

**Minutes of Trustees of the Trust Funds Meeting  
October 25, 2022**

Wheelwright Room, Exeter Town Offices, Exeter, NH, 9:30 a.m.

**Attendees:** Peter Lennon and Pat Curtis, Trustees; Lyn Gelinas, Senior Vice President of Government Banking, Citizens Bank

Mr. Lennon opened the meeting at 9:30.

Review of previous meeting's minutes: N/A

**Agenda:**

**I. Request for reimbursement.**

The first item of discussion was the Exeter Regional Cooperative School District's (ERCSD) request for reimbursement of \$150,000 from the ERCSD's Capital Reserve Fund to resurface the Exeter High School's running track, which was accomplished in the summer.

Mr. Lennon posed two questions to open the discussion: 1) Is the Capital Reserve Fund an appropriate source for the reimbursement? and 2) Should the ERCSD School Board tap into the Maintenance Trust Fund rather than the Capital Reserve?

Mr. Curtis opined that the resurfacing project was not a capital expense but a maintenance expense. The ERCSD School Board should have discussed the distinction before electing to spend capital funds on the project.

Mr. Lennon countered that such an expense was akin to the Department of Defense using Military Construction funds to resurface a runway, instead of using day-to-day Operations and Maintenance funds. In essence, it could be argued that the School Board could have used either fund for this project. Mr. Curtis saw Mr. Lennon's point and agreed.

Mr. Lennon called for a vote of the Trustees to allow the reimbursement. It passed unanimously.

Following the vote, Mr. Curtis added that he would like to have a discussion with the finance officers of the ERCSD to better understand the decision-making process of choosing funding sources for projects.

## II. Banking Options

The second item was to find out how Citizens Bank provides banking and reporting services for the Town of Exeter. Mr. Lennon and Mr. Curtis are exploring alternative banking services for the Trust Funds in order to ease current “pain points” in accounting and reporting with the Trustees’ current bank, M&T Bank, which recently acquired the Trustees’ previous bank, People’s United.

Mr. Lennon outlined the problematic nature of the transition from People’s United to M&T Bank, especially with respect to the new bank’s delay in providing the Trustees on-line access to Exeter’s trust funds and to the new bank’s use of a less flexible and less detailed reporting system.

Ms. Gelinas outlined the capabilities of Citizens’ accessESCROW ® program, which allows a government organization to create a master account with any number of sub accounts that are either interest bearing or non-interest bearing. Ms. Gelinas spoke about check writing procedures, online access, and account setup times.

Mr. Lennon mentioned that the Trust Funds have 119 sub-accounts. He needs the ability to easily segregate, sort, and report on each account’s status, to include end-of-month balances. Currently, M&T Bank’s reports do not allow him the flexibility nor detail to put together reports in a timely manner. Under the previous bank, People’s United, each monthly report took at least 3 hours of cutting, pasting, and sorting before a readable spreadsheet was ready for the Town of Exeter. M&T Bank’s current reporting formats would add 1-2 days to that process.

Ms. Gelinas mentioned that the accessESCROW program allows accounts holders to download data online in a .csv (comma separated value) file, which can be saved as a MicroSoft Excel file. From that file, one can sort and parse data for appropriate reporting.

Ms. Gelinas said that the first \$250,000 of the funds are FDIC insured, and the remaining balance would be collateralized by the Bank of New York Mellon. There are no account fees, although “check stock” (paper checks) is not free. There is no minimum balance. Setup would take about a month. She added that Citizens could place the accounts in interest-bearing vehicles, which are currently netting just under 2 percent. Funds with over \$5 million could garner a higher interest rate.

Ms. Gelinas passed out a marketing pamphlet and offered an online demonstration via WebEx. Mr. Lennon and Mr. Curtis said that such a demonstration on a Monday would be preferable. Ms. Gelinas asked for a sample output spreadsheet that Mr. Lennon puts together, and said she would get back to Mr. Lennon and Mr. Curtis via email to schedule a demonstration. Ms. Gelinas departed the meeting.

### **III. New Business.**

In order to make more timely decisions on reimbursement requests, Mr. Lennon proposed an outline of how future reimbursement requests should come to the Trustees. The Trustees decided unanimously they should discuss with the Select Board and School Board(s) or their respective staffs that, going forward, each first request for reimbursement from a particular trust fund should have the following elements:

- 1) The underlying Warrant Article, explanatory Fact Sheet, Voting Tally, and date of the vote which established the Fund, or the date, text, and any accompanying explanatory information as to the purpose of a bequest that established a particular trust fund,
- 2) The section of the Minutes and vote tally for the Select Board or School Board(s) when they approved the specific expenditure of the Town or School funds to be reimbursed.
- 3) Purpose of the funds,
- 4) Invoices for the project or service rendered,
- 5) Proof that the project or service was completed.

Any subsequent reimbursement requests from a particular trust fund would not require submission of the information listed in the first element, as the Trustees intend to build a “library” of underlying trust fund/bequest texts for future reference.

The Trustees also decided unanimously to discuss with the Select Board and the School Board(s) or their respective staffs that requests be submitted in digital and in paper hard copy format.

### **IV. Future Tasks**

- Trustees need to schedule a meeting with ERCSD Finance Office to discuss the decision-making process for reimbursement requests.
- Trustees need to ask M&T Bank for a higher interest rate. the Trusts are currently garnering about 0.5%.
- Trustees will need to find out what other local banks offer for service. They decided to research Cambridge Bank, Northeast Credit Union, and Kennebunk Savings.
- Trustees will sort through the Trust files located in the Town Offices in order to separate them by year and, if possible, reduce the volume of reports no longer needed.

**V. Adjournment.** Meeting adjourned by unanimous vote at 11:20 a.m.