

Town of Hampton



TRUSTEES OF THE TRUST FUNDS

April 22, 2013 4:15 p.m.

Selectmen's Conference Room

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

ADMIN ASSISTANT: Ms. Joan Rice

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

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

Chairman Silberdick congratulated Mr. Hartley on his re-election to the Board.

Election of Officers

Chairman Silberdick asked for nominations for Officers for the coming year.

MOVED by Mr. Hartley to appoint Norman Silberdick as Chairman of the Trustees of Trust Funds for the coming year.

SECONDED by Mr. Falzone.

VOTE: 4-0-1 (Silberdick)

Motion Passed

MOVED by Mr. Falzone to appoint William Hartley as Vice Chairman of the Trustees of Trust Funds for the coming year.

SECONDED by Chairman Silberdick

VOTE: 4-0-1 (Hartley)

Motion Passed

MOVED by Mr. Sovich to appoint John Troiano as Bookkeeper of the Trustees of Trust Funds for the coming year.

SECONDED by Mr. Falzone.

VOTE: 4-0-1 (Troiano)

Motion Passed

MOVED by Mr. Sovich to appoint Mr. Falzone as Secretary/Clerk of the Trustees of Trust Funds for the coming year.

SECONDED by Mr. Hartley.

VOTE: 5-0-0

Motion Passed

Minutes of the Last Meeting

The minutes from the meeting of January 22, 2013 were reviewed.

MOVED by Mr. Falzone to approve the minutes.

SECONDED by Mr. Troiano.

VOTE: 5-0-0

Motion Passed

Overall Portfolio Performance Review

The Portfolio Performance and Position Performance were reviewed. Mr. Mayes said the Real Estate Trust Fund is doing very well. It is ahead of the benchmark and the highest since inception. It is generating enough income and the market is helping to grow the principal.

Chairman Silberdick asked Mr. Mayes if he sees anything in the portfolio that he may want to move. Mr. Mayes said there could perhaps be some rebalancing and maybe moving some into emerging markets. Mr. Mayes said the fund is consistent with the investment policy of 40% stocks and 60% bonds.

Mr. Hartley expressed concern over government spending. Inflation is under control, but, in his opinion, sometime in the future there might be a huge collapse when rates are raised. This could happen quickly and the Board needs to begin getting a strategy just in case.

Mr. Troiano said that foreign currencies can provide a hedge. This might be something to look into as a small portion of the portfolio.

Mr. Troiano cautioned against being reactionary to news. Rates have actually dropped this year. Mr. Troiano said the economy is still stagnant and he does not see increasing rates in the near future. Mr. Troiano asked Mr. Mayes if he could get some individual bonds if the Board wanted to do that. Mr. Mayes replied that he could. Chairman Silberdick noted that there is much uncertainty about the implications of ObamaCare.

It was the consensus of the Board to continue this discussion at the next meeting.

Real Estate Trust Fund Portfolio

The Month-End Market Value graphs, NATC Account Custody Statement, Morningstar Snapshot and TrustTrak Snapshot were reviewed.

Common Trust Fund Portfolio

The NATC Account Custody Statement and Morningstar Snapshot were reviewed.

Chairman Silberdick said there was not a warrant article this year for moving cemetery money into the Cemetery Burial Trust Fund. It has remained in the general fund. This is being evaluated and may be modified.

Common Capital Reserve Fund Portfolio

The NATC Account Custody Statement and Morningstar Snapshot were reviewed.

Mr. Mayes said this fund is not doing as well as he would like. Mr. Mayes made a proposal to move funds to a CRF-Diversified portfolio. This would require a change in the Investment Policy.

MOVED by Mr. Falzone, seconded by Mr. Troiano, to change the Investment Policy from CRF-US Government to a CRF-Diversified portfolio.

SECONDED by Mr. Troiano.

VOTE: 5-0-0.

Motion Passed

MS-9 Report

The MS-9 Report was reviewed.

2013 Hampton Ballot Results

The ballot results were reviewed.

Burial Trust Fund Money

The Trustees again discussed the issue of the Burial Trust Fund money not being forwarded to the Trustees. This is being investigated and the Trustees are waiting for the decision.

MOVED by Mr. Sovich that Chairman Silberdick go to the Board of Selectmen regarding the Burial Trust Fund monies if it is found their decision to put the cemetery lot sales revenue in the general fund is improper.

VOTE: 5-0-0

Motion Passed

Next Meeting

The next meeting of the Trustees is scheduled for Monday, July 22, 2013, at 4:15 p.m. in the Selectmen's Meeting Room.

Adjournment

MOVED by Mr. Falzone to adjourn the meeting at 5:25 p.m.

SECONDED by Mr. Troiano.

VOTE: 5-0-0

Motion Passed

Respectfully submitted,

Joan Rice
Secretary