

4 June 2020

PECK ESTATE BACKGROUND INFORMATION

(ATTACHMENT TO PECK ESTATE MISSION STATEMENT)

Cicero G. Peck's adopted daughter, Lucy P. (Coleman) France, died February 16, 1934. Her will contained a provision similar to that of her adopted father's failed will. The provision is as follows:

"... 6., B. I give, devise, and bequeath the remaining four-fifths of my said father's estate to the Town of Hinesburg, in trust, and I direct that the income only be used for and toward the support of a high school in said Hinesburg, in which the pupils shall receive higher and more advanced instructions than is furnished in the primary schools of the town, and shall be free to all pupils of the town of such grade or grades as shall be fixed by the school board, and to which pupils from other towns may be admitted by paying such tuition as shall be fixed by the school board, but such tuition shall be used for the support of the school."

The first mention of the Peck Estate was in the 1938 town report. It listed the trust as containing \$13,673.06 as well as 29 shares of Howard Bank stock and 12 shares of Merchants Bank stock.

Under Vermont law, property held in trust by a town for a particular purpose is administered by three Trustees elected by the town.

Peck Estate funds were used on August 8, 1944 to purchase Leon E. and Maud T. Miner's house. It was also known as the Andrew's house. It is the house at 10787 VT Route 116 in the center of Hinesburg village. The Trustees used the house as rental property, basically for Hinesburg teachers to rent. On June 1, 1979, the trustees sold the house. The Trustees held the mortgage on the property until it was paid off in April, 2003.

With the Andrew's house mortgage paid off and with the growth of the trust assets, the Trustees decided that professional management of the trust would be prudent. In 2003, after two years of evaluation, the Trustees selected Hanson Investment Management (now Hanson & Doremus Investment Management) of Burlington to manage the assets of the trust.

In terms of the disbursement of income to the Hinesburg Community School in accordance with the will (the Peck Estate Spending Policy), two decisions have been made over time. In September of 2003, the Trustees adopted a Total Return Approach to the income available for disbursement to the HCS. That approach looks to the overall return on investments and permits the disbursement of both investment income and net appreciation. The second decision relates to the grade levels to be benefitted. At some point in time, the Hinesburg School Board voted to use the income from the Trust to benefit the Middle School program, or 7th and 8th grades, that being considered a "higher and more advanced instructions than is furnished by the primary schools of the town." Primary school was not defined in the will, but at times is referred to as kindergarten through 2nd or 3rd grades. With the evolution and increasing cost of public education over time, and the consolidation of the Champlain Valley School District on 7/1/17, the Trustees have determined that it is reasonable for the Principals of the HCS to determine the best and most appropriate use of the annual distribution from the Peck Estate Trust Funds to advance the education of students within the Hinesburg pre-kindergarten through 8th grade school system and to not limit that distribution to a particular grade level.

Gill Coates, Clerk
Peck Estate Trustees
4 June 2020