

PECK ESTATE TRUSTEES

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

November 16, 2021

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 **Monday, November 22, 2021 at 5:00 p.m.** This meeting will be held by video conferencing using the online Zoom system.

(THIS IS AN OPEN MEETING AND MEMBERS OF THE PUBLIC ARE INVITED TO ATTEND. HOWEVER, NOTE THAT THIS MEETING IS BEING HELD VIA VIDEO CONFERENCING USING THE ONLINE ZOOM SYSTEM. ATTENDEES ARE REQUIRED TO CONTACT GILL COATES PRIOR TO NOVEMBER 22, 2021 BY EMAIL AT kimgcoates@gmavt.net IN ORDER TO JOIN THIS MEETING. FOR THOSE WITHOUT ONLINE ACCESS, PLEASE LEAVE A MESSAGE FOR GILL COATES AT 482-2277.)

The agenda for this meeting is as follows:

1. Call to Order
2. Any Agenda Changes/Additions/Deletions,
3. Approval of minutes from the May 24, 2021 meeting. (see Attachment 1),
4. Approval of the 2020-2021 Peck Estate Fund Report (see Attachment 2),
5. Review the current status of the Schwab account with Alex Watson, and
6. Any new business (items brought up under new business that require a vote of the Trustees will be placed on the agenda of the next meeting).

Sincerely,


Gill B. Coates, Clerk
Peck Estate Trustees
Phone: 482-2277

Attachments: 1. Draft Minutes of the May 24, 2021 Meeting (5 Pages)
2. Draft 2020-2021 Peck Estate Fund Report (1 Page)

cc: Jeanne Jensen, CVSD Chief Operating Officer
Suzan Locke, HCS K-4 Co-Principal
Stephanie Davis, c/o Hinesburg Community School
Joy Dubin Grossman, Assistant Town Manager
Missy Ross, Town Clerk
Alex Watson, Hanson and Doremus Investment Management

PECK ESTATE TRUSTEES - MEETING MINUTES

May 24, 2021

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

OTHERS PRESENT: None

As a result of the current COVID-19 pandemic, this was a virtual meeting using the web site Zoom.com.

Agenda Item 1: The Clerk of the Trustees, Gill Coates, called the meeting to order at 4:00 p.m.

On the second agenda item of the meeting, changes/additions/deletions, Kristy suggested adding discussion of the letter of May 19, 2021 from Hinesburg Community School (HCS) Co-Principals Suzan Locke and John Pontius to Agenda Item 3 (Determination of the 2020-2021 distribution). The addition was accepted.

The meeting moved on to Agenda Item 3, Determination of the distribution amount to the Champlain Valley School District's Peck Estate Private Purpose Trust Fund for the 2020-2021 fiscal year. There was a brief discussion of the co-principals' letter of May 19th (see Attachment 1). The letter indicates use of the 2019-2020 Peck Estate distribution for two on-going projects, universally accessible playground equipment and purchasing of new student furniture, specifically for the art classroom and second and sixth grade classrooms. Frank commented on the positive impact furniture has on students.

Kristy then presented her calculation of the maximum Peck Estate distribution amount for the year ending June 30, 2021 (see Attachment 2) with a reference to prior years' distribution amounts (see Attachment 3). Kristy's calculation shows a total account value for the previous three years on December 31st at \$3,096,836 and results in a 3-year average of \$1,032,279. The maximum distribution under the current Peck Estate spending plan is 5 percent of the 3-year average, which is \$51,614. Gill indicated he was fine with a distribution of \$51,000. Frank added that the 3-year average helps to level out the highs and lows of individual year-end values and aids with the predictability of distribution amounts. Kristy indicated her support for a \$51,000 distribution amount and made the motion to approve that amount. Frank seconded the motion. Frank then wanted to clarify that the amount would be \$51,000 and not the calculated amount of \$51,614. Gill indicated his preference for \$51,000. The motion was then approved.

A discussion then followed about the "Schedule of Changes in Net Position – Fiduciary Funds, Private-Purpose Funds for the Year Ending June 30, 2020," which was included as Schedule J in the CVSD' annual report. Kristy pointed out that last year she expressed her concerns over the use of the description "Administrative expenses" under the "Deductions" heading. She said the description makes the amount look like overhead expenses. CVSD's Chief Operating Officer, Jeanne Jensen was at last year's meeting and indicated she would look at the issue. However, this year's Schedule J still uses the "Administrative expenses" description. Gill said he would contact Jeanne by email and include the information from her email last year about looking into the issue.

Next on the agenda was approval of the meeting minutes for November 11, 2020. Frank made the motion to approve the minutes as written. The motion was seconded by Kristy and approved. (see Attachment 4)

DRAFT – MAY 25, 2021

PECK ESTATE TRUSTEES - MEETING MINUTES
May 24, 2021

Agenda Item 5 was a discussion of investment management fees charged by such firms. Frank did look into the issue. He reported that management fees range from 1.25 percent to 2.5 percent, which appears reasonable. Frank indicated that our Hanson & Doremus management fees are lower than average. Another factor in evaluation of an investment management firm is its professionalism in carrying out its fiduciary duties. Frank pointed to the recommendation and subsequent handling by Hanson & Doremus of moving the portfolio equity portion of the account from individual stocks to exchanged traded funds. Kristy indicated she feels Hanson & Doremus has been very supportive and accommodating when it comes to the Peck Estate account. They have always been willing to meet regularly with the Trustees in person to review the account status.

Discussion then moved to Agenda Item 6, documenting the Peck Estate Clerk's operating procedures. Gill indicated that he has not started to put "pen to paper," but has given thought to the processes involved and the approach to documentation. A major factor in the process is Vermont's open meetings laws. Therefore, the guide to the laws by the Vermont League of Cities and Towns should be part of the documentation process as well as the Peck Estate's guiding documents. Other processes to be included is the organization of meetings, the handling of meeting minutes and their public posting, the election of Trustees on a three-year-term basis, the passing along of communications from the investment management firm and the monthly and year-end portfolio statements, and preparation of the annual financial report that is included in the annual Hinesburg Town Report.

Being no other business, Frank made the motion to adjourn the meeting. The motion was seconded by Kristy and approved. The meeting adjourned at 4:34 p.m.

Respectfully submitted by,


Gill Coates, Clerk
Peck Estate Trustees

Attachments:

1. HCS Co-Principles' Letter of May 19, 2021 on the 2019-2020 Distribution (1 Page)
2. Calculation of the Maximum Distribution Amount for 2020-2021 (1 Page)
3. List of Distribution Amounts Since Professional Management of the Peck Estate Portfolio by Hanson & Doremus Investment Management in 2003 (1 Page)
4. Meeting Minutes of November 11, 2020 – Approved May 24, 2021 (13 Pages)

PECK ESTATE TRUSTEES - MEETING MINUTES
May 24, 2021

ATTACHMENT 1 – MEETING MINUTES FOR 5-24-2021



10888 ROUTE 116, HINESBURG, VERMONT 05461
PHONE (802) 482-2106, FAX (802) 482-2003

Suzan Locke
Elementary Co-Principal

John Pontius
Middle School Co-Principal

Alicia Kurth
Director of Special Education

May 19, 2021

Dear Peck Estate Trustees:

First and foremost, I want to thank you for your continued generous support of the Hinesburg Community School. Your annual contribution continues to provide our students materials and resources needed to maximize their potential. On behalf of our school and community, we thank you for your support.

In the 2019-2021 school year, we allocated a portion of your annual contribution towards an initiative we have been talking about for many years: the creation of a universally accessible playground. As you might remember two years ago we added a Sway Glider to our playground. This summer we are installing a sand table and drum set that can be accessed by all students at Hinesburg Community school. Our existing playground is an incredible resource, for many, but not all, of our students here at HCS. With your generous contribution, we are able to continue to design and implement a new playground space that will be accessible for all students. This inclusive nature is what we are all about here at HCS and you have made this belief a reality to all of our students and families.

The remaining portion of your annual contribution was used to maximize student performance in the classroom by purchasing new student furniture. New butcher block tables and chairs were purchased for our Art Classroom. We also purchased new furniture for our second and sixth grade classrooms. Research studies show how much of an impact comfortable and practical furniture makes to a student's ability to learn and focus throughout a classroom lesson. With your financial help and support, we were able to create optimal learning environments. The students and teachers absolutely love their new furniture.

Your continued generosity to the HCS community is remarkable and we are truly thankful and appreciative for all you have provided to the children of this community for many years.

Sincerely,

Suzan Locke and John Pontius
HCS Co-Principals

DRAFT – MAY 25, 2021

PECK ESTATE TRUSTEES - MEETING MINUTES

May 24, 2021

ATTACHMENT 2 – MEETING MINUTES FOR 5-24-2021

Calculation of Maximum Peck Estate Distribution Amount For The Year Ending June 30, 2021

Account Value As Of:

12/31/2018 \$ 933,845

12/31/2019 \$ 1,045,945

12/31/2020 \$ 1,117,045

Total \$ 3,096,836

3 Year Average \$ 1,032,279

5% of 3 Year Average \$ 51,614 **Maximum Distribution Under Spending Policy Adopted 6-4-2020**

Net Contribution by Year

Town Of Hinesburg Peck Estate (Inst-Found/Endow NP, xxxx1808)

	Deposits	Withdrawals	Net Contribution
By Year			
2020	\$0	(\$45,000)	(\$45,000)
2019	\$0	(\$37,353)	(\$37,353)
2018	\$0	(\$38,000)	(\$38,000)
2017	\$0	(\$37,000)	(\$37,000)
2016	\$0	(\$35,000)	(\$35,000)
2015	\$0	(\$35,000)	(\$35,000)
2014	\$0	(\$34,000)	(\$34,000)
2013	\$0	(\$32,000)	(\$32,000)
2012	\$0	(\$30,000)	(\$30,000)
2011	\$0	(\$28,000)	(\$28,000)
2010	\$0	(\$28,000)	(\$28,000)
2009	\$0	(\$28,000)	(\$28,000)
2008	\$0	(\$28,000)	(\$28,000)
2007	\$0	(\$27,000)	(\$27,000)
2006	\$0	(\$24,000)	(\$24,000)
2005	\$0	(\$23,514)	(\$23,514)
2004	\$0	(\$19,000)	(\$19,000)
2003	\$70,610	\$0	\$70,610
By Year Total	\$70,610	(\$528,867)	(\$458,257)

DRAFT – SEPTEMBER 1, 2021
PECK ESTATE FUND REPORT
JULY 1, 2020 – JUNE 30, 2021

ATTACHMENT 2
MEETING NOTICE
NOVEMBER 22, 2021

FUND BALANCE - 7/1/20:

Cash and Money Market Funds - Schwab	\$ 8,371.14
Investments - Schwab	<u>982,601.35</u>

TOTAL FUND BALANCE - 7/1/20: \$ 990,972.49

SCHWAB INTEREST AND DIVIDENDS:

Dividends, Gains, and Distributions	15,387.34
Corporate Bond and Other Interest	<u>13,336.83</u>

TOTAL INTEREST AND DIVIDENDS: 28,724.17

INVESTMENT REALIZED AND UNREALIZED
GAINS (LOSSES):

169,605.84

EXPENDITURES:

Fund Distribution to Hinesburg School	51,000.00
Investment Advisor Fees (Hanson & Doremus)	<u>4,055.00</u>

TOTAL EXPENDITURES: (55,055.00)

FUND BALANCE - 6/30/21:

Cash and Money Market Funds - Schwab	8,266.09
Investments - Schwab	1,125,981.41

TOTAL FUND BALANCE – 6/30/21: \$1,134,247.50

PECK ESTATE TRUSTEES

Kristy McLeod
Gill Coates
Frank Twarog

Term Expires 2022
Term Expires 2023
Term Expires 2024

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