

City of Keene
NEW HAMPSHIRE

TRUSTEES OF TRUST FUNDS
MEETING MINUTES

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

Members Present:

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

Staff Present:

Karen Gray, Senior Staff Accountant
Sherrie Curtis, Secretary

Absent:

Mike Forrest

Other:

Approval of Minutes

Ms. Snow made a motion to approve minutes of the August 15, 2018 meeting as presented, Mrs. Gemmell seconded. Motion carried unanimously.

COMMON TRUST FUNDS

RECEIPTS

None

DISBURSEMENTS

None

AUTHORIZATION OF IMPROVEMENTS

Mrs. Gray reported that the 2019 CIP irrigation project at Ashuelot River Park has been bid out with an award being made to Knott's Land Care for \$36,248.50. The Ashuelot River Park Memorial Trust is a fully expendable fund and at the time of the original approval by the Trustees in 2015 the available market value of the Ashuelot River Park Memorial Trust was around \$40,000.00. However, effective July 1, 2018 the State of NH has made changes to the way market value can be reported on the MS9&10. This change has had an impact on the available balances of various trust accounts. After a brief discussion regarding the changes and available balances, the Trustee agreed the project should move forward regardless. The following motion was made.

Ms. Snow made a motion to allocate 100% of the trust balance in the Ashuelot River Memorial Trust towards this project, with the end result being the closure of the Trust. If after the closing of the Ashuelot River Park Memorial Trust there are still insufficient funds to completely fund the project the remaining balance needed are to be disbursed from the Ashuelot River Park Trust income balance. Mrs. Gemmell seconded. Ms. Silver recused from the cote. Motion carried 3-0.

LIBRARY RENOVATION TRUST

RECEIPTS

None

DISBURSEMENTS

None

CAPITAL RESERVES

RECEIPTS

None

DISBURSEMENTS

Mrs. Gray presented the disbursements listed below totaling \$94,623.61. Supporting documentation was attached for Trustee review and noted that the funds are reimbursing the City.

- Bridges - \$1,384.96
- Sewer Infrastructure - \$45,100.00
- Water Infrastructure - \$48,138.65

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

OTHER

MS9's Distribution

Mrs. Gray reported that she has received the MS9 & 10 for July 30, 2018, however the State has changed the allowable methodology for the allocation calculation and reporting of market value in the new on-line reporting module. Mrs. Gray distributed an email she received from Cambridge Trust and the subsequent email she sent to the State of NH Attorney General's Office. Mrs. Gray provided a brief overview of the changes as follows:

Cambridge Trust advised the City that methodology the City has been using for many years – as long as anyone can remember- is no longer being allowed due to changes made with the new on-line reporting system.

- The percentage of the total Common Fund of each individual trust has been determined by taking each fund's previous month ending market value, and adding/subtracting the monthly unrealized gain/loss, to come up with the current month's ending market value.

The new-online reporting module requires that the cost – not market value - of each individual trust be used for calculating the percentage of the entire Common Fund for each individual trust and the allocation of the monthly gain/loss and the ending market value.

- 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 of the total Common Fund. That percentage value is then applied to the total market value to determine the new market value of each fund.

This new methodology has caused a significant change in some of the individual Trust Funds market value from June 30, 2018 to July 1, 2018.

Mrs. Gray advised she is awaiting a response to her email from the State of NH Attorney General's Office and will update the Trustees as additional information becomes available.

The meeting adjourned at 10:15 a.m.

Respectfully submitted,
Sherrie Curtis