

Minutes-Trustee of Trust Meeting December 13, 2012 at 4PM

Location: Franklin Savings Bank, Central Street Main Office, Franklin, NH

Attendees: Judie Milner, Director of Finance, City of Franklin, NH, Melissa Newton, Finance Assistant, City of Franklin, NH and Trustees: Katherine Broughton Zink, Chairman, Ken Duguay, Treasurer and Steve Spain, Secretary.

Topics:

- (1) Review of Trust Funds Report dated November 30, 2012. Finance Director Milner reviewed the summary of Trusts. The layout of the report provides the name of trust, the date of creation, the stated purpose of the trust and the total principal and income of each trust. The grand total of all City of Franklin NH cemetery, library, charity, educational and other trusts as of November 30, 2012 is \$1,830,180.15. Judie explained that the trusts are classified as “expendable” and “nonexpendable.” Both principal and interest may be disbursed in an expendable trust whereas only the accumulated earnings may be paid out of a nonexpendable trust. The report designates the expendables funds by using *. Example-the Franklin Mayor’s Scholarship Fund is expendable.
- (2) A new trust recently established by two anonymous sisters is creatively titled “We did it! You can too!” The two sisters have agreed to fund the trust annually with \$500. A scholarship will then be paid out to one or more recipients “at the completion of their first semester.”
- (3) Request for Scholarships. A request will be submitted by the Franklin High School Scholarship Committee in early 2013. Recipients must prove that they are still in school. Once all requirements are met, the City of Franklin will disburse proceeds. Ken Duguay, Treasurer, will then reimburse the City of Franklin with one check.
- (4) Payment of Library Funds. Semi-annual disbursements of accumulated earnings only must be paid to the Library every January 1 and July 1.
- (5) Potential Policy Violation. We have been notified that funds donated by the Franklin High School, Class of 1939, are being held by the High School. The issue is under review. The current view is that the accumulated funds must be held by the Trust.
- (6) Investment of \$25K. Paul Gatehouse, Investment Advisor, Independence Trust, reallocated \$25K from a maturing certificate of deposit to the American Funds short term bond fund.
- (7) The Public Deposit Investment Pool. Judie Milner explained that their currently is no incremental pickup in yield for funds aggregated versus held in individual trusts. Yields currently are nominal. One advantage of the Pool is the “day in, day out” capability.

Next Scheduled Meeting: Thursday, February 21st, 2013. Location: Franklin Savings Bank, Central Street Main Office, Franklin, NH. All are welcome to attend.