

## Minutes

### TRUSTEES OF TRUST FUNDS

**September 21, 2022**

In attendance: Jan Cole, Karen Foss & Carol Walker

Absent: Mike Betley

The meeting commenced at 4:00 pm. Trustees reviewed transaction activity in both July and August since there was no meeting in August; however, no transactions occurred in July 2022.

The Trustees reviewed the July 31, 2022 Three Bearings/Fidelity Common Capital Reserve Fund (CRF) report with a beginning balance of \$2,310,814.04 on 7/01/2022. Dividend income of \$4,059.45 was received during the month. There was an increase in investment value of \$52,982.45 during the month but a year-to-date decrease in investment value of -\$129,852.33 resulting in an ending account value of \$2,363,796.49 at 7/31/2022.

The Trustees reviewed the July 31, 2022 Three Bearings/Fidelity Common Trust Fund (CTF) report with a beginning balance of \$311,492.87 on 7/01/2022. Dividend income of \$460.96 was received during the month. There was an increase in investment value of \$10,959.46 during the month but a year-to-date decrease in investment value of -\$26,072.62 resulting in an ending account value of \$322,452.33 at 7/31/2022.

The MS-9's for the period from 1/01 through 7/31/22 and for 7/1 through 7/31/22 were reviewed.

Transactions: August 2022

A summary of August 2022 transactions included a \$3,500.00 withdrawal of income from the Franconia Scholarship Fund (CTF) to reimburse the Town of Franconia for payment of a 2022 scholarship award. The Town issued a check in the amount of \$325,750.00 for the remaining funds approved at the 2022 Town meeting that was distributed among the following CRF's: \$7,100.00 Town Buildings Vehicle; \$5,700.00 Town Buildings & Grounds Equipment; \$39,800.00 Highway Department Truck; \$21,500.00 Highway Heavy Equipment; \$13,800.00 Police Cruiser; \$9,100.00 Life Squad Equipment; \$44,300.00 Fire Heavy Equipment; \$850.00 Frost Place Maintenance; \$40,000.00 Bridge Construction; \$75,000.00 Highway Improvement Fund; \$30,000.00 Town Building Maintenance Fund; \$21,000.00 Sidewalk Improvement Fund; \$1,100.00 Franconia Heritage Museum Maintenance Fund; \$5,000.00 Library Building Maintenance Fund; \$1,500.00 Dow Field; \$2,000.00 Rink Surface Maintenance Fund; \$5,000.00 Recreation Van; and \$3,000.00 Energy.

The Trustees reviewed the August 31, 2022 Three Bearings/Fidelity Common Capital Reserve Fund (CRF) report with a beginning balance of \$2,363,796.49 on 8/01/2022. August activity included what was noted in the preceding paragraph with a deposit from the Town per warrant articles approved at the 2022 Town meeting for a total of \$325,750.00 along with a \$20.00 transaction fee for the purchase of Vanguard S/T Investment Grade Admiral fund. After consulting with David Mayes at Three Bearings, the trustees decided to leave \$217,500.00 in cash since the town plans to use those funds in the next several months. The balance of \$109,178.00 was invested in Fidelity Short Term Treasury Bond Index, Fidelity 500 Index Fund and Vanguard Short Term Investment Grade Admiral Fund. \$3,096.15 in

dividend income was received in August. Finally, there was a decrease in investment value of -\$42,219.70 during the month with a year-to-date decrease in investment value of -\$172,072.03 resulting in an ending account value of \$2,647,306.79 as of 8/31/2022.

The Trustees reviewed the August 31, 2022 Three Bearings/Fidelity Common Trust Fund (CTF) report with a beginning balance of \$322,452.33 on 8/01/2022. Subtractions totaled \$3,500.00 in August for the reimbursement to the Town for payment of the 2022 scholarship award. Dividend income of \$519.70 was received during the month. There was a decrease in investment value of -\$7,407.07 during the month with a year-to-date decrease in investment value of -\$33,479.69 resulting in an ending account value of \$311,545.26 at 8/31/2022.

August 2022's MS-9 shows the result of accrued CRF quarterly advisor fees due to Three Bearings of \$2,987.43 that was netted against August 2022 dividends earned of \$3,096.15 resulting in net income of \$108.72 in the CRF for August 2022. Accrued CTF quarterly advisor fees of \$351.57 were netted against \$519.70 in dividends earned for the CTF resulting in net income of \$168.13 for August 2022 even though payments are not made until 9/5/22 on the respective Fidelity brokerage statements.

Minutes: Draft minutes for the July 13, 2022 Trustee meeting were reviewed and approved; Jan made a motion to accept the minutes as written with a second by Karen; all present voted in favor of approving the minutes. Carol will send the final minutes for July and draft minutes for September to the Town Administrator for posting to the Town's website.

Other/Old Business:

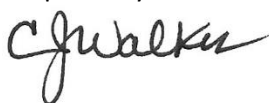
On July 27, 2022, the trustees met with David Mayes and Zachary Zwick of Three Bearings in a virtual meeting to review the current performance of Franconia's trust fund investments, consider other options available and agreed that funds coming from the Town should be held in cash accounts to avoid further losses rather than invest given the present volatile marketplace.

8/8/22 Jan received confirmation that all changes and updates to Franconia's Permanent File had been received and updated per Jamie Dow, Municipal Accounts Manager at NH DRA. She reports that Tom Donovan, Audrey Bodgett and Terry Knowles have retired from the AG's office, Charitable Trust Unit.

Jan has provided Linda Wakefield at Three Bearings with updates from Cemetery Trustees Mary Brubaker and Chris Collman's regarding further research to be conducted into the 1937 Willis B. Phillips and 1944 Marion J. Evans will from the Registry of Deeds office in Concord. Chris hopes to obtain a certified copy of the probate/wills to determine whether a cy pres petition or other corrective action is needed. Jan will ask the cemetery trustees for the 2022 mowing bill at the beginning of November.

There being no further business, the trustees adjourned the meeting at 5:00 pm. The next trustee meeting is scheduled for October 19, 2022 at the Town Hall beginning at 4 pm.

Respectfully submitted,



Carol J. Walker, Trustee