

**Trustees of the Trust Funds
Meeting Minutes
June 21, 2010**



PRESENT: Members – Marlene Green, Michelle Whitcomb and Blake Allison

Marlene called the meeting to order at 3:05 p.m. The meeting was the first involving new Trustees **Michelle** and **Blake** since their election on Town Meeting Day on March 9, 2010.

1. Procedure Regarding Minutes

- After some discussion, it was agreed **Blake** will act as Secretary for the Trustees meetings.
- It was also noted that under the state's "Right to Know" statute (Chapter 91-A: 4), a copy of the meeting minutes needs to be kept on file at the Town Offices for review by the public if requested.

2. Signing Authority for New Trustees

- **Marlene** noted that **Blake** and **Michelle** need to fill out "signing authority" forms with each of the town trust funds' four vendors (Mascoma Bank, Fidelity Investments, Dreyfus and NH Public Deposit Investment Pool). She said she would take steps to procure the appropriate documents and have them available for the next meeting.

3. Review of Town Funds/Investment Vehicles

- **Marlene** recommended that the Trustees make it a priority to review the town's trust funds to determine whether the intent for each fund is clearly identified and that said intent is being followed faithfully. It was also agreed this review should determine whether there are any funds that could be closed because their purpose has been fulfilled or whether a fund's purpose could be redefined for another objective. For example, the **Bridge Reserve Fund (1949)** was created to maintain one bridge. Could that original intent be expanded to include all town bridges?

4. Discussion Regarding Fidelity Funds and the State's 10% Rule

- **Marlene** said her research showed that the town's trust fund accounts held by Fidelity investments are in violation of the state's "10% rule." Under that statute, she said, no more than 10% of a fund's assets can be placed in any single investment (RSA 31:27). It was agreed those accounts should be reviewed once **Blake** and **Michelle** have established their signing authority with Fidelity.

5. Discussion Regarding Open Issues

- **Marlene** noted that the previous Trustees group had been addressing issues surrounding appropriations from the **Bessie Hall Trust**. She said the original funds were put in an irrevocable trust that is managed by Bank of America and that its income was left to the town fire department to be spent as the department sees fit. Under state statute, this is a private trust and cannot be commingled with publicly funded trusts. She said that at the 1983 Town Meeting, a motion was passed creating the **Bessie M. Hall Trust Fire Dept.**

Capital Reserve Fund. She said research shows that this is not the correct use of the original trust's funds and that the fire department can withdraw money from the trust without a vote of Town Meeting. She said also that management of the original trust falls out of the purview of the Trustees and is the responsibility of Bank of America. It was agreed steps need to be taken to bring the town into compliance with state regulations.

6. Other Business

- **Blake** proposed that the Trustees consider establishing a regularly scheduled time for their meetings. After some discussion it was agreed that Trustees of the Trust Funds meetings will occur the third Monday of every month at 3 p.m. at the Town Offices. That means the next meeting will be Monday, July 19

The meeting was adjourned at 4:43 p.m.

Respectfully submitted,

Blake Allison, Secretary