

Town of Thornton
Trustees of Trust Funds
Meeting January 13, 2020, 4:30 pm
Town Office Building Meeting Room
16 Merrill Access Road

AGENDA – notes in blue

4:30 - presentation from Renetta Oleson, Jennifer Hall, Woodsville Guaranty Saving Bank – Insured Cash Sweep (ICS) program – only have 1 bank to deal with (WGSB) with money over FDIC limits automatically moved in/out of other banks in the ICS network with FDIC coverage limit at each bank – get 1 statement each month, 1 form 1099 at year end, funds kept local – higher interest rate with bulk dollar amount can select network banks do deposit with or to exclude (may already have funds in bank so need to exclude to keep FDIC limit) – online account view --- 2 options: demand deposit with set dollar limit (perhaps \$25000 or \$50000) in WGSB checking account (0% interest)-no limit on number of checks each month, money automatically flows/sweeps in/out of the account to cover checks over your limit or to move money over your preset limit – OR – savings type account with similar target balance and cash sweep in/out but limit of 6 checks per month and need to manually move money either over phone with a PIN or in person – either account fees waived – ICS rate is .30% - WGSB is a NH Charter Bank=The Bank-they can invest elsewhere-not restricted as trustees are – option for eCorp business banking which allows for ACH transfers – handout folder to review

5:00 – presentation from Randy Saulnier, Community Financial Services (WGSB) – works with WGSB clients, trust company since 1926 -owned by 3 banks – invest in stocks, particularly under-valued stocks based on metrics – stock market average annual yield =9.2% - can also do money market, CD, specialty high rate CD, high-yield corporate bonds at fixed rates-can do 100% non-equity exposure – fiduciary (acts on our behalf) paid salary not commission – online access to account - \$3,000,000 errors/loss insurance – fee is 50 basis points (=.5%) - can split funds between ICS (WGSB) and Community Financial to give fit we want for security and liquidity while still getting a good yield – **How much do we need to be liquid on a 6-8 month basis? - which accounts?** - handout folder to review

sharing of information from November Bank of New Hampshire meeting – Richard shared notes taken from his meeting with Megan Rider and Aimee Lee of Bank of New Hampshire 11-13-2019 - \$250,000 FDIC at BNH, money over FDIC limit or target number goes in Municipal Investment Pool and is insured by a repurchase agreement (**research them**) which is backed by grade A investments through Boston Federal Home Bank – rates comparable to NHPDIP (approx 2% 11/2019 for NHPDIP and this program) – NHPDIP now down to 1.59% 1-6-2020 so likely this program has also dropped to about this rate – money at BNH likely at low rate it is the money in Municipal Investment Pool that is at higher rate so set target number reasonably low and transfer money as needed

ledger, end of year accounting – town report sign off, brief statement – Richard presented the information for the town report, Capital Reserve Funds page and Trust

Funds page – approved – sent to Jessi fleury 1-14-2020

MS-9 – This state report is not due until March 1 – first look at it – explains some of the figures in the Town Report pages for Fidelity Funds and Perpetual Care Funds – continued to next meeting

investment policy – draft – basically the same policy as in past years with slight wording changes in a couple of places to more closely align with text in the Trustees Handbook provided by NH DOJ, Charitable Trusts Division – need to be filed annually, we are behind in this schedule – continued to next meeting

FDIC info – NHPDIP, number of 'account custodians' - \$250,000 FDIC insurance limit for each type of account (checking/savings) per person in charge of funds (account custodian) – so if the trustees had 3 members each in charge of specific funds doing all of the transactions and accounting for them you could have potentially \$1,500,000 of FDIC coverage, however this is not practical and would make the total accounting picture very confusing and perhaps hard to follow and do year end balances and reporting – we believe we are better off with one account custodian (can still have multiple account signers) and look for other banking solutions

auditors report-spring 2019 – careful of accounts with balances over FDIC limit

new signature cards – letter from Selectboard - moved to next meeting

annual transaction to avoid dormancy charge - moved to next meeting

NHPDIP, Terry Knowles, Tyler Paine (Plodzik & Sanderson) - moved to next meeting

Ralph, Richard – Jan 22-31 file for opening on this committee, town election – This is Richard only, Ralph Bradley's term doesn't expire until 2021

other business

Topics listed above that we do not have time to address will be carried forward to our January 27, 2020 meeting. - next meeting 1-27-2020, 4:30pm – 2 more banking/financial presentations and a continuation of topics from above