

Approved: August 30, 2012

**TRUSTEES OF TRUST FUNDS**  
**Minutes June 22, 2012**

Meeting was called to order at 2:00 p.m. with Trustees Jack Balcom, Bill Wilkes and Chris Christensen present.

Minutes of May 4, 2012 were approved, 2-0-1 with Balcom abstaining.

Wilkes and Christensen attended the Attorney General's Charitable Trust Division seminar about duties and obligations of Trustees, held June 20.

It was agreed that we would separate some of our functions starting July 1, 2012, starting with check writing. Wilkes will write checks based on board authorization and emails for specifics of expenditures pre-authorized by the board of Trustees, e.g. scholarships and other recurring drafts. The Town has agreed to send out RFQ's (Request for Qualifications) to various management firms. It was expected this might already have happened, but through Finance Director Paul Micali, we were advised that this would likely occur after July 1, the new fiscal year. Several criteria were discussed, but in sum, it was agreed to look at proposals and then ask for specifics. One item agreed upon was to give prospective managers a copy of the information of one fund, D, and ask for an analysis and suggested strategies.

No applications for unclaimed scholarships had been received. Chris will send letters to recipients advising them of a September 30, 2012 deadline. Specific action was tabled.

Correspondence. Thank you notes for Watson Scholarships were received from Nicole Machado and Tyler Gordon. These were forwarded to the Watsons, who funded the scholarships.

A check was received from IBM (\$807.18) for a dividend after the IBM shares had been transferred from direct investment to be part of the Ameriprise portfolio. This will be deposited in Fund C.

A request for \$1,070,824.23 from the Town of Merrimack to reimburse expenditures related to Capital Reserve Funds was approved. Authorization to wire the funds to the Town was granted.

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**Copies of emails related to the proposed purchase of CH Energy by Fortis, a Canadian company, are included by reference. It was agreed on June 11, 2012 that the proxy from CH Energy should be executed in favor of the acquisition by Fortis, Inc. The outgoing email read:**

We have a proxy request to authorize voting in favor of an offer from Fortis to pay \$65.00 per share for CH Energy. We own 1500 shares. The special shareholder meeting is June 19. The attached spreadsheet shows our purchase dates and prices. Based on the expected merger date, they anticipate we will get three dividend payments of \$0.555/share before the merger actually occurs. We bought 460 shares in 2005 for just over \$20 and 1140 in 2009 for about \$40.00. Current yield is about 3.4%. I'm guessing the deal will go through whether we favor or oppose.

Without getting into an online meeting, any thoughts are appreciated, just no back and forth discussions. This will give us about \$97500 in Fund C to invest, and we have \$20,810 in cash on the principal side now. We should be thinking about where we want to put these funds at our next meeting, June 22.

**Following discussion of expenditures from Fund D related to the Mastricola Elementary School Library improvements, it was agreed that shares of Home Depot, held on the income side of Fund D would be transferred to the principal side and a like amount of cash would be transferred to the income side. Transaction to be based on the market close value of HD on June 22, 2012, approximately \$25,000.**

**Next meeting will be August 17 to review reports prior to the auditors arriving on August 20, 2012.**

**Meeting adjourned at 3:25 p.m.**

**Respectfully submitted,**

**Chris Christensen  
Trustee Secretary**