

TRUSTEES OF THE TRUST FUNDS
CITY OF PORTSMOUTH, NEW HAMPSHIRE
MINUTES OF DECEMBER 13, 2012 MEETING

A regular meeting of the Trustees of the Trust Funds for the City of Portsmouth, New Hampshire was held on December 13, 2012 at the 4th Floor Law Library at Portsmouth City Hall. The meeting was called to order at 7:30 a.m.

Present were Trustees Phyllis Z. Eldridge, Dana S. Levenson and Thomas R. Watson. Also present were Peter Torrey, Michael Warhurst, Robert Sullivan and Suzanne Woodland.

The minutes of the November 29, 2012 meeting were reviewed and, upon motion duly made and seconded, approved.

Payroll and operating expense checks were reviewed and signed.

Mr. Warhurst gave a brief overview of the Park which he described as being in its winter phase. He also distributed a letter from the Portsmouth Sustainability Committee in which it outlined a proposed Bicycle Registration and Rodeo event to be held on July 20, 2013. The event envisions activities at a number of sites in Portsmouth and Kittery and includes a lunch for the participants in Prescott Park. After further discussion, the Trustees unanimously resolved to approve the use of the Park for the event subject to the usual Park policies.

Attorney Woodland provided an update on the negotiations with the Charitable Trust Division of the Attorney General's office on the terms of the trust to be established to hold the proceeds from the sale of the Connie Bean Center.

Mr. Torrey reported on discussions which he had had with Citizens Bank concerning possibility of granting the Trustees authority to initiate wire transfers directly without utilizing the bank's staff. He reported that, presently, each time the Trustees are required to transfer funds for scholarships or otherwise, they incurred a \$100 fee to Citizens for its staff performing the transfer. In 2012, this resulted in \$300-\$400 in fees. These fees could be eliminated by arranging for the Trustees to initiate wire transfers directly. A discussion then ensued on the merits of such authorization and the need for safeguards concerning its use. After further discussion, it was resolved that Mr. Torrey will meet with Attorney Sullivan and report back to the Trustees at a future meeting on policies that should be utilized with such authorization.

Mr. Torrey distributed a proposed letter to the Guidance Department of Portsmouth High School outlining the scholarships that will be available in 2013 and their conditions. This letter was reviewed and executed by the Trustees.

Mr. Torrey then distributed and led a discussion on the revenue and expense summary for the period ending November 2012.

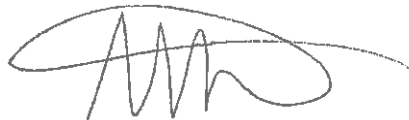
Mr. Torrey next made a presentation on the income projections and assumptions preliminary to the adoption of next year's budget. He provided a summary of the five-year rolling average fair market value of the Prescott Park Trust Fund, both presently and historically,

and the further budgetary implications of the current five-year rolling average based upon 4.5% and 4.75% draws. After further discussion, Mr. Torrey was asked to prepare proposed budgets utilizing both the current level of expenditures and with expenditures based upon lower target revenues.

Attorney Sullivan reported that his office was able to successfully settle the damage claim with the insurer for the driver of the truck that took down one of the lamp posts in the Park. The claim settled for the full amount of the repair cost.

The chair reported that the next meeting will take place on January 10, 2013.

There being no further business, upon motion duly made and seconded, the meeting was adjourned at 8:45 a.m.

A handwritten signature in black ink, appearing to read 'T. Watson', written over a horizontal line.

Thomas R. Watson, Secretary