

Town of Hampton
Board of Finance
Special Meeting
October 20, 2022
3 PM

Call to Order: The meeting was called to order at 3PM.

Roll Call: Kathy Donahue, Ed Adelman, Nick Brown, Joan Fox, Kathi Newcombe
Staff and Others Present: First Selectmen Allan Cahill, Treasurer, Ellen Rodriguez, Bob Sagistano and Kevin Parrett of Hometown Firefighter and EMS Services, Secretary Dayna McDermott-Arriola.

Seating of Alternates

Motion: Nick Brown, seconded by Ed Adelman, to seat Kathi Newcombe for Joan Fox. Motion carried unanimously.

Citizen Comments: none.

Presentation and Discussion of Length of Service Award Program Investment

Bob Sagistano reviewed the rates and conditions of the current accounts, one, which is an operational checking account with Flushing Bank, and the other with Guggenheim Life and Annuity, currently at an interest rate of 3.25% with a balance of \$35,688.98 as of December 31, 2021. He reviewed the terms and conditions of prospective plans and reported that the amount of benefits being paid annually to our members is approximately \$18,000. He explained that the Town is the owner and the beneficiary of the annuity, and that an individual annuitant will have to be named for the account. He suggested “laddering” the annuities, investing in terms with different maturity dates, noting that currently, the interest rate for a seven year annuity is 5.15%. He also suggested naming a different annuitant for each of the terms. To Ed Adelman’s questions, he explained that the annuitant is not the beneficiary, and in the event that the annuitant is removed, the annuity itself would have to be replaced. To Chairman Donahue’s question, Mr. Sagistano said there is currently no group annuity that pays a better return than an individual annuity. Nick Brown requested the plan documents and suggested that they be reviewed by the finance board members and/or the Town attorney. Mr. Brown also asked if the interest rates were expected to rise in the next few months. While he couldn’t give a definitive answer, Mr. Sagistano said that interest rates are trending upward. After discussion, it was decided to review the plan documents and then check the rates to decide on the optimum time to enter an agreement.

Citizen Comments: none.

Adjournment: The meeting was adjourned at 3:30PM.

Respectfully submitted,

Dayna McDermott Arriola
Recording Secretary

This is a draft version of the Minutes until approved by the Board of Finance.