

**BNML Agenda**  
**October 19, 2017**  
**4:30 p.m.**

**Call to order: 4:30**

**Visitors: John Myhre, Morgan Stanley, Peter Burns**

**Approval of previous meeting minutes:**

**Motion (LB, SCM)**

**Approved**

**Treasurers' report:**

Amanda provided a monthly review of budget

Taxes due November 3, so the transfer has not occurred yet.

80% through the budget year and expenses are at 80.41%-this is where we should be.

Annual mortgage payment/transferred has occurred.

Endowment continues to grow.

Reviewed 2018 budget—potential health insurance premium increase this year is 11.5%

**Librarian's Report:**

No report this month

**Friends Report (if needed):**

**--Debrief/update from To Bid event?**

- WOW!!
- Net over \$11,000 (attendees and net have more than doubled in 3 years)
- Over 130 friends and neighbors attended
- **SAVE THE DATE: September 29, 2018**

**Old Business (Follow-Ups and Updates):**

**--Trustee Vacancy**

- Peter Burns joined our meeting to learn more about Trustee responsibilities.

**New Business:**

**-Endowment Performance Review with Morgan Stanley (4:30-5:15)**

- **John reviewed Current Market Conditions and Regulatory Requirements:**
  - Regulatory requirements and fiduciary responsibilities of the Board as it relates to the management of the endowment. We have a responsibility to preserve funds.
  - Markets both U.S. and Globally are going up.
  - Times when the value of the portfolio will perform above or below the market as the market fluctuates.

- Predicting a below average rate of return on the stock market next year.
- Next market cycle 4-6 years will see a slower growth/return.
- **John reviewed the endowment portfolio:**
  - 85% stocks
  - 13% in cash –gives us cushion should market conditions move into the negative.
  - 2.4% in alternatives
  - Current rate of return is 9.3%/ 15% for the last 12 months.  
Portfolio we are in is managed by Thomas Partners  
3.3% is dividend income. Less volatile than market, insulates us from some market volatility.
  - Recommends: 65% stocks, 30% of bonds, 5% cash and interest and dividends to flow into the cash account instead of reinvested into the portfolio.
  - Thomas Partners can manage adding bonds .15% higher cost than doing the Ladder bond portfolio (more passive approach). The bond side will initially bring down our income, as they are earning a bit less than the stocks.

#### **-Front Porch Forum**

**Motion to give a donation to FPF of \$100 (LB, SCM)**

**Motion to Approve**

**Executive Session (if needed)**

**Agenda items for next meeting:**

Next Meeting:  
November 16th