
April 20, 2016 - Minutes

Minutes of the Trustees of the Trust Funds April 20, 2016 Meeting (draft)

Attending: Linda Terry, Helene Matesky, Martha Benesh, Chris McAleer Trustees and Timothy Garrison guest

Linda called the meeting to order at 10am. The minutes of the March 30, 2016 meeting were unanimously approved by the Trustees.

Helene handed out a request for two withdrawals from the Selectmen with accompanying purchasing orders and documentation.

The first request was for \$893.41 to be withdrawn from the Town Office Equipment Maintenance Expendable Trust Fund (0047). This was for the purchase of 3 Dell Inspiron lap top computers at \$290.33 each for the Police Department. This request was unanimously approved.

The second request was for \$437,600 to be withdrawn from the Fire Department Truck Capital Reserve Fund (0003). This was for the purchase of a new fire truck that was made on May 14, 2015 to be paid for and delivered in 2016. This was approved unanimously by the Trustees. The question arose as to whether this was an additional or replacement truck. (As it turns out this is a replacement truck for one purchased in 1995. The Fire Chief said the older truck is for sale with an estimated value of between \$30,000 to \$40,000. The way the warrant article was worded when sold this money will revert to the Town's General Account.)

The next discussion involved various Investment Managers the Trustees have vetted with the purpose of hiring a single firm to invest and manage the collective Capital Reserves and Trust Funds of the Town of Jackson. The Trustees had set out to find an Investment Manager that had extensive experience with managing both municipal and trust funds for multiple towns in New Hampshire. Consideration was given to firms with skilled financial professionals with proven records of fund performance, and ease of operational matters such as processing withdrawals and additions. Criteria also included access both online and through printed reports and statements that clearly showed values and any transactions that transpired within various accounts. Fees were a consideration and the ability of the firm to complete forms MS9 and MS10 that are filed annually with the State was important as well. Although many managers were initially considered at this point we had 4 still under consideration which were Infinex/Northway Bank, Mackensen and Company out of Hampton, Charter Trust in Concord and Bank of New Hampshire with various locations in New Hampshire.

Infinex/Northway was eliminated as they did not have the reporting capability that we required. Mackensen was eliminated as they did not have a sufficient number of investment staff to provide back-up that we felt was necessary. That left Charter Trust and Bank of NH both of which had made presentations to the Board and were given high marks for meeting the standards the Board had established.

However, we still felt that we needed some additional research before making a final decision. As part of this we were going to contact some of the references we were given to learn about experiences other Trustees have had in working relationships with these firms. We also had additional questions about reporting capabilities to ascertain our needs would be met.

At several points during the discussion Mr. Garrison spoke about his own investment experience including his handling of several private trusts. He is a hands on investor and does not work with outside investment managers as he feels that fees would fully offset returns.

The Trustees felt that self-management was not appropriate for the Towns Funds. A reputable investment firm should add value by generating net returns in excess of those currently earned in the Capital Reserve and Trust Funds. In addition, these firms have the capability to facilitate the record keeping and reporting required by the state and the Board.

The meeting was adjourned at 11:30am.

Respectfully, Chris McAleer

April 21, 2016