

TRUSTEES OF THE TRUST FUNDS
CITY OF PORTSMOUTH, NEW HAMPSHIRE
MINUTES OF MAY 10, 2016 MEETING

A regular meeting of the Trustees of the Trust Funds for the City of Portsmouth, New Hampshire was held on May 10, 2016 at the 3rd Floor Conference Room of the Seybolt Building at Portsmouth City Hall. The meeting was called to order at 7:30 a.m.

Present were Trustees Thomas R. Watson, Phyllis Z. Eldridge and Dana S. Levenson. Also present were Michael Warhurst, Peter Torrey, David Allen, Nancy Colbert Puff, Jane Nelson, Beth Margeson, Alan Gordon, Joseph Galli, Mary Krempels, and Judy Nerbonne.

The minutes of the April 28, 2016 meeting were reviewed and, upon motion duly made and seconded, approved.

Payroll and operating expense checks were reviewed and signed.

Mr. Warhurst delivered his Park report. He started with an update on the damage to the Cabot Lyford sculpture on Four Tree Island recently caused by vandalism. He reported that he contacted Jonathon Taggart of Taggart Objects Conservation and obtained a preliminary estimate of the cost of repair. The loss has also been reported to Primex, the City's insurer. The adjustor is expected to inspect the damage in the near future. Mr. Watson suggested that any adjustment of the loss should take into consideration that the damage is to a piece of public art and should not be analogized to cleaning up spray painting on a brick wall.

Mr. Warhurst reported that the painting of the Liberty Pole, scheduled for this week has been postponed due to the recent cold and wet weather and will likely occur in June. He also reported that Prescott Parks Art Festival cleaned out much of the third floor in the Shaw Warehouse as part of a Day of Giving project sponsored by the United Way.

Finally, Mr. Warhurst reported on his discussions with Piscataqua Landscaping with respect to the acquisition and instillation of new plants in the garden between Marcy Street and the formal garden. He noted that Piscataqua Landscaping is willing to donate some of the plants and labor associated with the project but there will be some costs to the Park that were not incurred in prior years due to donations from another landscaping company that has since closed for business. After further discussion, the Trustees resolved that Mr. Warhurst negotiate an agreement with Piscataqua Landscaping and utilize funds that have already been allocated for planting within the Park this year.

Mr. Torrey delivered his financial report. He distributed a recommendation from HM Payson to readjust a portion of the Trustees' portfolio by substituting certain Vanguard High-Yield Investments for the currently held Vanguard Short-Term Investments. After discussion and after motion duly made and seconded, the Trustees voted to authorize HM Payson to implement the recommendations.

Mr. Torrey distributed and led a discussion of the revenue and expense summaries for the Prescott Trust Fund for periods ending March 31 and April 30, 2016. He also distributed and led a discussion of the activity summary for the Marine Maintenance Trust Fund. He also

distributed and led a discussion of a report showing the annualized average growth in all Trust Funds for the period of 2006-2016, noting that the combined funds realized a 3.1% growth during the first quarter of 2016.

Mr. Torrey next reported that he has received an indication from the donors of the Ricci Scholarship Fund to make a further contribution to the Fund in 2016 in order to increase the scholarship to be awarded this year.

Mr. Levenson noted that the funds that are part of the African Burying Ground Trust continue to be held in short-term investments notwithstanding that the Memorial Park is now complete. He suggested that Mr. Torrey contact an ABG representative to suggest to the ABG Committee that the ABG Trust funds may be better served if placed under management with Payson, allowing for a greater return. Mr. Allen reported that ABG Committee is currently looking at raising additional funds to establish an endowment for repair of and programming in the Memorial Park.

Mr. Torrey next reported on the receipt of an inquiry from the Portsmouth Futures Program. The Program is desirous of implementing an arrangement that will allow the public to make small donations electronically. The Program inquired whether the Trustees' general operating bank could be used to receive such donations. After discussion, the Trustees determined that it would not be advisable to use the general account for such purposes and suggested that the Futures Program consider establishing its own account and then transferring the account balances to the Futures Fund periodically. Mr. Torrey also reported that the implementation of the Dockwa reservation system is on hold while the City's legal department negotiates the final terms of the Agreement with Dockwa. Finally, Mr. Torrey noted that the Trustees have been assigned a new email address with the City of Portsmouth (trustfunds@cityofportsmouth.com) as part of the integration of the Trustees administration integration with the City.

Mr. Allen suggested that the Trustees address the request from PPAF to install rope rails on the seating deck that was tabled at an earlier meeting of the Trustees. He distributed a photo showing the proposed rope rails. After further discussion, upon motion duly made and seconded, the Trustees unanimously approved the request on a temporary basis for the 2016 Season only.

Mr. Levenson suggested that the Trustees should proceed with its request for additional financial information from PPAF now that Mr. Torrey has returned from his winter residence in South Carolina so as to advance the negotiations of PPAF's financial contribution for 2016. After discussion, it was agreed that Ms. Eldridge would confer with Mr. Torrey and Mr. Moore and prepare the request before the next meeting of the Trustees.

Mr. Levenson also proposed that the Trustees commend Mr. Allen for his service and assistance over the years to the Trustees as Deputy City Manager and wish him the best of happiness in his retirement. The recommendation was unanimously approved by the Trustees.

Ms. Eldridge then opened the meeting for public comment. Ms. Margeson offered comments concerning the rope rails approved by the Trustees, as well as the annual fee to be paid by PPAF. She also expressed some concern of published reports that PPAF planned to add 10 concerts to its 2016 schedule. Mr. Levenson suggested that that report was in error or

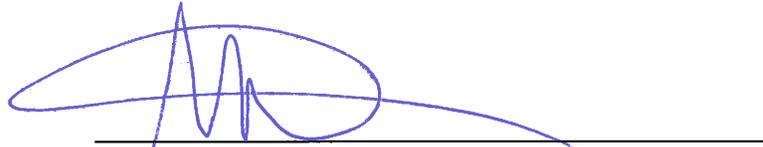
misinterpreted. He noted that the Trustees have already approved the 2016 schedule for PPAF and that schedule does not allow for a large number of additional concerts.

Ms. Krempels spoke to the damage to the Lyford Sculpture. She asked if it would be appropriate to organize a crowd funding effort to make up any shortfall in the cost of repairing the sculpture not covered by insurance. Ms. Eldridge suggested that the Trustees were not equipped to conduct such an effort but would welcome any effort by members of the public to raise funds to cover that shortfall.

Mr. Gordon reported that he was present on behalf of the Friends of the South End who are desirous of holding a public informational session regarding the plans of the Blue Ribbon Committee on the Prescott Park Master Plan. He sought the identity of the persons he should contact to arrange for representation from the Blue Ribbon Committee as such a session. It was suggested that the first inquiry should be made to Mr. Moore, the City's liaison to the committee, or to Christine Dwyer the chair of the committee.

The chair reported that the next meeting will take place on May 26, 2016.

There being no further business, upon motion duly made and seconded, the meeting was adjourned at 8:29 a.m.



Thomas R. Watson, Secretary