

Unapproved

Sanbornton Trustees of the Trust Funds

Minutes of Meeting with Selectmen, May 25, 2016

The meeting came to order at 4:00 when Selectman VanTassel joined Selectman Ober. Shortly, Selectman Olmstead arrived. Present: Gail Morrison, Lynn Chong, Megan Farkas, also TA Charlie Smith.

1. Gail arranged that we discuss two matters at this meeting: first, what the Selectmen need and so will be requesting for reimbursements and expenditures from the capital reserve funds (CRFs) in the next year, and second, last year's Town Meeting authorized additions of new money to the CRFs and the financial vehicles to be used for investment of the CRFs. Gail said that the 1-year CDs we are now using earned .35% and the money market fund for the Roads and Bridges CRF yielded .17%. Were we to invest in longer term CDs, our bank contact said we would earn more. The 3-year CD is earning 1.29% with a 1.30% annual percentage yield and features a one-time bump-up should rates go higher. The five-year CD earns 1.49% with a 1.50% annual percentage yield. The Select Board discussed upcoming needs of the town and whether long-term or short-term investment was best for each. This information will be used in determining how best to invest Sanbornton's CRFs when the Trustees arrange year-end transfers and renewals at the Franklin Savings Bank. The bank is expected to send notices of renewal with year-end balances towards the end of June.
2. The new voucher form is complete. It was discussed and a sample was passed around. The Select Board requested we add a notation inquiring whether Select Board approval was needed and was it obtained. The Trustees will attend the Department Heads' Meeting at 9:00 a.m. on the first Thursday of June to present the new voucher procedure. At the meeting, Fire Chief Dexter and Highway Department Head Brian Bordeau should be asked to advise the TOTF what funds they may need from applicable CRFs in the coming year so that the Trustees can better invest.
3. Referring to the minutes of the 2015 Town Meeting, page 19, the following discussions relating to CRFs took place:

Fire Truck CRF. The 2015 Town Meeting voted \$70,000 new money to be added to the Fire Truck CRF. It is expected, no new truck will be needed soon and a three-year CD might be the proper investment vehicle. The Chief will be consulted.

Fire Truck Repair and Refurbish CRF. Town meeting voted to add \$10,000 new money. Chief Dexter will be consulted about the likelihood of needing funds for the fire truck repair from this CRF in deciding how to invest this year.

SFD Rescue Vehicle CRF. In November 2015, money from this CRF (\$40,870.90) was withdrawn to be used for purchase of a new rescue vehicle, ¾ ton pick-up, pursuant the warrant article 7. The sale of the old vehicle provided an offset. FSB allowed the money to be taken from the 1-year CD with no penalty. The Select Board and the Trustees considered it unlikely the remaining approximately \$4000 will be needed in the near future and so a longer-term CD makes sense. No new monies were voted to be added to this CRF.

Roads and Bridges CRF. \$100,000 new money is to be added. This CRF is invested in a money market fund at FSB. The current balance plus the new funds are expected to be used within the year and so these funds will remain as invested.

Milfoil/Phosphorus CRF. \$5,000 new money is to be added for an approximate total of \$10,000. Brian Bordeau will be consulted about whether he plans to use this for BPM maintenance and his advice shall be considered in investing CRF funds.

Town Building Improvement CRF. \$10,000 new funds were voted by the Town Meeting. The Select Board intends to request withdrawals from this CRF as several buildings are in disrepair. They suggest a change to a money market account.

Town Facilities Maintenance CRF. \$20,000 new monies were voted to be added. Monies in this fund will be used to reimburse the Town for monies spent for maintenance of facilities and decisions as to investment. A one-year CD was discussed.

Town Hall Repair and Restoration CRF. Newly purposed as a result of a vote at the 2015 Town Meeting to add the word "repair." Monies in this CRF are expected to be used for railings on the front steps and on other much needed projects at the Town Hall on Meeting House Hill. The Town Meeting voted \$10,000 to be added to this CRF.

State Aid Reconstruction CRF. A small balance remains in this CRF. Because heavy highway equipment is now leased, the Select Board expects to introduce a warrant article to eliminate this CRF. In the meantime, a one-year CD will be renewed.

Transfer Station CRF. In excess of \$11,500 is held in this fund in the form of a CD. Brian Bordeau will be consulted on possible upcoming use of funds before a reinvestment decision is made.

Town Roads Revitalization CRF and Highway Building CRF are presently unfunded but remain on the books.

A total of \$225,500 will be added to certain CRFs at the change of the fiscal year, as outlined above.

We adjourned at 5:10 p.m.

Submitted by Lynn R. Chong, secretary