

Town of Brookfield
Trustees of Trust Funds

July 15, 2014

Present: Richard Nordin, Tom Lavender, Peter Holland, Selectman
Richard Zacher

1. The meeting called to order at 6:25 PM
2. Public Comment: None
3. Minutes: Tom Lavender moved to approve the minutes of April 3, 2014 as written. Richard seconded and the motion passed.
4. Mail: Notice from the Office of the Attorney General, Department of Justice on educational seminars for Trustees of Trust Funds and Trustees of other funds or committees. Last session was 6/11/14
5. Old Business: Tom reported that two checks totaling \$1,500 were presented to Gabriella Niconchuk as the recipient of the Brookfield Scholastic Achievement Award.
6. New Business:
 - A. Review of YTD Investment Performance:

Richard reported annual returns follows:
Capital Reserve .054%
Expendable Common Funds 11.1%
Cemetery Fund 11.5%
 - B. Selectmen Capital Budget for 2014:

Selectman Richard Zacher attended the meeting and reported that the Town intends to ask for the following amounts from the Capital Reserve Fund.
Maintenance - \$10,000
Cemetery - \$10,000
Road - \$30,000
Total - \$50,000
 - C. Discussion of Asset Allocation:

- a. Expendable Common Funds – Current Investment Policy is 65:30:5 between bonds, equities, and cash. Richard to ask Charter Trust whether they believe that remains prudent for the remainder of the year.
- b. Burial Ground Trust – Current Investment Policy is 65:30:5 between bonds, equities, and cash. Richard to ask Charter Trust whether they believe that remains prudent for the remainder of the Year.
- c. Capital Reserve Funds are invested 100% in Government Money Market Funds generating essentially no return. Richard had corresponded with Charter Trust and they have identified a Lake Sunapee Bank Money Market Fund that pays annual interest of 0.5% and which is insured by FDIC, and Charter had identified a Bond Ladder of New Hampshire General Obligation Bonds and Municipal General Obligation Bonds with maturities from 2020 to 2030. Tom Lavender proposed investing \$125,000 in a bond ladder with as short a Duration as possible, to be held to maturity, and the remainder of the Capital Reserve Funds, approximately \$120,000, to be invested in Lake Sunapee Bank MM Fund. Peter Holland made a motion to approve this asset allocation, Richard seconded, and all voted in favor.
- d. Other Asset Allocation Discussion – Richard to communicate with Charter Trust to enquire whether there are bond ETFs that hold their instruments to maturity, in an effort to avoid price risk in a rising interest rate environment.

7. Other Business:

- A. Selectman Richard Zacher reported the following potential future capital issues:
 - a. Town Hall Bldg - \$250,000 to update. Not sure yet what will be done or how it will be funded.
 - b. Land Acquisition -- Mrs. Hunter on Lyford Rd willing to sell 250 acres to the town for \$800 / acre. She would take a note on the purchase from the Town herself. This property was originally looked at for a Town Cemetery. Seller's stipulation is that the land be open for all uses.
 - B. Tom Lavender mentioned that he thought county taxes would be going up.
 - D. Tom asked that a warrant article be placed on the ballot asking for permission to pay Charter Trust each year for five years.
 - E. Tom asked that a warrant article be placed on the ballot to eliminate zero balance accounts.
8. Motion to adjourn made by Peter Holland. Tom Lavender seconded and the motion passed. Meeting adjourned at 7:10 PM. Next meeting 10/9/14ss.

Respectfully Submitted,

Peter Holland