



**Trustees of Trust Funds
Meeting Minutes
Tuesday, August 27, 2013 at 8:30 AM
Conference Room, Merrimack Town Hall, East Wing**

The meeting was called to order at 8:30 a.m. Trustees present were Christensen and Wilkes. Also present were Tom Boland, the Deputy Finance Director for the Town of Merrimack, and Tom Gibson, prime grantor of the Timothy Gibson Memorial Scholarship Fund.

The minutes of June 14, 2013 were approved as distributed.

Disbursement of funds to the school district was approved pending receipt of a formal request/invoice. This is to close three funds as approved by the voters at the 2013 annual meeting, in the total amount of approximately \$67,000. A like amount will then be deposited by the School District in the school repairs CRF.

Tom Gibson was invited to participate in the discussion of the Timothy Gibson Memorial Scholarship Fund. The following amounts were noted from the June 30, 2013 report: Year end principal, about \$109,000; Year-end income, \$11,643. With a recent \$5000 donation, the fund total is about \$125,550. Currently a single \$3000 scholarship is awarded annually. The Gibson's Goal is to award two such scholarships. With present economic conditions, the Trustees agreed that this would not be sustainable. There was agreement that \$4000 might be sustainable. Mr. Gibson indicated that he would discuss with family and the school as to how this would best be handled: one award for \$4000, two for \$2000, or some other combination. Scholarship amounts are set in the early part of the year in anticipation of recognizing graduating seniors. We will reconsider the issue in January or February if requested.

As a result of sales while the markets were at high points, as well as accumulated dividends, some funds are cash heavy. It was agreed That cash should be rebalanced down to 15% by continuing or buy of UPS and WFC, about \$12500 each. Extra cash will be invested in either SDY or HDV depending on yield. Both are dividend oriented Exchange Traded Funds (ETF). It was also agreed that we should purchase \$50-75,000 of Royal Dutch Shell which has a yield of 4.8% and a P/E of 8, for Fund C. It was noted that Fund B remains heavy in utilities. No changes were recommended at this time as dividends remain strong and this fund needs to maintain income to support perpetual care needs.

Paul Micali stepped in to the meeting to discuss the ongoing audit. While there were a couple of questions, he reported that the reports were approved, and we could file accordingly. Some disagreements were noted with desires from the auditors vs. contrary opinions from the Attorney General's Office, with concurrence from the Department of Revenue Administration. These issues centered on reporting Trustee held funds as part of Town or School District assets. It was noted that the Trustee funds are open to public inspection, and that others could use the information as they see fit.

Approved: September 20, 2013

Trustees Christensen and Wilkes signed the MS-9 and MS-10 report cover sheets. Trustee Balcom will sign independently and the reports will be submitted to the State of New Hampshire by week's end.

A next meeting was not scheduled, pending contact with Jack Balcom.

There being no other business, the meeting was adjourned at 9:40 am.

Respectfully submitted,

Chris Christensen
Trustee Secretary/Treasurer