

NORTH HAMPTON FOREVER

Minutes of Meeting Held on April 25, 2001

Pursuant to duly posted notice, the North Hampton Forever Committee of the North Hampton Conservation Commission met at 4:30 p.m. on Wednesday, April 25, 2001 in the Mary Herbert Conference Room of the North Hampton Police/Fire Departments Complex on Atlantic Avenue to hear a presentation by George M. Zoukee, Executive Director of the New Hampshire Municipal Bond Bank, regarding the availability of the Municipal Bond Bank for the issuance of a bond or bonds for the North Hampton Forever land protection initiative.

In addition to Mr. Zoukee, the following persons attended the meeting: Board of Selectmen members Lloyd Sullivan, Jack Steiner and Jenifer Landman; Town Administrator Russ McAllister; Conservation Commission Chairman Henry Mixter; and North Hampton Forever Committee members Roland Neves, Phil Wilson, Chris Ganotis and Charles Gordon (who recorded these minutes).

In connection with his presentation, Mr. Zoukee distributed the documents attached to these minutes, consisting of:

1. a fact sheet describing the Municipal Bond Bank;
2. a description of municipal bond credit ratings;
3. 5, 10, 15 and 20 year amortization schedules, in each case for \$1million and \$4 million principal amounts; and
4. a schedule of fees and charges.

Mr. Zoukee noted that the Municipal Bond Bank issues its bonds twice annually, in June and November. He explained that the mechanism is for the various participating municipalities to issue their bonds to the Bond Bank, which in turn issues its bonds to investors, the latter relying on the credit of the State of New Hampshire rather than on the credit of the individual municipalities.

Regarding the relative credit standing of the state vs. the Town of North Hampton, Mr. Zoukee said that the Town's A-1 credit rating is one notch below that of the Bond Bank.

Responding to a question as to the applicability of the IRS spending (anti-arbitrage) rules, Mr. Zoukee said that while those rules apply to debt proceeds issued by the Bond Bank, participating municipalities might have somewhat more flexibility in satisfying the rules than if they were to issue their own bonds directly.

While the Town and the School District would have to make financial data and assessed valuations available to the Bond Bank for review, no official statement would have to be prepared. Instead, the Town would complete and submit to the Bond Bank an application form, a copy of which Mr. Zoukee said he would send to Russ McAllister.

In the discussion of fees and expenses, Mr. Zoukee said that the Bond Bank's maximum charge to the Town would be \$15,000 for a \$4 million bond and \$6,000 for a \$1 million bond. This would be in addition to approximately \$3,000 to \$6,000 for the Town's contribution to bond counsel's fee.

Mr. Zoukee said that the Bond Bank retains the following bond counsel firms: Devine, Millimette & Branch (New Hampshire); Ropes & Grey (Boston); and Palmer & Dodge (Boston).

For the Town to participate in the Bond Bank's November bond issuance, the completed application would have to be received by October 5 and the amount of the bond determined by the end of the first week of November. He said that the proceeds would be available before the end of December.