

Town of Londonderry, Vermont
Trustees of Public Funds
Meeting Minutes
Tuesday, July 23, 2019
Twitchell Building - 100 Old School Street, South Londonderry, VT

Trustees Present: Pauline Davison, Michael Goodbody, Kathy Mosenthal

Trustees Absent: None

Others in Attendance: Danny Cobb, Cemetery Commissioner; Maureen Cronin, Cemetery Commissioner; Melvin Twitchell, Cemetery Commissioner; Shane O’Keefe, Town Administrator; Tina Labeau, Town Treasurer.

Visitors and Concerned Citizens: Dave LaForest, Community Bank Trust Services Dept.

- 1. Call meeting to order** The meeting was called to order at 10:00 AM.
- 2. Additions or deletions to the agenda** None
- 3. Minutes Approval** – Meeting of December 18, 2018
- 4. Market Review**

Dave LaForest presented a market update, describing the longest economic expansion in U.S. history. Outlook remains good, interest rates expected to be cut, jobs report stronger than expected, first half of 2019 a good one for investors. Shane asked about the effect of an increased debt limit. Dave said he felt it was something that needed to be done in the short term and could be managed with current low interest rates, but long term needs to be addressed.

5. Performance

Dave then went over the performance for the Public Trustee Funds and the Cemetery Funds for the 2nd Quarter and since inception – 2.32% and 5.92% Net of fees for the Trustee Funds, respectively and 2.08% and 6.09% for the Cemetery Funds. The current balances are \$5,807,239.05 and \$1,515,228.10 (not including outstanding loans to Town of \$153,000) respectively.

6. Investment Changes

Dave talked about the investment changes that were discussed and approved at the last meeting in December 2018, when Senior Investment Officer Charlie Perrillo spoke and made investment recommendations. The Funds now hold individual securities with a reduced allocation to international developed and emerging markets on the equity side and upgraded credit quality on the bond side. The proceeds from the sale of international stocks went toward an increased allocation to domestic small and mid-cap value stocks to drive income (dividends) and reduce volatility. Charlie commented in December that increasing the credit quality of the bond allocation would address a recession in the shorter term, and added that doing so would lower income in the short term but would address

