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Trustee of Trust Funds Training Video 2 Filling Out the MS-9

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Now we will get into the details of filling out these forms.

When filling out these forms, think about the “who,” “what,” “when,” and “where” of each fund. “Who,” “what,” and “when,” are for the MS-9 Form. “Where” is for the MS-10 form.

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Starting with the MS9 form, when adding a new fund, use the Add button to add any new funds. Or, for older funds that need to be corrected, use the Edit fund button. Both will bring you to the same screen for the basic fund information. Enter information in all the fields.

Add the “who” or “what” in the name of the fund if a privately donated fund. Who gave you the fund, e.g., Joan Smith or the “Friends of the Walker Park.” Or, What is the Fund? For example, the Police Vehicle Fund.

Add the “When” in the date field, or approximate date if not known.

Drop downs are available in certain fields to assist you. Let’s look at those fields and terms. NOTE: Be sure to use these terms on any Excel spreadsheet that will be used to upload the MS-9 report.

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When filling out the MS-9 report, think, “What are the funds?” and “Who did the money come from?” For “Who did the money come from?” there are only two sources: taxpayer or privately donated.

Fund Type: For any taxpayer created funds, there are two choices: Capital Reserve or Expendable.

Use Expendable only the taxpayer funds created by town vote under RSA 31:19-a.

Privately Donated funds: Currently the only term choice for private funds is Trust (may change in the future).

Any privately donated funds where principal is allowed to be used (technically an Expendable trust) are “trust.”

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Use the term Trust for the MS-9 report.

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Purpose of the funds: There are several choices for both taxpayer funds and privately donated funds (trusts). Note any that say “donation” in the term (or dropdown choice) are for privately donated funds.

Please be careful when using choices for fire, police or hospital.

For Cemetery funds use “Cemetery Perpetual Care” only for those individual lot/plot care funds or the collectively reported cemetery location fund for perpetual care lots

Use “Cemetery (other)” if town creates a “General cemetery fund,” either with taxpayer funds (Expendable fund) or from the sales of the plots or additional costs from private individuals (trust) that are for the whole cemetery and not just the care of the individual’s plot.

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Investment method or “How invested”: There are two ways to hold accounts—either in their own individual accounts or pooled together in a larger account.

Own Accounts: Use checking, bank CD, Money Market, Savings account or single investment. Single investment means one account, one fund holds several investments (stocks, bonds, mutual funds etc.)

Pooled funds together in an account: Use “Common Investment” or NH PDIP Any funds at the NH PDIP should use this choice.

Note that no MS-10 is needed if all funds are held in NH PDIP.

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Here is the second section of the MS-9 for each fund. Enter amounts at cost basis or book (original amounts) along with interest and dividends. Do not add any unrealized gains or losses. The system will calculate this when you enter the market value in the last section.

I’ll next explain the difference in realized gain/loss vs. cap gain distributions vs. unrealized. “Realized” is when you sell the investment, either for a profit or a loss.

Cap Gain Distribution is when a mutual fund has internal capital gain/loss but you did not sell the investment.

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Unrealized is appreciation in the fund, but you did not sell the investment yet.

Be sure to hit the submit button when done with all the funds.

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Next is the second section of MS-9 for Collectively entering Cemetery Locations for Perpetual Care funds.

As Mentioned before, while each perpetual care fund must be reported separately, we are now allowing the trustees to submit an attached file to the MS-9. This will allow you to report the funds collectively on the portal form page only.

Under this update, you will be able to enter one fund as a cemetery location and then attach the list of individual funds that make up the amounts for the cemetery location.

Now I'll explain how to do this. On the fund page of the portal, report one fund, such as "Webster Place Cemetery Fund," as seen here. Enter the total amounts for the cemetery location at cost basis or book (original amounts) along with interest and dividends. Then, upload the document that lists all the funds separately by clicking on the blue "instruments" button in the top left shown just under the file name. This will bring up a page to add the document.

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The top section here is the page that will appear. Click the Blue "Add Instruments" button. Then, the second section shown here will appear. Attach the file by clicking on the "Browse" button and selecting the document from your file's location. Give the file a name that will identify what the file is. For example: "Webster Place CPC list of funds." Then, hit the green "Save" button.

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"What" is the fund?

In this example the Joy of Reading Fund is a privately donated **income-only** trust fund, held in its own account in several mutual funds. **Single investment** means one account, one fund holds several investments (stocks, bonds, mutual funds etc.).

"Who" did the money come from?

This is a privately donated fund. The only choice currently is "trust."

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Some things we have seen:

Do not list each mutual fund name in the account as a fund on the MS9 report. On the MS10 report, do not include the name of the fund, only the name of the mutual fund.

Although the fund is held in mutual funds, DO NOT choose choice “mutual fund.” This choice is for when the fund holds only one mutual fund.

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Example 2, Education of the Next CEO Fund: a privately donated scholarship trust fund in which principal may be spent & pooled in a savings account with other privately donated trust funds.

This fund is held in an account with other trust funds. Use the term “common investment,” not “checking account.”

Again ask “Who did the money come from?” Use Trust, even though this fund is expendable in terms of the principal.

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On the MS-9, do not put the investment name or type. Only use investment type if the fund is held in its own account and not with other funds. Again, do not use “Expendable Trust,” even if principal is allowed for any privately donated funds.