

WINCHESTER COMMISSION OF TRUST FUNDS

Meeting of January 19, 2022

A meeting of the Board of Commissioners of Trust Funds was held on Wednesday January 19, 2022 remotely via Zoom. The meeting was attended by Commissioners Bob MacIntosh (Chair), David Risgin, and Hayes Miller (Secretary), as well as by Sheila Tracy, Town Treasurer / OPEB Irrevocable Trust Trustee, Stacie Ward, Town Comptroller, Beth Rudolph, Acting Town Manager, and Allan Eyden, Chair of the Wildwood Cemetery Advisory Committee. The meeting commenced at 8:33 am.

The Commissioners first heard from Ms. Rudolph, who expressed a desire to better understand the issues highlighted by the Commissioners in a letter of August, 2018 as it relates to the Asa Fletcher spending policy, she assured the Commissioners that the \$25,000 spending limit conveyed in that letter was well understood by the Select Board and that they require up to date running spending for the year to help. It was agreed that Select Board turnover presents a problem for maintaining a continuous awareness on issues. Ms. Rudolph left the meeting at 8:46.

The Commissioners next heard from Alan Eyden who is the Chair of the Wildwood Cemetery Advisory Committee. His primary focus was on the finances of the Cemetery and the spending policy of the WCTF from the Permanent Care Fund. Commissioner MacIntosh provided a history of how we arrived at the current policy of withdrawing \$140,000 per year, \$70,000 to go to operating budget and \$70,000 to capital. This spending policy represents over 5% of principal a year and is thus considered generous for a perpetual fund, especially in the current low interest environment. Mr. Eyden listed a number of needs for the cemetery as well as a fairly full explanation of the logistics around his revenue sources. Commissioner MacIntosh will try to attend the next meeting of the Cemetery Committee which meets virtually on the second Tuesday of each month. He will report back.

The Commissioners reviewed the *minutes* from the November and December meetings (prepared by Commissioner Miller). Following a couple of small corrections, these amended minutes will be signed and sent to the Town Treasurer for distribution.

The Commissioners reviewed expenditures of \$500 from the Asa Fletcher Fund, \$270 from the Sandy's Island Fund, and \$3000 from the scholarship accounts. Additionally, the Commissioners approved expenditures of \$576.39 from the Library Trust Funds and \$1670 from the Library Endowment. There were contributions to the Cemetery Perpetual Care Fund in the amount of \$15,745 of which \$1695 was from the Columbarium sales. The Library Trust Funds received \$500 and to the Library Endowment Fund \$1611.65, of which \$561.65 was received as an in-kind position in IYJ (an ETF) which was subsequently sold by Ms. Tracy pursuant to policy.

Next, the Commissioners discussed the investments. It was noted that performance for the calendar year 2021 was quite good, exceeding a blended benchmark of 60% US equities and 40% US bonds by about 2.5%. The trades instructed from the last meeting were completed and the accounts are in a slightly below neutral risk position. For the next meeting, Commissioner MacIntosh will review technology ETF's for consideration to reduce the portfolio underweight (which, it was noted, has been working), Commissioner Risgin will look into Health Care investment options, and Commissioner Miller will review why the TIPs position performed so poorly in 2021 and what to expect from TIPs in 2022.

Security

Main

Endowment

Retiree Health

Library Trusts

Buys:

Sells:

There was no old or new business.

The market values of the Funds as of December 31, 2021 were (taken from Commissioner MacIntosh's monthly allocation report):

Main Account*:	\$5,751,309
Library Endowment*:	\$2,759,466
Retiree Health Care Trust*:	\$5,775,610
Library Trust Funds*:	\$1,063,482

(NOTE: *All accounts are custodied at Fidelity Investments*)

The next month meeting will be Wednesday, February 16 at 8:30 am and will be held by Zoom.

The meeting adjourned at 9:58.

Respectfully submitted,

C. Hayes Miller, CFA, Secretary