

HOOPER STUDY COMMITTEE
Minutes, December 5, 2011

Present: Peggy Pschirrer, Chair; Steve Dalessio, Vice Chair; Joe Dion, Charles Lennon; Holly Gowdy, Peter Kenny, Jeff Miller, Jerry Galloway, Sheldon Sawyer.

Whit Aldrich as Chair, Board of Selectmen; Robert Kimball, Trustee of Trust Funds.

Recording Secretary: Vicki Gohl

The Chair, Peggy Pschirrer called the meeting to order at 7:01 pm. The agenda, the minutes of Nov. 28, 2011, the missing page 6 and a calendar of future meeting dates were all distributed.

The minutes were approved as distributed. In the future minutes will be posted within five days of each meeting and it will be noted they are unapproved. Vicki Gohl as recording secretary will sign the minutes and provide Janet Clough a copy for town records and posting.

Announcements:

Peggy Pschirrer reported two items had come to her attention, which she felt the group needed to know. She asked Jeff Miller to explain a recent Hooper meeting with the Selectboard.

Jeff Miller, as an officer of the Hooper Golf Club, met with the Selectboard to request an extension of the Hooper Golf Club lease for the following reasons: the Hooper Committee will potentially not be making a recommendation before the fall of 2012 and currently the club lease expires in 2012. Mr. Miller reported that 2011 had not been a good year for the club. Membership is down; a percentage of which may be attributable to the club's uncertain future. The club has had no success in attracting a restaurant because of the uncertainties. The two new, young employees – a Golf Pro and a Superintendent are also concerned about their future. Consequently, the Club officers approached the Selectboard to ask for an extension of the lease. Mr. Miller expressed confidence in the work of the Hooper Committee and

assured the committee he has an open mind. The Selectboard is considering the request and will give the club an answer a.s.a.p.

Ms. Pschirrer thanked Mr. Miller for bringing the committee up to date.

The second item, which has come to the Chair's attention, is Face Book Petition requesting signatures to remove Holly Gowdy from the Hooper Study Committee. Holly Gowdy e-mailed Peggy as soon as she became aware of the petition. Ms. Gowdy reported to the committee that a friend of hers has spoken to the individual who posted the petition to explain that Ms. Gowdy works for the proposed Great River Coop to recruit local farmers to participate in the coop. She does not work for Avanru Development Group.

Jeff Miller asked the Selectboard to reject the petition if it is presented to them. Peggy Pschirrer commented that Ms. Gowdy was appointed because of her agricultural expertise and that there is no conflict of interest between her appointment to the Hooper Study Committee and working for the Great River Coop.

Mr. Dion asked for the name of the petitioner. Both Holly Gowdy and Peggy Pschirrer refused to identify the individual leading the petition drive. If he presents the petition to the Selectboard he will be identified as a matter of public record.

Charles Lennon has agreed to investigate other country clubs in New Hampshire. He will use the list as it appears in our notebooks and will be considering the following: club structure /incorporation, ownership of the land, whether the club pays property taxes, dues structure etc.

Hooper Committee Time Table

It appears to the Chair that we can finish our work before September. Based on the topics we have as a committee want to cover we should be ready to begin deliberations by April. Steve Dalessio commented that we have not set aside a specific time to consider maintenance. Ms. Pschirrer believes that maintenance will be a recurring them in most of our topics but if we need to devote a full meeting to the topic, we will.

Ownership of the Hooper Buildings and Land

Jeff Miller stated he understood the ownership of the Hooper buildings is the Town of Walpole, not the Trust. Mr. Sawyer concurred with the comment. Mr., Miller then asked if the Club lease should be with the town and not the Hooper Trust. Wouldn't this free us from the Court Restrictions? The Town could decide disbursements of funds. Couldn't this clarification change the problem?

Ms. Pschirrer stated this is a very important point that we can't answer tonight but it must be answered in future discussion. She had asked similar questions in an earlier meeting with the Trustees of Trusts.

Mr. Kimball, a Trustee of Trusts, stated that income from rentals must go to the Hooper Institute regardless of who owns the buildings.

Mr. Miller asked if the Consent Decree of 1995 assumed ownership was in the Trust rather than the Town. Mr. Sawyer responded that he assumed from the decree believed ownership to be in the Trust; the decree might have been worded differently if ownership belonged to the town. Mr. Sawyer said it was clear the Judge did not want a penny to go to maintenance.

Ms. Pschirrer suggested we send a list of questions to Attorney Hockensmith so that he is prepared for our discussion with him in January.

Presentation by the Trustees of Trust Funds: Robert Kimball, Joe Dion and Jerry Galloway

Mr. Kimball distributed financials for all trust funds held by the Trustees for five years, 2007-2011.

The total Trust Income for the Town through October 2011 for Hooper is \$79,401.31. The income for Hooper Trust I – education is \$42,268.76; income for Hooper II – scholarship is \$13,896.56 and income Hooper II – maintenance is \$13,107.71.

Mr. Kimball stated that the assets are split 50-50 but one of them may have had a different return.

Mr. Dalessio asked why Hooper isn't treated as one entity. Mr. Galloway answered that since 2007 all trusts are co-mingled because it is easier to maintain the paper work, and it is cheaper to manage. The law changed in 2007 which made it possible to co-mingle funds. Details about each fund come from the Bank of America statements.

Trustees no longer write checks; the Bank of America writes all the checks from trusts.

Mr. Kimball pointed out that the line below income shows all deposits and where they come from. Income for Hooper comes from the rental of the Golf Club as well as the cottage; these rents go into Hooper I. This income goes to the Hooper Institute. Maintenance comes from maintenance fund and scholarship money from the scholarship fund.

Mr. Miller asked what funds were spent on maintenance this year. Mr. Kimball answered that two payments were made: \$3270.00 to Peter Kenney for roof repairs on the cottage and \$550.00 to Mark Fetzer for step repair on the Mansion.

Mr. Dalessio asked why these checks were issued from Hooper II? Mr. Kimball responded that the court decree must come from Hooper II, as did Terry Knowles from the AG's office.

Mr. Sawyer stated they have used this system since 1995 to keep the courts happy; they did not wish to be slammed further by the courts since they were oppose to the golf club anyway.

Mr. Kimball indicated it had been hard to break out 2007 since at that point the Trustees were using a hand written checkbook and the details were not broken out. In 2008 it was easier to sort expenses and income. A one-time adjustment of \$25,000 had to be made in 2008.

The stock markets in general fell so this explains the 12,000 losses in 2009. Mr. Dion reported that many of the investments are now in

straight CD's rather than gamble with the principal. The bank is on top of this and we rarely have ten grand or less to invest.

Ms. Pschirrer asked if there were investment policies for the Trust as well as spending policies. Mr. Dion said no, there are no spending policies. She described some spending policies with which she is familiar that enable a trust to grow while generating necessary operating funds. She will distribute a sample of such a policy at the next committee meeting.

Mr. Galloway supplied an investment policy document, which shall also be distributed next month.

Returning the financial documents, Mr. Kimball noted an error in 2010 for \$3000 listed under Mason but should be listed as appraisal.

Mr. Dalessio questioned the breaks in rental income for the cottage. They can be attributed to late payment of rent and timing of deposits.

All funds are held by the Bank of America, which sends monthly reports to the Trustees and meets with the Trustees on a quarterly basis.

The maintenance costs are found in the committee's binder. Ms. Gohl asked why 2009 was so high. Club managers changed; the Mansion needed to be brought up to code and lightening hit the wellhead.

Mr. Kimball indicated that some years all the funds accumulated for scholarships are not spend; the excess stays in the fund, it does not return to principal.

There is no list of deferred maintenance because we do not have a property manager. Mr. Galloway stated they used to have a list but as money dried up so did keeping the list. Mr. Kimball said the only recent maintenance was replacement of the Pro-Shop roof, which cost just over \$14,000.

Mr. Galloway said he thought his whole discussion about maintenance was evidence of why we are ill equipped as volunteers to manage this property since we do not have a town manager to supervise work,

collect bids etc. We worry about who will oversee work at the Mansion. He also expressed concern about the antiques housed in the Mansion.

In response to a questions of how the Club keeps track of what needs to be done, Mr. Miller said the Club works with the Selectmen and their list – how much money is available and what is most important. He credited the Claces who were at the club for years with taking care of everything. He noted that the bedrooms suitable for use as a B& B have been improved but the Mansion is not winterized do there are limitations. He also discussed briefly the problems with the Claces' successors.

Committee Members were asked to develop further questions and send them to the Chair so the Trustees can prepare for our meeting December 19, which will continue the discussion about finances.

The meeting adjourned at 8:15 pm

These Minutes were approved at 12/19/2011 meeting.
Respectfully submitted,

Victoria Gohl
Recording Secretary