

PECK ESTATE TRUSTEES - MEETING MINUTES OCTOBER 17, 2018

MEMBERS PRESENT: Gill Coates (Clerk) and Kristy McLeod

OTHERS PRESENT: Eric Hanson and Art Wright (both of Hanson & Doremus Investment Management)

This meeting took place at the offices of Hanson & Doremus Investment Management, 431 Pine Street, Suite 302 (third floor), Burlington, Vermont.

The Clerk of the Trustees, Gill Coates, called the meeting to order at 3:45 p.m.

Eric indicated that he had to leave the meeting at 4:15 and that Art Wright would stay to answer any questions the Trustees had after that time.

Since Eric had to leave early, his review of the current status of the Schwab account was made the first item on the agenda. Eric distributed a printed report on the status of the Peck Estate account as of October 16, 2018. A copy of the report is Attachment 1. Eric spoke first about bond portion of the account. The bonds in the account have maturity dates from January 2019 to December 2024. The bonds are held until maturity. Eric indicated since interest rates are up bonds are down, which is the usual case, and that the account is down one percent for the year. He later said that money from the bond maturing in January 2019 could be held in the Cash/Money Fund (earning 2% interest) and, along with other account income, there would be sufficient funds for the payment to the school district in the May-June 2019 timeframe.

Eric indicated that, in general, the U.S. Broad Market Equity Funds were up, and the International and Merging Market Funds were down, especially the Merging Market Funds. Eric then left the meeting.

Kristy asked about any changes in the mutual fund equity holdings. Art indicated that they would likely change the Emerging Market Equity Exchange-Traded Funds (ETF) from Wisdom Tree to Vanguard for lower costs, and the International Equity ETF from Schwab to Vanguard mostly for the bigger companies represented, larger volume, and more diversification. The U.S. Broad Market ETF will remain with Schwab. They expect to keep the allocations the same,

Art indicated the expectation is that interest rates may continue to go up somewhat. Kristy also asked about the Hanson & Doremus charges for the fiscal year. It is expected the charges will continue to fall since the shift to equity mutual funds occurred during the second half of the last fiscal year.

Art then talked a bit about himself. He worked in wealth management at TD Bank and has been working for Hanson & Doremus for two years now. Art then left the meeting.

Gill and Kristy continued with the remaining agenda items.

The draft minutes of the May 14, 2018 meeting were reviewed. Kristy made the motion to approve the minutes as written and Gill seconded and the motion was approved. An approved copy is Attachment 2.

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The next order of business was approval of the draft 2017-2018 Peck Estate Fund Report. Kristy moved to accept the report as printed. The motion was seconded by Gill and approved. An approved copy is Attachment 3.

Under new business, Kristy stated that a reminder needs to be provided to the Hinesburg Community School principal in March about the required report on the school's usage of funds from the Peck Estate Private Purpose Trust over the prior year.

Being no other business, the meeting was adjourned at 4:26 p.m.

Respectfully submitted by,

Gill Coates, Clerk
Peck Estate Trustees

- Attachments:
1. Report on the Peck Estate Funds Account (6 pages), Dated 10/16/2018
 2. Peck Estate Meeting Minutes of May 14, 2018 (4 pages), Approved – October 17, 2018
 3. Peck Estate Fund Report 2017-2018 (1 page), Approved – October 17, 2018