

APPROVED
TOWN OF GRANTHAM
TRUSTEES OF TRUST FUNDS
MEETING MINUTES
June 13, 2017

Trustee Lewis called the Tuesday, June 13, 2017 meeting of the Town of Grantham Trustees of Trust Funds (TTF) to order at 12:57 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.
Ann O’Clair, VP Chief Financial Officer, Sugar River Bank
Angela MacCreighton, Branch Supervisor, Sugar River Bank.

REVIEW AND APPROVE MINUTES OF THE MAY 9, 2017 TTF MEETING – Motion by Trustee Coakley and seconded by Trustee Fogg to accept the May 9, 2017 TTF meeting minutes as written. *Approved unanimously.*

REVIEW AND APPROVE MINUTES OF THE JUNE 2, 2017 TTF MEETING – Trustee Coakley suggested revising the second sentence of the first paragraph of the discussion of the Charter Trust Investment Proposal. The Draft minutes indicate “Because Lake Sunapee Bank is no longer a New Hampshire state-chartered bank...” Trustee recommended that the sentence be revised to “Because of the merger with Bar Harbor Bank and Trust, which is a Maine chartered bank...” Motion by Trustee Coakley and seconded by Trustee Fogg to accept the June 2, 2017 TTF meeting minutes as revised. *Approved unanimously.*

ADMINISTRATIVE

Trustee Resignation – On May 15, 2017 Trustee Lewis submitted his resignation as a member of the Grantham Trustees of Trust Funds effective June 30, 2017.

Lake Sunapee Bank merger with Bar Harbor Bank – On May 24, 2017 Trustees Coakley, Fogg and Lewis, Town Administrator White and Dunbar Free Library Treasurer Tod Huston met with William J. McIver, EVP Regional President, NH/VT for Bar Harbor Bank & Trust and Dennis Driscoll to review the impacts of the recent merger of Lake Sunapee Bank with Bar Harbor Bank & Trust. The merger resulted in Lake Sunapee Bank becoming a Maine state-chartered bank. New Hampshire statute requires that Trustee accounts be deposited in a New Hampshire state-chartered bank. Because Bar Harbor Bank and Trust, of which Lake Sunapee Bank is a subsidiary, is a Maine state-chartered Bank, the Trustees need to select a different bank institution for Trustee accounts to comply with the New Hampshire statute. Mr. McIver confirmed that Trustee accounts currently deposited at Lake Sunapee Bank are still covered by the 2013 Collateralization Agreement and that all funds are safe. Trustee Fogg

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initiated an inquiry with Sugar River Bank to submit a proposal to become the depository bank for Trustee accounts for consideration by the Trustees. Mr. McIver will contact Charter Trust, a New Hampshire state-chartered trust company which is a subsidiary of Lake Sunapee Bank, to submit a proposal for consideration by the Trustees. The Trustees met with Charter Trust representatives on June 2, 2017. Minutes of that meeting are available separately.

BOOKKEEPER'S REPORT

SAU # 75 REQUEST TO CLOSE SALE OF LEASED LAND ACCOUNT – On May 22, 2017 Trustee Lewis delivered a \$650.88 check to the SAU # 75 office. This check represents the balance from request of SAU # 75 to close the Sale of Leased Land account which was approved at the May 9, 2017 Trustee meeting.

SAU # 75 SCHOLARSHIP REQUESTS

- **JACKSON P. AND MATHILDE E. ENGLISH SCHOLARSHIPS** - On May 18, 2017 Trustee Coakley delivered two checks to the SAU # 75 office for the following Jackson P. and Mathilde E. English Educational Trust Fund scholarships as requested by SAU # 75 and approved at the May 9, 2017 meeting of the Grantham Trustees of Trust Funds:
 - Graham Chickering – \$300.00
 - Julianne Borger \$300.00

- **GLENN HUDSON MEMORIAL FUND AWARD** - On May 18, 2017 Trustee Coakley delivered a check to the SAU # 75 office the following recipient of the 2017 Glenn Hudson Memorial Fund award as requested by SAU # 75 and approved at the May 9, 2017 meeting of the Grantham Trustees of Trust Funds.
 - RACHEL BARDEN - \$300.00

OLD BUSINESS

NEW BUSINESS

Sugar River Bank depository Bank Proposal – Sugar River Bank VP, Chief Financial Officer Ann O'Clair presented a proposal for consideration by the Trustees for Sugar River Bank to become the depository bank for all Trustee accounts. The proposal included the offer of a favorable interest rate for the first year of the account relationship. The proposal also included a commitment to provide security for account in excess of the \$250,000 FDIC insurance coverage through either an agreement to secure deposits with municipal bonds held by the Bank or an Insured Cash Sweep Service agreement. The accounts will be established as statement savings accounts to assure ready access to the funds. The Trustees inquired about the format of bank statements to assure the continued ease of use in ongoing record keeping.

Review and acceptance of Sugar River Bank proposal – The Trustees thoroughly discussed the proposals provided by Charter Trust and Sugar River Bank. Charter Trust proposed that the Trustees retain Charter Trust as an investment advisor for the purpose of investing Trustee funds in market

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securities. Charter Trust would charge a fee to serve as the investment advisor. Investment options would be based on whether the funds are taxpayer-provided or private funds. The value of funds invested with Charter Trust would be subject to market fluctuations.

Sugar River Bank proposes to serve as a depository bank for Trustee accounts. The proposal is to treat Trustee accounts as savings account earning a favorable interest rate. Sugar River Bank also proposes to provide security to assure the safety of Trustee funds in excess of FDIC-insurance coverage. As savings accounts earning a favorable interest rate, the value of the funds is not subject to market fluctuations.

It is the responsibility of the Trustees to invest Trust funds to assure, to the greatest extent possible, the security of those funds. The Trustees must also insure that funds will be readily available when requested by the Town of Grantham, SAU # 75 or the Village District of Eastman. The Trustees also seek to maximize the return earned on Trustee funds. The Trustees are uncomfortable that the Charter Trust proposal fails to meet these criteria. The Trustees are concerned that market fluctuations might erode the value of funds that the Town of Grantham, SAU # 75 and the Village District of Eastman rely on. After thorough discussion, Trustee Fogg moved to accept the Sugar River Bank proposal. Seconded by Trustee Coakley. *Approved Unanimously.*

ADJOURNMENT - Motion by Trustee Fogg, seconded by Trustee Coakley and approved unanimously to adjourn at 1:37 PM. Due to the unavailability of Trustee Coakley because of a scheduling conflict in July and the resignation of Trustee Lewis, there will be no Trustee meeting in July. The next Trustee meeting is scheduled for August 8, 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