

TRUSTEES OF TRUST FUNDS
October 21, 2020; 4:00 pm
Minutes

In attendance at the Franconia Town Hall: Karen Foss, Jan Cole and Carol Walker

Minutes of the September 16, 2020 Trustee's meeting were reviewed. With a motion made by Karen, seconded by Jan, all voted in favor of accepting the minutes as written. The minutes will be provided to Kim Cowles to post on the Town's website.

A review of the September 2020 reports from Three Bearings and Fidelity was made. Based on the September 30, 2020 Three Bearings investment report, the Capital Reserve Fund (CRF) has increased in value (since 1/1/2020) by a net total of \$99,241.60 after a decrease of \$13,999 in investment value during the month of September 2020 to an ending account value of \$2,018,342 after the quarterly investment advisor fee was paid on 9/9/2020 of \$2,471.49. At 9/30/2020, Franconia's Trust Funds (TF) declined by \$9,686.07 in investment value since 1/1/2020. In September, the Trust Fund decreased in investment value by \$3,164.23 and a quarterly investment fee was paid in the amount of \$369.64 resulting in an ending account value of \$305,802 at 9/30/2020.

The question about how the deposit to the Recreation Fund can be corrected so that it is made to the Cemetery Maintenance Fund has been answered by Jamie Dow, Municipal Accounts Advisor for the NH DRA, who indicated that further approval from the voters is not needed, but that the changes to correct the accounts should be made as soon as possible. Mary Brubaker, Cemetery Trustee, supplied a copy of the burial plot purchase and the check that clearly stated "plot purchase" in the memo section.

Karen Foss met with the town administrator in September to follow up on the deposits that were expected to be made by the Town to the various Capital Reserve Funds per the approved Warrant Articles passed at Town Meeting in March 2020. Karen created a spreadsheet to assist the town administrator in organizing the deposits that should be made to Capital Reserve Funds with amounts allocated to specific capital reserve funds by name or to expendable trust funds. Apparently, 4 checks were prepared on August 30th but the checks were not provided to the Trustees until October 2, 2020 at which time it was noted that the only information provided was typed on the check stub itself; some of the accounts listed were incorrectly titled and certain line item descriptions were omitted. The Energy Capital Reserve fund was overlooked altogether; an additional check was later prepared dated 9/14/2020. Karen emphasized the importance of providing accurate backup and supporting information for proper record-keeping. The effect of these delays has resulted in the loss of interest, dividends and capital appreciation during the 3 months the funds have not been professionally invested in the Town's Capital Reserve Funds.

The next Trustee meeting will be held on November 18, 2020 at 4 pm at the Franconia Town Hall and on the 3rd Wednesday of each month thereafter.

There being no further business, the meeting was adjourned at 4:50 pm.

Respectfully submitted,

Carol J. Walker