



TOWN OF WARNER

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Trustees of Trust Funds
Robert Blake
Judy Newman-Rogers
Dan Watts

Meeting Minutes Trustees of Trust Funds

April 7, 2023 Friday, 4:00 pm
Warner Town Hall 5 East Main St

1) Roll Call

The meeting was called to order at 4:02 p.m. Trustees in attendance included Robert Blake, Daniel Watts, and Judy Newman-Rogers.

2) Welcome and orientation of new trustee:

Mr. Blake congratulated Ms. Newman-Rogers and Mr. Watts on their elections as Trustees and thanked them for their willingness to serve the town in this capacity. The trustees discussed their fiduciary roles in overseeing the Capital Reserve Funds, Trust Funds, and Cemetery Trust Funds regarding the prudent investment of these monies and oversight of disbursements from these funds. The trustees agreed to continue their discussions of who will assume each position during the next meeting.

3) Updating bank investment account signing authorities and access:

Mr. Blake asked the Town Clerk to send Sugar River Bank (SRB) and Bar Harbor Investment Management letters confirming the names of the trustees and the length of each trustee's remaining term following the town election. Ms. Newman-Rogers and Mr. Watts will contact SRB to work through the process of becoming authorized signers on the accounts. Additionally, Mr. Watts will investigate the steps to be taken to replace outgoing trustee Kimberley Edelmann, as account administrator on the SRB online portal. The trustees will also work to add Ms. Newman-Rogers to the Fidelity Investment account.

4) Investment Policy Statements:

Mr. Blake reviewed draft revisions to the Trustee of Trust Funds Investment Policy Statement (IPS) he has been working on. The revisions breakout separate investment objectives for the Capital Reserve Funds, and the Trust Funds and Cemetery Trust funds, with the goal of better describing how the funds are being invested. Ms. Newman-Rogers and Mr. Watts will review the draft IPS and will provide Mr. Blake with suggested changes in advance of the next meeting.

5) Consideration of option to invest Capital Reserve Funds float in the NH Public Deposit Investment Pool (NHPDIP)

Mr. Blake discussed his research into investing funds in the NHPDIP. The NHDIP is considered an efficient, safe, and liquid investment option for municipal cash and capital reserve fund balances that currently yields close to 5% per annum. After discussion, Mr. Blake made a motion to approve account set-up application for the town's larger Capital Reserve Funds. Mr. Watts seconded the motion and the trustees voted unanimously to approve account set-up and to authorize Robert Blake to sign the account application. Following the vote, the trustees discussed their next steps to work on the application materials.

6) Revisions to MS-9:

Mr. Blake explained the MS-9 report submitted by outgoing trustee Kimberley Edelman had been rejected by the State of New Hampshire and required revision. The state cited two reasons for the rejection: (1) a 2022 withdrawal from the William Davis Fund of \$651.73 exceeded the accumulated interest balance of the fund, (2) investment expenses were allocated to funds that have negative accumulated income balances which is not permitted. The trustees discussed steps they will take to research the reporting discrepancies. Once the trustees understand the specifics of the discrepancies, they will likely call state officials responsible for overseeing trust funds, to discuss steps to correct the report.

7) Continuation of discussions to outsource the preparation of the MS-9 and MS-10 reports for 2023 to Bar Harbor Wealth Management:

Mr. Blake described conversations the trustees had over several meetings during 2022 to outsource preparation of the MS-9 and MS-10 reports. Bar Harbor Wealth Management (BHWM) manages the comingled investment portfolio for the trust funds and cemetery trust funds. BHWM performs this service for a number of other municipal clients and will do it for the Town of Warner for \$1,000 per year. The cost of this service was included in the approved Town budget for 2023. The trustees agreed to take needed steps to transition this work to BHWM over the months ahead.

8) Review of incoming mail and funding requests:

Ms. Newman-Rogers reported there has been no funding requests or other new mail received.

9) Adjournment:

Mr. Watts made a motion to adjourn the meeting at 5:25 and it was unanimously approved by the trustees.