

Tunbridge Trustees of Public Funds
Thursday, July 22, 2021
9:00 am
Town Offices

MINUTES

Present: Matt Frost, Rob Howe, Liz York (by phone), Becky Hoyt, Aileen Lem

Called to order: 9:10 am

I. Mail

Rob noted that we are missing paper copies of January, February, and April statements from this year, but that there are also duplicates for some months. Trustees then reviewed the most recent statements, giving balances through June 25, 2021.

II. Requests for Dispersal

Matt noted as a preliminary matter that he had attended the Selectboard meeting at the Selectboard's request to discuss the Special Projects Fund. The town library is in need of a new furnace, and Selectboard wished to tap any available funds from the Special Projects Fund that could go to that, above and beyond the Transfer Station project. He noted that the Selectboard had also expressed a concern that the Edith Grant Fund monies for the benefit of the Tunbridge School library not be used for the general benefit of the school district. Liz noted that she had already discussed the limits to the gift with Principal Michael Livingston (that money should only be used for materials for the school library in Tunbridge, and not for something like salary or to defray the overall school district budget), and he had discussed things with the new school librarian, so this should not be an issue going forward. Rob had also checked in with Theresa about the Town Library Fund to confirm the amount they are withdrawing from the fund, and it is the same as reflected on the form. Trustees noted as a general matter that all requests are either 4% or lower, so in keeping with the ongoing sustainability of the funds.

MF moved, RH seconded, to approve the request for 4% of the Special Project Fund, amounting to \$2000. APPROVED unanimously.

MF moved, RH seconded, to approve the request for \$8000 from the Town Library Fund. APPROVED unanimously.

MF moved, RH seconded, to approve the request for 4% from the Fire Department Fund, amounting to \$1700. APPROVED unanimously. (Aside: for use toward Emergency Command Center materials, i.e., a pop-up)

MF moved, RH seconded, to approve the request for \$6000 for the Tunbridge School Library. APPROVED unanimously.

MF moved, RH seconded, to approve request for \$3000 from the Cemetery Fund. APPROVED unanimously. (Note: this is NOT from the Village Cemetery Fund)

MF moved, RH seconded, to approve request for \$15,000 from the Town Highway Fund. APPROVED unanimously.

Trustees then confirmed the account numbers for the accounts from which each of the checks will be issued.

ACTION ITEM: Matt will put in the request with Edward Jones to issue the checks. Liz will email all the town groups to let them know to look for the coming checks.

A question was raised about whether there were any donations to the Village Cemetery Fund this year and whether those should be added to the investment account for management. There was also a question about what should happen to Cemetery dispersals if they are not spent in a given year: should they be returned to the investment account at the end of the fiscal year? They are not in the same nature as taxpayer money, which needs to be treated as a surplus to be voted on at town meeting, but not really clear whether that money should be held over in the cemetery account. It may be prudent to spend the trust account money first in any given year, then if there is a surplus in the general cemetery account, it can go back to the taxpayers.

ACTION ITEM: Another question for the VLCT — if a beneficiary of a town fund is unable to spend a dispersal by the end of the fiscal year, should it go back into the trust account, or can it stay in the town bank account?

Also, ask someone from Cemetery Commission to attend our next meeting to check in with them about their ongoing expenses, how they handle donations, and general status of the two cemetery funds.

III. Management Policy

Trustees went over the VLCT responses to the questions generated at the last meeting, most importantly whether the Trustees can go beyond the state's Prudent Investor Statute when making decisions on how town funds should be managed. On that question, VLCT referred us back to the Prudent Investor Statute as well as any donor documents/gift instruments. Their answers cannot stray into giving us specific legal advice, so it was somewhat vague. VLCT does not keep track of towns' investment policies, so they were unaware of any towns implementing social, environmental, or political policies beyond what was required by state statute. Rob asked if we had heard back from the Secretary of State's Office on these same questions. Matt will send them along, since VLCT's answers did not really clarify things.

MF moved, LY seconded, that Trustees take steps to officially adopt the VLCT model policy as a baseline at this point. APPROVED unanimously.

ACTION ITEM: Liz will look into rules around policy adoption, specifically publishing requirements in papers of record, so that process can begin.

Aileen then reported back on her findings regarding what other towns are up to. She had not yet heard back from Sharon, Strafford, Chelsea, or Brattleboro. She was able to speak with officials from Norwich & Thetford. Norwich has adopted the VLCT model policy. They also have a practice of only buying CDs at local banks with their town funds, so there is no need to adopt an investment philosophy regarding specific types of equities. Thetford has over \$1 million in funds that it manages for the townspeople's benefit. They did not have a green investment strategy, but would be very interested in hearing about anything formal that Tunbridge does in that regard. Aileen will keep us updated as she hears back, especially if she hears about anything above and beyond the VLCT policy.

Becky noted that there is a Vermont Municipal Clerks & Treasurers' Association that might have more information about what towns are doing across Vermont.

ACTION ITEM: Matt will email them with the question whether towns are adopting environmental/social/political investment policies beyond the VLCT one. Matt will also forward questions from last meeting to Secretary of State's office to see if we can get more specific answers from them.

Next meeting: will set after hearing back from Secretary of State's Office and Municipal Clerks & Treasurers' Association. **Aside:** when Matt talks to David Gold about getting checks issued, he can let him know we can meet with him most any given Friday at 9 a.m. Matt is also still waiting to hear if he has the benefit of any special training regarding managing municipal fund money.

Adjourned: 10:10 am