**Trustee of Trust Funds**

**Town of Dublin, NH**

**October 13, 2020**

**Minutes**

**Attending: F.W. MacMillan, Charlie Champagne, Jace McLean**

 **For Charter Trust: Marcie MacKenzie, Devin Cowette**

1. **Call to Order: 10:02 a.m.**
	1. **Introduce Jace McLean as new trustee**
2. **Review and Approval of Minutes of 7/14/2020**
	* 1. **Motion to approve: C Champagne; FWM 2nd  , and approved**
3. **Review of Request to withdraw Funds**
	1. **$20,884 Town Building Repair Fund**
		1. **Motion to approve: C. Champagne, 2nd J McLean**
4. **Economic Review : Charter Trust - Devin Cowette**

• **US economy showing signs of recovery.**

 · Unprecedented monetary & fiscal stimulus.

 · Home sales are surging.

 · Possibility of increased volatility leading up to election.

• **The global economy remains sluggish.**

 · Global oil prices remain weak.

• **The Fed is acting forcefully.**

· The Fed's policy rate was slashed to 0% in March and

 should remain there for the foreseeable future.

.- form of *average* inflation targeting.

• **US stocks evidencing renewed strength.**

· S&P 500 achieved record highs in September.-Technology sector driven

· Broad participation is a sign of market health.

• **Global bond yields remain persistently low.**

· Inflation concerns are growing after the Fed announced a

 new policy allowing inflation to exceed 2% target.

· Changes in the U.S. Treasury yield curve suggest that the

 market expects the Fed to begin buying more long-term debt by the end of the year.

**Summary of Market Values (000’s)**

 **9/30/20 6/30/20 3/31/20**

**Common funds** 1,462 1,399 1,257

**Cap Reserve Funds** 1,226 1,150 1,151

* **Common Funds**
	+ Total fund return (loss) for 9 months 2020 = 5.5% vs. a balanced 50/50 return of 6.8%
	+ Equity return (loss)= 6.6% vs. S&P = 5.6%; Fixed income return(loss) = 5.16% vs. Bloomberg/Barclay’s Bond Index = 6.79%

 **Common funds** **Equities** **Fixed Income/Cash**

. Asset Allocation: 49.8% 50.2%

 5 year Total Funds Performance

* + Beginning Market Value:` $1,162,170
	+ Ending Market Value (9/30/2020): $1,461,827
	+ Total Return: 6.28%
* Review of specific investments

-Fluor 3.5% corporate bond **not** investment grade (BBB-)noted by C. Champagne

 **(similarly noted during the last 7/14/2020 review)**

J. McLean noted whether holdings in Chevron and Exxon/Mobile were prudent given those companies lack of investment in renewable energy strategies. Percent of portfolio in energy is small, dividend rate (8.0 %) is attractive

* **Capital Reserve Funds**
	+ Total Fund return for 9 months, 2020 = 4.23%
	+ Fixed Income Return = 5.52 % vs. BB US Aggregate Bond Index = 6.79%

**Review of Capital Reserve Funds**

 **Balance 9/30/2020; $1,225,564**

* **Allocation:** 9/30 **6/30 3/31/**  **12/31**
	+ Fixed Income 66.7 73.5 75.8 69.9%
	+ Cash 33.2 26.5 24.2 30.1%
* **4 year Performance**
	+ Beginning Balance $0
	+ Ending Balance $1,225,564
	+ Total Return 2.64
* **Review of specific investments**
	+ Tough market to buy in now; no mortgage bonds, only Agency bonds

C. Champagne: request maturity dates be displayed in Charter report.

1. **Old Business: none**
2. **New Business: none**
3. **Next Meeting: January 19, 2021; 10:00 a.m.**