



**MEETING MINUTES  
TRUSTEES OF THE TRUST FUNDS  
CEMETERY TRUSTEES  
16 School Street, Allenstown, NH 03275  
August 24, 2023**

**CALL TO ORDER**

The Allenstown Trustees of the Trust Funds and Cemetery Trustees meeting of August 24, 2023 was called to order by Chair Ron Adinolfo at 5:04 pm. Chair Adinolfo called for the Pledge of Allegiance.

**ROLL CALL**

Present on the Board: Ron Adinolfo, Cheryl McDonald, and Richard Caruso.

Allenstown Staff: Derik Goodine, Town Administrator  
Sherry Miller, Financial Director

Others Present: George Lemire, Alternate Trustee  
Mike O'Meara, Volunteer Administration

**Agenda Items:**

- **Financial Statement Review**

Chair Adinolfo reviewed the latest account statement as of July 31, 2023, which again showed a loss, primarily due to ongoing fluctuations in the financial markets, and management fees being paid to the current financial institution that manages the investment portfolio.

- **Investment Firm Research Results for Trustee Investments – Discussion & Next Steps**

Chair Adinolfo initiated a review of research that was conducted on two different financial institutions as a follow up from an earlier Trustee Meeting, and prior presentations to the Trustees from the New Hampshire Public Deposit Investment Pool (NHPDIP) & Three Bearings Fiduciary Advisors.

The Chair described the efforts made to contact various other towns regarding their use and experiences with both financial institutions, advising that he had reached out to approx. a dozen municipalities and referred the Trustees to the report that he had provided prior to the meeting that detailed the responses received, including conversations that had taken place with some municipal financial managers. The Chair advised that both have pros and cons, but the one item he wanted to bring to the attention of the Trustees was from Rockingham Co. where their funds had been moved out of their investment portfolio to help protect them from any potential market issues during the federal debt ceiling issue earlier in the summer.

The Chair expressed his personal opinion that the Trustees mission is to protect the funds of the Town of Allenstown. He opined that while the feedback on Three Bearings Fiduciary was very positive, their approach was similar in structure to the existing management firm, being a combination of Bonds and Stocks, with management fees accruing monthly throughout the year, whereas NHPDIP is a straight 5.24% currently, with approx. 1,600 clients. From a simplistic standpoint his personal recommendation is that the Trustees should consider using NHPDIP for the management of the investment portfolio.

He also addressed some of the concerns that the Trustees had with electronic access to the funds if using NHPDIP. He advised that upon speaking with one of the towns that use NHPDIP, that is not an issue as the Allenstown Trustees would set up the process that they want to use, for example once transactions are approved by the Trustees using the existing paper-based forms, an individual would be designated to then advise NHPDIP to proceed with the approved activity. He also stated that

Three Bearings Fiduciary had a similar electronic process but reiterated that the process and control mechanisms would be set up for how the Trustees wanted to manage it. He also advised that many municipalities utilize the services of their Finance Managers to effect transactions with their investment management firms, based on the direction of the Trustees. Michael O'Meara later concurred with the Chair, further advising that no financial management firm would act on the instructions of anyone from the Town of Allenstown without being in physical possession of signed documentation (i.e., Transaction Forms) that had been approved by a majority of the Trustees.

Cheryl McDonald inquired if NHPDIP would submit the annual MS-9 & MS-10 reports and was advised they do not but that assistance could be sought from the State. She further opined that while the feedback was positive, she inquired if it would be possible to determine the actual costs associated with using NHPDIP as she did not see definitive numbers, which was a concern for her. Sherry Miller advised that she had figured out how to submit the MS-10 report last year and did not see it as an issue. It was also the Chair's belief that costs would not be significant and that the MS-9 & MS-10 reporting could be addressed. Ms. McDonald again expressed her concern regarding electronic access to the funds and asked how that would be managed, to which Chair Adinolfo advised that the Trustees have to approve the process and reiterated that prior to any action being taken on the investment funds, the Trustees would still have to vote on approving transactions as they currently do, sign the Transaction Forms, and physically transmit the signed forms to the investment management firm. He further advised that all Trustees could have "read-only" access to review the portfolio but that only one individual would have access and be authorized to execute transactions. It was also stated that many transactions could be accomplished electronically via ACH, but that occasionally, physical checks might have to be drawn. Further discussion centered around a possible process utilizing the services of Sherry Miller in her capacity of Finance Director for the Town, based on the direction of the Trustees. Ms. McDonald stated that while she does not want to see losses in the portfolio, her concern was to do the right thing.

Additional discussions centered around the strategies employed by investment advisers for management of funds while attempting to keep up with inflation, with the Chair again discussing the philosophy of a "Zero to Plus" approach to investing in the current climate while safeguarding the monies invested on behalf of town residents. Ms. McDonald further asked about management fees if using NHPDIP to which the Chair responded that there are no fees of the type traditionally levied by investment management firms when using NHPDIP. Rather, their structure is to retain a small portion of the interest rate that investments are earning before applying the balance of the rate to the invested funds. The result is that this comes off the top so that the portfolio never experiences any additional fees. Chair Adinolfo also expressed that the NHPDIP approach is simpler and does not require the Trustees to react to market fluctuations, commenting that the small percentage of the monies that are invested in stocks is the primary reason for current losses in the portfolio.

In the event of a move to a new investment management company, Ms. McDonald also asked about the extent of potential losses from Bonds that would have to be sold prior to reaching maturity, to which The Chair advised that is unknown, but it is doubtful that the original investment amounts would be lost, whereas there is a possibility that in the short term, losses could be incurred vs. what could have been realized if the Bonds had been held to maturity.

Ms. McDonald next asked if, in the event of a move to a new financial institution, would the Trustees be obligated to remain with that entity for a minimum time period. The Chair advised that there is no such obligation and that the Trustees could choose to move to another institution at any time if it was felt the relationship was not working. There was additional discussion on customer service and the availability of local representatives with whom to interact vs. the current financial institution, and the ability to respond quickly to fulfilling demands for funds when requested.

The Chair asked if there were any additional questions or discussion. Their being none, the Chair requested a motion on choosing a new investment management firm.

### Motion

Cheryl McDonald made a motion that the Trustees of the Town of Allentown wish to change their financial institution that manages their investments and move them to the New Hampshire Public Deposit Investment Pool from TD Wealth Management. The motion was seconded by Richard Caruso.

Roll Call Voice Vote:

Ron Adinolfo- Aye, Cheryl McDonald- Aye, and Richard Caruso- Aye

Motion passed unanimously, and the change of financial institution was approved.

After the vote, it was noted that follow-up would be conducted to communicate the decision to both financial institutions.

- **Review/approve minutes from prior Trustee meeting(s):**

- July 26, 2023

Richard Caruso made a motion to approve the minutes from July 26, 2023. Cheryl McDonald seconded the motion.

Roll Call Voice Vote:

Ron Adinolfo- Aye, Cheryl McDonald- Aye, and Richard Caruso- Aye

Motion passed unanimously, and the minutes from July 26, 2023 were approved.

- **CEMETERY TRUSTEES**

- **Update on the status of the transfer of monies and future management of certain perpetual funds from the Town Cemetery Trustees to the Catholic Diocese of Manchester.**

Review of the proposed agreement for the transfer of identified perpetual funds is ongoing between Town Counsel and legal representatives of the Catholic Diocese of Manchester – It is hoped that an update will be available for the next Trustee Meeting.

- **OTHER BUSINESS**

Chair Adinolfo expressed his public thanks to Sherry Miller for her work in assisting the Trustees with financial management activities in addition to all the other financial tasks that she performs for the Town.

### **CONFIRM DATE FOR NEXT MEETING**

It was confirmed that the next meeting is scheduled for Thursday, September 28, 2023 at 5:00 pm.

- **ADJOURN**

Richard Caruso made a motion to adjourn the meeting. Cheryl McDonald seconded the motion.


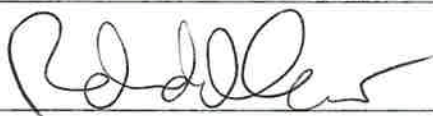
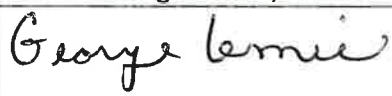
Roll Call Voice Vote:

Ron Adinolfo- Aye, Cheryl McDonald- Aye, and Richard Caruso- Aye

Motion passed unanimously, and the meeting was adjourned at 5:38 pm.

TOWN OF ALLENSTOWN  
TRUSTEES OF THE TRUSTS  
CEMETERY TRUSTEES  
PUBLIC MEETING MINUTES  
August 24, 2023

**Signature Page**

Original Approval:		
 RONALD ADINOLFO, Chair	9-28-2023 DATE	
 RICHARD CARUSO, Vice-Chair	28582023 DATE	
Excused	N/A	
CHERYL MCDONALD, Bookkeeper	DATE	
George Lemire, Alternate Member	DATE	
 George Lemire	9-28-2023 DATE	
N/A, Alternate Member	DATE	
Amendment Approvals:		
Amendment Description:	Approval:	Date:
	RONALD ADINOLFO, Chair	DATE
	RICHARD CARUSO, Vice-Chair	DATE
	CHERYL MCDONALD, Bookkeeper	DATE
	George Lemire, Alternate Member	DATE
	N/A, Alternate Member	DATE