

Trustees of the Trust Funds

March 16, 2016

In attendance: Cynthia Neily and Steve Ward

Steve Ward was appointed Secretary.

Reviewed and approved the disbursement of \$16,463.27 of \$20,575.00 requested by the Cemetery Trustees to reimburse the Town for cemetery maintenance in 2015. The disbursement was limited to income earned in 2015 on cemetery perpetual trusts. The approved disbursement request was submitted to Charter Trust on a new form designed by Charter listing all trusts in the Capital Reserve, Common Trust, and Expendable and Scholarship Funds.

Regarding the Emeline Davis Cy Pres Petition, Cindy distributed a copy of her email to Terry Knowles, Asst. Director of [NH] Charitable trusts, requesting a decision without further involvement (i.e., expense) of the Town attorney. Knowles replied that she expected to respond within two weeks after reviewing the break-down of appreciation in the Trust between principal and income.

Cindy has informed Debra Ford, business administrator for the Mascoma SAU, of the existence of the Friends of Mascoma Schools Trust amounting to \$10,666 that could be used to support non-academic programs and activities.

Cindy is preparing a synopsis of all trust accounts for the Trustees and Charter Trust describing the purpose of each account and who is the agent to expend funds.

Steve observed that income in the Expendable Funds and Scholarship account is not sufficient to pay Charter Trust's investment fee at today's low rate of interest. Although income approximates projections contained in Charter's June, 2014 proposal, the separation of Capital Reserve Fund investment from Expendable funds investment has deprived the latter of income from longer maturing, higher yielding assets. Steve suggested considering reallocating a portion of Expendable Fund assets to one or two year Treasuries.

Cindy noted that two of the scholarship accounts invested in the Expendable Fund totaling in excess of \$31,000 are perpetual funds where principal cannot be disbursed and a portion of annual income must be reinvested. Since these accounts require little liquidity, they should be transferred to the Common Fund which invests in stocks and debentures generating higher income. This would partially alleviate the investment fee problem discussed above as assets in the Expendable Fund would be reduced from \$87,000 to \$56,000. Cindy will discuss such a transfer with Debra Ford and with Charter Trust.

Charter Trust has proposed several dates in late April for their annual investment review with the Trustees. Cindy will respond to Charter.