



**Trustees of Trust Funds
AGENDA**

City Hall 2nd Floor Conference Room
September 19, 2018
9:30 AM

Marilyn Gemmell, Vice Chairman
Michelle Howard, Chairman
Michael Forrest
Susan Silver
Katherine Snow

1. Approval of the August 2018 minutes
2. Common Trust Fund
 - a. Approval of Receipts = none
 - b. Approval of Disbursements = none
 - c. Authorization of Improvements = \$40,000.00
 - i. ARP Irrigation System (2019 CIP) – original Trustees approval 10/21/15
 - 1) #528 Ashuelot River Park Memorial Trust
 - Balance of Trust Fund
 - 2) #529 Ashuelot River Park Trust
 - Remainder of project not covered by ARP Memorial Trust
3. Library Renovation Trust Fund
 - a. Acceptance of Donations = none
 - b. Approval of Disbursements = none
4. Capital Reserve Portfolio
 - a. Approval of Receipts = none
 - b. Approval of Disbursements = \$94,623.61
 - i. Sewer Infrastructure = \$45,100.00
 - ii. Water Infrastructure = \$48,138.65
 - iii. Bridges = \$1,384.96
5. Other
 - a. Reminder - NHMA annual Trustees conference – November 15, 2018
6. Distribution of MS9's for period ending July 31, 2018 and August 31, 2018
 - a. Methodology for calculation of Market Value
 - b. Common Trust Funds – not yet available
 - c. Capital Reserve Funds – fair value = not yet available
 - d. Library Renovation Trust Fund – not yet available
7. Future Items
 - a. Annual income transfers/disbursements – October 2018
 - b. Cambridge Trust quarterly review of trusts & capital reserves – October 2018
 - c. Trustees vacancies
 - i. Nominations should be made to the Mayor along with a biography/professional profile

City of Keene
NEW HAMPSHIRE

TRUSTEES OF TRUST FUNDS
MEETING MINUTES

Wednesday, August 15, 2018

9:30 AM

City Hall-2nd Floor Conference Room

Members Present:

Michelle Howard , Chair
Susan Silver
Marilyn Gemmell, Vice Chair
Michael Forrest
Katherine Snow

Staff Present:

Karen Gray, Senior Staff Accountant
Sherrie Curtis, Secretary

Absent:

Other:

Approval of Minutes

Mr. Forrest made a motion to approve minutes of the July 18, 2018 meeting as presented, Ms. Silver seconded. Motion carried unanimously.

COMMON TRUST FUNDS

RECEIPTS

None

DISBURSEMENTS

Clement Woodward Fund

Mrs. Gray presented a disbursement that was previously approved by the Woodward Committee on May 16, 2018, this for the same individual as last month. Supporting documentation was attached for Trustee review.

- \$1,482.32- payable to the City of Keene for reimbursement of payments made to Rite Aid in July.

Ms. Snow made a motion to approve as presented, Mrs. Gemmell seconded. Motion carried unanimously.

LIBRARY RENOVATION TRUST

RECEIPTS

Mrs. Gray presented donations in the amount of \$452,386.28, which were processed through City Council on August 2, 2018. Ms. Silver made a motion to approve the donations as presented, Ms. Snow seconded. Motion Carried 4-0, with Mrs. Gemmell recusing.

DISBURSEMENTS

Mrs. Gray requested a disbursement in the mout of \$450,000.00 back to the City as repayment #4 to the interim bridge funding. Mr. Forrest approved, Ms. Silver seconded. Motion carried 4-0, with Mrs. Gemmell recusing.

Mrs. Gray reported that the balance owed to the City for the Bridge loan is \$500,000.00

CAPITAL RESERVES

RECEIPTS

None

DISBURSEMENTS

Mrs. Gray presented the disbursements listed below totaling \$194,035.29. Supporting documentation was attached for Trustee review and noted that the funds are reimbursing the City.

- Fleet Equipment - \$48,036.69
- Sewer Infrastructure - \$47,350.72
- Water Infrastructure - \$98,647.88

Mr. Forrest made a motion to approve as presented, Ms. Silver seconded. Motion carried unanimously.

OTHER

MS9's Distribution

Mrs. Gray reported that she did not have reports for July 2018 as of yet. It is her understanding that the new system that became effective July 1st has some glitches to be worked out.

Mrs. Gray stated that she has sent a follow up letter to Tia regarding her scholarship status. She has not received a response.

The meeting adjourned at 9:55 a.m.

Respectfully submitted,
Sherrie Curtis

CITY OF KEENE
NEW HAMPSHIRE

DATE: September 13, 2018

TO: Elizabeth A. Dragon, City Manager

THROUGH: *MERRI HOWE, ASST. FIN. DIR.*
Jeff Titus, Purchasing & Contract Services Manager

FROM: Andy Bohannon, Parks, Recreation and Facilities Director

SUBJECT: 01-19-04 Ashuelot River Park Irrigation System - Award

Recommendation:

*— PLEASE RETURN TO PURCHASING
FOR PROCESSING —*

Award Knott's Land Care a contract to the specifications outlined in BID 01-19-04 to install irrigation system in Ashuelot River Park for \$36,248.50.

Funding Source:

Ashuelot River Park – This project will utilize Project Code 90272-A / Account 64401 and was approved in the CIP FY19 budget. Funding is provided by the Ashuelot River Park Trust Funds(s).

Background:

Ashuelot River Park was established in 1998 and at the time, irrigation lines were installed and sourced via the river. This was a very practical and cost savings measure for the City. The system worked well for the first decade, and then problems with the pump occurred, and after replacing the pump multiple times the system began to fall into disrepair.

The Ashuelot River Park Advisory Board had placed the replacement of the irrigation system high on the radar for the past few years. Through the coordination of utilizing the remaining funds in the Ashuelot River Park Trust, the project was introduced into the CIP. The Trustees of Trust Funds approved this project prior to the CIP process.

The new system will no longer utilize the river as its main source of water. A connection to the city water lines will be needed. The reason behind this will be the dam removal in the near future will no longer provide a pool of water for the irrigation system to pump from. In addition, the new system will be technologically superior to the previous system and water consumption will be at a minimum.

The City will be responsible for the installation of the water meter and associated connections. This additional cost estimate of \$3000.00 will be above the cost of the bid price. However, the remaining funds in the Trust will be able to accommodate this connection and installation.

**City of Keene, New Hampshire Trust Funds
Withdrawal from Capital Reserves**

Date: 9/19/2018
To: Trustees of Trust Funds
From: Karen Gray, Senior Staff Accountant
RE: Capital Reserve Withdrawals

Capital Reserve	Purpose of Withdrawal		Amount
#613 Sewer Infrastructure			45,100.00
08007-16	Lower Main St Rt 12 Bridge Utilities	45,100.00	
#614 Water Infrastructure			48,138.65
05009-17	Water Distribution Improvements	48,138.65	
#617 Bridges			1,384.96
90277-A	Winchester Bridge	1,384.96	
Total Withdrawal Request			94,623.61

**Amount of
Withdrawal:** \$94,623.61

**Account to be
Charged:** City of Keene - Capital Reserve Fund #4474

Wire Funds To: Mascoma Savings Bank ABA #211770213
 255 West Street
 Keene, NH 03431
 FBO: City of Keene
 General Account #931158617

Approved By Trustees:

X _____
 X _____
 X _____
 X _____
 X _____

Capital Reserve Withdrawal								Cummulative				REQUEST	
FY19 Period #2 September 2018 Trustees Meeting								Trustee				FY19	
Project #	Reserve	Fund	Project Name	Cap Reserve Budget	Status	FY19 Pd 2 Expense	Revenue Other Sources	NET Exp Less Other Rev	Prior Mos Reimb Revenue	September Trustees			
xxxx-x	600	26	TBD	0.00		0.00		0.00	0.00	0.00		Fire Equipment Capital Reserve	
08072-A	607	32	Martell Ct- McGrinder Rehab /Headworks	200,000.00		16,960.65	1,342,560.00	(1,325,599.35)	16,960.65	(1,342,560.00)		Martel Court Capital Reserve	
08093-A	607	32	Martel Ct Roof	10,135.00		0.00		0.00	0.00	0.00		Martel Court Capital Reserve	
08098-17	607	32	FY17 Martel Court Force Main Emergency Plan	45,000.00		0.00		0.00	0.00	0.00		Martel Court Capital Reserve	
08099-18	607	32	Martell Court Phase 2	69,592.00		0.00		0.00	0.00	0.00		Martel Court Capital Reserve	
08030-C	608	32	Solids Dewatering Equipment	3,190,432.00		2,673,223.17	429,590.67	2,243,632.50	2,368,814.55	(125,182.05)		Wastewater Treatment Plant Reserve	
08081-B	608	32	WWTP Blower Replacement	68,741.00		0.00		0.00	0.00	0.00		Wastewater Treatment Plant Reserve	
08082-17	608	32	FY17 WWTP Sludge Pump Replacement	52,000.00		9,783.67		9,783.67	9,783.67	0.00		Wastewater Treatment Plant Reserve	
08091-A	608	32	WWTP Roof Replacement	198,380.00		0.00		0.00	0.00	0.00		Wastewater Treatment Plant Reserve	
08095-A	608	32	FY17 & FY16 WWTP Aeration Gate & Mixer Replace	210,340.00		0.00		0.00	0.00	0.00		Wastewater Treatment Plant Reserve	
08096-A	608	32	Grit Removal	20,420.00		0.00		0.00	0.00	0.00		Wastewater Treatment Plant Reserve	
08061-19	608	32	WWTP Generator Replacement	21,131.00		0.00		0.00	0.00	0.00		Wastewater Treatment Plant Reserve	
08103-19	608	32	Non-Potable Water System	65,400.00		0.00		0.00	0.00	0.00		Wastewater Treatment Plant Reserve	
05067-11	609	34	WTF Waste Tank Improvements	50,000.00		0.00		0.00	0.00	0.00		Water Treatment Plant Reserve	
05082-A	609	34	WTF PLC Replacement	76,240.00		0.00		0.00	0.00	0.00		Water Treatment Plant Reserve	
05089-17	609	34	FY17 WTF Pressure Reduction Valve Upgrade	101,648.00		8,724.29		8,724.29	8,724.29	0.00		Water Treatment Plant Reserve	
05081-19	609	34	FY19 WTF Instrument Upgrade (on-line monitor)	49,522.00		0.00		0.00	0.00	0.00		Water Treatment Plant Reserve	
xxxx-x	610	26	TBD	0.00		0.00		0.00	54,977.32	0.00		Transfer/Recycling - Solid Waste Facility	
90000-19	611	26	FY19 Ambulance Replacement	240,000.00		0.00		0.00	0.00	0.00		Ambulance Cap Reserve	
11003-A	612	41	Fleet (11003)			817,325.28		817,325.28	817,325.28	0.00		Equipment Fund Capital Reserve	
11003-A	612	41	FY18 Fleet (11003)	731,752.00		628,804.00	60,000.00	568,804.00	568,804.00	0.00		Equipment Fund Capital Reserve	
11003-A	612	41	FY19 Fleet (11003)	751,341.00		15,105.49		15,105.49	15,105.49	0.00		Equipment Fund Capital Reserve	
08007-16	613	32	Lower Main St Rt 12 Bridge Utilities	45,100.00		45,100.00		45,100.00	0.00	45,100.00		Sewer Infrastructure Capital Reserve	
08055-16	613	32	FY16 Sewer Main Improvements	906,322.00		401,164.57		401,164.57	401,164.57	0.00		Sewer Infrastructure Capital Reserve	
08055-18	613	32	FY18 Sewer Main Improvements	145,700.00		222,449.85		222,449.85	222,256.34	193.51		Sewer Infrastructure Capital Reserve	
08055-19	613	32	FY19 Sewer Main Improvements	653,101.00		0.00		0.00	0.00	0.00		Sewer Infrastructure Capital Reserve	
08066-12	613	32	FY12 Sewer Main Lining	117,995.00		0.00		0.00	0.00	0.00		Sewer Infrastructure Capital Reserve	
08155-17	613	32	FY17 Sewer Main Improvements (Infra)	967,741.00		9,500.00		9,500.00	9,500.00	0.00		Sewer Infrastructure Capital Reserve	
08035-18	613	32	Bridge Main - Roxbury Over Beaver Brook	40,000.00		0.00		0.00	0.00	0.00		Sewer Infrastructure Capital Reserve	
08101-19	613	32	State Bypass Utilities (Winchester) Isl to Round	360,291.00		0.00		0.00	0.00	0.00		Sewer Infrastructure Capital Reserve	
08102-19	613	32	Water Utility Bridges (Winchester over Ash Brook)	43,500.00		0.00		0.00	0.00	0.00		Sewer Infrastructure Capital Reserve	
05009-16	614	34	FY16 Water Distribution Improvement	300,000.00		233,840.79	63,605.00	170,235.79	170,235.79	0.00		Water Infrastructure Capital reserve	
05009-17	614	34	FY17 Water Distribution Improvements	146,896.00		138,574.20		138,574.20	90,435.55	48,138.65		Water Infrastructure Capital reserve	
05009-19	614	34	FY19 Water Distribution Improvements	500,000.00		0.00	627,257.00	(627,257.00)	0.00	(627,257.00)		Water Infrastructure Capital reserve	
05034-B	614	34	FY17 & FY16 Babbidge Dam Rehab	1,050,000.00		879,305.15	850,000.00	29,305.15	56,780.00	(27,474.85)		Water Infrastructure Capital reserve	
05039-B	614	34	Dam Improvements Woodward	50,000.00		0.00		0.00	0.00	0.00		Water Infrastructure Capital reserve	
05053-A	614	34	Water Storage Tank Upgrade	47,678.00		105,351.10	65,335.00	40,016.10	40,016.10	0.00		Water Infrastructure Capital reserve	
05087-A	614	34	FY16 Water Main Bridge Improvements	40,100.00		40,100.00		40,100.00	40,100.00	0.00		Water Infrastructure Capital reserve	
05085-18	614	26	Bridge Main - Roxbury Over Beaver Brook	40,000.00		0.00		0.00	0.00	0.00		Water Infrastructure Capital reserve	
05053-18	614	26	3.0 MG Water Tank Study	35,000.00		0.00		0.00	0.00	0.00		Water Infrastructure Capital reserve	
05090-18	614	26	Drummer Hill Pump Replace	800,000.00		14,775.26		14,775.26	14,775.26	0.00		Water Infrastructure Capital reserve	
05091-19	614	26	Water Utility Bridges (Winchester over Ash Brook)	38,300.00		0.00		0.00	0.00	0.00		Water Infrastructure Capital reserve	
05092-19	614	26	State Bypass Utilities (Winchester) Isl to Round	250,500.00		0.00		0.00	0.00	0.00		Water Infrastructure Capital reserve	
90081-F	615	26	Condition Assessment	12,500.00		8,130.00		8,130.00	8,130.00	0.00		City Hall Parking Deck Reserve	
90041-E	616	26	Wells St Parking	259,193.00		469,689.31	369,117.00	100,572.31	92,981.06	7,591.25		Wells St Parking Garage - DO NOT DRAW CR	
90081-F	616	26	Condition Assessment	12,500.00		8,130.00		8,130.00	8,130.00	0.00		Wells St Parking Garage	
90151-A	617-B	26	Bridge Main Over Beaver Brook	380,000.00		1,479,695.94	962,802.67	516,893.27	155,592.32	361,300.95		Bridges Capital Reserve	
90277-A	617-C	26	Winchester Bridge	213,000.00		91,544.89		91,544.89	90,159.93	1,384.96		Bridges Capital Reserve	
90186-A	617-D	26	Roxbury Street Over Beaver Brook	184,000.00		0.00	736,000.00	(736,000.00)	0.00	(736,000.00)		Bridges Capital Reserve	
90224-15	619	26	Commercial St Lot	271,135.00		334,238.14	99,090.00	235,148.14	235,148.14	0.00		Downtown Infra	
90285-A	619	26	Parking Facility	672,000.00		0.00		0.00	0.00	0.00		Downtown Infra	
90032-17	620	26	FY17 Sidewalks	150,000.00		242,903.11	105,927.00	136,976.11	136,974.61	1.50		Transportation Improvement	
90057-F	620	26	Phase 3 Cheshire Rail Trail	50,000.00		73,500.57	398,591.31	(325,090.74)	0.00	(325,090.74)		Transportation Improvement	
90305-17	620	26	FY17 Marlboro St Corridor Improvements	196,017.00		0.00		0.00	0.00	0.00		Transportation Improvement	
									Total	94,623.61	September18 Cap Reserve WD		



July 20, 2018

Dear Trustee of Trust Funds:

Recently you received a letter from Attorney Thomas Donovan, Director of the Charitable Trusts Unit in the Office of the Attorney General, informing you of the retirement of Assistant Director Terry Knowles and the resulting changes in the delivery of education and training programs for Trustees. I am writing to you now to share the direction NHMA is headed in assuming these new educational and training responsibilities.

NHMA will be offering training at our Annual Conference, which takes place on Wednesday, November 14 and Thursday, November 15 at the Manchester Downtown Hotel (previously the Radisson). Trustees can attend both days of the conference, but Thursday will feature a track dedicated to trustees, which will include sessions on the following:

Trustees' basic duties, roles, and responsibilities;
Managing capital reserve funds and trust funds;
Axiomatic's portal for new online reporting of the MS-9 and MS-10 forms; and
The Right-to-Know Law.

Registration for our 77th Annual Conference begins in early September on our website (www.nhmunicipal.org) and is open to municipal trustees from NHMA member municipalities and our affiliate organizations.

Looking toward 2019, NHMA is exploring various training opportunities, including webinars and in-person workshops, which will be open to municipal trustees from NHMA member municipalities. We will contact you when the dates and details of our spring training programs have been finalized.

You can keep up-to-date with all our workshops and events by emailing newslink@nhmunicipal.org to sign up for our biweekly e-newsletter, *Newslink*; reading our bimonthly magazine, *New Hampshire Town & City* magazine; and/or visiting the Calendar of Events on our website (www.nhmunicipal.org).

Should you have any ideas or suggestions on how we can best deliver these training resources to you, please call us at us at 1-800-852-3358 or by emailing us at nhmainfo@nhmunicipal.org.

We look forward to working with you!

Sincerely,

Judy A. Silva
Executive Director

Karen Gray

From: Karen Gray
Sent: Friday, September 14, 2018 1:23 PM
To: 'Blodgett, Audrey'
Cc: Merri Howe
Subject: City of Keene Trustees of Trust Funds - calculation/reporting of market values
Attachments: Keene MS-9 Common Trust FYE 06-2018.xlsx; Keene Common FYE 06-30-2019.xlsm

Good Afternoon,

The City of Keene Trustees are looking for clarification on the methodology for the calculation and reporting of market values on our Common Trust Funds. Historically – as far back as anyone can recollect – the City has been determining monthly market values by taking the previous month ending market value and adding/subtracting the monthly gain loss to determine the current month's ending market value. The annual MS9's, using this methodology, have been prepared by the Trust Investment Advisors, annually certified by the Trustees of the Trust Funds and filed with the AG and DRA.

Cambridge Trust, the current investment advisor, has advised the City that this methodology is no longer allowed by the State and that the market value determinations must now use the "cost" of each individual trust (not prior month market value) to allocate the monthly gain/loss and the ending market value. They indicated that the principal and income cost balances are added together, and divided by the total cost to determine a percentage of value. The percentage value is then applied to the total market value to determine each individual Trust's market value.

They have indicated that this is required by the new reporting system and that the City can no longer allocate gain/loss as a % of market value. This new methodology has caused a significant change in some of the individual Trust Funds market value from 6/30/18 to 7/1/18.

I have asked Cambridge for documentation on this requirement and they indicated that it is formula driven in the new system and that I should speak with the AG's office for clarification. Is this accurate? Has the City been doing this incorrectly for years? Is this a mandated change by the State?

I would appreciate any assistance/documentation that you can provide and would welcome speaking with you on this issue.

I have attached the MS9 for 6/30/18 and the "proposed" MS9 for 7/31/18 to this email. A good example is to following the Ashuelot River Memorial Trust market value.

Thanks very much for your assistance.

Karen P. Gray
Senior Staff Accountant
kgray@ci.keene.nh.us
Phone 603-352-1013

City of Keene
3 Washington Street
Keene, NH 03431

Karen Gray

From: Tourangeau, Lisa <Lisa.Tourangeau@cambridgetrust.com>
Sent: Thursday, September 13, 2018 2:25 PM
To: Karen Gray
Cc: Noel, Judith
Subject: Cost vs Market Values

Hi Karen –

Per our conversation, this is a brief explanation of the two different methodologies used in creating the monthly and annual city reporting.

In the old way, market values were determined by taking each fund's previous month's ending market value, and adding/subtracting the month's unrealized gain/loss, to come up with the current month's ending market value.

In the new way, each fund's cost is the driving factor. The principal and income cost balances are added together, and divided by the total cost to determine a percentage value. That percentage value is then applied to the total market value to determine each fund's individual market value.

Hope this helps. Let me know what else we can do.

Lisa Tourangeau
Trust Administration
Wealth Management



1000 Elm Street, Suite 201
Manchester, NH 03102

lisa.tourangeau@cambridgetrust.com

Phone 603.369.5130

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