



## TOWN OF PEMBROKE TRUSTEES OF TRUST FUNDS MEETING MINUTES

February 4, 2019  
Pembroke Town Hall  
311 Pembroke Street

### **ATTENDANCE:**

#### **Present:**

**Gerard Fleury - Chairman – Trustee of Trust Funds**  
**Dan Crean – Trustee of Trust Funds**  
**Courtney Eschbach – Trustee of Trust Funds**

**Kathy Woodfin – Director of Wealth Services – Charter Trust Company**  
**Bryan Sanford – Vice President – Investment Officer – Charter Trust Company**  
**Maureen Kimball, CFTA Vice President – Wealth Manager – Charter Trust Company**

The meeting was called to order at 6:30 p.m.

The first order of business was the annual process of board organization to nominate a chairperson for the ensuing year. Trustee Crean nominated Gerard Fleury to another term as Chair, which received a second from Trustee Eschbach. There were no future nominations, the vote was taken and Trustee Fleury accepted the role for another year.

The next order of business was the approval of the minutes of the meeting of December 3, 2018. Trustee Eschbach made a motion to approve the minutes as written, which received a second from Trustee Crean. The vote was all in favor and the motion passed.

Chairman Fleury then entertained a motion to ratify the investment policy pursuant to RSA 31:25 & RSA 35:9. He noted that other than the date of ratification, the policy was unchanged. Trustee Crean made a motion to ratify the policy which received a second from Trustee Eschbach. The Chair called the vote and it was all in favor.

Chairman Fleury then welcomed the invited representatives from Charter Trust to make a presentation on trust services they offer to cities and towns. Mr. Fleury opened by explaining the degree of his involvement in the management, accounting and reporting of trust funds for Pembroke for the past two decades. He noted that he would not be seeking re-election when his term expires at the ends of 2019 and that the trustees agreed that it was time to outsource many of the tasks associated with trust operations. Chairman Fleury provided a high-level view of the types and purposes for the various trusts and capital reserve funds used by the town, school district and the town's sewer and water enterprise funds.

Ms. Woodfin distributed presentation booklets which described the organizational and ownership structure of Charter Trust along with a description of the firm's investment services to governmental entities. She explained how Charter Trust seeks to meet with trustees on a regular basis to ensure that the objectives of the town trusts and capital reserves are being met.

Mr. Sanford gave a detailed explanation of how the investment mechanics for cash operate and provide the maximum income possible with minimum risk.

Trustee Eschbach asked about references from other municipalities and Ms. Kimball called attention to a list of current clients with names, telephone numbers and email addresses which the Pembroke trustees could contact.

Chairman Fleury asked about fees and he was refereed to a schedule in Attachment B of the handout listed the fees.

Chairman Fleury then expressed concern over the need to adopt warrant articles at both the town meeting and the school district meeting prior to signing any management agreement. He noted that he has recommended that such warrants be drafted for adoption at the March 2019 meetings but that the trustees lack authority to do more than request them from the Selectmen and School Board.

Ms. Woodfin explained that absent passed warrants, it could be possible to still outsource the services but the fees would need to be paid from appropriated dollars in the town and school budgets.

As the presentation concluded, Chairman Fleury explained that the trustees would need time to review the materials in greater detail and would compile a list of questions and concerns. Within about a week, the trustees should also know whether the warrant articles which were suggested from the town and school district would be forthcoming.

There be no further question from the trustees and the presentation having concluded, the trustees thanked the representatives from Charter Trust for their time and interest in working with Pembroke and the representatives departed.

The trustees continued to discuss the implications of outsourcing many of the trustee functions, especially in light of Trustee Crean's departure from the trustees at the end of his term in March. Chairman Fleury stated that he would pursue the matter and keep his fellow trustees informed of progress.

There being no further business to conduct, Trustee Crean offered a motion to adjourn which received a second from Trustee Eschbach. The vote was all in favor and the meeting adjourned at 7:30 PM.