

TOWN OF HANOVER
TRUSTEES OF TRUST FUNDS
Meeting Minutes
Tuesday, March 9, 2021 at 7:30 a.m.

Due to the COVID-19 crisis and in accordance with the NH Governor's Emergency Order #12 pursuant to Executive Order 2020-04, the Town of Hanover is authorized and held this public meeting virtually using the Zoom platform.

In Attendance (remotely via Zoom): S. Boyle (Trustee), P. Gardent (Trustee), J. Pierson (Trustee); J. Griffin (Town Administration); B. McClain (Town Administration)

The meeting was brought to order by Trustee Gardent at 7:35 a.m.

Discussion re: Utilization of Bressett Fund

Ms. McClain noted that at the January 29, 2021 Trustees meeting when she presented the actual and proposed Bressett spending schedules, the Trustees raised the issue of how best to handle Bressett-funded projects not factored into the budget process. The initiative raising this question was the "just-in-time" downtown holiday decorations envisioned by Manager Griffin to bring some much-needed cheer to the Hanover downtown area. The Trustees all agreed that this type of project was in keeping with the intent of the Bressett funds, but they wanted to talk about creating a communication loop to ward off any future potential conflict between the Selectboard considering an unbudgeted project eligible, and the Trustees not agreeing.

Ms. Griffin also shared that at the March 3, 2021 final budget public hearing, she and the Selectboard had identified the merits of place-holding an appropriation of available Bressett funding so that action could be swift as worthy community initiatives were identified. Without funds being appropriated, the Town would need to wait until the following budget cycle and the related fiscal year to act on an idea. The Selectboard endorsed this idea of having this flexibility but wanted to be sure the Trustees of Trust Funds agreed with the concept, and that a mutually agreeable process was in place.

Manager Griffin suggested that when the Town identifies a project outside of the budget cycle, Town staff would bring the idea forward to the Selectboard for their endorsement at a public meeting. This idea would then be forwarded to the Trustees of Trust Funds for their review. endorsement prior to moving forward. Julia's mind – the Town or community came forward with idea then to SB for endorsement then to Trustees for their review.

Trustee Gardent asked about how the amount available would be determined and whether the appropriation would lapse from year to year. Ms. McClain responded that Appendix B of the Guidelines for Management of the Bressett Fund would render the amount available each year. If any of the place-held appropriation is not spent each year, the appropriation authority would lapse, and this amount would, consequently, be for appropriation the following year.

Trustee Boyle asked whether the use of these funds will be open to community-generated ideas. Manager Griffin responded that not initially. During these challenging pandemic times, the Town has identified several good things that could be done for the community.

The Trustees noted that because the funds are investment for long-term growth, Mascoma Wealth Management, the Trustees' investment manager, should be aware of this change in approach and that the amount to be utilized in an upcoming fiscal year may change from what is known when the budget is adopted. Trustees suggested that a 2–3-month notification period for them to liquidate assets most prudently should be adequate. All agreed that this item will be brought to their attention when the Mascoma Wealth Management team next joins the Trustees for an investment performance update.

Trustee Pierson endorsed the concept of a discretionary appropriation (i.e., for as-yet-unidentified initiatives) of the Bressett Fund as part of the Selectboard's annual budget process. Ms. McClain was asked to revise the Guidelines for Management of the Bressett Fund to account for the calculation and utilization of an annual appropriation.

There was general discussion about how the 5.0% noted in the fund instrument and utilized to calculate the amount available each year is very aggressive in a low-interest environment. The Trustees urged caution and restraint on spending the full 5.0% amount as it very well could erode the earnings potential of the fund for future generations. It was also suggested that some sort of public recognition of the good works being accomplished by the Bressett Fund be considered.

Manager Griffin left the meeting after this discussion was finished.

Transaction Authorization

Trustees considered the following transactions:

Deposits

Camp Scholarship Expendable Gift Fund	\$ 242.80
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Withdrawals

Building Maintenance and Improvement Capital Reserve Fund	\$ (51,000.00)
Land and Capital Improvements Fund	\$ (121,500.00)
Parking Vehicle and Facilities Improvements Capital Reserve Fund	\$ (349,944.40)
Police Vehicles and Equipment Capital Reserve Fund	\$ (77,220.00)
Sewer Equipment and Facilities Improvements Capital Reserve Fund	\$ (225,482.00)
Lou and Ann Bressett Memorial Fund	\$ (212,000.00)

Trustee Pierson moved to authorize the transactions as presented; Trustee Gardent seconded this motion, and the motion passed unanimously.

Other Business

Action on January 29, 2021 Meeting Minutes

Trustee Pierson moved to adopt the minutes from the January 29, 2021 Trustees meeting with noted revisions; Trustee Boyle seconded the motion, and the motion passed unanimously. The Trustees noted that they wanted to have additional conversation on the appropriate index for the bond funds. Ms. McClain agreed to add this item to the agenda for the upcoming meeting with the investment management firm.

Succession Planning

Ms. McClain shared that she will be retiring from her full-time position with the Town of Hanover in early July 2021. She will continue as the elected Town Clerk (finishing the 3rd year in her current term) and has also offered to continue to support the administration of the Trustees of Trust Funds while her successor settles into the position. The Trustees endorsed this notion, and Ms. McClain will work with Manager Griffin to see how this arrangement might be structured.

Trustee Pierson indicated he would like to move aside as Trustee to allow another resident the opportunity. There was general discussion on the many contributions made by Trustee Pierson and whether he would reconsider. Names of several residents were also suggested as possible candidates for a vacant Trustee seat.

Next Meeting

Ms. McClain will contact the Trustees to schedule a meeting in mid-late April for a review of the Town Meeting warrant and an investment performance review.

Trustee Gardent moved to adjourn the meeting at 8:50 a.m., Trustee Boyle seconded the motion; the motion passed unanimously.