

**Town of Thornton**  
**Trustees of Trust Funds**  
Meeting September 21, 2020 4:30 pm  
Town Office Building Meeting Room  
16 Merrill Access Road

**FINAL**

Face Masks Required

AGENDA – Notes in Blue

Present: Richard Baker, Ralph Bradley, Tony Torino

- ◆ Presentation by Bank of New Hampshire - Megan Ryder, Aimee Lee – presentation on BNH Collateral Pledge Agreement arrangement which gives security on deposits in excess of the \$250,000 FDIC limit, an umbrella – assets secured at the Federal Reserve Bank serve as collateral for savings, checking, CD's, Money Market accounts – Agreement is reviewed/renewed annually; initial amount selected above actual initial deposit to allow for future potential deposits – funds placed in separate accounts for ease in balancing books with individual trust funds – transfers by phone or a paper form; can access account(s) online but not do electronic transfers – in conjunction set up a Business 100, no fee checking account – rate now close to .5% - would like our entire banking relationship but could likely get management approval for >\$500,000 – Fed rates likely with little to no movement in 1-2 years; BNH rates usually re-evaluated quarterly – all funds liquid and could move money in/out of program at any time - future program, in 6 months, ZEscrow could be even better with electronic transfers – CD rate now 12 months at .5% - answers for the questions the trustees had
- ◆ approval of minutes from June 22, 2020 – adjournment from the meeting was not included on the posted draft minutes – in next to last line July needed to be capitalized – Approve the minutes of June 22, as edited, motion: Ralph Bradley, 2<sup>nd</sup>: Tony Torino – unanimous vote of approval
- ◆ audit of 2019 accounting – brief discussion of the section of the auditors report, page 28, which is directed towards the Trustees of Trust Funds – points for us to consider, in our next revision of our Investment Policy (Feb. 2021??) include: Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk – more discussion later when the Investment Policy is reviewed in detail
- ◆ Cemetery Maintenance account – the Cemetery Trustees decide what to do for cemetery maintenance and decide if they need to request funds from this account – if funds needed they request from the Selectboard who then submits a payment request to the Trustees of Trust Funds – this reply came from Thomas Donovan, Director of NH Charitable Trusts and was a followup and answer to a question from our June 22 meeting
- ◆ Position of current investments: WGSB, BNH, NHPDIP – rates are low everywhere, not much yield – NHPDIP continues to drop others have mostly held but are low, significantly lower than a year ago with significantly less yield
- ◆ Future investing options for existing funds – lengthy discussion of options from leaving funds exactly where they are to partial to total change in investments, keeping

diversified investments to in multiple locations to concentrating in 1 location – examination of rates, potential rates with new investments, yields as is vs potential yield with a change in investments – lots of discussion and calculation; a lot of thought went into this – Motion by Ralph Bradley to place funds in Bank of New Hampshire moving all of our current BNH savings and all of our current NHPDIP accounts into their Collateral Pledge Agreement arrangement, approximately .5%, as well as open a Business 100 checking account, \$2000 (no fees), and also have our current BNH CD remain as is until January 2021 maturity; 2<sup>nd</sup> by Tony Torino – no further discussion, unanimous vote of approval – Richard will begin the process of moving funds this week

- ◆ **Waterville Estates Village District** – request from Karen Waters for WEVD to place trust funds with the Trustees of Trust Funds/Thornton – this was prompted by direction from NH Charitable Trusts, Director Thomas Donovan – there are certain requirements that will need to be met first by WEVD – questions on funds ownership, vote of WEVD voters, processing fund requests, investing for them, estimated number of annual transactions, potential fees, reporting, etc. - this is a work in progress with no timeline right now
- ◆ **Next Meeting, Monday, December 14, 2020, 4:30 pm**
- ◆ **Other Business**
- ◆ **6:17 pm, Motion to adjourn by Ralph Bradley, 2<sup>nd</sup> by Tony Torino – unanimous vote of approval**