**Items for Board Approval:**

1. The F/I committee recommends the following changes to our allocation as a defensive move in anticipation of a long-term economy recovery:

Hull Endowment

* Reduce holding of Eaton Vance Atlanta (mid-cap fund) by 50% and use funds from sale to increase our position in the Polen Growth Fund (large cap fund)
* Sell 100% of holding of Vanguard Small Cap Value ETF and keep these funds in cash.

OLA Reserve

* Reduce holding of Eaton Vance Atlanta (mid-cap fund) by 50%, current holding is $14,000 (i.e. reduce holding to $7,000).
* Sell 100% of holding of Thornburg Global Opportunity Fund (small-cap fund)
* Use funds from above sale to increase our position in the Polen Growth Fund (large cap fund) and the Morgan Stanley Global Opportunity (global large cap fund)
* Move Western Asset Core Bond funds to Hull Earnings
* Add funds from Fidelity Adv Strategic Bond, Vanguard Mega Cap ETF and Vanguard Small Cap Value ETF from Hull Earnings

 Hull Earnings

* Move funds from Fidelity Adv Strategic Bond, Vanguard Mega Cap ETF and Vanguard Small Cap Value ETF to OLA Reserve
* Add funds from Western Asset Core Bond from OLA Reserve

These moves were suggested by our financial advisors, Donivan Investments, in order to strengthen our position in large cap funds, which will recover faster than mid cap and small cap funds and will stabilize the Hull Earnings by shifting more bonds into that account.

1. The F/I committee recommends adding the following language to the OLA Bylaws (pending approval from our Parliamentarian) in order to provide clarity for the process of taking distributions from OLA’s long-term investments. The F/I committee would follow this language when they meet yearly to review our investment accounts. Any distributions from the OLA Reserve would be allocated at the discretion of the OLA Board. Any distributions from the Hull Endowment and Hull Earnings would be allocated at the discretion of the OASL Board.

 9.09436 **OLA Long-Term Investment Fund Distribution Policy**:

Distribution of long-term investment funds will be permitted to the extent that such distributions do not exceed a level that would erode the funds’ real assets over time. The Finance/Investment Committee shall make use of a total-return based spending policy, meaning it will fund distributions from net investment income, net realized capital gains, and proceeds from the sale of investments when determining a distribution recommendation to the OLA Executive Board. Each year, the Committee, in consultation with professional investment managers, will use the following guidelines in making a distribution recommendation to the OLA Executive Board. If the projected ten-year return is 6% or higher, the recommended payout will be 3% or less of the account total. If the projected ten-year return is between 3-6%, the recommended payout will be 1.5% or less of the account total. If the projected ten-year return is less than 3%, no payout will be recommended. The Committee, in consultation with professional investment managers, may occasionally review fund growth to consider an additional payout recommendation for higher-than-projected returns.

9.09437 **OASL Connie Hull Endowment and Connie Hull Earnings Funds Distribution Policy**: If the Connie Hull Endowment account value is at least $160,000 as of August 31, the OLA Association Manager will transfer $3,000 from the Endowment account to the Earnings account on September 1. If the Connie Hull Endowment account value is below $160,000 as of August 31, the $3,000 automatic transfer will not happen that year.

The Finance/Investment Committee has the authority to annually transfer additional funds (above $3,000) from the Connie Hull Endowment account to the Connie Hull Earnings account, based on market forecasts and in consultation with professional investment managers. Fund transfers that would reduce the Connie Hull Endowment account value below the initial principal of $155,000 are not permitted.

9.09438 **Distribution Policy Review**: The Finance/Investment Committee, in consultation with professional investment managers, may periodically review the 36-month trailing average to adjust the forward payout percentages set forth in 9.09436.

1. The Revenue Committee would like to recommend that the OLA Board approve allowing membership dues to be paid on a quarterly basis. Members choosing to pay quarterly would agree to automatic quarterly payments.