

TOWN OF GRANTHAM – TRUSTEES OF THE TRUST FUNDS

**MEETING MINUTES
September 10, 2009**

This meeting of the Trustees of the Trust Funds (“TTF”) was called to order at 9:10 AM on Thursday, September 10, 2009. The meeting was held in the Grantham Town Building, Jerry Whitney Memorial Conference Room at 300 Route 10 South. A continuing notice is posted on Grantham’s public access channel and the Town Calendar on the Town’s website, and on Thursday, September 3rd paper notices were posted at Grantham’s Town Hall and Post Office.

Present: Trustee Kristina Burgard; and Trustee Don Noordsy

Administrative

- Review & Approval of August 20, 2009 Meeting Minutes

Ms. Burgard opened discussion on the draft August 20, 2009 Meeting Minutes. There were no comments or revisions requested. Mr. Noordsy moved to approve the August 20, 2009 Meeting Minutes as written; second by Ms. Burgard. There was no further discussion.

Approved by unanimous vote.

- Confirmation of MS-9 & MS-10 Filing

Ms. Burgard confirmed that the MS-9 & MS-10 Annual Reports for FY2008-2009 were signed by all three Trustees, and mailed to the Department of Revenue Administration and Department of Justice, Charitable Trust Unit, on August 20, 2009. Return Receipts for each were received and are in the file. That same day, copies were provided to each of the Town Selectmen, Grantham School District, and the Village District of Eastman.

New Business

- VDE Deposit Request –

Ms. Burgard opened discussion on a letter received from the Village District of Eastman Commissioners (“VDE”), accompanied by one check for Fifty Eight Thousand Dollars (\$58,000), which requests the Trustees make the following contributions to various VDE Funds:

- a.) \$10,000 into Inventory Hardware Capital Reserve Fund

Ms. Burgard noted that this is the full amount authorized by approved Warrant Article 3 of the 2009 Village District of Eastman Annual Meeting.

- b.) \$6,000 into Office Equipment Capital Reserve Fund

Ms. Burgard noted that this is the full amount authorized by approved Warrant Article 5 of the 2009 Village District of Eastman Annual Meeting.

- c.) \$5,000 into Well Renovation Capital Reserve Fund

Ms. Burgard noted that this is the full amount authorized by approved Warrant Article 8 of the 2009 Village District of Eastman Annual Meeting.

APPROVED

d.) \$5,000 into Office Building Capital Reserve Fund

Ms. Burgard noted that this is the full amount authorized by approved Warrant Article 17 of the 2009 Village District of Eastman Annual Meeting.

e.) \$15,000 into Security Improvements Capital Reserve Fund

Ms. Burgard noted that this is the full amount authorized by approved Warrant Article 13 of the 2009 Village District of Eastman Annual Meeting.

f.) \$6,000 into Water Audit/Leak Study Capital Reserve Fund

Ms. Burgard indicated that the Water Audit/Leak Study Capital Reserve Fund is a new fund created by approved Warrant Article 9 of the 2009 Village District of Eastman Annual Meeting, and the requested deposit amount is the full amount appropriated in that warrant article.

g.) \$6,000 into Water Treatment Facility Operations Study Capital Reserve Fund

Ms. Burgard indicated that the Water Treatment Facility Operations Study Capital Reserve Fund is a new fund created by approved Warrant Article 10 of the 2009 Village District of Eastman Annual Meeting, and the requested deposit amount is the full amount appropriated in that warrant article.

h.) \$5,000 into Building Maintenance Fund Capital Reserve Fund

Ms. Burgard indicated that the Building Maintenance Fund Capital Reserve Fund is a new fund created by approved Warrant Article 11 of the 2009 Village District of Eastman Annual Meeting, and the requested deposit amount is the full amount appropriated in that warrant article.

Mr. Noordsy inquired about how to process only one check for deposits into eight (8) different funds. Ms. Burgard responded that the VDE was advised in the past that they should be submitting separate checks for each Fund, but provided all deposits are made to MBIA accounts, the Trustees can submit one check to MBIA with a request that indicates how the funds are to be split between various MBIA accounts. The five (5) existing Funds for which deposit requests are pending all have existing MBIA accounts, and with regard to the new Funds, the Trustees must first create new MBIA accounts before sending the deposit request.

There being no further discussion, Mr. Noordsy moved to establish each of the new VDE Funds, namely the Water Audit/Leak Study Capital Reserve Fund, the Water Treatment Facility Operations Study Capital Reserve Fund, and the Building Maintenance Fund Capital Reserve Fund, and open MBIA accounts for the same, and to make each of the eight (8) deposits as requested by the VDE; second by Ms. Burgard. There was no further discussion.

Approved by unanimous vote.

- VDE Voucher for Payments

Ms. Burgard opened discussion on eight new Voucher for Payment requests received from the VDE. She noted that for ease of reference, Vouchers are assigned "VP" sequential numbers as they are received.

APPROVED

1) VP-001: \$975 from Security Improvements Capital Reserve Fund

Ms. Burgard noted that as of 8/31/09, the balance in this Fund was \$1,343.81. Mr. Noordsy indicated that the supporting documentation appeared to be in order and within the purpose of this Fund.

There being no further discussion, Ms. Burgard moved to approve the \$975 withdrawal requested in VP-001, and to authorize request of a check for that amount from this Fund's MBIA account for transmittal to the VDE; second by Mr. Noordsy. There was no further discussion.

Approved by unanimous vote.

2) VP-001A: \$5,582 from Security Improvements Capital Reserve Fund

Ms. Burgard noted that as of 8/31/09, the balance in the MBIA account for this Fund is insufficient to submit a withdrawal request; however, as discussed and approved earlier in this Meeting, \$15,000 is being added to this account. It generally takes about 7-10 business days from mailing to receive confirmation of a deposit from MBIA. Mr. Noordsy pointed out that once those funds are confirmed in the account, there will be sufficient funds to cover the requested withdrawal amount, and that the supporting documentation appeared to be fine and within the purpose of this Fund.

There being no further discussion, Ms. Burgard moved to approve the \$5,582 withdrawal requested in VP-001A, and to authorize request of a check for that amount from this Fund's MBIA account once confirmation of the \$15,000 deposit is received from MBIA; second by Mr. Noordsy. There was no further discussion.

Approved by unanimous vote.

3) VP-002: \$6,150 from Well Renovation Capital Reserve Fund

Ms. Burgard noted that as of 8/31/09, the balance in this Fund was \$11,154.11, and that the supporting documentation appeared to be in order and within the purpose of this Fund.

There being no further discussion, Mr. Noordsy moved to approve the \$6,150 withdrawal requested in VP-002, and to authorize request of a check for that amount from this Fund's MBIA account for transmittal to the VDE; second by Ms. Burgard. There was no further discussion.

Approved by unanimous vote.

4) VP-003: \$4,500 from Building Maintenance Fund Capital Reserve Fund

Ms. Burgard indicated that this is one of the new Funds the Trustees just discussed and approved for establishment and deposit of \$5,000 into a new MBIA account. Thus, a Withdrawal By Check cannot be submitted until the MBIA account is established and the approved \$5,000 deposit is received and credited to the account. Mr. Noordsy indicated that the supporting documentation appeared to be in order and within the purpose of this Fund, and that the requested amount is less than the balance that will be in this Fund's account once the deposit is received.

APPROVED

There being no further discussion, Ms. Burgard moved to approve the \$4,500 withdrawal requested in VP-003, and to authorize request of a check for that amount from this Fund's MBIA account once confirmation of the \$5,000 deposit is received from MBIA; second by Mr. Noordsy. There was no further discussion.

Approved by unanimous vote.

5) VP-004: \$74 from Office Equipment Capital Reserve Fund

Ms. Burgard reported that as of 8/31/09 the balance in this Fund was \$6,301.68 so there are sufficient funds to cover the requested withdrawal; however, the supporting documentation is only a summary invoice without any details of what was purchased. Mr. Noordsy noted that the summary invoice appears to reference a separate invoice for the \$74 purchase.

There being no further discussion, Mr. Noordsy moved to contingently approve the \$74 withdrawal requested in VP-004 subject to the Trustee's receipt of a more detailed invoice or receipt confirming the purchase is within the purpose of this Fund, and upon receipt of the same, to authorize request of a check for \$74 from this Fund's MBIA account for transmittal to the VDE; second by Ms. Burgard. There was no further discussion.

Approved by unanimous vote.

6) VP-005: \$225 from Office Equipment Capital Reserve Fund

Ms. Burgard indicated that VP-005 was withdrawn by the VDE prior to the Meeting.

The reason for this is that in preparation for the Meeting, Ms. Burgard noticed that the supporting documentation accompanying VP-005 clearly shows that the requested amount relates to IT consulting services for security improvements. Thereafter, she spoke with Village District Manager Bill Weber regarding VP-005 and pointed out that the purpose of this Fund is for the purchase of office equipment. Mr. Weber agreed that services such as this would not be within that purpose, and indicated that he was withdrawing VP-005. He also indicated that the VDE intends to submit a new voucher request for this invoice from the Security Improvements Capital Reserve Fund.

VP-005 was WITHDRAWN by the VDE.

7) VP-006: \$1,995 from Office Equipment Capital Reserve Fund

Ms. Burgard noted that as previously mentioned earlier in this Meeting, the balance in this Fund is sufficient to cover the amount requested in VP-006, but the supporting documentation appears to relate to two separate items; namely, purchase of PDA equipment used by the VDE to record customer water usage, and purchase of a single user license for water tracking software. She indicated that in her experience, software licenses are not deemed office equipment. Mr. Noordsy confirmed that was his experience as well, but noted that in this instance, the software is the VDE's sole means of recording and billing customers for water usage, so it is a necessary tool for performing the primary function of the Village District.

APPROVED

Ms. Burgard suggested that prior to acting on VP-006, the opinion of the VDE's auditors should be sought with regard to whether they deem software licenses office equipment. Mr. Noordsy agreed.

There being no further discussion, Ms. Burgard moved to suspend deciding on VP-006 until the Trustees receive further information from the VDE's auditors, and to place VP-006 on hold until such time; second by Mr. Noordsy. There was no further discussion.

The motion to suspend a decision was unanimously approved.

8) VP-007: \$1,512 from Office Equipment Capital Reserve Fund

Ms. Burgard indicated that VP-007 was withdrawn by the VDE prior to the Meeting.

The reason for this is that in preparation for the Meeting, Ms. Burgard noticed that the supporting documentation for VP-007 clearly shows that the requested amount relates to clerical services relating to data entry. She spoke with Village District Manager Bill Weber regarding VP-007 and pointed out that the purpose of this Fund is for the purchase of office equipment. Mr. Weber agreed that these services did not constitute purchase of office equipment, and indicated that he was withdrawing VP-007.

VP-007 was WITHDRAWN by the VDE.

• VDE Request to Relocate Funds from Two Funds

Ms. Burgard opened discussion on a request from the VDE that the Trustees relocate money from MBIA accounts for two Funds to new, local savings accounts for those Funds. Specifically, the VDE would like a) \$62,000 from the MBIA account for the Water Main & Valve Expendable Trust Fund moved to a local savings account, and b) \$62,000 from the MBIA account for the Pressure Reducing Station Capital Reserve Fund moved to a local savings account.

Ms. Burgard reported that Village District Manager Bill Weber contacted her and indicated that the VDE is getting ready to start a project relating to Water Main & Valve Maintenance and a Pressure Reducing Station that should be completed in October some time. He is concerned about delays in getting reimbursed from the applicable Funds due to the processing time associated with withdrawals from MBIA accounts, and he feels VDE cannot operate with such large amounts (approximately \$125K) taken from the General Fund and not reimbursed in short order. Thus, Mr. Weber requested that the Trustees consider moving \$62K from the MBIA accounts for each of these Funds, and placing those funds into two new savings accounts at a local bank. That way, at least the 7-10 business day time period needed for MBIA to process and mail a check to the Trustees can be avoided.

Mr. Noordsy commented that this seemed like a reasonable request, and pointed out that the Trustees currently have a number of VDE accounts at Sugar River Bank so perhaps that would be the best local bank to use. Ms. Burgard noted that the VDE have at least one of their General Fund checking accounts at Sugar River Bank, so it would make sense to open the new savings accounts for these two Funds at that bank.

APPROVED

There being no further discussion, Ms. Burgard moved to transfer \$62,000 from the MBIA account for the Water Main & Valve Expendable Trust Fund to a new savings account for this Fund at Sugar River Bank, and \$62,000 from the MBIA account for the Pressure Reducing Station Capital Reserve Fund to a new savings account for this Fund at Sugar River Bank; second by Mr. Noordsy. There was no further discussion.

Approved by unanimous vote.

Adjournment

There being no further business, Mr. Noordsy moved to adjourn, and Ms. Burgard seconded; **the Trustees voted unanimously to adjourn at 9:53AM.**

The next Trustee of the Trust Funds regular meeting is scheduled for Thursday, October 15, 2009, at 9AM in the Grantham Town Building, Jerry Whitney Memorial Conference Room.

Respectfully submitted,
Kristina Burgard
Trustee