

Date Approved _____

Date Approved with changes _____

Town of Effingham Trustees of Trust Funds Meeting
68 School Street, Effingham, NH

Minutes of September 4, 2019

Meeting called to order at 4pm

Present: Trustees Karen Payne (chair), Carol Pfister and Theresa Swanick. Town Administrator Brian Burke attended a portion of the meeting.

Approval of minutes

- Carol motioned to approve minutes of 7.29.19, Karen seconded, all in favor.
1. A stack of 2016 collateral deposit statements that surfaced in the office was brought to the Trustees attention, from the Bank of NY Mellon, addressed to the Trustees, to David Manley's attention, a former Trustee. The Bank of NY Mellon has provided collateral guarantee funds to the Trust Funds for many years. When the Trustees changed bank from Citizens, on 11/23/15, the guarantee account NY Mellon provides for the trust funds also changed, clearly stating the new accounts at TD Bank. The 2016 statements, although addressed to the Trustees, still indicate Citizens bank, which may have comingled the collateral for the trust funds and town general funds. Trustee Chair Karen Payne had attempted at least three times to alert NY Mellon of the need to change the old statements to no longer be addressed to the Trustees since we clearly were getting new statements properly addressed with the new bank indicating the new location of trust funds. At any rate, Trustees have only retained old NY Mellon statements for Citizens bank through 11/23/15. The more recent collateral statements for Citizens Bank have been left with the town administrator.
 2. Town Administrator, Brian Burke, attended part of the meeting. Trustees discussed the informal request he had made for us to consider changing banks in case the combined total of town general funds and trust funds would allow the town to realize a better interest rate for funds deposited. First, it is not clear there would be sufficient funds in total to garner a better interest rate. Second, the town has not yet interviewed TD Bank, where trust funds currently reside, to consider that bank as their option. Third, the Trustees rely on bank ratings (see attached) to choose a trustworthy bank: TD Bank is rated very highly while Bank of NH has received no preferred rating. Finally, Trustees stated that the town can make such a move of town general funds for their own cost savings, independent of the trust funds. Trustees would consider a change in banks in the future if they learn of an equivalently trustworthy place for trust funds, with a demonstrated track record of security and benefits for the trust funds.
 3. Carol researched the Uninsured Loss Trust Fund and learned it is intended to cover small personal losses for emergency personnel, when compensation does not make sense to utilize insurance policy for reimbursement. An example from the past is replacing broken eyeglasses.
 4. Carol and Theresa will decide on a work session soon to review recent disbursements from the town general fund to trust funds and arrange deposit of those funds.

Adjournment

- Carol motioned to adjourn, Karen seconded, all were in favor, at 5:45pm.

*Minutes are considered DRAFT until approved at a future regular meeting of the Trustees of Trust Funds.
Any changes or corrections will be noted in the next meeting minutes.*