documents they need to perform the annual audit in May.
- Trustees then discussed the Target Allocation and Range in the Investment Policy for Trust Funds. Bill prepared a Portfolio Review of Asset Allocation, and Tim presented a summary of the Equity Holdings by cost basis and performance. Due to the current climate of extremely low returns on cash and fixed income investments, trustees decided the prudent course of action was to alter the Investment Policy. Henceforth, the trustees' Target Allocation will be: Cash-10%, Fixed Income-40%, and Equities-50. Allocation Range will be: Cash- not more than 30%, Fixed Income- not more than 60%, and Equities- not more than 70%.
- Trustees will next meet in two weeks.

Respectfully Submitted,

Tim Thompson