

Minutes

TRUSTEES OF THE TRUST FUNDS MEETING

Town of Orford

Town Offices, Niles Room

6:00 PM, Tuesday, December 5, 2024

Attending: C. Crowley, S. Carter, V. Schwaegler (Elected Trustees), B. Harwood (Alternate Trustee)

Meeting Called to Order at 6:00 PM by C. Crowley

1. Motion: To approve the minutes of the TTF Meeting 8/6/2024.

Motioned by C. Crowley, Seconded by S. Carter.

No discussion.

Motion Passed unanimously.

2. Motion: To reaffirm the Trustees of Trust Funds “Investment Policy Statement and Guidelines” stated as revised and dated December 20, 2018 to continue to be applied in 2025 per RSA §35:9.

Motioned by C. Crowley, Seconded by B. Harwood.

No discussion.

Motion Passed unanimously.

3. Motion: To nominate Chris Crowley, a Trustee of Trust Funds duly elected at the Town Meeting in March 2023, to continue as Bookkeeper for the Orford Trustees of the Trust Funds, per New Hampshire RSA §31.22, and to grant the authority to sign with the title Treasurer or Secretary as may be needed for Bank and Investment Broker transactions, or filing of Corporate Resolutions.

Motioned by B. Harwood, Seconded by S. Carter.

No discussion.

Motion Passed unanimously.

4. Motion: To redeem the Road Improvement, Grader, Town Buildings and Sawyer Scholarship CDs at Woodsville Guaranty Savings Bank upon maturity in December 2024. To deposit the funds from the Road Improvement, Grader and Town Buildings CDs into the ICS SWEEP account at Mascoma Savings Bank in 2024. To deposit the funds from the Sawyer Scholarship into the Donor Trust Savings account at Mascoma Savings Bank in 2024, (optionally) and then to combine the funds into the OSFE CD at Mascoma Savings Bank upon maturity in 2025.

Motioned by B. Harwood, Seconded by V. Schwaegler.

Discussion: C. Crowley discussed Sweep and CD accounts. He reviewed the NH Public Deposit Investment Pool as a possible option since it could earn over 4%. This “pool of money” is not guaranteed of a return nor is it insured. Therefore the Trustees should not pursue this option as it is inconsistent with the Investment Policy. C. Crowley referenced the example of the 2008-2010 NH School Fund which crashed due to the economy. Crowley recommended that the CDs at Woodsville Guaranty Savings Bank (WGSB) be discontinued due to the low interest rates offered. Mascoma new CD rates are at 4% so moving the funds from the CDs at Woodsville to Mascoma offers the opportunity for better rates.

Motion Passed unanimously.

5. Motion: To transfer funds from the ICS SWEEP account for the Fire Trucks CRF, Grader CRF, and Loader CRF to new CDs at Mascoma Savings Bank per the Schedule in Table 1. The action to be performed in 2025 once the books are balanced for 2024 and provided available CD rates are greater than the earnings rate on the ICS SWEEP account.

Motioned by B. Harwood, Seconded by S. Carter.

Discussion: Main point of discussion – Are we willing to give up relationship with WGSB? If CD’s are less than the Sweep account are we willing to put all in Mascoma? B. Harwood led discussion emphasizing that we need to get the best rate offered. C. Crowley followed up that, if at a later date, we may be able to include other accounts as they get more money, although this may not happen until our next meeting.

Amended:

“To allow the flexibility should the ICS Sweep account be greater than the prevailing CD rates, use it”

Motioned by B. Harwood, Seconded by C. Crowley.

No discussion.

Motion Passed unanimously.

Motion (as Amended): To transfer funds from the ICS SWEEP account for the Fire Trucks CRF, Grader CRF, and Loader CRF to new CDs at Mascoma Savings Bank per the Schedule in Table 1. The action to be performed in 2025 once the books are balanced for 2024 and provided available CD rates are greater than the earnings rate on the ICS SWEEP account to allow the flexibility should the ICS Sweep account be greater than the prevailing CD rates, use it.

Motioned by B. Harwood, Seconded by S. Carter.

No discussion.

Amended Motion Passed unanimously.

Table 1. Moves to Higher-Earnings Options for Capital Equipment Purchases on CRFs

CRF	Balance EOY 2024 (estimated)	Planned Purchase Schedule	Move From ICS SWEEP To CD Specials (if available)
Fire Trucks	\$524,948 SWEEP	2025 \$237,000 2029 \$335,000 2032 \$743,000	\$200,000
Grader	\$246,333 SWEEP \$27,245 CD	2036 \$TBD	\$200,000
Highway Dept. Trucks	\$27,867 SWEEP	2029 \$171,000 2033 \$407,000	\$0
Loader	\$175,143 SWEEP	2032 \$250,000	\$100,000
Police Vehicle	\$22,869 SWEEP	2029 \$96,000	\$0
Total for Account	\$1,823,000 SWEEP		\$500,000
ICS/SWEEP Minimum	\$500,000		

6. Motion: To transfer \$10,000 of funds from the Town Donor Trust savings account for the OSFE to the OSFE CD at Mascoma Savings Bank. The action to be performed in 2025 upon the renewal date for the OSFE CD.

Discussion: C. Crowley outlined the motion: in regard to Donor Trusts moving some deposits from the savings account to CDs would provide better return. T. Harwood read motion #6. C. Crowley recommended NOT to move any other funds such as Community Field Trust and Playground Donor Trust into the OSFE CD. S. Carter addressed that the Community Field Trust may need more money in the Spring. He would rather leave the Community Field Trust money in the savings account.

Motioned by B. Harwood, Seconded by C. Crowley.
No Discussion
Motion Passed Unanimously.

7. Motion: For the Alice Mann Scholarship Trust, to change the distribution of Dividend Income for the Fidelity Fund (FFIDX) from Reinvested to Cash distribution in early 2025.

C. Crowley discussed how to report/account for shares purchased with reinvested Dividend Income for the FFIDX. It requires additional bookkeeping separate from the TTF Ledger (Quicken) to track the shares, because there is no place in that system to account for it. Getting dividends in cash instead of reinvestment in shares simplifies the bookkeeping and the reporting to the State. All other mutual fund investments have already been changed to cash Dividends by the Trustees, so the Alice Mann Scholarship Fund is the only one remaining to put on that basis. B. Harwood read motion #7.

Motioned by B. Harwood, Seconded by S. Carter.
No Discussion
Motion Passed Unanimously.

8. Motion: To authorize the bookkeeper in 2025 to sell shares to recover all prior reinvested Dividend Income for: the Alice Mann Scholarship Trust (Fidelity FFIDX), Cemetery Perpetual Care Trusts (FFIDX, FPURX and FDVLX), and the Niles Fund Trust (T. Rowe Price TRMCX). The action to be performed in 2025 once the books are balanced for 2024 and provided that the current value of the shares purchased from Reinvested Dividend Income is greater than the total amount of Dividend Income that was reinvested.

C. Crowley reviewed motion as a mechanism to recover prior reinvested dividend income. S. Carter expressed how timing is important. Motion was read by B. Harwood.

Motioned by B. Harwood, Seconded by S. Carter.

Discussion: C. Crowley expressed how, for the future, this will simplify the bookkeeping at no cost to future earnings. T. Harwood asked how the hard copy checks from the investment accounts are handled. C. Crowley responded that those checks go into the saving account with the funds tagged for each respective trust.

Motion Passed Unanimously.

Other Business:

C. Crowley provided brief updates on some Trustee activities. See the attached notes.

9. Motion: To adjourn the meeting at 7:30 PM.

Motioned by C. Crowley, Seconded by S. Carter.
Motion Passed Unanimously.

Trust Update Notes

WWII Monument ETF: Chris, Esther and Town Legal Counsel have drafted a 2025 Warrant Article to correct Trust Type from ETF to Donor Trust.

Cemetery Perpetual Care Trusts:

Reached consensus with Cemetery Commission on uses of PC Trust money for maintenance of individual gravesites.

Unresolved: Unequal distribution of Capital Gains Principal and Interest/Dividend Income between older and newer Trusts is unsustainable long-term.

Unresolved: No specific long-term plan yet to address funds for general maintenance projects. Cemetery Commission has used Tree Care and Replacement CRF for tree work in 2024 and plans to use Town Cemetery Account for cemetery building maintenance and more tree work in 2025.

Unresolved: 4 PC Trusts are mislabeled Donor Trusts.

Bandstand Trust:

Town began receiving donations and will transfer to new TTF Bandstand Trust account. Days of work remain to integrate with 5 reporting & accounting spreadsheets.

Niles Fund Trust: \$10,087 worth of shares in T. Rowe Price TRMCX sold to recover Reinvested Dividend Income & put in Savings account.

TTF Reporting Help: Plan to ask Selectboard for permission to hire some hours of a CPA to help in a.) reporting T. Rowe Price share sale on Niles Fund and b.) ask advice on Unresolved Cemetery Issue of unequal distribution of CG and Income.

TTF Computer: Chris and Esther have worked with Selectboard to request purchase of new TTF laptop (Windows 11 compatible) and annual Quicken subscription into 2025 Town Budget.

TTF Bookkeeper Succession Planning: Begin discussion of succession planning for next bookkeeper in 2026. Begin in 2025 to look into hiring outside financial management services?