

**Minutes of Trustees of the Trust Funds Meeting
January 13, 2023**

Wheelwright Room, Exeter Town Offices, Exeter, NH, 8 am – about 9:20 am.

Attendees: Pat Curtis, Peter Lennon, Trustees; Clerk for the Meeting, Mr. Lennon.

Agenda:

I. Requests for Reimbursement. The Trustees reviewed, discussed, and approved by a 2-0 vote a reimbursement request of \$2,000 from the Wheelwright Trust Fund for college scholarships from the Exeter Regional Cooperative School District. Trustees noted that the Reimbursement Request was accompanied by sufficient detail, including the student’s application, School Board minutes, and a copy of the check to the four-year institution, the University of New Hampshire.

II. Preparation, Review and Approval of Trustee’s Submission for the Exeter Town and School Annual Report. The Trustees discussed at length their annual chart for the Town Report. In the recent past, the Trustees have submitted a chart for all Trust Funds within their oversight purview showing Beginning and Ending Balances, Total Deposits and Withdrawals, and Interest Earned for the following Trust Funds: Cemetery, Town, Library, Exeter School District, and Exeter Regional Cooperative School District.

The Trustees Draft chart contained 45 separate Trust Fund line items, and the Trustees determined that their financial data and the Bank’s data agreed for 43 of the 45 line items. The remaining two line items required further examination at the meeting because the ending balances in each differed between the Trustees’ preliminary data and the Bank’s data.

Mr. Lennon explained that the Draft chart was built as follows:

- “Principal” entries were carried over from the same entries in the 2021, 2020, and 2019 annual Town and School Reports.
- “Beginning Balances” were carried over from the “Ending Balances” in the December 2021 bank statement.
- “Total Deposits” and “Total Withdrawals” were derived from actual deposit slips, bank statements, the checkbook register, and the Trustees’ monthly reports.
- “Interest Earned Year to Date” and “Ending Balances” were derived from the December 2022 bank statement summary.
- “Ending balances were verified by using the “SUM” function in Microsoft Excel to add positive and negative entries across columns.

Mr. Lennon explained further that overall “Totals” on the chart were generated by adding and subtracting using an electronic hand calculator, a paper tape printing calculator, and the Excel SUM function. The Excel SUM function was used to check totals by adding vertically within a single column. Line-item column entries were checked several times against the source documents, and the Excel SUM function also was used several times to verify totals.

Mr. Curtis asked whether the fund with the largest difference (\$8,038.92), the Swasey Parkway Maintenance Fund, received four deposits yearly as opposed to the two deposits reflected in the Trustees' Draft chart. Further review of past People's United Bank statements indicated that electronic deposits from an Ohio-based bank are quarterly, which resolved the discrepancy.

The other discrepancy was a \$0.30 difference between Trustees' data and bank data in the Town's Transportation Trust Fund, and the Trustees resolved it by accepting their own data.

The Trustees then approved the Annual Report chart by a 2-0 vote.

In discussing how to further enhance their monitoring of monthly Trust Fund status, Mr. Lennon stated that he would ask the M&T Bank Relationship Manager about further revisions to the formats for bank-supplied data to better mirror the monthly and annual report charts the Trustees submit to their claimants (Town of Exeter, Cemetery and Library Trustees, Exeter School District, and Exeter Regional Cooperative School District.).

Mr. Curtis asked whether M&T Bank can furnish its data to QuickBooks with a view toward using that accounting software to enhance further the Trustees' oversight of the Trust Funds. The Trustees agreed to consult with the M&T Bank Relationship Manager to explore any such possibilities.

III. State Reports MS-9 and MS-10. The Trustees discussed that the statutorily required *MS-9 Report of Trust and Capital Reserve Funds* and the *MS-10 Report of Common Fund Investments* must be submitted by March 1, 2023 to the NH Department of Revenue Administration (DRA) and to the NH Attorney General.

They agreed to consult with the former Lead Trustee to determine how to update electronically the 2021 reports with 2022 data.

IV. Recruiting a Third Trustee. The Trustees discussed their efforts to recruit a third, statutorily established Trustee. They agreed that actions required to address several important open issues should be postponed until selection of a third Trustee. These open issues include drafting Trustees 2023 Goals and Objectives, updating and submitting for consideration to the Trustees claimants the Trust Funds investment policy, and evaluating alternative investments and banking arrangements.

The Trustees discussed two possible Third Trustee candidates:

- A recently retired airline pilot with significant commercial and military aviation experience; she also is a long-time Exeter resident.
- A retired former Assistant Secretary for International Affairs in the US Department of Homeland Security and former US Ambassador to Honduras; he also is an Exeter resident.

The Trustees decided to explore the interest of the first candidate initially, and depending on her willingness to serve, to explore the interest of the second candidate.