

Trustees of Trust Funds Meeting Minutes
Meeting Date: Dec. 06th, 2019
Meeting location: 500 Market Street, Suite 5, Portsmouth, NH

In attendance: Laurie Chandler, Tim Driscoll, Nancy Jackson, Jim Wilbur. Town Accountant: Christiane McAllister

- I. Chair Laurie Chandler called the meeting to order at 10 am
- II. Discussion of procedure on how to get minutes to Pam Cullen per statutes: TOTF Secretary will send Draft minutes to Pam Cullen, SB secretary, within 5 days, and will ask Pam to post the next TOTF meeting date. The minutes will be reviewed/approved at the next TOTF meeting. Then Secretary will send Pam final minutes and ask her to post.
- III. Approval of Prior Meeting Minutes:
 - a. 10.09.19 - Tim made motion to approve 10/9/19 TOTF & Cemetery Trust Meeting Minutes with typo correction. Second by Nancy, approved.
 - b. 09.05.19, 06.13.19, 03.28.19, 12.27.18 – TOTF Meeting Minutes: Tim made motion to approve all, Nancy second, all approved.
- IV. Investment and Financial Update
 - o Discussion of investing a portion of Capital Reserve funds per revised State statutes. Christiane handed out document showing known inflows/outflows for 2020 (ATTACHED). TOTF is considering the approach of investing approximately 25% of the Capital Reserve funds (approximately \$250K) in mutual funds/ETFs, vs individual stocks/bonds to ensure diversification. Further discussion at meeting in January 2020 with Cambridge Trust to finalize investment plans.
 - o Laurie to amplify the write up for Town Annual Report to include performance of investments.
 - o Marchand Trust. Motion: Direct Cambridge Trust to rollover any income from over three years ago to principal (on an ongoing basis), per the terms of the trust. Nancy made the motion, Tim seconded. Approved unanimously. Marchand Trust spending policy, copy attached.
 - o Christiane advised TOTF that approximately \$65K expenditure for a new police cruiser is coming up during first part of calendar year 2020. Also, about \$30K expenditure for small marine vehicle during the first part of 2020 is anticipated.
 - o Cemetery Trust Fund
 - o New Cemetery funds receipts are to be deposited to Town General Fund. As background: Christiane talked with Keriann Roman, Town Attorney, then Michelle Clark, DRA, re where money should go (a new Cemetery Trust fund, or the Town General Fund). Christiane received differing opinions, and DRA ruled that funds go to Town General Fund. Therefore, Cemetery Trustees are to identify the amount of principal attributable to Right to Inter money, then TOTF is to identify interest attributed to that principal. Those monies will go into the Town General Fund, to a specific line item on the Revenue side, and will not be expendable this year. The Select Board can put together a warrant article to expend money from that fund balance toward any project; or submit a warrant article to create a Cemetery trust fund for Right to Inter funds. Christiane is to circle back to Attorney Keriann to communicate this new information and copy Laurie on that communication.
- V. Transportation Improvement Fund – (\$5/fee per registered vehicle). Trustees signed a letter to Cambridge Trust to establish this new fund in December, as a new subaccount under Capital Reserve Funds. In the listing of Funds, Transportation Fund will follow the Town Government Building Fund.
- VI. Trust Analysis Report – Nancy presented nearly final TOTF Funds book which provides a summary of all Town funds – their creation dates, purpose, agent to expend, etc; and a copy of the document that created each fund. Ken MacDonald will create a format to make this information available on the Town website.

- VII. Tim made the Motion to re-classify the Library Fund from a Town of NC Capital Reserve Fund to the classification of Town of New Castle Trust fund since it is funded with private money. Nancy seconded, passed unanimously.
- VIII. New Trustee Onboarding Policy – Jim Wilbur presented overview of an onboarding program for new TOTF members. Jim will coordinate TOTF development of this program.
- IX. Second Alternate Selection – Discussed Names.
- X. Other Business
 - a. Review/Discuss Hampton Trust Funds Website: www.hamptontrustfunds.org
- XI. Next Meeting – Wed Jan 22, 2020 at 10a - 12 at Bigelow.
- XII. Motion to Adjourn at 11:45 by Tim, seconded by Laurie.

TOTF Terms/Officer Status

- Terms:
 - i. Nancy Jackson – 3-year term (2022)
 - ii. Tim Driscoll – 2-year term (2021)
 - iii. Laurie Chandler – 1-year term (2020)
 - iv. Jim Wilbur – Alternate
 - v. Second Alternate – Vacant
- TOTF Officer Update:
 - i. Tim – Treasurer
 - ii. Nancy – Secretary
 - iii. Laurie – Chair

Marchand Trust Fund Summary and Spending Policy

Established: November 15th, 1971

Donation: Originally made by Charles B. Cohen of New Castle in memory of Miss Andree Marchand for the common good and welfare, to enhance and appreciate the public grounds of the Town, and, more specifically, that portion known as Great Island Common. This is to be achieved by acquiring by purchase or gift seeds, flowering plants, shrubs, bushes and trees. The execution of the aforementioned activity shall be the sole reason and purpose for expending any of the monies for this fund, as hereinafter provided: none of the monies shall be expended on any man-made construction, but shall be restricted to only those intended improvements induced or effected by horticulture. The original gift was One Thousand (\$1,000) dollars to the Town of New Castle.

Trustees: The Trustees of the Town Trust Funds are designated as Trustees of this fund and shall serve until their successors are duly appointed and qualified.

Fund: This gift is to establish a Trust Fund which shall be acknowledged and recorded as such in the annual report of said Town and shall be entitled the “Andree Marchand Fund.” Years later, the trust fund was abbreviated to the Marchand Trust Fund.

Principal: The principal of the fund shall be invested and reinvested in accordance with state statutes applicable to investments legal for savings institutions or deposited in a savings account and, except for additions, increments or further contributions, which may be added to the principal, the principal, or any additions thereto, shall be preserved in its entirety.

Income: The dividends or interest which shall accrue from the time of its investment or deposit until this time for planting in 1973, shall be accrued, and the amount accrued at that time shall be the amount of money allotted in 1973, to carry out the purpose of this fund

- In any year after 1973, if the income of the fund shall not be expended for the purposes hereinbefore stated, said money shall be available for expenditure the following year.
- If the income from said fund is not expended for a period of more than three years, then the income accrued shall become part of the principal, and thereafter, not available and not expendable as income. The Trustees, however, in their sole discretion, may accrue up to three years income for expenditure at one time.

Situs: If at any time "Great Island Common" shall lose its identity as it exists today, and cease to exist as a public facility with its functions, as of present, devoted to the benefit of the area residents, then the fund and proceeds shall be diverted to any and all public lands owned by the Town and designed by the Trustees for the same purpose.

Christiane McAllister 12/6/2019 projected inflows outflows for next two years.

Our investment advisors at Cambridge Trust have been advised to transfer any accumulated income beyond three years over to principal on an annual basis.

	Library	School	Town	Enterprise
Bal P & I Oct 31 2019	\$ 9,927.59	B & G \$ 20,919.85 Tuition \$ 35,722.99 Spec Ed \$ 134,840.40	R&S \$ 165,440.42 V&E \$ 479,311.62 Bldgs \$ 25,508.55 Sewer \$ 39,786.91 Water \$ 146,179.17	Sewer \$ 30,289.73 Water \$ 15,144.87
Total				
\$ 1,103,072.10	\$ 9,927.59	\$ 191,483.24	\$ 856,226.67	\$ 45,434.60

\$ 551,536.05	50% of total bal Cap Res as suggested for alt invest
\$ (9,927.59)	Library
\$ (191,483.24)	School
\$ 350,125.22	potential max for alt invest

Current CIP recommendations to Select Board
this schedule is not predictable enough to rely on

Historical appropriations to these 2 Cap Reserves
however, no guarantee these will continue as is

I didn't include Govt Bldgs as this is new/has low balance

Town Sewer & Water are likely to be expended soon

Town	(2 fiscal years) FY20-21	(2 fiscal years) FY22-23	(2 fiscal years) FY24-25	6 fiscal year FY20 -25
Outflows				
R&S	\$ 189,000.00	\$ 151,000.00	\$ 183,000.00	\$ 523,000.00
V&E	\$ 191,000.00	\$ 640,000.00	\$ 176,000.00	\$ 1,007,000.00
				\$ 1,530,000.00

Inflows	R&S	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 480,000.00
	V&E	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00	\$ 792,000.00
					\$ 1,272,000.00

Current Bal	V&E + R&S	\$ 644,752.04
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Potential funds available w/o future income

Potential upcoming expenditures

Potential acct balance available for alt invest ;

however higher FY22-23 outflows
could reduce this

\$ 1,916,752.04

\$ 1,530,000.00

\$ 386,752.04