

Town of New Castle
Trustees of Trust Funds
Meeting Minutes
September 19, 2023
Location: Town Hall (in person) 10:00 AM

Present: Tim Driscoll, Ruth Zikaras, Dave Fitts,
and Jim Wilbur Absent: Julia Thomas (Illness)

1. Chairman Driscoll called the meeting to order at 10:00 AM.
2. Investment and Financial: Chairman Driscoll invited Brandon Auger and Will Fleming of Cambridge Trust Company (CTC) to join the meeting and to review the past performance and current status of the Town's Capital Reserve Fund and Common Trust Fund. Brandon provided each member with a document entitled "Investment Presentation for Town of New Castle" (Attached as Exhibit A) to which he referred extensively in his presentation.
 - a. Capital Reserve Fund: Brandon noted that a CD of \$250K had matured on September 18 and he was looking to the trustees for guidance on the reinvestment of the proceeds. A discussion ensued about current market conditions and the likelihood of further action (tightening/loosening) by the Fed which would impact interest rates. After extensive discussion it was suggested that the available funds of \$500K be split and one half be invested in a US Treasury maturing in 6 months and the second half be invested in a US Treasury maturing in 18 months. These two investments coupled with the 12 mo US Treasury currently held would provide a ladder to hedge the fund's position regardless of the Fed's decision of interest rates. Tim speculated on whether the Town forecasts the use/need any of these capital reserve funds which might impact this strategy and cautioned that CTC hold off until he has an opportunity to speak with the Town's Treasurer. (Note: Following the meeting Tim consulted with the Town's Treasurer who confirmed that there were no large expenditures in the next 12 months and Tim notified CTC proceed with the investment program for the cash as agreed.)

b. **Common Trust Fund**: Brandon proceeded to review the Common Trust Fund investments and noted that the performance and the asset allocation was inline with the Town's investment policy. A discussion ensued which questioned whether the fact that a preponderance of the funds in this CTF were held by the Cemetery Trust (which are not subject to withdrawal) would suggest an investment policy tilted to a higher percentage of the CTF in equities. It was agreed that CTC would be prepared for a review of our CTF Investment Policy at our regular meeting in March. At this point Brandon and Will were excused from the Meeting.

3. Upon motion by Tim and a second by Ruth the minutes of the meeting of June 13, 2023 were approved.

4. **Trust Fund Activities**:

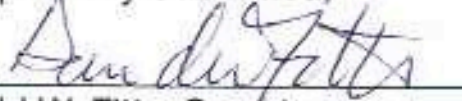
a. Ruth reviewed the Trust Funds Summary of Receipts and Disbursements for FY ending June 30, 2023 (copy attached Exhibit B). Further she reported that the revised MS-9 and MS-10 were corrected and filed as required. The original filing inadvertently did not include the list of the individual holders of Perpetual Care lots in the Town Cemeteries.

b. Ruth reviewed Trust Funds Summary of Receipts and Disbursements for July 31, 2023 (the first month of FY 2024) (copy attached as Exhibit C) and noted that the data for August (MS-9) was not yet available.

5. **Next Meeting**: December 5, 2023 10AM at Town Hall.

7. **Adjournment**: Upon Motion made and seconded, the meeting was adjourned at 11:30 AM.

Respectfully Submitted,


David W. Fitts, Secretary

Attachments referred to in these Minutes may be found in a binder identified as Trustees of Trust Funds Minutes in the Town Clerks storage room in Town Hall.