



CITY OF DOVER

## TRUSTEE OF THE TRUST FUNDS MINUTES

Meeting Type: Regular Meeting  
Meeting Location: Finance Conference Room, City Hall  
Meeting Date: **Tuesday, July 14, 2009**  
Meeting Time: **2:00 pm**

### 1. CALL TO ORDER

Meeting was called to order by Dan Lynch at 2:04 pm.

Members Present: Daniel Lynch, Earle Goodwin and Donald Cichon.

Employees from Citizens Bank: Mark Rollick, Brian Bickford, Susan Martore-Baker.

### 2. OLD BUSINESS

#### A. Approval of May 11, 2009 Minutes

Mr. Goodwin made a motion to approve the minutes; seconded by Mr. Cichon.

Vote: 3/0.

### 3. NEW BUSINESS

#### A. Investment Advisory Services Discussions

Ms. Martore-Baker said she had two main focuses: Investment strategy and Administrative. She said Mr. Rollick has provided internet access passwords and logons to each of the members, along with a user guide.

Mr. Bickford said he was present to answer questions on how they were going to proceed. The current investment strategy that the Trustees has is deploying a dozen or so different mutual funds. He said they discussed their strategy, which is a combination of individual securities and complementary mutual funds, and provided Morningstar analysis for each of the funds. Citizens preference would be to liquidate a majority of the mutual funds, transfer the cash to Citizens, and they would deploy their strategy. He referred to the Board of Trustees to the Trust Fund investment policy, and said there was no language for directing asset allocation. He asked for some direction on how the Trustees wanted these funds allocated, how much liquidity the Trustees wants, and how much room for tactical allocation. Mr. Goodwin asked if this was going to be done with a contact person.

Mr. Bickford said Mr. Rollick was the Trust Officer and contact person for day-to-day operations, but that he would be working on the initial investment strategy that needed to be done.

Mr. Cichon wanted to make sure they could make changes, and that they signed the paperwork more to get the process going. He also wanted to say that he didn't have much faith in the Morningstar ratings; credibility in solely evaluating (criteria) for mutual funds.

Mr. Bickford said another important part of the investment policy is the language for the Prudent Investor Rules.

Ms. Martore-Baker said she would provide some portfolio guidelines. She said she has the form for liquidating the mutual funds.

Mr. Cichon made a motion to liquidate all the mutual funds, and transfer as cash; seconded by Mr. Goodwin.

Vote: 3/0.

Mr. Lynch signed the form to liquidate the mutual funds from Fidelity.



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Mr. Rollick asked why there was an annual report for the Jeremy Guppy Fund. He asked if there was a prior trustee and if it was turned over to the Board of Trustees, because this wouldn't have to be done.

Mr. Lynch said he would have to research that issue.

Mr. Rollick asked if the Trustees wanted Citizens to prepare the annual report. He requested the most recent MS-9 and MS-10 once it is completed. He referred to the internet folders that were given to the trustees. He went over his report formats, and asked the trustees to get back to him about which report format they like.

Discussion ensued regarding Mr. Rollick's role for issuing checks and processing deposits.

Mr. Cichon made a motion to pick the green report format; seconded by Mr. Goodwin.

Vote: 3/0.

Mr. Rollick said it could be changed if another format is preferred.

Mr. Lynch said at some point there will be two more members of the Board and that they will need internet access.

The employees of Citizen's Bank left the meeting.

Discussion ensued regarding the Resolution to authorize spending funds from the Library Gift Trust Accounts.

The Trustees planned to discuss the disbursement process and approval thresholds further at a future meeting.

Discussion ensued regarding updating the Investment Policy, and providing a copy to Mr. Rollick. This will be done at the next Trustees' meeting.

Discussion ensued on the NHPDIP Capital Reserve funds, and Citizens' proposal to transfer these funds to them and Citizens will set up one account, with subaccounts for each reserve. Discussion ensued about rate of return and confirming these accounts would be included in the MS-9 prepared by Citizens Bank each year.

Mr. Cichon made a motion to transfer the capital reserve funds from NHPDIP to Citizens Bank; seconded by Mr. Goodwin.

Vote: 3/0.

Discussion ensued regarding filling the two vacancies on the Board.

#### 4. ADJOURN

Mr. Cichon moved to adjourn; seconded by Mr. Goodwin.

Vote: 3/0.

Meeting adjourned at 3:40 pm.