

Approved: March 18, 2022



**Trustees of Trust Funds
Meeting Minutes
Friday, January 21, 2022
Matthew Thornton Room, Merrimack Town Hall**



The meeting was called to order at 9:00 a.m. Trustees present were Wilkes, Heinrich and Christensen. Also present: Tom Boland Merrimack Town Finance Director and Merrimack resident Liz Petrides

Heinrich suggested that the minutes of November 19 were incomplete and she had several additions. Motion by Wilkes, second by Heinrich to table passed 2-1-0, Christensen voting in the negative.

It was announced that all scholarships except one Watson award have been paid. The last award is pending receipt of the request. We have received and deposited the following funds:

Bear Christensen: \$10,000

Watson Scholarships: \$5,000

Watson /LEGO League: \$1,000

Town CRF \$2,370,000

Paying management fees from both principal and interest was brought up. Currently we pay fees only from income. At the November meeting we learned that other towns pay from both principal and Income. This was confirmed by Audrey Blodgett at the Charitable Trust Division of the Justice Department as being in accordance with RSA

RSA 31:38-a, IV. They indicated there was no guidance on ratios but 50-50 was common. Christensen moved to adopt the 50-50 plan starting in January 2022. Second by Wilkes, passed 2-1-0, Heinrich in the negative.

Our most recent bank statements have a new format listing equities in alphabetical order. Previously, the listings were by sector with chart information showing sector distribution. The consensus was that we preferred the sector information and Christensen will convey that to Cambridge Trust.

Discussion of meeting locations established that we prefer to continue meeting in the Matthew Thornton Room.

Next meetings will be February 18 and March 18.

Heinrich started a discussion of how to handle capital gains on the income side of the ledger. We have been reinvesting income which includes capital gains, remaining as part of income. Our current procedure has been in place for many years under supervision by Town auditors, the Justice Department and the Department of Revenue Administration.

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Heinrich stated that she had talked to the Town Manager who had town counsel who disagreed with this process and cited a 1966 court decision. She will send related information to other Trustees for future consideration. (NB. Heinrich later indicated that discussion with the Director of the Charitable Trust Division revealed that our process is appropriate.)

Motion by Wilkes, second by Christensen to adjourn at 10:00 am passed 3-0-0.

Respectfully submitted,

Chris Christensen
Trustee Secretary/Treasurer