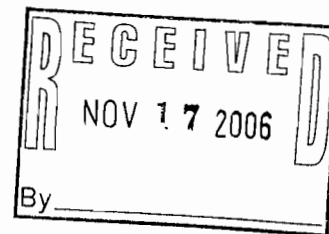


Town of Hampton

APPROVED

ON



TRUSTEES OF THE TRUST FUNDS

Regular Meeting: Tuesday, November 14, 2006, 4 P.M.
Selectmen's Meeting Room, Town Office Building

POSTED 11/7 (by the A.C.): TOB & Lane Mem. Lib.

PRESENT: Glyn Eastman, Chairman, and "Jack" Kelley, Clerk.
Also: Arthur Moody, Administrative Coordinator; TD Banknorth Wealth Management Group reps: John O'Dowd, V.P. and Portfolio Administrator, and Reid Smith, V.P. and Portfolio Investment Officer (RETF).

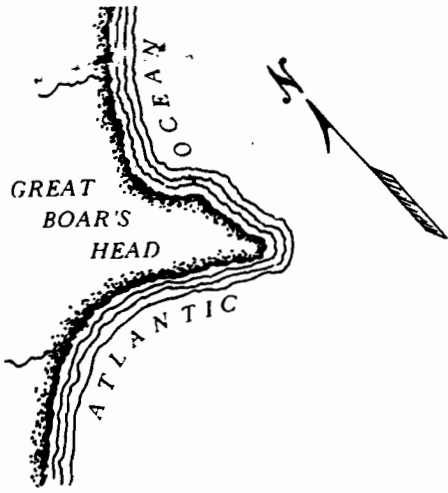
Chairman Eastman opened the meeting at 4:05 P.M. and announced that Trustee "Vic" Lessard was absent due to a family illness; he turned the meeting over to the Real Estate Trust Fund investment managers and Mr. Smith handed out copies of the Account Summary (10 pp.) as of Nov. 10. All types of securities are in 5-5½% yield-to-maturity Federal, Agency and corporate investments. He reviewed each page's data and graphs with the Board. The Chairman stated that each trustee received a letter from Interim Town Manager Mark Gearreald requesting that RETF income be distributed to the General Fund twice a year, vice annually; he asked Mr. O'Dowd if such would be a problem. He answered that the contract, to Oct. 2008, requires just annual distribution after the town audit and any change would require more administrative work on accruals (income earned during a time period but not received until the investments mature and are actually paid), meaning an increase in cost/fees to TDBN WMG. Mr. Smith said that there would be loss of income of \$6 or 7,000 based on an annual distribution of about \$500,000. The Chairman said that this matter comes up every few years when there are new people in office dating back to 1984 when the Selectmen approved annual, audited distribution. [The Selectman can borrow re short-term Tax Anticipation Notes at a lower cost than the Trustees can earn so there is a net loss to the Town if distribution is semiannual.] The Chairman will talk to the Manager. The portfolio managers left at 4:20 P.M. after the following motion was approved and documents signed: M. Kelley moved, seconded by Mr. Eastman (stepping down from the chair), to ratify the professional banking fee for 2006 of \$ 1,592.81 and to approve the 3Q06 fee of \$ 1,888.00. SO VOTED: 2-0-0 (with one absent).

Minutes of August 22, 2006: Mr. Kelley moved, seconded by Mr. Eastman (stepping down), to accept the minutes as presented. SO VOTED: 2-0-0. [Note: the minutes of the April 22, 2006, were approved by vote at the August 22 meeting.]

Other: The Chairman stated that the annual review and confirmation of the Board's Investment Policy will occur when there are all three trustees present. A.C. Moody reported on a couple of matters including the increase of interest rates for the Trustees' 16 CDs for non-RETF trusts and Capital Reserve Funds, some with as low a balance as \$250, will result in annual yields of 5.12%, thanks to the Government Banking Division of TDBN in Concord.

Adjournment: Mr. Kelley moved, seconded by Mr. Eastman (stepping down), to adjourn. SO VOTED: 2-0-0. Adjournment at 4:24 P.M.

100 Winnacunnet Road, Hampton, New Hampshire 03842 Tel. 603-926-6766 Fax 603-926-6858
Distr.: 1 ea. Trustee; 1 to BOS/ITM A.A./TOB *A.J. Moody* A.J. Moody/A.C.



TOWN OFFICE
100 WINNACUNNET ROAD
603-926-6766

PUBLIC MEETING

TRUSTEES OF THE TRUST FUNDS

Tuesday, November 14, 2006, 4 P.M.

Selectmen's Meeting Room, Town Office Building

- Agenda:
- Meet with reps of TDBN Wealth Management Group
re status of Real Estate Trust Fund
 - Review minutes of August 22, 2006
 - Annual review of Investment Policy
 - Any other trust-fund matter advanced by
a Trustee
 - A.C.'s report

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