APPROVED

Town of Gilmanton
Trustees of Trust Funds
Monday, September 27, 2010
Gilmanton Academy Conference Room

Present were: Fred Buchholz, Paul Levesque, John Dickey, Robert Burdett and Neil Roberts.

Chairman Buchholz called the meeting to order at 8:13 A.M.

Meeting Minutes
Trustee members reviewed the meeting minutes of June 28, 2010. John Dickey offered two minor amendments.

On a motion made by John Dickey, seconded by Paul Levesque, Trustee members approved the meeting minutes of June 28, 2010 as amended.

New Business
Chairman Buchholz stated that he had met with Mr. Richard Foss regarding the reporting of the market value for the principal's sheet on the MS-9. He noted that the gains and losses are not recognized until the stocks are sold, which is the reason for the confusion when Mr. Foss reviewed the report. Although he did realize a performance gain, it was not indicated as such in the report. Cost basis accounting thus shows a decrease in principal. The 2009 MS-9 and MS-10 filed with the State did not show the market value.

It was noted that, in the future, the trustees will prepare sheet 4 of the MS-9 showing the market value. It was also the consensus of the Trustee members that Neil Roberts will not go back retroactively to elaborate on the past reports but that the reports from this point forward will show the year end market value. The market value will be shown on the reports to satisfy any potential future inquires.

Mr. Buchholz reassured Mr. Foss that though the principal amounts fluctuate with the market, that it is the income that counts since the principal amount will never be spent.

MOTION:
Paul Levesque made a formal motion to add the market value to the principal on the spreadsheet (Page 4) f the MS-9. The motion was seconded by John Dickey and unanimously approved by the Trustees.

Trustee members reviewed the MSN Money Portfolio spreadsheet dated September 26, 2010. The spreadsheet shows the year-to-date gains at almost six percent.

The income receipts spreadsheet shows $260.00 - $300.00 per month in income from the bond funds and interest. The cash flow projected is at approximately $7,000.00 by the end of the year.

Chairman Buccholz stated that the *TCW total Return Bond Fund* is just up over the ten percent rule. He suggested that the Trustees consider the possibility of investing in a few blue chip funds/stocks in the near future for dividend income. John Dickey stated that some of the investments do exceed the ten percent investment rule; namely *Metropolitan West Total Return Bond Fund* is over the ten percent rule but it does yield very good dividends. The *Vanguard GNMA* is also over the ten percent rule. Consideration will be given in the near future to take some of the *Metropolitan West* and purchase a blue chip fund or stock. It was noted that the *Metropolitan West Total Return Bond Fund* yield approximately six percent.

Next Meeting
It was the consensus of the trustees to schedule their next meeting for Monday, November 22, 2010 at 8:00 a.m. at the Gilmanton Academy.

Adjournment
On a motion made by John Dickey, seconded by Robert Burdett, Trustee members unanimously voted to adjourn the meeting at 8:40 A.M.

Respectfully submitted,

Rachel M. Hatch,
Recording Clerk