

Town of Hampton



TRUSTEES OF THE TRUST FUNDS
SEPTEMBER 17, 2007 3:00 p.m.

PRESENT: Robert (Vic) Lessard, Chairman
John J. Kelley, Sr.
Glyn Eastman
Ted Atwood
Warren Mackensen, Bookkeeper
Barbara Renaud, Administrative Assistant

The meeting was called to order at 3:00 p.m. by Chairman Lessard.

The progress of transfers of trust funds and capital reserve funds to the New Hampshire Public Deposit Investment Pool (PDIP) was reviewed. Mr. Mackensen provided the trustees with an MBIA Asset Management printout showing that seven of the smaller trust funds and capital reserve funds have been transferred to the PDIP, with the exception of the Hampton Beach Village District capital reserve funds. These last three capital reserve funds will be transferred in September and early October.

The transfers were accomplished by moving the individual CDs into the Trustee checking account, and then moving the money in the checking account electronically to the appropriate sub-account at the Public Deposit Investment Pool. Each transfer takes approximately one week to accomplish in order to avoid commingling funds with each other. The Public Deposit Investment Pool had a 5.5% annual yield as of last Friday. This yield is net of Pool fees. Mr. Mackensen pointed out that he showed Mr. Atwood the details of the transfer process on September 12, 2007, at Mr. Mackensen's office.

The current investment policy for the smaller trust funds and capital reserve funds was passed out to the Board. This policy has been in place since October 9, 1997.

Mr. Mackensen suggested that this policy needs to be revised in view of the fact that the smaller trust funds and capital reserve funds are being transferred to the Public Deposit Investment Pool.

Mr. Mackensen distributed a printout from MBIA Asset Management listing the ten non-real-estate accounts.

Mr. Mackensen suggested that the Trustees try to increase the return on selected trust funds, such as the Cemetery Burial Trust Fund, the Cemetery Perpetual Care Trust Fund, the Library Trust Funds, and the Poor Trust Funds.

It was suggested that the Cemetery Trustees be invited to a meeting to discuss the use of the cemetery trust funds. After discussion, it was decided that the cemetery trust funds remain in the Pool for the time being.

After some discussion, the Trustees decided to maintain all of the smaller trust funds in the Public Deposit Investment Pool, unless an organization associated with a particular trust fund contacts the Trustees of the Trust Funds and requests a better total return. The Trustees of the Trust Funds will review the organization's request for an investment policy that might yield a higher return than the current 5.5% that the Public Deposit Investment Pool is providing to the trust funds and capital reserve funds.

Mr. Mackensen will re-write the investment policy for these smaller trust funds and capital reserves funds to include language for investment in vehicles other than the New Hampshire Public Deposit Investment Pool, as well as the Pool. He was asked to provide the proposed new investment policy by the next meeting.

Mr. Mackensen provided a draft of a cover letter to be used to transmit the recently-adopted Hampton Real Estate Trust Fund Investment Policy to the Registrar of Charitable Trusts in Concord. Transmitting a copy of the Investment Policy is required by the RSAs. The letter describes the changes made in the investment policy this year. After minor revisions by the Board, it was

MOVED by Mr. Atwood to send the Real Estate Trust Fund Investment Policy to the State with the cover letter, as amended.

SECOND by Mr. Kelley.

VOTE: 5-0-0

Motion Passed

Mr. Mackensen showed the Board of Trustees the newly-developed Trustees of the Trust Funds web site. The Uniform Resource Locator (URL) for the web site is www.hamptontrustfunds.org.

Each page of the web site was reviewed. There was a discussion of the 2003 Amendment to the Hampton Real Estate Trust Fund. Specifically, the 2003 Amendment allows the Trustees to loan money from the Real Estate Trust Fund to the Town. RSA 33.8 needs to be added to the list of RSAs on the web site for easy reference.

MOVED by Mr. Mackensen to authorize publishing the new web site to the public.

SECOND by Mr. Lessard.

Further discussion ensued about the methodology of publishing the site. Mr. Mackensen said that a link should be placed on the Town of Hampton web site to help the public find the Trustees of the Trust Fund's web site. In addition, Mr. Lessard suggested that the web site address be placed on Channel 22. He requested that Mr. Mackensen draft a letter to the Board of Selectmen advising the Board of Selectmen of the existence of the Trustees of the Trust Funds web site, and that the URL be posted on Channel 22.

Vote: 5-0-0

Motion Passed

Mr. Kelley asked when we expected to hear from the bank for the third quarter. The bank will attend the meeting on the last Monday in October to allow the Wealth Management Group time to prepare their quarter-end reports.

There was discussion about the bank's procedure for debiting the bank's fees directly from the Real Estate Trust Fund account. Mr. Mackensen stated that the account is automatically debited each month on the 25th of the month, and that the Wealth Management Group sends the Bookkeeper a voucher for each fee being debited. The fee is computed based on the prior month-end market value.

Mr. Mackensen provided the Budget Review Schedule that requests a member of the Board of Trustees to be present for the Selectmen's Meeting on September 17, 2007. Mr. Lessard will attend the meeting on behalf of the Trustees to support the requested 2008 Trustee budget.

Mr. Mackensen provided the Work Session Schedule from the Hampton Municipal Budget Committee, indicating that the Trustees of the Trust Funds should appear before the Budget Committee on Tuesday, November 20, 2007.

Chairman Lessard stated that he would definitely attend the meeting and possibly another trustee would also appear with him before the Budget Committee on that date.

The draft minutes of the August 13, 2007, were reviewed by the Board. Mr. Mackensen requested that a sentence be added at the top of Page Two to note that he volunteered to serve as Bookkeeper without compensation when he was appointed as a trustee. Mr. Lessard said that the sentence should read: "Mr. Mackensen stated that he volunteered, for no compensation, to serve as Bookkeeper when he was appointed as a Trustee." The sentence was added.

Mr. Mackensen noted that the motion to approve the Internal Controls Policy during the August 13, 2007, meeting appeared to be missing on Page Two. The Board concurred that the minutes should reflect the motion made by Mr. Atwood to approve the Internal Controls Policy, and seconded by Mr. Eastman. The vote to sign the Internal Controls Policy was 5-0-0 (Motion Passed).

Mr. Atwood stated that he was concerned about the level of detail of the discussions in the meeting minutes. It was decided to resume audio recording of the Trustees' meetings.

After some further minor corrections of the minutes, it was

MOVED by Mr. Kelley to accept the minutes of August 13, 2007, as amended.
SECOND by Mr. Eastman
VOTE: 3-1-1 **Motion Passed**

The board reviewed the meeting minutes for the meeting held on March 30, 2007. Mr. Mackensen was asked to update the attendees at that meeting and then submit the meeting minutes to the Board for approval at the next regularly scheduled meeting.

The next meeting will be held on Monday, October 29, 2007, at 3:00 p.m. in the Selectmen's Meeting Room. Mr. Mackensen was asked to contact TD Banknorth Wealth Management Group to ensure that they would be on hand to provide a quarterly report, and to provide an estimate of year-end income to the Board of Trustees for Town budget purposes.

Chairman Lessard recognized Debora Curtis as an attendee at this meeting. Ms. Curtis had no comments.

MOVED by Mr. Kelley to adjourn.
SECOND by Mr. Eastman
VOTE: 5-0-0

Motion Passed

The meeting adjourned at 5:15 p.m.

Respectfully submitted,

Barbara Renaud, Administrative Assistant
Warren J. Mackensen, Bookkeeper