



Town of New Durham, New Hampshire

TRUSTEE OF TRUST FUNDS MEETING

MINUTES for October 12, 2013

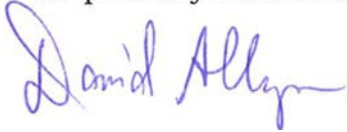
Attendees: Bookkeeper Lois Parker, Trustee David Allyn, Trustee Angela Pruitt

The meeting was called to order by Bookkeeper Lois Parker at 9:10AM.

- The minutes of the August 3, 2013, meeting were reviewed and approved as written. (Move: Parker, Second: Allyn. **Passed unanimously.**) Approved minutes are to be forwarded to the Town Clerk for posting.
- The Trustees reviewed a request from the Library Trustees to transfer funds from two Capital Reserve Funds to the Library Operating Account. There being a proper request and documentation, a motion was made to transfer \$449.99 from the CRF Library Technology Improvements subaccount and \$953.50 from the CRF Library Facility Improvements subaccount to the Town General Fund. (Move: Parker, Second: Pruitt, **Passed unanimously.**)
- The Trustees received a letter from Audrey Blodgett of the Charitable Trust Unit stating they did not receive the "Trustees of the Trust Funds report" by the due date of March 1, 2013. Bookkeeper Parker stated they were sent via certified mail by the Town Finance Officer prior to the deadline. Ms. Parker will resend the reports.
- Bookkeeper Parker discussed the situation of the deficit in the principal of the Elmer C. Smith Scholarship Fund with Terry Knowles, Assistant Director, Charitable Trusts Unit. The stipulation in the setup of the fund was that \$120,000.00 be used as principal and only the income be used for scholarship awards. In the 1990s the Trustees of the Trust Funds placed the funds in investments which resulted in a net loss of principal of \$10,168.40. In keeping with the intent of the fund, the Trustees have not allowed the sum of the principal and the income of the fund to go below the initial \$120,000.00 endowment. Ms. Knowles informed Ms. Parker that funds cannot be added to the principal unless the will (the governing document) specifically states they can. The will does not stipulate such. Ms. Knowles also stated, however, the Trustees have the authority to transfer funds from the income side of the ledger to the principal side—either with a lump sum transfer or multiple smaller amounts over time—in order to reinstate the amount of principal to \$120,000.00. A motion was made to transfer \$10,168.40 from the interest side of the MS-9 ledger to the principal side. This transfer will be reflected in the 2013 MS-9 report with a note referring to the vote taken at this meeting and using the minutes of this meeting as supporting documentation. (Move: Allyn, Second: Pruitt. **Passed unanimously.**)

- There was discussion on the possibility of moving monies from certain funds out of the current money market situation and into managed risk accounts for growth opportunity. Bookkeeper Parker will rerun the Investment Analysis Report from Wedbush and distribute to the Trustees for review. She will also reach out to other towns for their investment policies and distribute these to the Trustees, as well as contacting Terri Knowles for suggestions on research.
- The revised Elmer C. Smith Scholarship application form was reviewed and with one minor change is now ready to be posted on the town website. A motion to do so followed. Applicants will be able to apply online. Bookkeeper Parker will coordinate with town office staff the notification of receipt of new applications and will ensure Kingswood Regional High School has the latest revision. (Move: Allyn, Second: Pruitt. **Passed unanimously.**)
- Move to adjourn at 10:17 AM. (Move: Parker, Second: Allyn. **Passed unanimously.**)

Respectfully submitted,



David Allyn,
Trustee of the Trust Funds
New Durham, NH

Approved