

APPROVED

**Town of Gilmanton
Trustees of Trust Funds
Monday, February 19, 2007
Gilmanton Academy**

The meeting was called to order at 7:04 a.m. by Chairman Fred Buchholz. Also present were Melba LaRoche, Robert Richards and John Dickey. Paul Levesque was absent.

January, 2007 Meeting Minutes

Trustee members reviewed the drafted January 8, 2007 meeting minutes. Amendments had been offered through email to the recording clerk and so noted in the final draft of the minutes.

It was the consensus of the Trustee members to approve the meeting minutes of January 8, 2007 as amended.

New Business

Trustee members reviewed the Income Receipts & Projections dated February 17, 2007. The spreadsheet continues to show a positive cash flow. Melba LaRoche commended the Trustee members for their good investment strategies during the 2006 year. Ms. LaRoche indicated that she recently completed the MS-9 report and that it shows a good increase in gain and income. Ms. LaRoche requested that the members review the completed MS-9 and sign it in order for her to be able to submit the report to the DRA. Ms. LaRoche stated that the MS-10 will be completed within the next week and asked that Trustee members stop by the Selectmen's office to sign the form.

Mrs. LaRoche distributed copies of a letter dated January 24, 2007 that she received from Tami Wickens of the Department of Revenue Administration seeking information on some of the funds created during the last few years. Discussion followed with regard to the inaccuracies outlined in this letter. It was recommended by Mrs. LaRoche to contact the municipal auditor, Jamie Dow, to resolve this situation.

Chairman Fred Buchholz stated that he had done extensive research in funds for over the last few years and went back to funds' performance on a one year, three year, five year and ten year basis. Of all of the [Mid Cap](#) mutual funds only six remained consistently strong over the last ten years. Mr. Buchholz stated that [the Third Avenue Value Fund](#) has a five-star rating and is a mid-cap blend. The risk in investing in this fund is low risk. This fund is showing a current yield of 5.3 percent. Investing in this fund would generate income as well as growth. Mr. Buchholz also noted that the fund manager has been with this fund for over the last 16 years. [The other category evaluated was Large Caps, wherein American Century and Fidelity Contrafund, in which the Trustees currently have investments, also met the criteria.](#)

Given the fact that there is currently \$51,351.00 in the Fidelity Cash Reserve Fund, Chairman Buchholz recommended that the Trustees consider investing \$27,000.00 in the *Third Avenue Value Fund* and investing an additional \$10,000.00 in the *Fidelity Contrafund*, leaving approximately \$14,000.00 in the Fidelity Cash Reserve Fund.

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MOTION:

John Dickey made the motion to invest \$27,000.00 in *Third Avenue Value Fund*, invest \$10,000.00 in the *Fidelity Contrafund* and keep the remaining \$14,000.00 in the Fidelity Cash Reserve Fund. The motion was seconded by Robert Richards and unanimously voted in the affirmative.

Next Meeting

It was the consensus of the Trustee members to schedule their next meeting for Monday, March 26, 2007 at 7:00 A.M. at the Gilmanton Academy.

Adjournment

It was the consensus of the Trustee members to adjourn at 7:55 A.M.

Respectfully submitted,

Rachel M. Hatch,
Recording Clerk