

PECK ESTATE TRUSTEES
C/O Gill B. Coates
1211 Texas Hill Road
Hinesburg, VT 05461

November 2, 2017

Kristy McLeod
P.O. Box 225
Hinesburg, VT 05461

Frank Twarog
73 Evanson Road
Hinesburg, VT 05461

Dear Kristy and Frank,

A meeting of the Peck Estate Trustees will be held on Tuesday, November 7, 2017 at 1:15 p.m. at the offices of Hanson and Doremus Investment Management, 431 Pine Street, Suite 302 (third floor), Burlington, Vermont.

The agenda for this meeting is as follows:

1. Approval of minutes from the May 11, 2017 meeting.
2. Approval of the 2016-2017 Peck Estate Fund Report.
3. Review the current status of the Schwab account with Eric Hanson.
4. Any new business.

Sincerely,



Gill B. Coates, Clerk
Peck Estate Trustees

Attachments: Draft Meeting Minutes of May 11, 2017
Draft 2016-2017 Peck Estate Fund Report

cc: Stephanie Davis
C/O Hinesburg Community School

Missy Ross, Town Clerk

Eric Hanson
Hanson and Doremus Investment Management

(MEMBERS OF THE PUBLIC WISHING TO ATTEND SHOULD LEAVE A MESSAGE AT 482-2277 INDICATING THEY WILL ATTEND.)

PECK ESTATE TRUSTEES - MEETING MINUTES
May 11, 2017

MEMBERS PRESENT: Gill Coates (Clerk), Frank Twarog, and Kristy McLeod

OTHERS PRESENT: None

The Clerk of the Trustees, Gill Coates, called the meeting to order at 5:02 p.m.

Under additions/deletions to the agenda, Gill brought up a recent letter from Hanson&Doremus requesting confirmation of the authorized agent designation that they have on file. The authorized agent they have for the Peck Estate account is Gill. Discussion centered on whether an additional name should be added as an authorized agent. It was decided to confirm the current designation as is with Hanson&Doremus.

The minutes from the January 30, 2017 meeting were reviewed. Kristy made the motion to approve the minutes as printed. Frank seconded that motion. The motion was approved.

The next order of business was determination of the distribution amount to the Hinesburg Community School for 2016-2017. Kristy had done some calculations and indicated the distribution limits, based on the Fund value on December 31, 2016 (i.e., \$1,031,494) and the Spending Policy limits, would be as follows:

2.5 percent = \$25,787

4.0 percent = \$41,260

Kristy noted that the distribution to the school for the past two fiscal years was \$35,000. Further that at the time of the "Great Recession" (2008 to 2011) the distribution was held to \$28,000 which was followed by increases of \$2,000 per fiscal year as the portfolio value grew following the recession. As indicated in the status report for May 2017 from Hanson&Doremus, portfolio value increased by 22.2 percent last year. Kristy suggested a distribution of \$36,000 or \$37,000 which is approximately 3.5 percent and 3.6 percent, respectively. Gill indicated that he was leaning toward a \$1,000 increase. Frank initiated a discussion about the relationship of income from the trust to the distribution amount. Gill indicated in recent years the income from the trust has been less than the amount distributed to the school. Kristy pointed out that originally it was just the income each fiscal year that was distributed to the school. Further, that the spending policy approved at the time of professional management of the trust takes a current accounting view that looks at total growth in trust value, both income and investment appreciation.

Frank made the motion for a distribution amount of \$37,000, approximately 3.6 percent of the portfolio value on December 31, 2016, as well as cut-off date on June 15th for the distribution's submittal to the school. The motion was seconded by Gill. The motion was approved. Gill will contact Eric Hanson to inform him of the distribution amount. If that amount is currently available, payment will be made at this time. If the amount is not currently available, Eric will be informed of the Trustee's cut-off date for payment of the distribution of June 15th.

The next order of business was review of the draft "Champlain Valley School District Private Purpose Trust Fund" document, dated April 27, 2017. Kristy presented her changes to the document (see Attachment 1). This included her view that the document should outlive the currently serving Trustees and employees of the Champlain Valley School District. In addition,

PECK ESTATE TRUSTEES - MEETING MINUTES

May 11, 2017

that a discussion was needed about whether the requisition requirement of the document actually results in the issuance of a check or a transfer to a separate Hinesburg Community School account within the CVSD. The discussion resulted in the detailed changes that follow. The approved amended language of the draft, dated April 27, 2017 will result in a final version that will be circulated by Gill for verification and execution (see Attachment 2).

Detailed changes to the Private Purpose Trust Fun document dated April 27, 2017 are as follows:

In the header information:

Change From: "**Amount:** Funded through annual distributions from the Peck Estate"

To: "**Amount:** Funded through annual distributions from the Peck Estate via a check made payable to "Peck Estate Private Purpose Trust", c/o Champlain Valley School District (CVSD)."

In Section 1:

Add "(HCS)" following "Hinesburg Community School" in Line 2.

Combine and Change Sections 2 and 2.1 From:

2. How disbursements are processed: Requisitions require the approval of School Principal(s) and a currently serving Champlain Valley School District (CVSD) Board Member residing in Hinesburg.

2.1 How disbursements are made: Forward an authorized request for a distribution, noting the Sub Fund, amount, and to whom the check should be made payable (including address) to the Fiscal Services Department of CVSD. Allow three weeks for processing of the request. For questions, contact CVSD, attn: Assistant Finance Director, L. Nassau.

To:

2. How disbursements are processed: The HCS Principal(s) must submit to the Fiscal Services Department of CVSD a requisition approved by the School Principal(s) and a currently serving CVSD Board Member residing in Hinesburg. The requisition shall note the Sub Fund title as well as the amount of the transfer and the account receiving the transfer or the amount of the check and to whom it shall be made payable including the address. Allow three weeks for processing of the request. For questions, contact CVSD, attn: Assistant Finance Director (AFD), L. Nassau, or currently serving AFD.

In the contact information, Change From:

CVSD Contact: Chief Operations Officer, Bob Mason, bmason@cssu.org

Peck Estate Contact: Gill Coates, kimgcoates@gmavt.net

PECK ESTATE TRUSTEES - MEETING MINUTES

May 11, 2017

To:

CVSD Contact: Chief Operations Officer (COO), Bob Mason, bmason@cssu.org or currently serving COO.

Peck Estate Contact: Gill Coates, kimgcoates@gmavt.net or other currently serving Trustee.

Being no other business, Gill made the motion to adjourn the meeting. The motion was seconded by Frank and approved. The meeting adjourned at 6:06 p.m.

Respectfully submitted by,



Gill Coates, Clerk
Peck Estate Trustees

- Attachments: 1. Kristy McLeod's proposed changes to the Draft "Champlain Valley School District Private Purpose Trust Fund" document
2. Updated draft of the "Champlain Valley School District Private Purpose Trust Fund" document, dated May 14, 2017

CHAMPLAIN VALLEY SCHOOL DISTRICT
PRIVATE PURPOSE TRUST FUND

Effective Date: July 1, 2017

School: Hinesburg Community

Private Purpose Trust (PPT) Sub Fund Title: Peck Estate Private Purpose Trust

Amount: Funded through annual distributions from the Peck Estate

Description of Sub Fund

1. Purpose: Peck Estate funds are to be used in support of the pre-kindergarten to eighth-grade Hinesburg Community School (HCS), as it is presently called, which becomes part of a consolidated Champlain Valley School District on July 1, 2017.

2. How disbursements are processed: ~~Requisitions require the approval of The HCS Principal(s) must submit a requisition approved by the School Principal(s) and a currently serving Champlain Valley School District (CVSD) Board Member residing in Hinesburg, 2-1~~
~~How disbursements are made: Forward an authorized request for a distribution, noting the Sub Fund, amount, and to whom the check should be made payable (including address) (see question below) to the Fiscal Services Department of CVSD. Allow three weeks for processing of the request. For questions, contact CVSD, attn: Assistant Finance Director (AFD), L. Nassau, or currently serving AFD.~~

3. Annual report requirements: The Principal(s) of the Hinesburg Community School is required to provide an annual report to the Peck Estate Trustees each March indicating both the current financial status and the annual activity of the PPT, including how any disbursement from the PPT was used in support of the community's school children.

4. PPT Modification: The Peck Estate Trustees exclusively retain the unilateral authority to modify, alter, or amend this agreement at any time.

Reviewed by: _____
Hinesburg Community School Principal

Approved by Peck Estate Trustees: _____

CVSD Contact: Chief Operations Officer (COO), Bob Mason, bmason@cssu.org, or currently serving COO.

Peck Estate Contact: Gill Coates, kimgcoates@gmavt.net, or other currently serving Trustee.

Question: Check or transfer? If check, let's walk thru scenario of what that looks like.

CHAMPLAIN VALLEY SCHOOL DISTRICT
PRIVATE PURPOSE TRUST FUND

Effective Date: July 1, 2017

School: Hinesburg Community

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2. How disbursements are processed: The HCS Principal(s) must submit to the Fiscal Services Department of CVSD a requisition approved by the School Principal(s) and a currently serving CVSD Board Member residing in Hinesburg. The requisition shall note the Sub Fund title as well as the amount of the transfer and the account receiving the transfer or the amount of the check and to whom it shall be made payable including the address. Allow three weeks for processing of the request. For questions, contact CVSD, attn: Assistant Finance Director (AFD), L. Nassau, or currently serving AFD.

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Reviewed by: _____
Hinesburg Community School Principal

Approved by Peck Estate Trustees: _____

CVSD Contact: Chief Operations Officer (COO), Bob Mason, bmason@cssu.org or currently serving COO.

Peck Estate Contact: Gill Coates, kimgcoates@gmavt.net or other currently serving Trustee.

Draft – September 4, 2017
PECK ESTATE FUND REPORT
JULY 1, 2016 – JUNE 30, 2017

FUND BALANCE - 7/1/16:

Cash and Money Market Funds - Schwab	\$ 12,802.30
Investments - Schwab	<u>858,335.81</u>

TOTAL FUND BALANCE - 7/1/16: \$ 871,138.11

SCHWAB INTEREST AND DIVIDENDS:

Dividends, Gains, and Distributions	18,334.89
Corporate Bond and Other Interest	5,641.19
Certificate of Deposit Interest	<u>2,565.62</u>

TOTAL INTEREST AND DIVIDENDS: 26,541.70

INVESTMENT APPRECIATION (DEPRECIATION): 134,218.85

EXPENDITURES:

Fund Distribution to Hinesburg School	37,000.00
Investment Advisor Fees (Hanson & Doremus)	5,786.00
Other Fees	<u>9.95</u>

TOTAL EXPENDITURES: (42,795.95)

FUND BALANCE - 6/30/17:

Cash and Money Market Funds - Schwab	25,061.80
Investments - Schwab	<u>964,040.91</u>

TOTAL FUND BALANCE – 6/30/17: \$ 989,102.71

PECK ESTATE TRUSTEES

Frank Twarog
Kristy McLeod
Gill Coates

Term Expires 2018
Term Expires 2019
Term Expires 2020

Submitted by Gill B. Coates, Clerk, Peck Estate Trustees