

# Town of Hampton



## TRUSTEES OF THE TRUST FUNDS

January 13, 2014 4:00 p.m.

Selectmen's Conference Room

TRUSTEES: Norman Silberdick, Chairman  
William A. Hartley, Vice Chairman  
Stephen A. Falzone, Secretary/Clerk  
John Sovich  
John Troiano (4:05 p.m.)

ADMIN ASSISTANT: Ms. Joan Rice

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

The meeting was called to order at 4:00 p.m. by Chairman Silberdick.

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

The minutes from the meeting of October 21, 2013 were reviewed.

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

**SECONDED** by Mr. Hartley

**VOTE: 3-0-1 (Falzone)**

**Motion Passed**

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## **Overall Portfolio Performance Review**

The Portfolio Performance and Position Performance were reviewed. Mr. Mayes said the Real Estate Trust Fund is doing very well and is over 9%. This is at or above the benchmark. The performance of the Common Trust Fund is also very good.

Chairman Silberdick asked about the disparity in the "Ending Value" amount on several different documents. Mr. Mayes explained that dividends are picked up after the end of the year and are posted back to 12/31.

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## **Real Estate Trust Fund Portfolio**

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

Mr. Mayes noted that Vanguard Div Appreciation (VIG) is reaching the limit of 5% of the portfolio so he will have to make some adjustments. Mr. Silberdick asked how much VIG would be reduced. Mr. Mayes said it would be reduced to approximately 4-1/2%.

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## **Common Trust Fund Portfolio**

The NATC Account Custody Statement and Morningstar Snapshot were reviewed.

Mr. Silberdick asked the Board how they felt about allocating Mackensen's fees. Mr. Falzone said he felt it could be spread over all of the funds. Mr. Sovich and Mr. Hartley said they did not feel it is a problem either way. Mr. Mayes said the bill to allow this allocation has passed the House and is going to the Senate.

Mr. Mayes said they are staying at around 35% in equities in the Common Trust Fund and he feels it should stay that way for now.

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## **Common Capital Reserve Fund Portfolio**

The NATC Account Custody Statement and Morningstar Snapshot were reviewed.

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## **MS-9 and MS-10 Reports**

The MS-9 and MS-10 Reports were reviewed.

**MOVED** by Chairman Silberdick to approve the MS-9 and MS-10 Reports

**SECONDED** by Mr. Hartley

**VOTE: 5-0-0**

**Motion passed**

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### **Income Distributions to the Town**

**MOVED** by Chairman Silberdick to approve Income Distributions to the Town as follows:

- a. Poor Funds: \$21.00 (Town of Hampton)
- b. Library Trust Funds: \$389.00 (Lane Memorial Library)
- c. Perpetual Care Trust Funds: \$817.00 (Town of Hampton)
- d. Cemetery Burial Trust Funds: \$18,014.000 (Town of Hampton)

**SECONDED** by Mr. Falzone

**VOTE: 5-0-0**

**Motion passed**

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### **Town Report Narrative**

The Town Report Narrative was reviewed.

**MOVED** by Chairman Silberdick to approve the Town Report Narrative

**SECONDED** by Mr. Falzone

**VOTE: 5-0-0**

**Motion passed**

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### **Town Report Spreadsheet**

The Town Report Spreadsheet was reviewed.

**MOVED** by Chairman Silberdick to approve the Town Report Spreadsheet

**SECONDED** by Mr. Sovich

**VOTE: 5-0-0**

**Motion passed**

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### **Internal Controls Policy**

**MOVED** by Chairman Silberdick to reaffirm the Internal Controls Policy

**SECONDED** by Mr. Falzone

**VOTE: 5-0-0**

**Motion passed**

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### **Investment Policy – Real Estate Trust Fund**

The Investment Policy was reviewed.

Mr. Hartley said he would like to consider putting something into foreign currencies. It was noted that the Investment Policy would have to be amended to do that. Mr. Troiano said he felt it would be okay to have a small amount in that area and that precious metals could also be considered. Mr. Hartley said he was not in favor of adding precious metals. Mr. Mayes said precious metals do not generate income.

**MOVED** by Mr. Falzone to add non-U.S. currencies to permitted asset classes in the Investment Policy for the Real Estate Trust Fund.

**SECONDED** by Mr. Hartley.

**VOTE: 4-1 (Sovich)-0**

**Motion passed**

**MOVED** by Chairman Silberdick to reaffirm the Investment Policy for the Real Estate Trust Fund as amended.

**SECONDED** by Mr. Hartley.

**VOTE: 5-0-0**

**Motion passed**

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### **Investment Policy – Common Trust Fund and Common Capital Reserve Fund**

**MOVED** by Mr. Sovich to reaffirm the Investment Policy for the Common Trust Fund and Common Capital Reserve Fund.

**SECONDED** by Mr. Falzone.

**VOTE: 5-0-0**

**Motion passed**

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## **Bond Discussion**

Individual bonds were discussed. It was decided to put approximately \$1.2 million towards some individual securities. Mr. Mayes said he would look for a 4% or better yield. Mr. Troiano presented a printout showing possible securities to be considered.

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## **Next Meeting**

The next meeting of the Trustees is scheduled for Monday, April 21, 2014, at 4:15 p.m. in the Selectmen's Meeting Room.

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## **Adjournment**

**MOVED** by Mr. Hartley to adjourn the meeting at 5:30 p.m.

**SECONDED** by Mr. Sovich.

**VOTE: 5-0-0**

**Motion Passed**

Respectfully submitted,

Joan Rice  
Secretary