

TRUSTEES OF THE TRUST FUNDS FOR THE TOWN OF WILTON

MINUTES

APRIL 3, 2012

Meeting held with 3 trustees present to hear presentation by Warren Mackensen of Mackensen & Company, Hampton, NH who is offering financial services to manage the Town's Trust Funds including all Capital Reserve Funds. He is proposing to use the investment services of National Advisors Trust Company, FSB of Overland Park, Kansas.

He is currently investing Trust and Capital Reserve Funds for the New Hampshire towns of Hampton, East Kingston, New Ipswich, Kensington, Chichester, Stark and bookkeeping services for Chester. His services would include full monthly, quarterly, and yearly reporting and would also include the actual preparation of Forms MS-9 and MS-10 at year end along with the cemetery report which goes with the MS-9 but in the format that Wilton currently uses.

The fee for this service is $\frac{1}{2}\%$ of our portfolio of approximately \$3,000,000 for a yearly fee of \$15,000 billed quarterly. Until Senate Bill 243 is passed allowing the fee to come from the income of capital reserve funds, that fee would be paid as an "incidental expense" under RSA 31:24 with regard to capital reserves and per RSA 31:19-a, 111 with respect to expendable trusts while the fee for the trust funds portion would come directly from the income in those funds. He expects Senate Bill 243 to pass and be signed by the Governor this July and would be willing to defer his second quarter fee until after that time.

He projects income from the trust funds to be approximately 3.61% and from Capital Reserves and 5.60% for a total estimated yearly income of \$150,000. Capital Reserve Funds would be invested under the Prudent Man Rule required by RSA 31:25-b and RSA 31:19-a, 111. Trust

funds would be invested under the Prudent Investor Rule under RSA 31:25-d. The majority of the funds would be invested in Government bonds and Government Agency Bonds.

The 3 trustees agreed to research the National Advisors Trust Company and also talk with more towns that are using Mackensen. The towns previously contacted had very good reports of their experience with Mackensen, although the State declined to comment. Wilton Selectmen will also be contacted before any decision is made.

Respectfully submitted

Trustees of the Trust Funds: John H. Hutchinson, J. Lamar Smith,
and Elizabeth A. Castro