

**Town of Pembroke
Trustees of Trust Funds
DRAFT - Minutes of the Meeting of:**

June 7, 2010 - Held at Town Hall - 7:00 PM

ATTENDANCE:

**GERARD FLEURY - Chairman - TRUSTEE OF TRUST FUND
NORMAND PROVENCHER - TRUSTEE OF TRUST FUND
DAN CREAN - TRUSTEE OF TRUST FUNDS**

FRANK H. ANDERSON - VP & Senior Trust Officer - Citizens Bank

The meeting was called to order at 7:05 PM.

The first order of business was organization for the coming year. Mr. Fleury explained that while he uses the title, Chairman of the Trustees of Trust Funds that no such title officially exists. In order to create a semblance of order, he opened the meeting to nominations for the role of chairman and record keeper. Mr. Provencher offered Mr. Fleury's name in nomination. Mr. Crean then called for nominations to close. Having gained the sense of the board, Mr. Fleury noted that nominations were closed and he cast one vote to renew his unofficial title for another year.

The next order of business was the review of the minutes of the meeting of October 19, 2009. A motion to approve the minutes was made by Trustee Provencher and seconded by Trustee Fleury. Trustee Crean noted a number of typographical errors which Trustee Fleury marked for correction. The motion was amended to approve the minutes with corrections as noted. The vote was two in favor and one abstention as Trustee Crean was not in office or present at the October 19th meeting. The motion passed.

Chairman Fleury took the prerogative of the chair and departed from the order of the agenda to introduce Mr. Frank Anderson, Vice President & Senior Trust Officer with Citizens Bank. Mr. Anderson explained that Citizens had recently undergone a measure of reorganization designed to improve customer services and that he had been assigned to the account for the Pembroke Trustees of Trust Funds.

Chairman Fleury noted that he had asked that a representative from the bank attend and that he had four items which needed to be addressed. The first item was to obtain an assurance from the bank that check stock for the Trustee's checking account would continue to be provided without charge. Second was to request a review of the sweep mechanism used to transfer income cash from investment accounts for the scholarship and literacy trusts to respective cash accounts in the government banking division. Third

was to inquire whether certain capital reserve accounts which the trustees knew would not be required for an extended period might be invested in certificates of deposit or other low risk vehicles which would improve the yields beyond the present low returns being paid on the cash concentration account. Finally, signature cards for the accounts would need to be updated as Trustee Janice Edmonds who had served faithfully as a Pembroke Trustees for many years has become incapacitated by failing health and was unable to seek reelection. Mr. Crean, who was elected to fill the office vacated by Mrs. Edmonds needs to have his name added to the list of authorized agents for the accounts.

Chairman Fleury had reports from the bank for the scholarship and literacy trusts and he used them to explained his questions regarding operation of cash sweep practices to Mr. Anderson. There was a detailed discussion on the matter with Mr. Anderson providing some explanations and promising to review the remaining issues and to communicate his findings in the coming days.

On the matter of check stock, Mr. Fleury explained that the Trustees have no way to apportion the cost of check stock to the various trusts which periodically receive payments from the account. Whereas the Trustees also lack an operating budget, the bank has traditionally provided the checks and waived the fees. Mr. Anderson indicated that it should not be a problem to continue that practice at such time as additional check stock becomes necessary.

On the matter of higher yields for longer periods of deposit, Mr. Anderson indicated that he would investigate what the bank could offer and report back.

On the final matter, Mr. Anderson obtained a business card from Trustee Crean so that the precise name to be shown on signature cards would be accurate. Mr. Andersen indicated that he would see to the changes.

There being no further questions for Mr. Anderson, he thanked the trustees for their time and departed the meeting at 7:32 pm.

Returning to the agenda, Chairman Fleury then entertained a motion to ratify the phone poll votes which constituted agenda items 2 through 8 on the agenda as follows:

2. Ratify phone poll vote of December 15, 2009 to distribute \$92,872.70 from the Town Equipment Capital Reserve in accordance with Article 11 of the March 14, 2009 Town Meeting and pursuant to a Payment Voucher dated December 10, 2009 submitted by David Jodoin, Town Administrator.

3. Ratify phone poll vote of December 28, 2009 to distribute \$96,589.37 in accordance with the following actions:

- \$84,115 from the Revaluation Capital Reserve pursuant to Article 6 of the March 14, 2009 Town Meeting.

- \$2,903.70 from the Town Equipment Capital Reserve pursuant to Article 11 of the March 14, 2009 Town Meeting.
 - \$8,749.64 from the Police Small Equipment Capital Reserve pursuant to a Board of Selectmen action taken on December 21, 2009 as agents to expend.
 - \$821.03 from the Fire Small Equipment Capital Reserve pursuant to a Board of Selectmen action taken on December 21, 2009 as agents to expend.
4. Ratify phone poll vote of January 19, 2010 to distribute \$6,897.17 from the Bridge Repair Capital Reserve pursuant a Board of Selectmen action and a Payment Voucher dated January 4, 2010 submitted by David Jodoin, Town Administrator.
 5. Ratify phone poll vote of January 22, 2010 to distribute \$3,640.72 from the Library Media Capital Reserve pursuant to a Library Trustee action and a Payment Voucher dated January 20, 2010 submitted by Pat Fowler.
 6. Ratify phone poll vote of February 1, 19, 2010 to distribute \$38,747.00 from the School Building Capital Reverse Fund and \$11,593.28 from the School Equipment Capital Reserve Fund Pursuant to Payment Vouchers dated January 26 submitted by Peter Aubrey, SAU 53 Business Administrator.
 7. Ratify phone poll vote of February 3, 2010 to distribute \$115,605 from the Town Equipment Capital Reserve pursuant to a Article 9 of the March 14 2009 Town Meeting and a Payment Voucher dated February 1, 2010 submitted by David Jodoin, Town Administrator
 8. Ratify poll vote of February 24, 2010 to distribute \$20,000 from the Water Works Equipment & Building Capital Reserve pursuant to a Payment Voucher dated February 22, 2010 submitted by Water Works Superintendent Culberson.

These were moved by Trustee Provencher and seconded by Trustee Fleury as they were the only two Trustees at the time the polls were taken. Trustee Provencher reviewed the original payment vouchers with Trustee Crean looking on. Upon completion of the review of the original vouchers, Chairman Fleury called for a vote with he and Trustee Provencher voting in favor and Trustee Crean abstaining. The motion passed.

Chairman Fleury then entertained a motion to ratify the phone poll votes which constituted agenda items 9 and 12 on the agenda as follows:

9. Ratify poll vote of March 30, 2010 to distribute \$10,000 from the Water Works Equipment & Building Capital Reserve pursuant to a Payment Voucher dated March 25, 2010 submitted by Water Works Superintendent Culberson.

12. Ratify poll vote to distribute accrued scholarship earnings for 2010 pursuant to a Payment Voucher dated May 3, 2010 from Gregg Brighenti for the amount of \$21,500.

Whereas Trustee Crean was officially in office at the time of those polls, he offered the motion which was seconded by Trustee Provencher. The Trustees reviewed the original payment vouchers and upon completion, Chairman Fleury called for a vote. The vote was all in favor and the motion passed.

Chairman Fleury noted that no action was required on agenda item 10 as all securities in the portfolio were still suitable to retention.

Moving on to agenda item 11, Chairman Fleury called for a motion to ratify the investment policy for 2010 as required by statute. Trustee Crean noted grammatical errors in the "Asset Allocation", "Buy/Sell/Hold Restrictions", and "Meetings" sections of the policy. Chairman Fleury noted the problems and Trustee Provencher offered a motion to approve the policy as corrected. The motion was seconded by Trustee Crean. Chairman Fleury called for the vote and it was all in favor so the motion passed.

Chairman Fleury then reported that he had recently received a pair of payment vouchers from the Pembroke Library Trustees for a distribution from their Media Capital Reserve. He noted that the amounts and purpose appeared to be in compliance with the terms of the trust and that he was recommending approval. The Trustees reviewed the original vouchers in the amounts of \$652.00 and \$173.04 with Trustee Crean moving to approve and Trustee Provencher seconding the motion. Chairman Fleury called for the vote and it was all in favor so the motion passed.

There being no further business to conduct, the meeting adjourned at 8:15 pm.