



# TOWN OF HUDSON

## Trustees of the Trust Fund

Edmond Duchesne      Harry A. Schibanoff      Leonard T. Lathrop



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### MINUTES OF THE September 6, 2012 MEETING

1. Meeting was called to order at 3:30 P.M. by Trustee Lathrop. In attendance were Trustees Duchesne, Schibanoff, & Lathrop. Finance Director, Kathy Carpentier and Clerk to the Trustees, Paula DeAngelis were also in attendance. Warren Mackensen of Mackensen & Co. also attended.
2. The minutes from the meeting of August 2, 2012 were reviewed and accepted.

Motion by Len , 2<sup>nd</sup> by Harry to accept the minutes of August 2, 2012, carried.

### 3. CORRESPONDENCE:

- a) Bid Proposals: Mackensen & Co. (new) (in attendance at meeting)
- b) “ “ : People’s United Bank Wealth (new)
- c) Rick Harper of Robbins Farley would like to meet re: bid

Mr. Mackensen was invited to speak to the committee out of the order of the day where he outlined his company operation and history. They are affiliated with a federal savings bank. They have been in business for 21 years and currently handle 11 municipalities along with several private clients. Fee to manage account would be approx. .48% for \$9M. His data shows that Hudson’s managed asset performance is approx. 47 of the 234 towns in NH. He currently manages Hampton whose performance is 13 with \$18M. Mr. Mackensen lives in Hampton & was a Trustee for several years. We would get a better rate of return using his company than we currently are. They deal strictly with mutual funds which are liquid at the end of the day & there is no penalty for withdrawing funds at any time. Mr. Mackensen was given the floor to go over his bid proposal. The company was founded in ’91. They will write our Investment Policy for us. They have knowledge of RSA’s. Banking affiliation is National Advisor’s Trust Co., based in Kansas, but does business with all 50 states. This is a federal savings bank chartered 11 years ago & he is one of the founders. The bank has FDIC insurance but mutual funds do not & do not require collateralization. They handle both Trusts and Capital Reserve Accounts. Warren does not own shares in his company. They treat all NH towns equally, including fee structure which is non-negotiable. They are very conservative, the goal is to try to exceed inflation, not be risky. They use the Prudent Man rule. They prefer to do all of the bookkeeping, including MS-9. They prefer to use ACH banking, as wire transfers cost \$18. each. Also, they prefer to be paperless, reports are on-line. They us a program called “Trust

Track”. Their fees are always in arrears. There was some discussion re: the latest senate bill 243 which states that trusts would be assessed fees, but this doesn’t seem to include Capital Reserve Funds. Currently, the Town’s cost of managed assets are .5%. This will correct any confusion in past minutes relative to the cost of managed assets.

Motion by Len , 2<sup>nd</sup> by Harry to accept correction, carried.

**4. OLD BUSINESS:**

- a) FY12 MS9 - signed off, Paula will mail to Concord. Audit issue was not having a current Investment Policy – which we are aware of.
- b) T. Knowles “Prudent Man” investing w/ foreign bonds/stocks – non issue, no rule indicates this as long as firms are registered in States.
- c) Scanning Project – will take place within the next month.

**5. NEW BUSINESS:**

- a) School Dept Request for FY12 year-end balances for audit (sent)
- b) Audit Survey completed.
- c) Public Official Bond Schedule given out.
- d) U.S. District Court of Minnesota, Town of Hudson Claimant – Len took home to read over.
- e) MorganStanley SmithBarney fee voucher of \$3,010.09 for services from 4/12 – 6/12. (signed off)
- f) Oct. 25 is next Budget Meeting, Trustees budget will be presented at 7:pm – Kathy is willing to represent us. Len will get back to her closer to the time if he is available to attend. Asset management fees may need to be discussed, in case we need to add to budget.

- 6. Meeting is adjourned 5:02 p.m. Our next Trustee meeting is scheduled for Thursday, Oct. 25, 2012 at 2:30 pm in the Buxton Community Room.

Motion to adjourn at 5:02 p.m. by Trustee Lathrop, carried.

Respectfully by: Paula DeAngelis

cc. Trustees  
Finance Director  
Town Clerk  
Board of Selectmen  
School Administration  
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