

Public Record

Investment Committee

September 21, 2021

Present: Norm Nicholson (Chair), Skip Sullivan, Ted Gibbons, Tom Chandel, Tim Creem, Roseana Richards, Also: Jenna Domer, Finance Director (Interim) Town of Bridgton, and representing Norway Asset Management, Kurt Garascia and Mary Leavitt.

The Meeting was called to order at 9:00 AM

Kurt reviewed the Town of Bridgton Trust Fund, the holdings, diversification and performance of which is similar to the Moose Pond Land Trust. Based on favorable equity markets, profits have been taken in some of the stronger performers while diversifying the equity holdings, and adding modestly to fixed income. There has also been a slight increase in cash holdings (3.5% on August 31). The current equity weighting of 71% is near a high for their management of the portfolio and will be more likely to decline than rise from here. Norway has started some trimming in technology, the largest sector weighting (34%) and has initiated a modest position in a new sector for these accounts- utilities. Performance of the Accounts has been good with a total return gain of 23.5% over the year ended August 31 vs 16.4% for the Benchmark (54% S & P 500, 6% EAFE, 40 % Barclays).

Discussion then turned to the Park Forest Fund. This is the smallest of the three portfolios (\$126,000) with investment solely in ETF's and mutual funds. Given that there is no expectation of withdrawals over the next few years, the Committee has felt the portfolio could be invested in a more aggressive manor than the other two portfolios. It had been noted in the past that performance of Park Forest had lagged that of the other two portfolios in a strong equity market. Kurt commented that there has been some significant changes in Park Forest resulting in improved relative performance more recently. He also referred to the "growth" model which utilizes a higher equity level. Norway uses this for some similar small accounts.

The Meeting was temporarily halted at 10:00 AM and continued a short time later at a new location.

The continuation of the meeting was called to order at 10:43 AM with discussion continuing on the Park Forest Fund. Several question were brought up. First, was there a Trust instrument with description of the guidelines and purpose of the Trust? Secondly what woodlands does the Trust own and what are the prospects for further timbering? Would timbering proceeds be added to the Trust? Answers to these question were not immediately available with further discussion put off to our next meeting.

The Committee then reviewed the "Investment Policy- Town of Bridgton". In the second paragraph, first sentence on Page 2, it was suggested that the word "closely" was un-necessary and should be deleted. Discussion then moved to the "Asset Allocation" section. While relatively conservative in nature, it was felt the diversification parameters gave adequate freedom to the investment manager. The question of whether there should be an addition to this section for the Park Forest Trust was brought up to be further discussed, pending answers to the questions mentioned above and input from Norway Savings, on their "Growth Model". There was also a suggestion to add "currencies except U S \$" under the type of assets and transactions that are acceptable only upon joint approval of the BOS and the Investment

Manager. There were no votes taken and final determination of any changes in the Investment Policy will await a subsequent meeting.

There being no further business, the meeting was adjourned at 11:20 AM.

RECORDER: Norman Nicholson