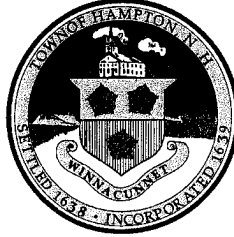


# Town of Hampton

APPROVED ON:



## TRUSTEES OF THE TRUST FUNDS

Regular Meeting, Tuesday, April 13, 2004, 4 P.M.  
Selectmen's Meeting Room, Town Office Building  
Posted (4/9 by AJM): TOB & Beach Fire Sta.

PRESENT: "Vic" Lessard, Chairman; "Jack" Kelley, Clerk; Glyn Eastman, Bookkeeper.  
Also: Art Moody, Administrative Coordinator; from Banknorth Investment Management Group: John W. O'Dowd, V.P. & Account Administrator; Robert A. Magan, Portfolio Investment Manager; and, Reid V. Smith, to replace Mr. Magan.

The Chairman formally opened the meeting at 4:06 P.M. Mr. O'Dowd introduced Mr. Smith, who operates from Portsmouth and Andover, MA (Mr. O'Dowd will continue to be in Concord). Mr. Magan has changed jobs and will be in charge of all offices in N.H. A report file was distributed to all present and Mr. Magan reviewed the status of the Real Estate Trust Fund and 15 economy-related charts. Questions and comments from the Board, including use of Treasury TIFs, geared to inflation, for the fund. Mr. Smith replied that they are getting more expensive. Also, the fund is limited to investments of up to 5 years and the minimum TIF is 10 years. Discussion on getting into equity stocks and corporate bonds of high grades. The Chairman asked the reps to look into putting part, 10 percent at first, into equity investments to cover the fund's principal value being eroded via inflation. Mr. O'Dowd stated that relying on dividends, since the RETF's main purpose is to provide revenue to reduce the property tax rate, will, at least in the short run, decrease annual income. However, in time, the principal will increase in value by stock value appreciation. The reps thought that a minimum of 20 percent of the portfolio (\$3M) should be considered for their proposal at a future meeting. The Trustees agreed. As brokerage fees would be involved and the contract (expires Oct. 2005) fees are based on income generated, Banknorth's fees will have to increase. Bank assistance fees: Mr. O'Dowd presented the 1Q04 bill. Payment moved by Mr. Kelley, seconded by Mr. Eastman, to pay the 1Q04 fee of \$4,719.77, and ratify the fees of 3Q03, \$2,329.55, and 4Q03, \$3,705.92. SO VOTED: 3-0. The Chairman signed the papers. The Banknorth reps departed at 4:50 P.M.

Reorganization of the Board: Mr. Eastman moved, seconded by Mr. Kelley, to keep the same officers as the previous year. With Mr. Eastman taking the vote: SO VOTED: 3-0.

Minutes of July 7, 2003: Mr. Eastman moved, seconded by Mr. Kelley, to approve the minutes as printed. SO VOTED: 3-0. [Note: the posted meetings of August 11, 2003, and December 8, 2003, did not take place due to a lack of quorum and absence of the Chairman, respectively.]

Administrative Coordinator's Report: The end-of-year matters (Town Report, audit, reports to state agencies, etc.) were carried out; trustees' training sessions in April and May by two state agencies; over \$600,000 in trust-fund income distributed to the Town and Library; nearly as much in Town CRFs also expended; H.B. Village District has not responded with signed vouchers re their CRFs activity/changes requested by their auditor to the Trustees in mid-February. The Chairman mentioned


the A.C.'c 2004 pay and that it had been straightened out with the Finance Dept. via a memu from him. Mr. Kelley wanted the 2003 State Legislature's amendment to the 1983 Hampton RETF law read. The Trustees were never given a copy as passed and he had to ask a State Rep. for a copy. His copy will be photocopied and attached to these minutes along with copies of the 2003 Town Report text and overview financial chart, plus the RETF distribution check from Banknorth, and receipt voucher by the Town's Finance Director.

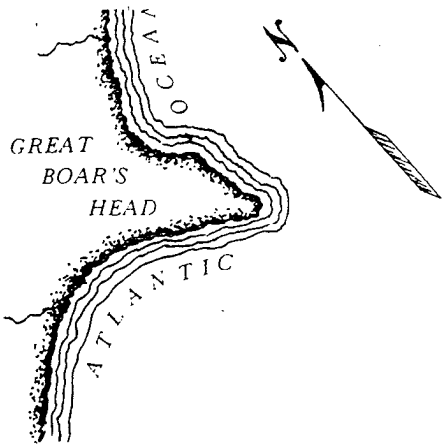
[Note: The agenda item for the annual review of the Investment Policy was not brought up.]

Next scheduled meeting: Mr. Eastman moved, seconded by Mr. Kelley, that the next meeting be Thursday, July 22, at 4 P.M., unless the Chairman calls a meeting before then. SO VOTED: 3-0. Mr. Eastman said that the A.C. should notify Mr. O'Dowd and he'll notify the person who he received a letter from today.

Adjournment: Mr. Eastman moved, Mr. Kelley seconded, that the meeting be adjourned. SO VOTED: 3-0. The Chairman declared the meeting adjourned at 5:05 P.M.

Dist.: 1 ea. Trustee + 1 TOB

  
A.J. Moody/A.C.



TOWN OFFICE  
100 WINNACUNNET ROAD  
603-926-6766

PUBLIC MEETING

TRUSTEES OF THE TRUST FUNDS

Tuesday, April 13, 2004, 4 P.M.

Selectmen's Meeting Room  
Town Office Building

- AGENDA:
- °Meet with reps of Banknorth Investment Management Group re Real Estate Trust Fund; quarterly fees 2003 & 2004; vote
  - °Reorganization of the Board
  - °Review of Investment Policy; vote
  - °Minutes: review of July 7, 2003; vote
  - °Report of Administrative Coordinator
  - °Old and New Business

POSTED (4/9): TOB  
Bch. F. Sta.

