

**BOARD OF SELECTMEN
TOWN OF MADISON
JUNE 30, 2015
MINUTES OF SESSION
WITH TRUSTEES OF TRUST FUND AND ATTORNEY GENERAL'S OFFICE**

Selectmen Present - Chairman Josh Shackford and Michael Brooks.

Absent – John Arruda

Others Present – Deputy Town Administrator Sue Stacey; Trustees Pam Wells, Ali Judkins and Lynne Gilman; Terry Knowles and Tom Donovan of the Attorney General's Office; Evelyn Whelton previous Trustee, Madison Scholarship Committee members Carol Kramer and Elizabeth Brown.

Where and When Posted - Town Hall upper & lower bulletin boards and Madison & Silver Lake Post Offices on May 14, 2015.

Session started: 3p.m.

CEMETERY TRUST FUND – The Selectmen met with all three of the Trustees of the Trust Fund, Terry Knowles and Tom Donovan of the Attorney General's Office to discuss the discrepancies found in the 70 accounts of the Cemetery Perpetual Care Fund. Knowles had advised Wells to only go back as far as 1975 as she has been working on straightening this out for the past few years. Evelyn Whelton a previous Trustee was asked to attend the meeting to give her accounting of the steps she took with Knowles over a two year period back in the late 1990s early 2000s. Whelton showed from the ledger pages she had worked with how the accounts were being kept up with interest distribution at the end of each year where the 70 accounts were combined between 13 bank accounts. Wells had several spreadsheets she has been working with that show her research which shows there is \$2415.07 missing in principle and over \$25,000 in income. Whelton questions how there is any principle missing and disputes the amount of interest that could have been earned. Brooks asked Knowles to explain the process on how funds are allowed to be expended from these accounts. Knowles said each account is to care for a cemetery plot forever more, the town is responsible to mow and maintain the cemetery even though each plot does not have a perpetual care fund. The Cemetery Trustees/Selectmen can invoice the Trustees of the Trust Fund for the cost of care of the plots under the perpetual care funds they hold, she said a formula can be figured how much it cost to maintain the cemetery each time then divide that by the number of perpetual care plots. Once the cost per plot is determined then multiply that amount by the number of times the cemetery is maintained in that year; mowing, raking and trimming. The invoice can only be for that calendar year the work was done and only the income is allowed to be spent to pay the invoice, there isn't always enough income to pay the bill so the payment can only be for up to the amount of income in the account. The interest income is allowed to be built up over years and does not have to be spent every year. Example; it takes 10 minutes to maintain one plot and the cemetery is maintained weekly for 18 weeks that would be 3 hours per year to maintain the plot the cost is \$15/hour would equal \$45 per year to maintain the plot. Then multiply the \$45 by the 70 plots the bill of \$3150 would need to be submitted to the Trustees before the end of that calendar year, December 31st. The Trustees find there is only \$1200 of combined income in all the accounts that is all that can be paid for the bill. The Trustees are not allowed to withdraw from the principle. The Selectmen/Cemetery Trustees asked Knowles and Donovan if they restore the missing principle of \$2415.07 plus \$20 per account (70) to cover a portion of the interest would that satisfy the Attorney General's Office? Knowles and Donovan agreed they would accept this act and consider the accounts

balanced and in good standing. Knowles asked the Selectmen to write a letter to this effect and they will reply in writing that the act is accepted and the accounts are in good standing. Stacey will create the letter, run a separate manifest and check to cover the agreed upon amount of \$3815.07 to be signed at the Selectmen's meeting later this evening. Shackford will explain at the meeting the discussion of this session.

APPLICATION FOR PAYMENT FROM TRUST – Stacey asked Knowles to explain the application process and who the Trustees can write the checks to. Knowles said only the Agents to Expend can sign the application for the funds with an attached invoice showing what the funds are paying and the check cannot be made out to the vendor, it should in the case of the Selectmen being the Agents to Expend be made out to the Town of Madison.

OLD HOME WEEK – Knowles said the Old Home Week Committee cannot be on the official ballot as they do not hold an office under an RSA. She suggested they be appointed as a subcommittee under the Board of Selectmen. She said a number of towns in New Hampshire have had the Old Home Week members on their ballot for decades. Brooks will bring this up at the regular Selectmen's meeting later this evening.

MADISON SCHOLARSHIP ACCOUNT – Brooks asked Knowles how to proceed with moving the Madison Scholarship funds from the town's federal id number to an account with the Scholarship Committees new 501c 3 number. Kramer explained the committee has filled the proper paperwork with the IRS as guided by the State of New Hampshire, the committee has been established with the state as a non-profit but need certification from the IRS. Knowles told Brooks a motion by the Selectmen needs to be made to move the funds from the account with town's federal id number to the account with the scholarship committee federal id number once the IRS certifies them. Brooks will make the motion during the regular Selectmen's meeting later this evening.

This was a very informative successful meeting.

Respectfully submitted,

Sue Stacey, Deputy Town Administrator
Recording Secretary