

Minutes

TRUSTEES OF TRUST FUNDS

September 19, 2024

In attendance: Jan Cole, Karen Foss, Mike Betley & Carol Walker

The meeting commenced at 4:00 pm.

Since there was no meeting in August due to vacations, the September meeting and minutes reflect activity that occurred in both July and August 2024.

Transactions for July 2024: Trustees reviewed July's activity in the Capital Reserve Fund (CRF) that reflected the Town's deposit totaling \$486,459.00 to the CRF to fund the Warrant Articles as follows:

Total:

| | | | | | |
|---------|------------|--|------------|--------------------------------------|-------|
| 7/23/24 | 486,459.00 | | 40,000.00 | Bridge Construction | WA#7 |
| | | | 1,561.00 | Dow Field | WA#20 |
| | | | 37,490.00 | Fire Department Safety Equipment | WA#8 |
| | | | 53,046.00 | Fire Heavy Equipment | WA#7 |
| | | | 1,082.00 | Franconia Heritage Museum Maint Fund | WA#8 |
| | | | 884.00 | Frost Place Maintenance | WA#7 |
| | | | 150,248.00 | Highway Department Truck | WA#7 |
| | | | 7,000.00 | Highway Heavy Equipment | WA#7 |
| | | | 75,000.00 | Highway Improvement Fund | WA#8 |
| | | | 5,630.00 | Library Building Maintenance Fund | WA#8 |
| | | | 14,437.00 | Police Cruiser | WA#7 |
| | | | 5,000.00 | Reassessment | WA#17 |
| | | | 5,202.00 | Recreation Van | WA#22 |
| | | | 2,081.00 | Rink Surface Maintenance ETF | WA#21 |
| | | | 21,000.00 | Sidewalk Improvement | WA#8 |
| | | | 30,000.00 | Town Building Maintenance Fund | WA#8 |
| | | | 18,760.00 | Town Building Truck | WA#7 |
| | | | 13,038.00 | Town Buildings & Grounds Equipment | WA#7 |
| | | | 5,000.00 | Transfer Station Equipment | WA#7 |

There was no activity in the Common Trust Fund during July 2024.

The Trustees reviewed the July 1-31, 2024 Three Bearings/Fidelity Common Capital Reserve Fund (CRF) report with a beginning balance of \$2,987,609.71 on 7/1/2024. With the addition of the \$486,459.00 from the Town and a \$45,038.75 appreciation in investment value in July, the ending CRF account value increased to \$3,519,107.46 at 7/31/2024. On a year-to-date basis, the CRF investment value has increased by \$138,797.31. Dividend income for July 2024 was \$8,786.08.

The Trustees reviewed the July 1-31, 2024 Three Bearings/Fidelity Common Trust Fund (CTF) report with a beginning balance of \$330,721.27 on 7/1/2024. A \$10,639.94 appreciation in investment value during the month resulted in an increase in the ending account value to \$341,361.21 as of 7/31/2024. On a year-to-date basis, the CTF investment value has increased by \$17,779.27. Dividend income for July 2024 was \$944.37.

The MS-9 for the period from 7/01/2024 through 7/31/2024 was reviewed. The Town's deposit was reflected on the MS-9 as additions to Principal for certain funds in Historical Preservation, Fire

Department, Highway Department and Town as detailed above in July's Transactions for a total of \$486,459.00.

Transactions for August 2024: Trustees reviewed August's activity in the Capital Reserve Fund (CRF) that reflected payment for certain town expenditures as follows:

Total:

| | | | | |
|---------|--------------|------------|----------------------------------|----------------------------|
| 8/27/24 | (179,252.86) | -39,785.68 | Fire Department Safety Equipment | equipment for new Engine 2 |
| | | -46,406.18 | Town Building Maintenance Fund | 4 separate requests |
| | | -25,000.00 | Recreation Van | WA#16 |
| | | -58,000.00 | Transfer Station Equipment | WA#14 |
| | | -10,061.00 | Transfer Station Equipment | WA#15 |

Trustees reviewed August's activity in the Common Trust Fund (CTF) that reflected payment for certain town obligations as follows:

Total:

| | | | | |
|---------|------------|-----------|----------------------------|------------------------------|
| 8/27/24 | (5,300.00) | -5,100.00 | Franconia Scholarship Fund | annual award and Towse award |
| | | -200.00 | Lucy Pfosi Memorial Fund | annual award |

The Trustees reviewed the August 1-31, 2024 Three Bearings/Fidelity Common Capital Reserve Fund (CRF) report with a beginning balance of \$3,519,107.46 on 8/1/2024. After subtractions totaling \$179,252.86 as noted in August transactions (above) and appreciation of \$39,625.45 in investment value in August, the ending CRF account value decreased to \$3,379,480.05 at 8/31/2024. On a year-to-date basis, the CRF investment value has increased by \$178,422.76. Dividend income for August 2024 was \$9,256.87.

The Trustees reviewed the August 1-31, 2024 Three Bearings/Fidelity Common Trust Fund (CTF) report with a beginning balance of \$341,361.21 on 8/1/2024. After subtractions of \$5,300.00 (scholarships) and \$40.31 (transaction fees) for a total of \$5,340.31, and appreciation of \$5,725.80 during the month, the result was an increase in the ending account value to \$341,746.70 as of 8/31/2024. On a year-to-date basis, the CTF investment value has increased by \$23,505.07. Dividend income for August 2024 was \$697.27.

The MS-9 for the period from 8/01/2024 through 8/31/2024 was reviewed.

Payment of the Town's obligations from the CTF for both Scholarship funds was made only from fund Income (as required).

| | | | |
|------------|-------------------|----------------|---------------|
| | <u>Principal:</u> | <u>Income:</u> | <u>Total:</u> |
| Total CTF: | \$ 0.00 | \$5,300.00 | \$ 5,300.00 |

Payments from the CRF on the MS-9 were made from both Principal and Income, as follows:

| | | | |
|----------------------------------|--------------------|----------------|--------------------|
| | <u>Principal:</u> | <u>Income:</u> | <u>Total:</u> |
| Fire Department Safety Equipment | \$35,785.68 | \$4,000.00 | \$39,785.68 |
| Recreation Van | \$24,000.00 | \$1,000.00 | \$25,000.00 |
| Town Building Maintenance Fund | \$42,406.18 | \$4,000.00 | \$46,406.18 |
| Transfer Station Equipment | <u>\$68,061.00</u> | <u>\$ 0.00</u> | <u>\$68,061.00</u> |
| <u>Total CRF:</u> | \$170,252.86 | \$9,000.00 | \$179,252.86 |

Three Bearings' Quarterly Portfolio management fees of \$3,638.16 (CRF) and \$367.91 (CTF) were accrued in August and offset by dividends earned in both the CRF and CTF as reflected on August's MS-9. These fees will be paid during the first week of September and reported on September's Fidelity statements.

Minutes: Draft minutes for the September 19, 2024 Trustee meeting were reviewed. Karen made a motion to approve the minutes as amended; Jan seconded her motion. All voted in favor of the motion to accept the minutes. Carol will send the final approved minutes for September' meeting to the Town Administrator and Secretary to post to the Town's website.

General Business:

Update to Town Reimbursement Requests for 2024: Payment is expected to be made for the rink striping of \$12,885 (leaving \$6K in the rink fund) and the truck chassis for \$77,200; the rest of the truck's costs (approximately \$72,000) are not expected to be paid until 2025. Three Bearings will leave sufficient funds in the money market account (currently yielding 4.98%) to complete these payments.

Fire Truck update: Fire department staff traveled to Wisconsin to inspect the new fire truck prior to accepting delivery which occurred on September 16. The lease contract contains an amortization schedule. Payments are due at the end of each month beginning September 2024 (after satisfactory receipt of equipment). The Town has moved the deferred interest costs from the Police department budget to the Fire department budget.

Transaction Log update: Jan has updated the transaction log through September 5, 2024 to reflect the Town's deposit for warrant article funding at the end of July (detailed above in Transactions for July), and the payments made in August to fund certain transactions (detailed above in Transactions for August) as well as Three Bearings' fees that were paid from the CRF and CTF on September 5, 2024.

Other Business:

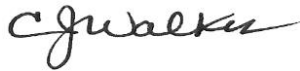
Willow Cemetery update: FEMA was in town in August to review damage from January 2024's storm that included trees that fell or broke into the Willow Cemetery and damaged a number of gravestones and monuments. Thus far, the Town has paid \$1,200 to a tree company as an expenditure to the Cemetery Maintenance Trust fund. We have not been informed of any plot sales. We expect an update soon since the Cemetery Trustees must submit mowing costs for reimbursement and interment income at least a month before the end of 2024. Jan will be sending them a reminder.

Recreation: The Recreation Committee does not budget for expenses that are to be paid from the ETF. However, the Town has reimbursed Matt Steele \$17,500 for expenses related to the 2024 Top Notch Triathlon. There has been no report of income for this event or net proceeds. Upcoming events that generate income and incur expenses are the Halloween Cup in October and the Wobble Gobble at Thanksgiving.

Wells Road culvert/bridge grant: The Town held a public hearing on 9/3/24 to support this fast-track Federal grant to replace a culvert on Wells Rd. The grant has 90%/10% funding; the Town expects to cover its 10% share from the deferred revenue received from the State of NH for bridge repair/replacement and the Bridge Construction CRF or ARPA funds.

There being no further business, the trustees adjourned the meeting at 5:30 pm. The next Trustee meeting will be on **Wednesday, October 16, 2024** at the Town Hall beginning at 4 pm.

Respectfully submitted,



Carol Walker, Trustee

**Attachments: 2024 Town Meeting Approved Warrant Articles and Funding Sources
2024 Pending Reimbursements as of 6/26/24
Active CRF and ETF Fund Names List updated 3/31/24**

| 2024 Town Meeting Approved Warrants and their Funding | | | | | | | | | |
|---|--|-------------|-------------------------|---------------------------|-----------------|-------------|-------------|------------------|--------------------------|
| Article No. | Fund Name | Amount | Add to Trustee Accounts | Amt from Trustee Accounts | From Unassigned | From Budget | From Taxes | From Water Custs | From Sugar Hill & Easton |
| 6 | Operating Budgets | \$2,343,730 | | | | | \$2,343,730 | | |
| 7 | Town Building Truck | \$18,760 | \$18,760 | | | | \$18,760 | | |
| 7 | Town Buildings and Grounds Equip | \$13,038 | \$13,038 | | | | \$13,038 | | |
| 7 | Highway Truck | \$150,248 | \$150,248 | | | | \$150,248 | | |
| 7 | Highway Heavy Equipment | \$7,000 | \$7,000 | | | | \$7,000 | | |
| 7 | Police Cruiser | \$14,437 | \$14,437 | | | | \$14,437 | | |
| 7 | Fire Heavy Equipment | \$53,046 | \$53,046 | | | | \$53,046 | | |
| 7 | Frost Place Maintenance | \$884 | \$884 | | | | \$884 | | |
| 7 | Bridge Construction | \$40,000 | \$40,000 | | | | \$40,000 | | |
| 7 | Transfer Station Equipment | \$5,000 | \$5,000 | | | | \$5,000 | | |
| 8 | Highway Improvement Fund | \$75,000 | \$75,000 | | | | \$75,000 | | |
| 8 | Town Buildings Maintenance Fund | \$30,000 | \$30,000 | | | | \$30,000 | | |
| 8 | Sidewalk Improvement | \$21,000 | \$21,000 | | | | \$21,000 | | |
| 8 | Franconia Heritage Museum Fund | \$1,082 | \$1,082 | | | | \$1,082 | | |
| 8 | Library Building Maintenance Fund | \$5,630 | \$5,630 | | | | \$5,630 | | |
| 8 | Fire Department Safety Equipment | \$37,490 | \$37,490 | | | | \$37,490 | | |
| 9 | Tri-Town Transfer Station | \$104,601 | | | | | \$104,601 | | |
| 10 | Abbie Greenleaf Library | \$95,000 | | | | | \$95,000 | | |
| 11 | Water Dept Operating Budget | \$463,608 | | | | | | \$463,608 | |
| 12 | Contract for Ambulance Service | \$648,699 | | | | | \$648,699 | | |
| 13 | Heavy Duty Truck | \$149,410 | | \$149,410 | | | | | |
| 14 | Titan 6-CV Manual Tie Baler | \$134,875 | | \$58,000 | \$18,879 | | | | \$57,996 |
| 15 | Closed Top Roll Off Containers | \$19,062 | | \$10,865 | | | | | \$8,197 |
| 16 | Recreation Bus | \$69,977 | | \$25,000 | \$21,139 | | | | \$23,838 |
| 17 | Revaluation | \$5,000 | \$5,000 | | | | \$5,000 | | |
| 18 | Highway Heavy Equipment | \$34,000 | \$34,000 | | \$34,000 | | | | |
| 18 | Highway Dept Truck | \$260 | \$260 | | \$260 | | | | |
| 19 | Town Bldg Maintenance ETF | \$2,000 | \$2,000 | | \$2,000 | | | | |
| 20 | Dow Field Capital Reserve Fund | \$1,561 | \$1,561 | | | \$1,561 | | | |
| 21 | Rink Surface Maintenance ETF | \$2,081 | \$2,081 | | | \$2,081 | | | |
| 22 | Recreation Van CRF | \$5,202 | \$5,202 | | | \$5,202 | | | |
| 23 | Non-Profits | \$35,558 | | | | | \$35,558 | | |
| | Totals | \$4,587,239 | \$522,719 | \$243,275 | \$76,278 | \$8,844 | \$3,705,203 | \$463,608 | \$90,031 |
| | Less income credit to operating budget | | | | | | -\$689,576 | | |
| | Total taxes to be raised | | | | | | \$3,015,627 | | |
| | tax impact | | | | | | \$7.09 | | |
| | To trust funds 10 days frm twn meeting | | | | \$36,260 | | | | |

Town of Franconia pending reimbursements as of 06-26-24

| Reimbursement Item | Amount | From Account | CRF/ETF | Documents Received | Documentation Needed | Comment | Amount Booked to account no. |
|---|-------------------|----------------------------|---------|--|---|--|------------------------------|
| Tires plus add/deletes | 12,000.00 | Fire Heavy Equipment | CRF | NONE | 1. BOS minutes approving withdrawal 2. Invoice 3. TA request 4. QuickBooks report showing invoice paid | won't be paid until delivery of the new firetruck which is approximately June 2024 | |
| Fire Tech & Safety of New England Inc. | 39,785.68 | Fire Dept Safety Equip | ETF | 1. Invoice 2. BOS minutes approving withdrawal from ETF | 1. QuickBooks report showing invoice paid 2. TA request | tools for new firetruck | 4220-980 |
| Presby | 3,287.00 | Town Bldg Maint Fund | ETF | 1. BOS minutes approving withdrawal from ETF | 1. Invoice 2. QuickBooks report showing pd invoice 3. TA request | final installment on new heating system for transfer station | 1203 Due from Trust |
| mobile radio | 8,759.00 | Fire Dept Safety Equip | ETF | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. BOS minutes approving withdrawal 4. TA request | mobile radio for new firetruck | |
| Heritage Museum | 3,333.18 | Town Bldg Maint Fund | ETF | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. BOS minutes approving withdrawal 4. TA request | Presby repair to rear of building for damage. Insurance covered only 1,333.18 | 4194-980 |
| Town Hall boilers (2) | 24,786.00 | Town Bldg Maint Fund | ETF | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. BOS minutes approving withdrawal 4. TA request | Irving installed new boilers in March 2024 | 4194-980 |
| Lafayette Rec expenses | 2,500.00 | Lafayette Recreation | ETF | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. BOS minutes approving withdrawal 4. TA request | will be reimbursed at year end 2024 | 4520-980 |
| Lafayette Rec Van | 25,000.00 | Recreation Van | CRF | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. Town meeting minutes 4. TA request | WA #16 approved at town meeting | 4902-00 |
| Titan Bailer | 58,000.00 | Transfer Station Equipment | CRF | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. Town meeting minutes 4. TA request | WA #14 approved at town meeting | 4902-00 |
| Closed top roll off containers | 10,865.00 | Transfer Station Equipment | CRF | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. Town meeting minutes 4. TA request | WA #15 approved at town meeting | |
| Heavy Duty Truck | 149,410.00 | Highway Heavy Equip | CRF | NONE | Delivery may be early 2025 | WA #13 2023 town meeting | |
| Frost Place | 15,000.00 | Town Bldg Maint Fund | ETF | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. BOS minutes approving withdrawal 4. TA request | approved BOS 04/29/24 meeting for mold mitigation | |
| Frost Place | 5,000.00 | Frost Place CRF | CRF | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. BOS minutes approving withdrawal 4. TA request | approved BOS 04/29/24 meeting for mold mitigation | |
| Towse Award | 100.00 | Franconia Scholarship | Trust | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. TA request | Minutes from Trustee meeting on 5/15/24 confirms award | |
| Franconia Scholarship | 5,000.00 | Franconia Scholarship | Trust | NONE | 1. Invoice 2. QuickBooks report showing pd invoice 3. TA request | Minutes from Trustee meeting on 5/15/24 confirms award | |
| | 362,825.86 | | | | | | |
| Total Pending Reimbursement per fund | | | | | | | |
| Town Building Maint | 46,406.18 | | | | | | |
| Fire Heavy Equip | 12,000.00 | | | | | | |
| Fire Dept Safety Equip | 48,544.68 | | | | | | |
| Lafayette Rec | 2,500.00 | | | | | | |
| Lafayette Van | 25,000.00 | | | | | | |
| Transfer Station Equip | 68,865.00 | | | | | | |
| Frost Place | 5,000.00 | | | | | | |
| Highway Heavy Equip | 149,410.00 | | | | | | |
| Franconia Scholarship | 5,100.00 | | | | | | |
| Total | 362,825.86 | | | | | | |

| Active CRF and ETF Fund Names List - UPDATED 03-31-24 | | | | | | |
|---|--------------------|--|---|-----------|-------------------------------|-------------|
| Year Established | Original Warrant # | Legal Fund Name | Purpose per Original Warrant Article | Fund Type | Agent to Expend | Comment |
| 1966 | 14 | Bridge Construction | bridge construction/maintenance | CRF | Selectmen | Town Fund |
| 1985 | 9 | Cemetery Maintenance Fund | cemetery maintenance | ETF | Cemetery Trustees | Town Fund |
| 2017 | 12 | Dow Clock Expendable Trust Fund | Maintenance, repairs and improvements to the Dow Clock | ETF | Selectmen | Town Fund |
| 1994 | 5 | Dow Field | Dow Field Maintenance | CRF | NONE | Town Fund |
| 2003 | 18 | Emergency Management Fund | disaster funds | ETF | Emer. Mgmt Dir. | Town Fund |
| 2020 | 18 | Energy | Providing funds for alternative energy and energy efficiency projects in municipal buildings and properties | CRF | Selectmen | Town Fund |
| 2022 | 18 | Fire Dept Safety Equipment ETF | Fire dept safety equipment | ETF | Selectmen | Town Fund |
| 2017 | 14 | Fire Heavy Equipment | Purchase heavy equipment for the Fire Department | CRF | Selectmen | Town Fund |
| 2003 | 17 | Franconia Heritage Museum Maintenance Fund | Maintenance of Museum | ETF | Selectmen | Town Fund |
| 2013 | 13 | Frost Place Maintenance | Frost Place maintenance | CRF | Selectmen | Town Fund |
| 1994 | 6 | Handicap Access | Library handicap access | CRF | NONE | Town Fund |
| 2000 | 11 | Highway Department Truck | highway truck(s) | CRF | NONE | Town Fund |
| 2000 | 12 | Highway Heavy Equipment | Highway heavy equipment | CRF | Selectmen | Town Fund |
| 1997 | 9 | Highway Improvement Fund | highway improvement | ETF | Selectmen | Town Fund |
| 2017 | 11 | Lafayette Recreation | Enhance the Lafayette Recreation programs, events and activities | ETF | Selectmen | Town Fund |
| 1989 | 5 | Legal | legal | CRF | Selectmen | Town Fund |
| 1998 | 9 | Library Building Maintenance Fund | library maintenance | ETF | Selectmen | Town Fund |
| 2013 | 12 | Life Squad Equipment | Life Squad equipment | CRF | Selectmen | Town Fund |
| 2001 | 14 | Life Squad Van | Life Squad van | CRF | NONE | Town Fund |
| 1994 | 14 | Police Cruiser | police cruiser | CRF | NONE | Town Fund |
| 1984 | 3 | Reassessment | property reassessment | CRF | Selectmen | Town Fund |
| 2015 | 21 | Recreation Van | Recreation Van | CRF | Selectmen | Town Fund |
| 2002 | 17 | Rink Surface Maintenance Fund | rink surface maintenance | ETF | Selectmen | Town Fund |
| 2014 | 17 | Rural Water Supply | cisterns and ponds | CRF | Selectmen | Town Fund |
| 2002 | 5 | School Building and Grounds Maintenance Fund | maintain & repair the school building | ETF | School Board | School Fund |
| 2010 | 5 | School District Technology Fund | repair, maintain & upgrade tech equip | CRF | School Board | School Fund |
| 1997 | 8 | Sidewalk Improvement | sidewalk improvement | ETF | Selectmen | Town Fund |
| 1984 | 3 | SPED CRF - Special Education | meet the expenses of educating educationally handicapped children | CRF | NONE | School Fund |
| 1997 | 7 | Town Building Maintenance Fund | maintenance of town building(s) | ETF | Selectmen | Town Fund |
| 2007 | 6 | Town Buildings & Grounds Equipment | town buildings and grounds equipment | CRF | NONE | Town Fund |
| 2002 | 8 | Town Buildings Vehicle | town maintenance truck | CRF | NONE | Town Fund |
| 2002 | 9 | Transfer Station Equipment | transfer station equipment | CRF | NONE | Town Fund |
| 2011 | 7 | Transfer Station Improvements | improvements to transfer station | CRF | Selectmen | Town Fund |
| 2019 | 28 | Welfare ETF | providing general assistance | ETF | Selectmen | Town Fund |
| 2020 | Trust | Lucy Pfofi Memorial Fund | graduating 6th graders demonstrating social responsibility | Trust | Lafayette Regional School | Town Fund |
| 1983 | Trust | Franconia Scholarship Fund | financial aid to graduating Franconia resident and Towse Athletic Award | Trust | Trustees & Advisory Committee | Town Fund |