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Trust Fund Policy Committee Meeting Minutes 04/03/2008

Trust Fund Policy Committee
Minutes of Meeting
April 3, 2008

Attendees:

Ruth Lewis	Barbara Muldoon
John Bilafer	Stephen Gilligan

Meeting was called to order at 3:15 pm. The minutes of the February 7, 2008 meeting was approved. The next item discussed on the agenda related to the legal costs of George Cushing. At a prior library trustee meeting it was voted to hire George Cushing at a cap of \$3,500 to review the new law regarding the amount of trust fund disbursement and to recommend a policy for the Town of Arlington to accept. The committee voted for Barbara to send the bill to Steve Gilligan to be paid from the trust funds.

Barbara passed out four trust fund expenditure caps using the formulas using George Cushing Proposal 1. The different scenarios were discussed and it was recommended to take one fund and go back five years in expenditures and compare to each formula. The benchmark used will be 50% equities (S&P 500 Index), 45% corporate bonds (Lehman Bond Index) and 5% US T Bills.

The committee had a question on how the Town will handle unspent available income and whether it can be carried forward to the next fiscal year. Also to review if there will be a minimum distribution percentage.

For the next meeting Barbara will plug in the formula to 5 library funds using the 3%, 4.5% and 6% benchmark comparing these numbers to the portfolio return and traditional return then and now. Steve will do the same for 5 scholarship funds. The goal is to recommend one rate for disbursements for all trust funds.

The next meeting is scheduled for June 5, 2008 at 3:00.

The meeting adjourned at 4:30.