

Town of Hampton



TRUSTEES OF THE TRUST FUNDS

Regular Meeting, Monday, April 16, 2001, 4 P.M.
Selectmen's Meeting Room, (new) Town Office Building
Posted (4/13): TOB, Beach Fire Sta., Lane Mem. Library

PRESENT: Jane Kelley, Chairman; "Jack" Kelley, Clerk; "Vic" Lessard, Bookkeeper. Also: Art Moody, Administrative Coordinator; from The Stratevest Group (Banknorth/BNH): John O'Dowd, Asst. V.P./Account Administrator & Robert Magan, Portfolio Manager/Investment Officer.

With the bank reps and Trustee "Jack" Kelley present, the latter telephoned current Chairman Lessard's residence and they will page him. Ms. Kelley was to have surgical stitches removed at the Portsmouth Hospital and would be late. Mr. Magan had a folder of Real Estate Trust Fund data and graphs for each member and talked on the investment status & of which Federal/Agency bonds are maturing in this and next year. He expects the economy to be sluggish for the next 8-12 months -- but no recession. The Fed. Fund Rate will most likely be again reduced another 50 basis points (.5 percentile); thus, our mainly fixed-income securities will produce less income than the \$840k to the Town for 2000 (which was some \$65k more than for 1999). Mr. Lessard soon arrived and a brief overview was given by Mr. Magan. At 4:24 P.M. Ms. Kelley arrived (as well as "Randy" Radkay in the audience). Mr. Magan reviews his presentation. Mr. Kelley MOVED, seconded by Ms. Kelley, to pay the first quarter 2001 professional banking assistance fee when submitted. SO VOTED: 3-0-0. The bank reps departed at 4:27 P.M.

Town Mortgage Matters: Since Mr. Radkay was present, Mr. Lessard wanted to continue the matter of his troubled mortgage on 703 Ocean Blvd. "Vic" went over the recent problems with Atlantic Mortgage & Investment Corp.'s paying property taxes, buying insurance on the buildings (not mortgaged by the Town) and refusing regular mortgage payments that don't include new amounts for the taxes and insurance. This has occurred for 703 O.B. and 7 I St. mortgages (the latter is E. Williams' property). Mr. Lessard spoke for an hour with Atlantic Mortgage in Jax, FL, and they finally admitted they didn't have authority under the Selectmen's original mortgage-servicing agreement with Indian Head National Bank (1984), whose portfolio of Town mortgages they bought from Fleet Mortgage Funding (whose parent company bought Indian Head in the late 1980s), to do anything except collect payments and forward same, less fee, to the Town's Trustees. The Radkay matter has been in Town Counsel's hands twice in recent years. Mr. Lessard was authorized to continue trying to solve the matter via counsel. Mr. Radkay submitted a request in writing to the Board to pay off what's legally due the Town on his mortgage and receive a recordable discharge from the Selectmen. He wants a figure for principal and interest due as of May 1, 2001, and writes that the dispute re taxes paid by AM&IC "should not be an issue with the Town." As for the form authorizing or denying foreclosure by AM&IC on 7 I St., the Board decided it wasn't necessary to complete it and send it to the company as "they know they can't foreclose on it."

2. Trustees of the Trust Funds, April 16, 2001 (con't.)

Reorganization of the Board: Mr. Kelley MOVED, seconded by Mr. Lessard (stepping down from the chair), that Ms. Kelley be Chairman for 2001-02. SO VOTED: 2-0-1, with Ms. Kelley abstaining (she doesn't mind the title "Chairman"). Mr. Lessard MOVED, seconded by Ms. Kelley (stepping down), that Mr. Kelley be the Clerk. SO VOTED: 2-0-1 (Mr. Kelley abstaining). Mr. Kelley MOVED, seconded by Ms. Kelley (stepping down), that Mr. Lessard be the Bookkeeper. SO VOTED: 2-0-1 (Mr. Lessard abstaining). The Administrative Coordinator's 2001 stipend is as adopted in the Town Budget voted on March 13.

Minutes of Oct. 16, 2000, & Jan. 2, 2001: Mr. Lessard MOVED, seconded by Mr. Kelley, that these minutes of those meetings be approved as printed. SO VOTED: 3-0-0. Radkay Motion: Mr. Lessard MOVED, seconded by Mr. Kelley, to accept the Radkay letter for the file. SO VOTED: 3-0-0.

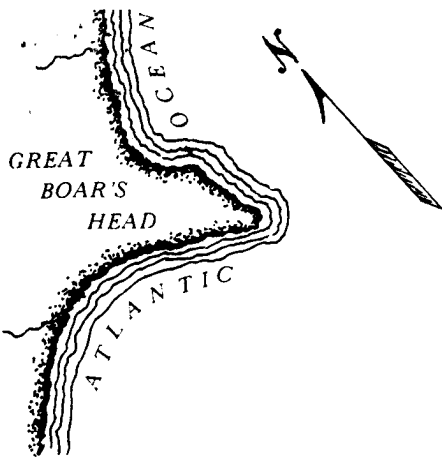
A.C.'s Report: The 2000 text and financial chart were in the Town Report, which published in the larger, 8½ x 11" format, but the chart appeared slightly smaller than the previous one (6 x 9" book). Library Treasurer-Trustee Barbara Rallis called inquiring what the library trust funds were and she was referred to the chart in the Town Report. Although about everyone else received some "concerns" in the annual audit (no press, of course), there were no questions about the Trust Funds' records and State MS-9 and -10 reports. The RETF deposit for the sale of three lots in 2000 was received in early Jan. (One sale did not close until Jan. and its \$55,750 wasn't included.) The Town votes of March 13, 2001, appropriating \$19k and \$350k into the Cem. Burial TF and Town Roads Capital Reserve Fund, respectively, have already been received (in one Town check; luckily, both A/Cs are in the same bank). The Selectmen have until Dec. 31 to expend the \$350k but sent it early. The Technology CRF withdrawal of three years ago was finally spent in 2000 with a small balance that was lapsed into the General (Revenue) Fund and not returned to the CRF. The Village District voted in March to establish another CRF with no appropriation. As its funding is based on revenue, a Special Revenue Fund would have been more appropriate. Its expenditure purpose is "for the construction or reconstruction of improvements on property currently owned by the District." An already established CRF has the same purpose: "capital expenditures." The Town had made unauthorized expenditures in 2000 from the Trustees' budget A/C -- even overexpending it -- and Chairman Lessard got those withdrawals removed (except for \$60).

Investment Policy: Per RSA 31:38-a, Mr. Lessard MOVED, seconded by Mr. Kelley, that the policy, adopted Oct. 10, 1997, and re-adopted April 12, 1999, and April 17, 2000, be readopted. SO VOTED: 3-0-0.

A Perpetual Care TF to Cem. Burial TF: As previously done in a case that became known to the Board, the Selectmen signed a cemetery deed with credit from a plot or graves owned in another cemetery section ("buying back" graves process). Thus, the individual P.C. trust fund on the unused first purchase no longer had any validity in the name of the previous owner. Such is the case with a transfer in 2000 for the 1984 C. Garvin P.C. trust of \$250. Since the Town Meeting-voted policy for the past 15 years is for sales amounts to go into a Town Cem. Burial TF, not an individual P.C. trust, the Garvin P.C. trust should be transferred to the Town's TF. This can be done when bank CDs become due in the summer. Mr. Lessard MOVED, seconded by Mr. Kelley, that this be done. SO VOTED: 3-0-0.

Mr. Lessard MOVED, seconded by Mr. Kelley, that the meeting be adjourned. SO VOTED: 3-0-0. The Chairman ADJOURNED the meeting at 5:04 P.M., subject to the call of the Chairman.


John J. Kelley, Sr./Clerk



TOWN OFFICE
100 WINNACUNNET ROAD
603-926-6766

Quarterly Meeting

Trustees of the Trust Funds

*
Monday, April 16, 2001, 4 P.M.

Selectmen's Meeting Room
Town Office Building

- *
° Reorganization of the Board for 2001-01
- ° Confer with Real Estate Trust Fund account managers from
The Stratevest Group, Concord
- ° Report of the Administrative Coordinator
- ° Any other business a Trustee may proffer

