

**Trustees of the Trust Funds
Meeting Minutes
October 18, 2010**

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

Marlene called the meeting to order at 3:05 p.m.

On a motion by **Michelle**, seconded by **Marlene**, the draft minutes for the 2010-08-16 meeting were approved unanimously.

1. Signing Authority for New Trustees

- **Fidelity Investments** sent additional paperwork for Blake and Michelle to complete before finalizing signing authority for them.

2. Bessie Hall Trust

- **Marlene** presented an account detailing this trust's history and the matter at issue which is the trust's improper designation as a town managed account. Under the terms of Bessie Hall's original bequest, 10% of its value was to be paid out annually to the Town of Lyme Fire Department "for the purchase of fire safety equipment" at the discretion of the town's Fire Chief. In 1983 and 1987, Town Meeting took steps establishing the Bessie Hall Fund Trust to receive the funds from the original Bessie Hall Unitrust and that subsequent distributions from the new trust would be approved by vote of Town Meeting. Marlene said that because the original trust was based on privately given funds, under state law that money couldn't be co-mingled with public funds. Under the trust's terms, Bank of America is the trustee of the Bessie Hall Trust and is responsible for distributing its proceeds directly to the Town of Lyme Fire Department as was designated in Bessie Hall's original bequest. Marlene proposed that a warrant be submitted to the 2011 Town Meeting that would dissolve the Bessie Hall Fund Trust and restore independent function of the original Bessie Hall bequest in accordance with her will. Marlene said she would consult with NH Assistant Director of Charitable Trusts Terry Knowles to draft a properly worded warrant article. On advice from **Dina Cutting**, it was agreed future distributions from the trust should go directly to the town treasurer who can then notify the Fire Chief that the funds are available.

3. Dividends Received

- Three dividend checks were received from Fidelity Investments. One was for the Cemetery General Maintenance Fund. It was sent to Mascoma bank for deposit. The remaining two were for the Cemetery Trust. They were mailed to Bank of America for investment in the NHPDIP

4. Closing Inactive Trusts

- **Marlene** said she had identified three trusts that have either outlived the purpose for their creation (Town Offices Building Capital Reserve Fund and Lyme Center Academy Building Restoration Capital Reserve Fund) or duplicate the function of another trust (Public Works Facility Reserve Fund). She recommended that warrants be submitted at the 2011 Town meeting for the funds' dissolution and that unused funds be reclaimed for other purposes.

AS APPROVED 2010-11-15

5. Investment Manager for Trust Funds

- **Marlene** said she feels the town's trust fund portfolio should be reviewed by a professional investment manager to ascertain whether the funds' investment potential are being fully realized. She proposed that the Trustees of the Trust Funds mail out a "request for proposals (RFP)" to a select group of investment managers. Establishing what the cost of investment management services will be and what strategy will be employed for managing them should be at the heart of the request, she said. The matter was tabled for further discussion at the next meeting.

The meeting was adjourned at 4:40 p.m.

The next meeting will be Monday, November 15th at 3 p.m. at the Town Offices.

Respectfully submitted,

Blake Allison, Secretary