

**APPROVED**  
**TOWN OF GRANTHAM**  
**TRUSTEES OF TRUST FUNDS**  
**MEETING MINUTES**  
**April 11, 2017**

Trustee Lewis called the Tuesday, April 11, 2017 meeting of the Town of Grantham Trustees of Trust Funds (TTF) to order at 1:03 PM in the Jerry Whitney Memorial Conference Room in the Grantham Town Building located at 300 Route 10 South in Grantham.

**PRESENT:** Trustee James Coakley, Trustee Rob Fogg and Trustee Robert Lewis.

**REVIEW AND APPROVE MINUTES OF THE MARCH 21, 2017 TTF MEETING** – Motion by Trustee Fogg and seconded by Trustee Coakley to accept the March 21, 2017 TTF meeting minutes as written.

*Approved unanimously.*

**ADMINISTRATIVE**

**Cemetery Maintenance CRF withdrawal inquiry** – Trustee Lewis is continuing to research the origin of the Cemetery Maintenance Fund and Cemetery Development Fund to ascertain permissible uses of the funds and how withdrawals should be processed.

**Village District of Eastman Water Mains and Valves withdrawal inquiry** –VDE Business Manager Lewis inquired if funds in the Water Mains and Valves account can be used to purchase miscellaneous safety equipment including traffic cones, barricades and other safety equipment used when working in roadways during water main repair work. In fulfilling its responsibilities under RSA § 31:25 to administer trust funds the Trustees are obligated to follow the purpose as adopted by VDE voters for each fund. The DRA Municipal Accounts Advisor has previously advised that Capital Reserve Funds are established for large purchases such as vehicles, fire/police/highway equipment, construction of new buildings, etc. and Expendable Trust Funds are used more for the maintenance or operation of a facility. In both instances, the Municipal Accounts Advisor emphasized that there should be clearly stated purpose at the time the fund is established for what the money can be used. The purpose for which funds in the Water Mains and Valve fund may be used was addressed in Article 7 at the April 7, 2016 Village District of Eastman Annual Meeting. Article 7 as written stated “To see if the Village District of Eastman will vote to repurpose the previously-established Water Mains and Valves Maintenance Expendable Trust Fund to include all purchases of material and contract services required to maintain the water distribution system and to designate the Commissioners as agents to expend from the fund.” The meeting minutes indicate the article passed unanimously.

Based on the stated purposed in Article 7, the Trustees, following discussion, concluded that traffic cones, barricades and other safety equipment is not a permissible use of funds in the Water Mains and Valves ETF for the following reasons:

1. Traffic cones, barricades and other safety equipment are not “clearly stated” as a permissible use of the funds. Article 7 states that funds are to be used to purchase “material and contract services required to maintain the water distribution system....” There is no indication in the meeting

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minutes of any discussion or suggestion that roadway safety equipment was included in the terms of the Article.

2. Article 7 states that funds are to be used “to maintain the water distribution system.” In all likelihood the roadway safety equipment will be used when VDE employees install or repair sewer collection, distribution and disposal facilities and equipment. This could be viewed as an inappropriate taxpayer-provided subsidy to the sewer operations.
3. Traffic cones, barricades and other safety equipment do not appear to be a “large purchase.” These items are more appropriately classified as miscellaneous supplies and equipment such as wrenches, hammers, pliers and other tools used in ordinary day-to-day maintenance and service activities for both water distribution and sewer facilities and should be expensed from the operating budget.

## **BOOKKEEPER’S REPORT**

**VDE withdrawals** – Trustee Lewis delivered the following checks to the VDE office on March 27 for withdrawals approved at the March 21, 2017 Trustee meeting:

<u>Account Name</u>	<u>Amount</u>
VDE Meter Replacement Fund	\$ 973.93
VDE Water Storage Tank Repair Fund	\$ 6,490.00
VDE Water Mains and Valves Fund	\$ 10,179.52
VDE Waste Water Collection Fund	\$ 3,995.00

## **OLD BUSINESS**

## **NEW BUSINESS**

**ADJOURNMENT** - Motion by Trustee Fogg, seconded by Trustee Coakley and approved unanimously to adjourn at 1:26 PM. The next Trustee meeting is scheduled for May 9, 2017 at 1:00 PM in the Jerry Whitney Memorial Room.

Respectfully submitted,  
James F. Coakley, Trustee  
Robert E. Fogg, Trustee  
Robert A. Lewis, Trustee