



TRUSTEES OF TRUST FUNDS TOWN OF GILMANTON, NEW HAMPSHIRE

November 05, 2018

***APPROVED AS AMENDED-02-25-19**

Amendments specification listed at the bottom of these minutes

Members Present: Fred Buchholz-Chairman, Bob Burdett, John Dickey, Neil Roberts-Treasurer and Stephen Hopkins

Also Present: Heather Carpenter-recording

Meeting Opened – 8:33 A.M.

Old Business

Minutes-

Amendment to the minutes of 08-27-18 are as follows;

- Line 13- Make a complete sentence
- Line 19- replace" in the" with the amount
- Line 15- change principle to "principal"

Motion: On a motion by Mr. John Dickey and seconded by Mr. Neil Roberts it was unanimously voted to accept the minutes as amended .

Fidelity Spreadsheet -

Fidelity Spreadsheet-The values are as of the close on Friday

- J & J and Pfizer are the only two that are above ten percent rule
- Total Principal- \$ 423,700

Kraft-Heinz missed their earnings, they forecasted 81 cents a share, they came in at 78, everyone started selling. It took a big drop, in one day a drop of almost 10%.

Mr. Stephen Hopkins wanted to follow up on the money market discussion from the last meeting. The rate sheet was sent out to everyone. The question that was discussed was whether the Fidelity Government was the lowest fee adoption. The Chairman explained that it is really a transit account, when it builds up to a certain amount the Treasurer pulls it out and places it in the Meredith Village account where it gets 2.05%. The Trustees have a five-year agreement with the bank which began in 2014 and ends next year. Meredith Village Savings Bank is interested in continuing business after the expiration but rates are going up so there should be more options.

General discussion

The Board members discussed high quality, short term bonds, money market funds, positive yield and possibility of future opportunities.

Treasurer Neil Roberts- The bulk of the trust fund money is not locked up, there is the ability to make approximately ten transactions within a fund per year, which is adequate.

38 Update on the NHPDIP, as of October 19th they are up to 2.11 and gaining some ground, Meredith
39 Village is well aware of it.

40 Per RSA, the investment objectives are capital preservation and income. In the future other options
41 might be considered because of rates rising and as long as there is a steady stream of income and the
42 investment is safe, the Chairman would consider other options.

43 Currently, between the Capital and Non-Capital Reserve held with Meredith Village there is 2.6 million.
44 The Trustees cannot put tax payer money at risk, the funds that are held at the bank aren't considered
45 at risk because any amount in excess of the FDIC guarantee, there is a stand by letter of credit through
46 the Federal Home Loan bank to cover any and all excess over that so there is no risk to the Town.

47 **Investment Policy Annual Review-**

48 Mr. Hopkins asks if the Board should add ETF because controlled funds and ETF'S are not the same?

49 Chairman Buchholz explains that at one of the training sessions it was stated that ETF'S are not
50 considered an acceptable investment.

51 Amendments to the policy are as follows;

52 Mr. John Dickey stated in the spirit of reviewing the policy, within the Capital and Non-Capital fund
53 policy, the third line- where it says "collateralized certificates of deposit as required by states statute"
54 make the word "states" singular, as we are only talking about one state.

55 Delete whole portion where it says "should have a Lipper one-year rating of no less than B for the most
56 recent 12 months".

57 Discussion on how the Attorney General Office/ State policy is ambiguous in reference to foreign
58 markets, how that market is responding to the volatility of the current situation, and the possibility of
59 opportunity that it can create but inability to invest in them.

60 **Motion:** On a motion by Mr. John Dickey and seconded by Mr. Neil Roberts it was voted to amend the
61 investment policy by deleting the reference to Lipper, passed by unanimous vote- motion passes.

62 **Motion:** On a motion by Mr. John Dickey and seconded by Mr. Bob Burdett it was voted to amend the
63 Capital and Non-Capital policy by making the word "states" to a singular form to "state", passed by
64 unanimous vote- motion passes

65 **Conclusion-**

66 Mr. John Dickey will be out of Town for the following meeting but if a quorum is needed could participate by
67 phone.

68 The next meeting is set for Monday, February 04, 2019 at 8:30 a.m.

69 **MOTION to adjourn:** Chairman Buchholz

70 Seconded: John Dickey

71 Motion passed unanimously (5-0)

72 Adjournment- approximately 9:00 a.m.

73 Respectfully submitted,

74

75 Heather Carpenter

76 ****Amendments made on 02-25-19 to the following lines;***

77 ***Line 39-(Line changed to 40 because of a margin issue with printing) The phrase- "indication and the***
78 ***goal" should be turned into investment objective.***

79 ***Line 56- (Line changed to 57 because of a margin issue with printing) The word "Town" needs to be***
80 ***replaced with the Attorney General Office/ State policy***