**TACF Finance Committee Videoconference Minutes**

**November 4, 2020**

**Attending Committee Members:** Steve Barilovits, Jay Cude, Lewis Lobdell, David Morris, Cartter Patten, Jim Searing, Brad Stanback, Don Willeke, Paul Wingenfeld, Barb Tormoehlen

[quorum established – 9 of 16 voting members]

**Others Attending:** Lisa Thomson, Betsy Gamber

**Purpose:**

Review and take action on the TACF Ad-Hoc team’s investment strategy recommendation and address the approved asset allocation range guidance, established by the finance committee in 2019.

**Ad-Hoc Investment Strategy Team[[1]](#endnote-1) Recommendation to the Finance Committee**:

*TACF to move all investment and cash funds currently in Merrill Lynch accounts,* ***transferring 80% into Vanguard Total Stock Market Index Fund****; and* ***20% into a Vanguard short-term bond index fund****.*

**Finance Committee Actions:**

1. **Unanimously accepted the Ad-Hoc Team recommendation (above), intact.** This acceptance becomes the TACF Finance Committee recommendation to the TACF Board of Directors. Treasurer will work with TACF staff to present to the Executive Committee, and ultimately to the full Board for 30 days in advance of Board action. Motion made by Don W., seconded by Brad S.
2. **Unanimously approved modification of the range of acceptable asset allocation** *FROM 60/40 – 75/25* (approved at the Spring 2019 Finance Committee teleconference call) ***TO 60/40 – 90/10*** (equity/Cash & Bonds). Motion made by Brad S., seconded by Don W.
3. **Requested formation of an ad-hoc team to review and modify as appropriate the current TACF Statement of Investment Policy,** approved by the TACF Board of Directors on August 24, 2016. The Ad-Hoc team will be chartered by Brian McCarthy (chair) and Barb Tormoehlen (treasurer) and will include: Lewis Lobdell (lead), Jay Cude, Steve Barilovits, and Paul Wingenfeld (staff support).

**Discussion:**

Following presentation of the ad-hoc team recommendation brief, discussion opened, including input received from Mark Stoakes who was not able to make this videoconference. Attention was drawn to the additional information, received after the ad-hoc team approved their recommendation from Mark Mayer of RS Will Wealth Management.

***Key points:***

* It’s important to **consider cash on hand in addition to our bonds (stable).** Both contribute to our financial protection in uncertain financial times and financial difficulty.
* TACF needs to **establish objectives** for percentage of operating funds available in operating accounts and short-term investment funds to secure operations for a determined period of time. In other words, what liquid assets do we need on hand, readily accessible for operations, for what period of time? *[Paul shared that our approximately $1.1 million in our operating accounts provides about six to seven months of operations, currently budgeting approximately $2.0 to 2.5 million per annum.]*
* Above all, we must be disciplined to **continue to take a business approach** to TACF investments and fiduciary responsibility.
1. **TACF Ad-Hoc Investment Strategy Team:** Jay Cude, David Morris, Brad Stanback, Mark Stoakes, Don Willeke, Paul Wingenfeld (staff support), Barb Tormoehlen (facilitator) [↑](#endnote-ref-1)