

**Trustees of Trust Funds
Meeting Minutes
June 21, 2018**

PRESENT: Members – Mardi Bowles, Simon Carr, Michelle Whitcomb
Charter Trust – Doug Tengdin, Lynne Ford

The meeting came to order at 4:00 p.m. at the Lyme Town Offices.

1. Charter Trust Updates

- a. The planned software upgrade has been deferred for at least a year.
- b. The Board raised the issue of reports showing a capital balance in the Bessie Hall Revenue Fund. Lynne confirmed that this was incorrect. It was an issue of overriding the default setting in the software and she will arrange with Shannon Parker to rectify this in future reports. The Board wished to express their appreciation of Shannon's work in providing the monthly reports.

2. Annual Review

- a. Funds Held
 - i) Common Funds \$1,169,612.79 June 2017 - May 2018
 - ii) Public Trust Funds \$213,453.63 June 2017 - May 2018
 - iii) Capital Reserve Funds \$2,959,894.12 June 2017 - May 2018
- b. Doug presented the annual review of the funds. The economy was still potentially strong, although both Europe and China were slowing. The markets were now in a more sensible position following the December re-adjustment. Core inflation was still 2%.
- c. The most uncertain area was in the risk of trade wars, but Doug pointed out that only about 10% of consumption was in imports.
- d. Common Funds: Doug was considering reducing equity by up to five percentage points, which still fell within the Investment Policy requirements. Equity performed at 11.82% as against S&P 14%
- e. Public Trust Funds: performed slightly better than S&P.
- f. Capital Reserve Funds: 1.28% return. There is a possible Bar Harbor Bank fund (FDIC covered) which might give a slightly better return. Charter will be sending details on this shortly and Mardi will investigate it further. Doug would like a heads-up on what possible major calls were likely on the Capital Reserve Funds and how liquid these funds should be. Simon will check on this.
- g. Lynne confirmed that Charter's charges were .7% on the Common Funds and .5% on the Public Trust and Capital Reserve Funds.

3. Auditors

Simon signed the forms authorizing Charter Trust to provide the Town's auditors with information on the Trust Funds.

4. Investment Policy

This was reviewed with Doug and approved with no changes. Mardi will forward copies to the State and Charter Trust. Simon will arrange for a copy to be forwarded to the Selectboard.

Approved October 15, 2018

5. Meeting Minutes

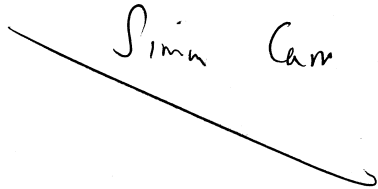
The March 20 meeting minutes were reviewed and approved.

6. Next Meeting

It was agreed that the next meeting shall be Tuesday, October 16 at 4:00pm.

The meeting was adjourned at 5:35 p.m.

Respectfully submitted

A handwritten signature in cursive script that reads "Simon Carr". The signature is written in black ink and is positioned above a long, slightly curved horizontal line that extends to the right.

Simon Carr, Secretary