

Trustee of Public Funds meeting 2:30 Pm, December 7, 2021

Mike Harvey, Sandy Pierce, Barb DeHart, Gary Gibbs

We met today with Gary Gibbs, from Peoples Bank in Middlebury , our financial advisors. Gary informed us that neither the Bond Market nor the cash market is good for investing in now. Any bonds bought for us now would be corporate bonds with higher returns than agency bonds. The equity market has the greatest potential for growth presently with the S&P up ten to eleven points over time.

We asked about the Consumer Price Index (C.P.I.) that does not account for the rise of food and gas prices. We asked if there is another index more indicative of the effect of inflation on the consumer. We have been using the C.P.I. to help retain the value of the Town's investments. Gary suggested that we look into using I.S.M. Prices Paid in conjunction with the C.P.I..The inflation rate is about 6% now. Gary thinks it will moderate to about 4%.

Our Funds are in great shape due to our careful management according to Gary. He feels that we can reasonably pay out about 4% of Town funds and 2 to 2.5 % of Cemetery funds as things stand today. However, after we have our upcoming Trustee meeting and review our overall position, we will determine what is best to distribute in 2022.

Respectfully submitted.

Sandy, Ann B. Pierce, Secretary