

TRUSTEES OF THE TRUST FUNDS
CITY OF PORTSMOUTH, NEW HAMPSHIRE
MINUTES OF JUNE 23, 2016 MEETING

A regular meeting of the Trustees of the Trust Funds for the City of Portsmouth, New Hampshire was held on June 23, 2016 at the 3rd Floor Conference Room of the Seybolt Building at Portsmouth City Hall. The meeting was called to order at 7:33 a.m.

Present were Trustees Thomas R. Watson, Phyllis Z. Eldridge and Dana S. Levenson. Also present were Michael Warhurst, Peter Torey, David Moore, Jameson French, Benjamin Anderson, Mary Krempels, Joseph Galli, David Krempels, Beth Margeson, Judy Capobianco, Jane Nelson, Mark Brighton, David Hines, Peter Robbins, Christine Dwyer, and Arthur Clough.

The minutes of the June 9, 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 advised that an arsonist had set fire to a wooden float on Four Tree Island late Monday night causing its destruction. He also reported on the receipt of a request from Richard Bailey for permission to dock the tall ship "Spirit of South Carolina" on the docks at Prescott Park on August 11-14, 2016. Mr. Warhurst advised that he did not have any details of the visit including whether the applicant intended to offer tours of the vessel or similar activity. Mr. Watson suggested that it would be premature to consider the request until that information is made available. Thereupon, the Trustees unanimously resolved to table the request until such information is received.

Mr. Warhurst reported on the receipt of a request by Dawn Mahany for an engraved memorial bench in the park. Mr. Watson questioned whether it was appropriate to accept contributions for memorial benches during the master planning process given the possibility that a redesign of the Park may not accommodate the same number of benches or may call for different memorial opportunities. Ms. Elbridge opined that the Trustees ought to approve Ms. Mahany's request but thereafter place a moratorium on memorial benches until the adoption of a new Master Plan. Mr. Watson stated that, if the request is approved by the Trustees, Ms. Mahany should also be advised of the master planning and offered the opportunity to defer the decision to commission a memorial bench until the conclusion of the master planning process to afford her the opportunity to commission an alternative form of memorial, if available in the Master Plan. After further discussion, the Trustees unanimously approved Ms. Mahany's request for an memorial bench subject to informing her of the opportunity to defer and the adoption of a moratorium on additional memorial benches pending the outcome of the Master Plan.

Mr. Torrey delivered his financial report. He distributed and led a discussion of a job description prepared by him in anticipation of his retirement in October. Mr. Torrey also distributed a final schedule of approved scholarship awards for the academic year 2015-2016. He noted that, due to lack of applicants for certain scholarships, the total of scholarships awarded was \$134,275, or approximately \$11,700 less than the projected awards adopted by the Trustees earlier in the year.

Mr. French and Mr. Anderson appeared on behalf of Prescott Parks Arts Festival. Mr. French advised the Trustees that the PPAF strategic planning process is nearing the end. He noted that PPAF had a 30% return rate on surveys submitted throughout the community. He promised that the Trustees and certain other community groups will be given an opportunity to review and comment upon the draft strategic plan before it is finalized.

Mr. Anderson provided an update on the activities of PPAF in preparing for the 2016 season and the efforts of the organization in addressing issues of prior years. He reported that the first show of the season took place last evening and went without incident. He reported that season memberships for PPAF have increased to approximately 950 households with 90% of the households located in the greater seacoast area and 40% located in Portsmouth. Mr. Anderson noted that the Lego table installed in the park for this season proved to be highly popular with children at yesterday evening's performance. He advised that PPAF partnered with Sanders Fish Co. to offer a fish & chips entrée at yesterday evening's performance and the entrée sold out. He noted that PPAF recently held an information session for South End neighbors but only three attendees appeared, including Mr. Moore.

Mr. Anderson reported that the hotline for neighbors or others to voice concerns about PPAF activities is in place. PPAF will endeavor to respond to all calls within 24 hours. He also stated that a dedicated webpage allowing for comments or complaints is also up and running. He advised that the loud speakers for performances have been installed in the Park and calibrated to minimize the impact of sound on the neighbors. Testing revealed that the average sound level for performances of *The Little Mermaid* is approximately 60 decibels with a peak sound level of 80 decibels. He also noted that, in order to encourage attendees to utilize bikes to travel to the Park, PPAF conducted a bike raffle for those attending yesterday evening's performance that appeared to significantly increase the number of attendees who traveled to the Park by bicycle.

Ms. Eldridge reported that was contacted by an individual during the final rehearsal of the play complaining about both the sound levels and the fact that the rehearsal appeared to run past 11:00 pm. Mr. Anderson assured the Trustees that the final rehearsal concluded before 11:00 pm. He noted that the Park now maintains a log of all performances and the log for that evening indicates that the rehearsal concluded at 10:43 pm.

Mr. French advised the Trustees that a draft of PPAF's Form 990 has been prepared and he briefly explained its contents. He stated that it is expected that the Board will review and approve the Form within the next couple of weeks, whereupon it will be filed with the IRS and a copy will be provided to the Trustees.

Mr. French delivered a check from PPAF to the Trustees in the amount of \$15,000 to cover PPAF's fee for the 2016 season.

Mr. French suggested that there exists some ambiguity over the allocation of responsibility for the maintenance and repairs of certain conditions in those parts of the Park used by PPAF. He noted that it was recently discovered that an electrical outlet in that portion of the Shaw Building used by PPAF as offices, is in defective condition and presents a safety hazard. It is unclear to PPAF whether it has authority or should arrange for the repair or defer to the City and Trustees. It is also unclear to him as to who is to mow the lawn behind the concession building. A discussion of the relative responsibilities ensued. Mr. Watson opined

that the Trustees and/or City should arrange for the repair of the outlet but PPAF should be responsible for mowing and maintaining the lawn behind the concession building as well as in the backstage area within PPAF's perimeter fence. After further discussion, this allocation of responsibility was approved by the Trustees and was the subject of agreement by PPAF. All sides agree that such responsibility issues should be addressed as part of the Master Plan and any future user agreement between the Trustees or City and PPAF.

Mr. French next broached the issue of reinstalling the so-called "fifth gate" in the northeast corner of the Formal Gardens during PPAF's performances. After much discussion, the Trustees approved the reinstallation of the gate at that location with the stipulation that it will be closed, but not locked during performances and that signage will be placed upon the gate advising members of the public of their ability to access the bathrooms in the concession building.

The meeting was then opened to public comment.

Mr. Clough, a resident on Pleasant Street in Portsmouth, reported on an unfortunate occurrence that took place at the entrance to the Park involving his wife wherein she was confronted by supporters of PPAF over the procedures of soliciting voluntary donations to attend performances. Mr. Krempels then expressed his dissatisfaction with PPAF's practices in soliciting donations, as well.

Mr. Robbins and Mr. Hines appeared on behalf of HM Payson. They distributed a written portfolio review and led an extensive discussion of its contents. Among other things, they noted that a performance comparison of the Trustees combined accounts with certain "peer" institutions revealed superior performance by the Trustees accounts across the board. The accounts have also beaten their benchmarks in 2016.

Messrs. Robins and Hines made certain recommendations for trades within the City endowment funds, the scholarship funds, and housing endowment funds. Discussion thereafter ensued concerning the current cash position in each of the funds and short-term liquidity needs. Following that discussion, Messrs. Robinson and Pines stated that they would revise their recommendations and forward them to the Trustees for approval.

Mr. Moore reported on his interactions with representatives of the New Hampshire Art Association. He advised that NHAA will again hold its summer art show in the Shaef Warehouse pursuant to an agreement reached directly with the City.

The chair reported that the next meeting will take place on July 14, 2016.

There being no further business, upon motion duly made and seconded, the meeting was adjourned at 9:44 a.m.



Thomas R. Watson, Secretary