

Town of Swanzey, New Hampshire
TRUSTEES OF TRUST FUNDS
Meeting Minutes – December 30, 2014

Note: Minutes are not final until reviewed and approved by the Committee. Review and approval of minutes generally takes place on the next regularly scheduled meeting of the Committee.

Chairman Ed Morenz called the meeting to order at 9:36 AM. Present were trustees Steven Bittel and Richard Scaramelli. Secretary Beverly Bernard had excused herself for conflicting obligations.

The outstanding minutes of four previous meetings were moved and adopted, with two corrections re: those of Nov. 14. That meeting, in the offices of Attorney Bradley, concerned the *cy pres* petition in the trust of Charles Carlton. Mr. Carlton's middle initial is "E," and not "S," and should be so corrected. Secondly, Trustee Bittel was absent from that meeting, and therefore abstained from voting on the minutes. Incorporating those corrections, the minutes of October 23, November 13, November 14, and December 9, were adopted (motion: Bittel, second: Morenz, all in favor).

Under "New Business," Trustees did the following:

1. Mascoma Bank - signed the memorandum withdrawing from dual-signature monitoring on checks drawn on amounts exceeding \$5,000. Our pre-printed checks remain valid, and the dual-signature requirement remains in effect in-house.
2. HB 297 - This legislation, enabling the engagement of an investment advisor and paying his/her fees from earned income (rather than from town general fund), was discussed in the context of a memo prepared by Bittel. It was agreed to submit it as an article on the Town warrant, Bittel agreeing to present it, and related discussion regarding advisory services, to the Selectboard on Tuesday, Jan. 6, 2015. Town Administrator Shane O'Keefe participated in this and following discussions.
3. Rail Trail Non-Restricted Fund - This new NRF will be funded by transferring the balance in an existing Town account of approximately \$20,000. Trustees decided to postpone the transfer into FY 2015.
4. Trades and Adjustments - Trustee Bittel recommended the following adjustments to accounts to correct for misallocations of funds to income vs. principal accounts.
 - In the Common Fund, move the \$81.74 balance from our earlier trades in banks (TD Bank sold, USBancorp and WellsFargo bought) to ST Bond Index Fund, from Prime MM.
 - Transfer the \$1,320.42 Wellington dividend from Cemetery Prime MM to Common PMM.
 - In the Cemetery Fund, transfer \$800.00 from Equity-Income to PMM.
 - Transfer \$1,400 PMM to Wellington Fund.
 - Transfer \$8,000 from Equity-Income to PMM
 - Trustees endorsed these moves, and agreed to defer the issue of investable cash (\$10,000) to the January meeting. (Administrator O'Keefe left at 10:15 AM.)

Under "Old Business," Trustees did the following:

1. Discussed scholarship issues at Monadnock Regional School District. Scaramelli had met individually with Business Manager Jane Fortson, and Guidance Director Lorna Watkins-Barth, since the last meeting, reaching a consensus that scholarship funds should be managed primarily by Trustees/TF, rather than at the High School. Manager Fortson is working with Admin. Asst. Diane Lepisto at the High School to close out the several

ambiguous funds, and to transfer escrowed monies to Trustees. . . Jane Fortson arrived at the meeting at 10:05, with a check for \$200.00 representing an identified sum inappropriately escrowed (Howard Fund) to offset an overdraw of the Stockwell Fund. Her timely contribution and attendance was received with appreciation by Trustees. She left at 10:20 AM.

2. Nomination of alternate Trustee of Trust Funds - Another two individuals were added to the list of potential candidates. Action will await the return of Chair Morenz on Jan. 15.
3. Carlton Cy Pres update - Attorney Bradley's office has submitted the TTF petition to Probate (12/24/14), and served notice on the defendant, the director of Charitable Trusts Division (Lisa Edwards, Esq.) in the NH DOJ. If the petition is contested by the Charitable Trust unit, the earliest date for a hearing at Probate Court would be mid-March.

Noting several items awaiting action at the January meeting (expiring trustee term; Internal Controls re: banking signatures; trading of fractional shares without meeting; etc.), the meeting adjourned at 10:55 AM.

Next meeting: January 22, 2015, at 9:30 AM.

Respectfully submitted,

Richard A. Scaramelli
Trustee