

# Town of Hampton



## TRUSTEES OF THE TRUST FUNDS

January 23, 2012 4:15 p.m.

Selectmen's Meeting Room

TRUSTEES: Norman Silberdick, Chairman  
Edward R. Buck, Vice Chair  
William A. Hartley, Bookkeeper  
Stephen A. Falzone, Secretary/Clerk  
John P. Troiano

ADMIN ASSISTANT: Ms. Joan Rice

ADVISORS: Warren J. Mackensen, Mackensen & Company, Inc.  
David T. Mayes, Mackensen & Company, Inc.

PUBLIC: John Sovich

The meeting was called to order at 4:15 p.m. by Chairman Silberdick.

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### **Minutes of the Last Meeting**

The minutes from the meeting of October 17, 2011 were reviewed.

**MOVED** by Mr. Hartley to approve the minutes.

**SECONDED** by Mr. Buck

**VOTE: 5-0-0**

**Motion Passed**

### **Smaller Trust Funds and Capital Reserve Funds**

Mr. Mackensen gave updates on the smaller trust funds and capital reserve funds invested in the Vanguard GNMA Admiral Shares Fund, the Lane Library Fidelity portfolio and the TD Bank Checking Account Statement.

**MOVED** by Mr. Buck to reaffirm the Investment Policy for Trust Funds and Capital Reserve Funds, excluding the Hampton Real Estate Trust Fund and the Library Trust Funds.

**SECONDED** by Mr. Falzone.

**VOTE: 5-0-0**

**Motion passed**

**MOVED** by Mr. Buck to reaffirm the Investment Policy for Library Trust Funds Held by the Trustees of the Trust Funds

**SECONDED** by Mr. Falzone.

**VOTE: 5-0-0**

**Motion passed**

**MOVED** by Mr. Falzone to approve the signing and distribution of checks for:

1. Poor Funds: \$18.60 (Town of Hampton)
2. Library Trust Funds: \$186.70 (Lane Memorial Library)
3. Perpetual Care Trust funds: \$721.24 (Town of Hampton)
4. Cemetery Burial Trust Fund: \$15,047.26 (Town of Hampton)

**SECONDED** by Mr. Buck.

**VOTE: 5-0-0**

**Motion passed**

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### **State Reports**

The Report of Trust and Capital Reserve Funds was signed by the Trustees.

The MS-9 and MS-10 Reports were signed by the Trustees. Mr. Mackensen will forward them to the Attorney General's office and the Department of Revenue Administration.

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## **2011 Town Report**

Draft E of the Report of the Trustees of the Trust Funds was reviewed. Mr. Silberdick suggested that fees paid by the Trustees to Mackensen & Company and National Advisors Trust be included in this report.

**MOVED** by Mr. Buck to approve the Report of the Trustees of the Trust Funds as amended. This report is to be submitted to the Town Manager's office by Mackensen & Company.

**SECONDED** by Mr. Falzone.

**VOTE: 5-0-0**

**Motion passed**

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## **Internal Controls Policy**

The Internal Controls Policy was reviewed.

**MOVED** by Mr. Buck to reaffirm the Internal Controls Policy.

**SECONDED** by Mr. Falzone.

**VOTE: 5-0-0**

**Motion passed**

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## **Monthly Transactions Worksheet**

Mr. Mackensen discussed the Monthly Transactions Worksheet.

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## **2011 Town Meeting Ballot Results Pertaining to Trustees**

Mr. Mackensen discussed the 2011 ballot results, which showed all warrant articles as having been completed.

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## **Real Estate Trust Fund Discussion**

Mr. Mackensen presented the Mackensen & Company Performance Report which included:

1. Economic Outlook (letter to trustees)
2. Portfolio Comparative Performance Review (last 3 mos. and 12 mos.)
3. Position Performance Summary (9/30/2011 – 12/31/2011)

The Trustees reviewed the NATC Real Estate Trust Fund Account Custody Statement at 12/31/2011.

The Month-End Market Value graphs were reviewed.

The 2011 TrustTrak Snapshot Report for Real Estate Trust Fund was reviewed.

The Trustees reviewed alternate portfolio compositions including:

1. Morningstar Snapshot as of 12/31/2011 was reviewed. The stock allocation is presently 30.% US Stocks + 7.9% Non-US Stocks = 38.4% Equities, 55.1% Bonds + 1.3% Cash + 5.2% Preferred Stocks = 61.6% Fixed Income.
2. Mr. Mayes presented the Mackensen & Company proposed modifications to the current portfolio.
3. The Silberdick proposed modifications to the current portfolio were reviewed.

Discussion followed. Mr. Silberdick said his modifications show a much higher yield. Mr. Hartley said this would eliminate most of the equity funds. This would result in all bonds and no stocks. Mr. Troiano said there are some bonds which are great opportunities. Mr. Hartley suggested this could become an ongoing conversation among the Trustees. The Trustees agreed.

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## **Investment Policy for Hampton Real Estate Trust Fund**

**MOVED** by Mr. Buck to reaffirm the Investment Policy for the Hampton Real Estate Trust Fund.

**SECONDED** by Mr. Falzone.

**VOTE: 5-0-0**

**Motion passed**

## **2012 Investment Management Fees for Mackensen & Company**

**MOVED** by Mr. Troiano to reaffirm the 2012 Investment Management Fees for Mackensen & Company.

**SECONDED** by Mr. Falzone.

**VOTE: 5-0-0**

**Motion passed**

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## **Other Business**

Mr. Mackensen said he will testify at a legislative hearing on January 31 at 10:10 a.m. in Concord with regard to Senate Bill 243 introduced by Senator Nancy Stiles at Mackensen & Company request.

Mr. Troiano noted that the advisor had referenced his handling of the Hampton trust funds in his newsletter, which he had sent to other towns. Mr. Troiano stressed that, unless he has written consent from the town to do so, he must adhere to industry regulations and maintain client confidentiality. Mr. Mackensen then duly noted Mr. Troiano's concerns.

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## **Next Meeting**

The next meeting of the Trustees is scheduled for Monday, April 30, 2012, at 4:15 p.m. in the Selectmen's Meeting Room.

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## **Adjournment**

**MOVED** by Mr. Buck to adjourn.

**SECONDED** by Mr. Hartley.

**VOTE: 5-0-0.**

**Motion passed**

The meeting was adjourned at approximately 5:55 p.m.

Respectfully submitted,

Joan Rice  
Secretary