

SIGNATURE PAGE FOR DEPONENT

I, Richard Leroy Korb, do hereby certify that I have read the foregoing and that to the best of my knowledge said deposition is true and accurate (with the exception of the following desired changes listed below):

PAGE LINE	CHANGE
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Signed under the pains and penalties of perjury,
this _____ day of _____, 2011.

Deponent's Signature

No. of Pages: 140

COMMONWEALTH OF MASSACHUSETTS

ESSEX, SS

PROBATE & FAMILY COURT

DEPARTMENT

Docket No. ES09E0094QC

ALEXANDER B.C. MULHOLLAND, JR., ET AL

VS

ATTORNEY GENERAL OF THE

COMMONWEALTH OF MASSACHUSETTS, ET AL

DEPOSITION OF RICHARD LEROY KORB, a
witness called on behalf of the Defendant, taken pursuant
to Notice under the General Rules of Civil Procedure of
the Superior Court before Brenda M. Nadeau, a Notary
Public in and for the Commonwealth of Massachusetts, at
the Offices of MacLean, Holloway, Doherty, Ardiffe &
Morse, PC, Eight Essex Center Drive, Peabody,
Massachusetts, on Thursday, October 20, 2011, commencing
at 10:00 A.M.

BRENDA M. NADEAU, PCR, P.O. BOX 916, GEORGETOWN, MA 01833

BMN

1-978-766-7145

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***** COMPUTER AIDED TRANSCRIPTION *****

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2

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3 WITNESS DIRECT CROSS REDIRECT RECROSS

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5 RICHARD LEROY KORB

6 (By Mr. Sheehan) 6 ** ** *

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STIPULATIONS

It is hereby stipulated and agreed by and between counsel for the respective parties that all objections, except objections to the form of the questions, and motions to strike, shall be reserved until the time of trial.

It is further stipulated and agreed that the reading and signing of the deposition transcript will take place under the pains and penalties of perjury within thirty days of the receipt of said transcript or it shall be deemed to have been read and signed.

RICHARD LEROY KORB, first being duly sworn, deposes and says as follows:

MR. SHEEHAN: We'll use the usual stipulations that we've been using in this case, that is, we'll reserve all objections except as to form, until the time of trial. We'll reserve all motions to strike until the time of trial. I'm going to give the witness an opportunity to read and sign the transcript within thirty days after submission. We'll sign it under the pains and penalties of perjury, waive the notarization and if it's

1 not signed within thirty days, it will deemed to be read
2 and signed.

3 MS. BREWER: Agreed.

4

5 DIRECT EXAMINATION

6

7 Q (By Mr. Sheehan) Good morning. Would you please state
8 your full name and spell your last name for the record?

9 A Richard Leroy Korb, K-O-R-B.

10 Q Where do you reside, sir?

11 A Ipswich, Massachusetts, Eight Mayfair Court.

12 Q And this is the re-notice of taking deposition that
13 brings you here today; is that correct?

14 A Yes.

15 MR. SHEEHAN: We'll have that marked as Exhibit
16 One.

17 (Exhibit No. 1, marked; Notice of Deposition.)

18 MR. SHEEHAN: And we're going to mark as
19 Exhibit Number Two, a stipulation that the parties
20 reached on the plaintiff's motion to compel discovery,
21 and the reason we're going to mark this stipulation, at
22 this time, is that it references the production of
23 executive session meeting minutes and how those minutes
24 will be kept confidential prior to trial.

1 And the parties have agreed, today, that testimony
2 that is given by this witness, with respect to matters
3 that were in executive session, will be treated in the
4 same way that the stipulation treats executive session
5 meeting minutes prior to trial.

6 (Exhibit No. 2, marked; Stipulation.)

7 Q Your date of birth, please?

8 A February 10, 1947.

9 Q Your educational background, starting with high school,
10 please?

11 A Graduated from high school in 1965, then attended four
12 years and got a Bachelor's Degree at Western Michigan
13 University.

14 Q At where? I'm sorry.

15 A Western Michigan University, and then followed by a two
16 year Master program, graduated with a Master's -- I've go
17 to think about it -- I think, it was 1973, Master's in
18 Educational Leadership from Western Michigan University.

19 Q Any formal education beyond your Master's Degree?

20 A Yes. Traditional professional course credits,
21 professional development through professional
22 associations, such as Massachusetts School
23 Superintendents Organization, also back in Michigan. I
24 believe, I may have, maybe, six additional graduate hours

1 above my Master's, along with other professional courses.

2 Q Have you ever enrolled in a doctorate program?

3 A Yes, I did.

4 Q And did you take any courses towards a doctorate degree?

5 A I took one and then opted not to continue the program.

6 Q And where did you begin that program?

7 A Western Michigan University.

8 Q Your first full time job, please?

9 A First full time job was teaching high school at Kalamazoo
10 Central High School, and that was in 1969, I believe.

11 Q That's Kalamazoo, Michigan?

12 A Kalamazoo, Michigan, yes.

13 Q You taught from 1969 until when?

14 A I taught from 1969 until 1974, for five years in the
15 classroom.

16 Q And then your next position?

17 A Then I left in 1974 to assume an assistant high school
18 principal and athletic director's role in a small town
19 outside of Kalamazoo, called Mattawan, in Mattawan,
20 Michigan.

21 Q And you were there for how long?

22 A I was there for three years, until 1977.

23 Q And your next position, please?

24 A I, then, left in 1977 -- I believe, these dates are

1 correct -- and went, became the assistant high school
2 principal in Lowell, Massachusetts -- excuse me --
3 Lowell, Michigan. I was there for, approximately -- I've
4 got to stop and think on this one. I believe I was there
5 for, approximately, seven or eight years, as the
6 assistant principal, at which time I then assumed the
7 role of high school principal.

8 I was high school principal ----

9 MS. BREWER: You've answered the question.

10 Q And you were a high school principal at -- in Lowell,
11 Michigan?

12 A That's correct.

13 Q For how many years?

14 A Six years.

15 Q And that brings us to about what date?

16 A Oh, approximately, probably, 19 -- I want to say, 1995,
17 '96.

18 Q And your next position, after no longer being high school
19 principal in Lowell, Michigan?

20 A I was the assistant superintendent in Lowell, Michigan.

21 Q For how long did you hold that position?

22 A I held that for three years.

23 Q And your next position, please?

24 A For one year, thereafter, I was the interim

1 superintendent of schools in Lowell, Michigan.

2 Q And your next position after that?

3 A I, then, retired from education in the State of Michigan.

4 Q And the year you retired?

5 A I retired in 19 -- effective June 30, 1998.

6 Q But you didn't stop working?

7 A I didn't stop.

8 Q What was your next position, after you retired from your
9 various employment positions in the State of Michigan?

10 A My next position was the -- I became the superintendent
11 of schools in Ipswich, Massachusetts, in July of 1998.

12 Q How did you learn that the Ipswich Public Schools was
13 looking for a superintendent in or about July of 1998?

14 A I -- actually, I learned about it in April, I believe it
15 was, of 1998, when I came out to visit my former boss,
16 who was the then superintendent of Haverhill.

17 Q Who is that?

18 A Dr. Fritz Esch, E-S-C-H. I came out to visit him, on a
19 social -- for a social visit, and during that visit he
20 advised me that if I ever wanted to get back into the
21 superintendent business, out here, that there was a great
22 opening available in Ipswich. I knew nothing about
23 Ipswich, but that's how I learned about it.

24 Q Had you ever been to Ipswich before July of 1998?

1 A Actually, I had. I had driven through it, and when my
2 former boss mentioned that it was in Ipswich, I said, I
3 just drove through there. In fact, I bought some lunch
4 and went out to Crane Beach and had lunch on the beach,
5 so ----

6 Q Looking back, did you take a look to your left, at Little
7 Neck, while you were at Crane's Beach?

8 A I did not.

9 Q And what was the process by which you became the
10 superintendent of schools in Ipswich in July of 1998?

11 A Well, following my return on that visit -- I think it was
12 in April of 1998 -- I decided to go ahead and throw my
13 hat in the ring for the position, and thinking I wouldn't
14 even get an interview, and I think, actually, the
15 position had closed, but my friend, Dr. Esch, called the
16 firm and said, I have another candidate here that I'd
17 like to recommend to you, and so, it was the same firm he
18 had used to get into Haverhill, and so, they said, yes,
19 we'll be happy to do that. So, I got invited to come out
20 for an interview.

21 Q When you say a firm, what do you mean?

22 A It was a -- it was a -- for lack of a better term, a
23 headhunting firm, educational consultants that,
24 primarily, specialize in superintendents and educational

1 searches and stuff like that.

2 Q And had that firm been engaged by the Ipswich School
3 Committee for assistance in locating a superintendent?

4 A That's correct.

5 Q And please continue as to the process by which you became
6 the superintendent?

7 A Made application. I was contacted for an initial
8 interview. I flew out, went through that interview, and
9 then, returned to Michigan, after which about three or
10 four days, I received a call that I was -- they were
11 interested in having me come out for a second interview.
12 I accepted, went out for a second interview, and then,
13 went back and then was conducted and indicated that I was
14 one of three finalists and was I interested in
15 continuing. I indicated I was. I flew out for a final
16 interview, about a week later, flew back and, the next
17 day, received a phone call indicating that I had been
18 selected as the candidate and would I be willing to
19 accept and I indicated I would, pending successful
20 completion of a contract. I assumed the duties in July
21 -- don't know the exact date -- July 1998.

22 Q And you've been the superintendent of schools of the
23 Ipswich Public Schools since July of 1998?

24 A I have.

1 Q At some point in time, did you learn about the Feoffees
2 of the Grammar School in the Town of Ipswich?

3 A I did.

4 Q When did you first learn about them?

5 A The first time I was invited to attend one of their
6 meetings, down at the old town hall.

7 Q When was that?

8 A I believe, that was in January, perhaps, of 1999, I
9 think. It was their annual meeting.

10 Q And how did you come to be at the annual meeting of the
11 Feoffees in January of 1999?

12 A I was invited by, I believe, then chair, Mr. Wiston.

13 Q Had you, personally, met Mr. Wiston before you offered
14 you the invitation to the annual meeting?

15 A I don't believe so, no.

16 Q And in or about January of 1999, did you come to meet all
17 of the then Feoffees of the Grammar School of the Town of
18 Ipswich?

19 A Yes, I do recall them, meeting them. I don't recall who
20 they were, but I do recall the introduction being made.

21 Q Prior to the annual meeting in January of 1999, had you
22 reviewed any documents that pertained to the Feoffees?

23 A No.

24 Q Did you learn, at some point in time, of the number of

1 Feoffees and how the Feoffees came to be appointed?

2 A No.

3 Q Have you ever learned that?

4 A No.

5 Q Do you know how many Feoffees of the Grammar School there
6 are?

7 A I believe, there are seven.

8 Q And what do you base that belief on?

9 A Conversations, reports, newspaper reports.

10 Q And do you understand that of those seven Feoffees, four
11 of them are so-called Life Feoffees?

12 A Yes.

13 Q And do you also understand that three of the seven
14 Feoffees are so-called Selectmen Feoffees?

15 A Yes.

16 Q Did you learn that in or about 1999?

17 A No, it was later.

18 Q When would you say, your best estimate, you learned about
19 the fact that there were four Life Feoffees and three
20 Selectmen Feoffees?

21 A Right about the time the discussions about sale came up.

22 Q When was that?

23 A Actually, I don't recall.

24 Q Now, what brings you here today is a complaint that was

1 filed in the Essex Probate Court by the Feoffees,
2 correct?

3 A As I understand it, yes.

4 Q And in fact, there's a so-called first amended complaint,
5 and have you read the first amended complaint?

6 A Not completely, no.

7 MR. SHEEHAN: Let me mark, as the next Exhibit,
8 a copy of the complaint.

9 (Exhibit No. 3, marked; Copy of Complaint.)

10 Q I want to put before you the first amended complaint for
11 deviation pursuant to General Laws, Chapter 214, Section
12 10B, which we've just marked as Exhibit Number Three, and
13 my first question to you is, have you ever read this
14 amended complaint?

15 A Not in its completion.

16 Q What parts of it have you read, prior to today?

17 A Primarily, the first few pages, where I was mentioned as
18 a defendant.

19 Q And do you understand why you are a defendant in this
20 case?

21 A As the ----

22 MS. BREWER: I'm just going to instruct you, to
23 the extent any of your knowledge is from communications
24 with your lawyer, don't disclose that.

1 A Can you repeat the question?

2 Q Yes. Do you understand why you are a defendant in this
3 case?

4 A As I understand it, because I am the superintendent of
5 schools, that is the -- of Ipswich Public Schools, that
6 is the beneficiary of the trust.

7 Q And what are your duties as superintendent of Ipswich
8 Public Schools?

9 A Chief executive officer of the schools.

10 Q And have you always been the chief executive officer of
11 the Ipswich Public Schools since your appointment in July
12 1998?

13 A Yes.

14 Q Have you read any portions of the Massachusetts General
15 Laws that talk about the duties of a superintendent, as
16 of July 1998 and years following?

17 A Yes.

18 Q And were you aware that prior to so-called Ed. Reform in
19 Massachusetts, that the School Committee had general
20 charge of the schools in a city or town?

21 A Yes.

22 Q Did you understand that by Ed. Reform, the general charge
23 of the public schools were shifted from the School
24 Committee to the superintendent of schools?

1 MS. BREWER: Objection.

2 A Yes.

3 Q You've told me that you read portions of the first
4 amended complaint.

5 Are you aware of an answer and counter claim that
6 was filed in your behalf and in behalf of the Ipswich
7 Public Schools in this case?

8 A Yes.

9 MR. SHEEHAN: Could we have that next marked as
10 Number Four?

11 (Exhibit No. 4, marked; Answer and Counter
12 Claim.)

13 Q Let me show you Exhibit Number Four, the answer and
14 counter claim of the Ipswich School Committee and Richard
15 Korb, Superintendent of Schools.

16 Have you seen that document before?

17 A I have.

18 Q Have you read that entire document?

19 A I have not.

20 Q Do you understand what the nature of the counter claim is
21 that's been filed in your behalf?

22 A I do not.

23 Q If you would turn to Exhibit A -- strike that.

24 Let's take a look at the body of the counter

1 claim, and that starts at Page Eight, have you read this
2 counter claim before today?

3 A I have not.

4 Q Do you have any knowledge of the counter claim that is
5 contained in Exhibit Number Four?

6 A Just that it was submitted on behalf of the schools and
7 myself by our counsel.

8 Q Did you authorize an attorney to file this counter claim
9 in your behalf?

10 A No. Did I authorize, personally, authorize it?

11 MS. BREWER: Objection.

12 Q Did you authorize an attorney to file a counter claim in
13 your behalf?

14 A Not to my knowledge.

15 Q Are you -- strike that.

16 Have you been aware of the actions of the
17 Feoffees of the Grammar School in the Town of Ipswich
18 from July of 1998 to the present time?

19 A In what way?

20 Q In any way?

21 A Aware of the ----

22 Q Any of their actions, any of their conduct?

23 A I'm going to ask you to clarify the question. I'm a
24 little confused as ----

1 Q I'll put a new question to you.

2 Do you contend that any of the Life Feoffees
3 should be removed as Feoffees?

4 A I have no opinion on that.

5 Q Are you aware of any facts that would support the removal
6 of any of the Life Feoffees from their positions as
7 Feoffees?

8 A I am not.

9 Q Are you aware of any omissions, allegedly, committed by
10 any Life Feoffees that would warrant their removal as
11 Feoffees?

12 A I am not.

13 Q From time to time, have you met with certain members of
14 the Feoffees, who are Life Feoffees?

15 A Yes.

16 Q Have you requested information from them, from time to
17 time?

18 A I don't recall.

19 Q Have any of the Life Feoffees ever failed to cooperate
20 with the superintendent of schools in the Town of Ipswich
21 since July of 1998?

22 A I have no incidents of non-cooperation with them.

23 Q Are you familiar with contributions that have been made
24 to the public schools by the Feoffees since July of 1998?

1 A I am.

2 Q And how are you familiar with those contributions?

3 A The very first meeting that I attended in January of
4 1999, at the business meeting, I was asked to accept a
5 check from them, and I recall that check was in the
6 amount of about twenty-five thousand dollars. That was
7 my first meeting that I ever attended.

8 Q Did you know you'd be receiving a check in January of
9 1999?

10 A I did. Mr. Wiston had advised me of that.

11 Q And did Mr. Wiston tell you how that twenty-five thousand
12 dollars was generated?

13 A No.

14 Q Did you learn from someone else how that twenty-five
15 thousand dollars was generated?

16 A No.

17 Q You just accepted that twenty-five thousand dollars on
18 behalf of the Ipswich Public Schools?

19 A Very happily.

20 Q Did you come to learn, at some point in time, the
21 Feoffees of the Grammar School of the Town of Ipswich
22 hold title to land at Little Neck, in Ipswich,
23 Massachusetts, and that they hold title to that property
24 for the benefit of the Ipswich Public Schools?

1 A Yes.

2 Q Did you learn that in or about January of 1999?

3 A In, approximately, that time frame.

4 Q Did you learn how money was generated by the Feoffees?

5 A Yes.

6 Q And from whom did you learn it?

7 A Just in general conversations.

8 Q And what did you learn about how monies were generated by
9 the Feoffees?

10 A Rent Proceeds.

11 Q Rent proceeds from whom?

12 A From the tenants.

13 Q And were those tenants of cottages that are located on
14 Little Neck?

15 A As I understood.

16 Q And did you understand that those cottages were owned by
17 individuals other than the Feoffees?

18 A Yes.

19 Q And did you understand that those tenants placed their
20 cottages on Little Neck with the assent and approval of
21 the Feoffees?

22 A I was not aware of that.

23 Q And did you understand that the Feoffees collected rent
24 from those cottage owners for the privilege of having

1 their cottages on the Little Neck land that was owned by
2 the Feoffees?

3 A Yes.

4 Q In January of 1999, were you aware of any controversy
5 over the amount of rents that were being charged by the
6 Feoffees to the cottage owners?

7 A I was not aware.

8 Q Did you ever learn of a controversy regarding the amount
9 of rent that was charged by the Feoffees to the cottage
10 owners?

11 A Yes.

12 Q When did you first learn of a controversy over the amount
13 of rent charged by the Feoffees to the cottage owners?

14 A I don't recall the exact time frame of when I became
15 aware of that.

16 Q Can you give me an estimate?

17 A Well, it might have been the ----

18 MS. BREWER: Only if you can remember. Don't
19 guess.

20 A It would be a guess. I don't honestly remember.

21 Q How did you learn about the controversy?

22 A Through newspaper accounts and just discussions, you
23 know, with -- between Feoffees members and School
24 Committee members and that spewed over in other --

1 whether or not there was -- the rent was fair.

2 Q Did you, as superintendent of schools, ever make a
3 written request or demand on the Feoffees to increase the
4 rent charged to the cottage owners?

5 A No.

6 Q Did you ever make any kind of an oral demand or request
7 on the Feoffees for them to increase the rent charged to
8 the cottage owners?

9 A No.

10 Q Are you aware of any written request or demand ever made
11 by the Ipswich School Committee on the Feoffees to
12 increase the amount of rent charged by the Feoffees to
13 the cottage owners?

14 A I'm aware of the School Committee's interest in
15 increasing the rent and the discussion related to fair
16 market value.

17 Q And when did you become aware of that interest?

18 A I don't recall the exact date.

19 Q And specific to my question, are you aware of any written
20 request or demand made by the School Committee to the
21 Feoffees for them to increase the rent charged to the
22 cottage owners?

23 A No.

24 Q Are you aware of any oral request or demand ever made by

1 the School Committee upon the Feoffees for the Feoffees
2 to increase the rent charged to the cottage owners?

3 A No.

4 Q Are you of a mind that the Feoffees have failed, in any
5 way, in their duty to collect rents and turn net proceeds
6 over to the Ipswich Public Schools?

7 MS. BREWER: Objection.

8 A I have no opinion on that.

9 Q Since your time as superintendent in July of 1998, until
10 2006, did the Ipswich Public Schools receive monies from
11 the Ipswich -- from the Feoffees on an annual basis?

12 A Yes.

13 Q Have you ever caused to be investigated distributions by
14 the Feoffees to the Ipswich Public Schools prior to your
15 appointment in July of 1998?

16 A No.

17 Q I want to show you a document that was produced by your
18 counsel and ask you if you can identify that for me?

19 A Yes, I do recall seeing this document.

20 Q Who prepared this document?

21 MS. BREWER: Can we just clarify? I think,
22 it's a series of documents. I think, it was produced as
23 a file folder.

24 A This document here ----

1 MS. BREWER: This is many pages.

2 MR. SHEEHAN: Let's try to -- we'll make sure
3 that the record is clear.

4 Q The package of pages that I have just handed to you,
5 Superintendent Korb, contains -- it contains Bates
6 stamped stamp numbers, ISC002412 through ISC002501.

7 Do you see that?

8 A Yes, I see it, yes.

9 Q And were all of these papers together in a file folder of
10 some sort?

11 A This is the first time I've seen that, other than the
12 Page ISC002416.

13 Q Let's take a look at the first page of the pages that I
14 have presented to you, that are clipped together?

15 A Yes.

16 Q In the upper right hand corner, it says, History of
17 Feoffees' Contributions?

18 A Yes.

19 Q Do you see that?

20 A Yes.

21 Q Do you know whose writing that is?

22 A No, I do not.

23 Q Do you know where these papers came from?

24 A No, I do not.

1 Q They're not records that you kept in your office?

2 A Pardon me?

3 Q They're not papers that you kept in your office?

4 A The one that I know that was kept in my office is the one
5 that I just referenced, ISC002416.

6 Q And how was it that you had ISC002416 in your office?

7 A That was in the files of Feoffees' contributions.

8 Q And where was the file of Feoffees' contributions?

9 A In the -- in my office, in the records, records office,
10 records room.

11 Q And the other pages that are hooked together among the
12 pages I've just given you, were they also in that same
13 records room?

14 A I couldn't tell you that. I have never seen this before.

15 Q It's fair to say that in your office, there was a file
16 folder that contained just one piece of paper?

17 A No. I would assume that, perhaps, these might have been
18 in there, but I don't know that for certain. I've never
19 looked in the file, other than this piece of paper.

20 Q And when you saw the piece of paper marked ISC002416 for
21 the first time, was it alone or was it with other papers?

22 A It was given to me in January of 1999, when I was going
23 to receive the check, and it was obviously, not completed
24 at that point in time. I mean, it was just up until that

1 point.

2 Q And it was given to you by whom?

3 A By my administrative assistant.

4 Q And who is that?

5 A Fran Seltenrich.

6 Q Could you spell that last name for the record?

7 A S-E-L-T-E-N-R-I-C-H.

8 Q And does she remain your administrative assistant?

9 A She does.

10 Q That speaks highly for the two of you.

11 As you've indicated, the document that you got
12 from the administrative assistant in anticipation of the
13 January 1999 meeting was a document other than this
14 particular document that we're seeing as ----

15 A That's right.

16 Q ---- ISC002416?

17 A And it was updated yearly.

18 Q By whom?

19 A By my administrative assistant.

20 Q And did you ever ask your administrative assistant to
21 compile this history of Feoffees' contributions to the
22 schools?

23 A No.

24 Q Did you ask her to keep it updated?

1 A Yes.

2 Q Is today the first time you have learned that in 1970,
3 seventy-five hundred dollars was contributed to the
4 schools by the Feoffees?

5 A It's the first time that I've seen that, correct.

6 Q Do you know whose handwriting that is?

7 A I do not.

8 Q Are you familiar with Ipswich's annual town report?

9 A I am.

10 Q What is it?

11 A It's a document that is provided to members of the
12 community with -- regarding, I believe it's associated
13 right around Town Meeting, and information about finances
14 and programs and different institutions within the town,
15 reports from different entities, including the schools.

16 Q Do you, as superintendent, contribute information,
17 annually, for the Ipswich annual town report?

18 A Yes.

19 Q Does your information include information pertaining to
20 contributions by the Feoffees?

21 A No.

22 Q Do you know whether anyone provides information for the
23 Ipswich annual town report regarding contributions by the
24 Feoffees?

1 A I'm not aware of that.

2 Q Do you know how the numbers that are contained on
3 ISC002416 were generated?

4 A No.

5 Q Have you ever ----

6 A Excuse me. May I correct that?

7 Q Sure.

8 A Okay. From 1999 on, through 19 -- 2006, they were
9 generated as a result of my attending the meetings and
10 receiving a contribution distribution from the Feoffees
11 and then having my administrative assistant record that.

12 Q So, you have personal knowledge of the distributions made
13 by the Feoffees to the Ipswich Public Schools for each of
14 the years 1999 to 2006?

15 A Yes, I am.

16 Q And the numbers that appear on Page ISC002416 with
17 respect to contributions by the Feoffees to the Ipswich
18 Public Schools from 1999 to 2006 is fair and accurate?

19 A To the best of my knowledge, that is correct.

20 Q And you know that because you received the checks?

21 A That is correct.

22 Q And those checks were given to you at the annual meeting;
23 were they not?

24 A I recall, yes, they were given to me at the annual

1 meetings that I attended. Sometimes, I did not attend
2 them and they were, simply, handed to the school by Mr.
3 Wiston, who stopped in and dropped it off.

4 Q Now, the public schools have not received any monies from
5 the Feoffees since 2006, have they?

6 A Not to my knowledge.

7 Q And you were present at a School Committee meeting in
8 2007, wherein it was explained to the School Committee
9 and you, by the Feoffees' counsel, that they could not --
10 they would not expect any distribution while there was
11 litigation pending with the tenants; correct?

12 MS. BREWER: Objection.

13 A I do recall that.

14 MS. BREWER: Go ahead.

15 A Yes, I do recall that.

16 Q And do you recall Dr. O'Flynn, School Committee member,
17 saying, I understand that and I want you to go forward
18 with that litigation?

19 A I do not recall that conversation.

20 Q Do you remember the reaction of the School Committee
21 members when they were told that they could expect no
22 monies from the Feoffees while the litigation with the
23 tenants was pending?

24 MS. BREWER: Objection.

1 A I don't recall that.

2 Q Do you recall Ed Traverso saying words to the effect,
3 it's about time you charged fair market rent and we don't
4 care how long it takes, as long as you get fair market
5 rent from the tenants?

6 MS. BREWER: Objection.

7 A I do not recall that specific conversation.

8 Q Do you remember words to that effect from Mr. Traverso?

9 MS. BREWER: Objection.

10 A I, honestly, cannot say that to that effect.

11 Q Do you remember that Mr. Traverso uttered the first
12 positive words about the Feoffees that he had ever
13 uttered in your presence, after being told about the
14 intent to go to fair market rent?

15 MS. BREWER: Objection.

16 A I do recall that he was -- he was very expressive in
17 regards to that.

18 Q What did he express?

19 A Just that he was happy that fair market rent was going to
20 be charged.

21 Q And did he also express that he understood that there
22 wouldn't be any distributions and that -- while there was
23 litigation going on with the tenants?

24 A I don't recall that specifically, no.

1 Q Have you done anything to verify the information
2 contained on sheet ISC002416 for years prior to 1999?

3 A No.

4 Q Has your administrative assistant done anything, to your
5 knowledge, to verify information from years 1998 and
6 prior?

7 A Not to my knowledge.

8 Q Do you have any understanding as to whether the
9 information that is contained on that page, for years
10 1998 and prior, is accurate?

11 A I would have no accurate knowledge of that.

12 Q And has anyone on the School Committee ever requested
13 that you look into how much in distributions were made by
14 the Feoffees to the Ipswich Public Schools prior to July
15 1998?

16 A Yes.

17 Q And what did you do, if anything?

18 A I referenced this sheet here.

19 Q And this sheet was something that you found in the files?

20 A That was in the Feoffees' file in my office, that's
21 correct.

22 Q And do you know who the author was on that sheet that you
23 found in your files?

24 A I do not recall who authored this from the beginning.

- 1 Q Who was your predecessor as superintendent of schools?
- 2 A Richard Thompson.
- 3 Q And how do you spell his last name?
- 4 A T-H-O-M-P-S-O-N, I believe.
- 5 Q How long did Mr. Thompson serve as superintendent of
- 6 schools?
- 7 A I believe, approximately, fifteen years.
- 8 Q Have you ever met Mr. Thompson?
- 9 A Yes.
- 10 Q When did you first meet Mr. Thompson?
- 11 A My -- upon my final interview for the position of
- 12 superintendent, I met with him, in his office.
- 13 Q What were the circumstances under which Richard Thompson
- 14 left the position of superintendent of schools?
- 15 A He retired.
- 16 Q Have you ever had any conversations with Richard Thompson
- 17 about the Feoffees?
- 18 A Not to my knowledge.
- 19 Q Did you ever have any conversation with Mr. Thompson
- 20 about this page that has been marked ISC002416?
- 21 A No.
- 22 Q Have you ever had conversation with any School Committee
- 23 members about contributions made by the Feoffees to the
- 24 Ipswich Public Schools?

1 A Yes.

2 Q And have you had conversations with any School Committee
3 members about contributions made in the years 1998 and
4 prior?

5 A No.

6 Q Now, would you turn to Page 2417?

7 Do you recognize what is depicted on that page?

8 A A check from the Feoffees to the Ipswich Schools in the
9 amount of a hundred and thirty-eight thousand.

10 Q And there's some handwriting at the top of that page.

11 Do you recognize whose handwriting that is?

12 A I do not.

13 Q Who is J. Cuff?

14 A Joanne Cuff.

15 Q And who is she?

16 A She, at that time, was the accounts payable clerk for the
17 Ipswich Public Schools.

18 Q How long was she the accounts payable clerk for the
19 Ipswich Public Schools?

20 A Oh, gosh -- I think, approximately, five years.

21 Q Is she still the accounts payable clerk?

22 A No. She's now the director of finance and operations.

23 Q For the Ipswich public Schools?

24 A Yes.

1 Q And the handwriting at the bottom of that page, which
2 consists, really, of numbers, do you know whose writing
3 that is?

4 A Not for certain, no.

5 Q Do you think you know whose it is?

6 A You know, the more that I look at it, it looks to be my
7 administrative assistant's, Fran Seltenrich, but again, I
8 don't -- that would simply be conjecture on my behalf.

9 MS. BREWER: No conjecture. Give your best
10 knowledge.

11 A Yes, to my best knowledge, it looks like it would be
12 Fran's.

13 Q Page 2418, what is that?

14 A That is a check from the Feoffees to the Town of Ipswich
15 Public Schools for four hundred and fifty thousand
16 dollars.

17 Q Now, you had seen these two checks before today?

18 A Yes.

19 Q You saw them at or about the time they were delivered to
20 you?

21 A Yes. When they came in, right.

22 Q It's not my intention to go through each of these pages
23 with you. Have you ever seen the pages that are -- that
24 follow as they're number 241 -- I'm sorry -- 2421 to two

1 thousand five oh one, have you seen those documents
2 before?

3 A 2004 -- I'm sorry?

4 Q The number ----

5 A 2421?

6 Q 2421 to 2501?

7 A I do recall seeing forms such as these. I don't know if
8 it was this specific form, and I believe it might have
9 been as a result of from, like, an audit report or
10 something like that.

11 MS. BREWER: You're talking specifically about
12 2421?

13 THE WITNESS: That's correct.

14 Q Did you receive financial statements from the Feoffees?

15 MS. BREWER: Objection. When?

16 MR. SHEEHAN: At any time.

17 A When requested.

18 Q And how often did you request financial statements from
19 the Feoffees?

20 A I, honestly, don't recall.

21 Q Under what circumstances did you request financial
22 statements?

23 A At the request of the School Committee.

24 Q And how many times did you request financial statements

1 from the Feoffees?

2 A I, honestly, don't recall how many times.

3 Q At all times that you requested financial information
4 from the Feoffees, was it provided to you?

5 A To the best of my knowledge.

6 Q To the best of you knowledge, it was provided?

7 A That's correct.

8 Q Have you ever reviewed financial statements provided to
9 you by the Feoffees?

10 A Yes.

11 Q For what purpose?

12 A Just for acquiring general knowledge before I handed them
13 to the School Committee.

14 Q Did you ever have any conversation with any Feoffees
15 about the contents of any financial statements you
16 received from them?

17 A No.

18 Q Have you now exhausted your knowledge as to the documents
19 that I handed to you as a package, that we have
20 identified as Bates stamped numbers ISC002412 through
21 002501?

22 MS. BREWER: Objection.

23 A Have I exhausted my knowledge?

24 Q Yes.

1 A Yes.

2 MR. SHEEHAN: Let's have those papers marked,
3 together, please, as Number Five, I think it is.

4 (Exhibit No. 5, marked; Packet of Documents.)

5 Q On the top page of what we've marked as Number Five, in
6 the upper left hand corner, there's some handwriting, do
7 you know whose handwriting that is?

8 MS. BREWER: The handwriting with the cross
9 outs?

10 MR. SHEEHAN: Yes.

11 A Oh, the cross outs -- once again, I could only -- it
12 appears as if it may be Mrs. Seltenrich's, but I'm not
13 certain.

14 Q Can you read the first line, what does that say?

15 A ECY money.

16 Q Do you know what that is?

17 A I don't know what ECY stands for, no.

18 Q And 2009-2010, you don't know what that refers to?

19 A No.

20 Q Then there's a reference, it looks like IMS and IHS?

21 A Right. That would be the abbreviation for the Ipswich
22 Middle School and the Ipswich High School. DOY would be
23 for Doyon Elementary, and WIN would be Winthrop
24 Elementary.

1 Q In light of that language, does that help you to help me
2 understand what ECY money is?

3 A I don't have any idea what that would stand for, ECY.

4 Q Have you ever gone on the Ipswich Town website to look at
5 the issue of contributions made by the Feoffees to the
6 public schools?

7 A No.

8 Q Have you ever instructed anyone to go onto the town
9 website, in your behalf, to look at contributions made by
10 the Feoffees to the Ipswich Public Schools?

11 A Not to my knowledge.

12 Q Have you ever had any conversations with any School
13 Committee members as to the accuracy of inaccuracy of the
14 information contained in Exhibit Number Five, and
15 specifically, Page 2415?

16 A I do not recall having any conversations with any School
17 Committee member about 2415.

18 Q Are you familiar with any information that's ever been
19 provided by the Feoffees to correct the information
20 contained on Page 2415?

21 A No, I am not.

22 Q Have you ever heard any School Committee members defend
23 the accuracy of the information contained on Page 2415,
24 which is a part of Exhibit Number Five?

1 MS. BREWER: Objection.

2 A No, I haven't.

3 Q Are you aware of any dispute or controversy as to the
4 amount of money given by the Feoffees to the Ipswich
5 Public Schools prior to 1999?

6 A I'm aware of differences of opinion that Feoffees -- the
7 statements that have been made by members of the Feoffees
8 that indicate that they believed that they made
9 contributions that were not reflected in that previous
10 document, the specific document, 2416, that there were
11 years that they felt that contributions had been made
12 that were not identified on that document.

13 Q Have you ever done anything to determine whether the
14 Feoffees' position as to monies contributed is accurate
15 or inaccurate?

16 A No.

17 Q Do you maintain records of the Ipswich Public Schools
18 prior to 1999?

19 A I'm sure that we do, and I don't have specific knowledge
20 what those records might be, but we do have personnel
21 records and things like that, yes.

22 Q Do you have any records that pertain to contributions
23 made by the Feoffees to the Ipswich Public Schools for
24 1998 and earlier?

1 MS. BREWER: Objection.

2 A The only records I'm aware of are these that were
3 referenced in 2416.

4 Q Are you familiar with monies advanced by the Feoffees for
5 the benefit of the Ipswich Public Schools without making
6 a check payable to the Ipswich Public Schools?

7 A No, I am not.

8 Q Have you ever heard of such distributions?

9 A I have heard of that, but I have no way to substantiate
10 that.

11 Q Have you ever sought to substantiate that?

12 A No, I have not.

13 Q Has anyone ever asked you to substantiate that?

14 A No.

15 Q Do you know of any records in the custody of the Ipswich
16 Public Schools, that would address that controversy?

17 MS. BREWER: Objection.

18 A I'm not aware of any. I'm not aware of any that would.

19 Q When you received your first Feoffees check in 1999, what
20 did you do with it?

21 MS. BREWER: Objection.

22 A Took it back to the office and deposited it.

23 Q Into where?

24 A I gave it to the finance director and put it into a, I

1 believe it's a Feoffees Gift Account.

2 Q And when was the Feoffees Gift Account created?

3 A I don't recall.

4 Q Did it exist prior to your appointment in 1998?

5 A I can only assume it did. I am not aware.

6 Q And the Feoffees Gift Account, is that maintained at --
7 in 1999, was it an account that was maintained at a bank?

8 A It was an account that I'm aware of that -- well, you
9 know, that's a good question. It was an account that was
10 set up through the town and that -- I don't know whether
11 those were put into a bank or not.

12 Q And was it an account labeled, Feoffees Gift Account?

13 A To the best of my knowledge, it was.

14 Q And that account preexisted your appointment?

15 A I can't -- I can't confirm that.

16 Q You didn't create the account?

17 A I didn't create the account, no.

18 Q And your administrative assistant did not create the
19 account?

20 A Not to my knowledge, no.

21 Q Does the Feoffees Gift Account still exist?

22 A Yes, I believe it does.

23 Q And who has the records that pertain to the Feoffees Gift
24 Account?

1 A I believe, it's included in the MUNIS system, which is
2 the financial system that the town has for accounting of
3 all financial records for the schools and the town.

4 Q Who is the custodian of the records of the MUNIS system?

5 A That would be -- I believe, it would be the town
6 accountant, Rita Negri.

7 Q Have you ever talked to Rita Negri about the Feoffees
8 Gift Account?

9 A No.

10 Q How long has Ms. Negri been the town accountant?

11 A I don't recall. I don't know.

12 Q Is she still the town accountant?

13 A Yes, she is.

14 Q Was she the town accountant when you arrived?

15 A I don't believe she was.

16 Q Has she been the town accountant for the last ten years
17 or so?

18 A I believe, eight to ten years, I believe, yes. I'm not
19 -- couldn't confirm that.

20 Q In years after 1999, when you received checks from the
21 Feoffees, did you deposit those monies into the Feoffees
22 Gift Account?

23 A To the best of my knowledge.

24 Q Have you ever directed the Feoffees to distribute monies

1 in behalf of the Ipswich Public Schools to someone other
2 than you?

3 A No.

4 Q And all the distributions made by the Feoffees to the
5 Ipswich Public Schools since your appointment in July of
6 1998 have been made by check; is that correct?

7 A To the best of my knowledge, that's correct.

8 Q Have you ever looked at that portion of the records
9 contained on the MUNIS system that pertain to the
10 Feoffees Gift Account?

11 A No, I've never looked at the MUNIS system records.

12 Q How long has the Town of Ipswich used the MUNIS system?

13 A I am not aware.

14 Q Was the town using the MUNIS system when you arrived?

15 A I don't think they were. I believe, they adopted it
16 afterwards, after my arrival, and I would say, perhaps,
17 been in place for, perhaps, maybe ten years, and again,
18 I'm not totally certain about that. And just for the
19 record, it's MUNIS, M-U-N-I-S.

20 Q Thank you.

21 A Yes.

22 Q What records are you aware of, if any, that would
23 evidence gifts made or distributions made by the Feoffees
24 to the Ipswich Public Schools?

1 A The only ones I'm aware of are the ones that I have here,
2 in front of me.

3 Q Now, when you say the records here, in front of you,
4 that's Exhibit Number Five?

5 A Yes, the ISC2416.

6 Q Now, let me show you that package of documents.

7 Can you identify that package for me?

8 A It ----

9 MS. BREWER: Take a look at all of them. He's
10 asking about the entire package.

11 A It appears to be financial statements related to
12 expenditures and other matters, statement of activities
13 by the Feoffees of Grammar School.

14 Q Have you ever seen that package of documents before?

15 A I have not. This is the first time.

16 Q I will not mark that, then, if you have not seen it, or
17 any portion of it.

18 Now, I want you to take a look at what we have
19 marked as the -- I think, it's Exhibit Number Two, the --
20 I'm sorry, Number Three, the answer and -- Number Four,
21 the answer and counter claim filed on your behalf?

22 A Yes.

23 Q Paragraph number five, please, at the bottom of Page
24 Eight, would you please read that paragraph to yourself?

1 Have you had a chance to read that?

2 A This is the first time that I've read it.

3 Q Do you know what the -- and I'll put this language in
4 quotes from paragraph number five, what the "evolved
5 circumstances over the years," end quote, refer to?

6 A No.

7 Q Are you aware of any Feoffees' failure to fulfill
8 reasonable expectations?

9 A Not personally.

10 Q Have you reviewed the proposed covenants and
11 administrative structure that's contained as part of this
12 counter claim?

13 A No.

14 Q Do you have an opinion as to whether this proposed
15 covenants and administrative structure would be
16 beneficial to the Ipswich Public Schools?

17 MS. BREWER: Objection.

18 A I have no opinion.

19 Q Now, in paragraph number seven, Page Nine, are you
20 familiar with rents charged by the Feoffees to Little
21 Neck residents which have been less than fair market
22 level?

23 A I recall conversations at the School Committee level
24 relative to that.

1 Q And when do you recall the first of those conversations?

2 A I do not recall, specifically, the time frame within
3 which those were made, other than when -- at the
4 beginning of litigation.

5 Q Did you have any such conversations with School Committee
6 members within the first year or two of your tenure as
7 superintendent?

8 A No.

9 Q During the first year or two of your tenure as
10 superintendent, do you recall any School Committee
11 members making any complaints about the Feoffees not
12 charging fair market rent?

13 A Not in the first two years.

14 Q When would you say you first heard a School Committee
15 member complain about the rents that were being charged
16 by the Feoffees?

17 A I am not aware, specifically, of what the time frame
18 would be for that. To the best of my knowledge, it would
19 be some time when the -- at the beginning of litigation.

20 Q And when you refer to the litigation, that's the
21 litigation that was filed against the Feoffees by the
22 Little Neck residents?

23 A Yes.

24 Q And that was filed some time at the end of 2006?

1 A Yes. I would say, it would be in 2006 or 2007, when the
2 conversations began.

3 Q Now, paragraph eight, would you -- on Page Nine, would
4 you read that to yourself, please?

5 A Yes.

6 Q Are you familiar with the installation of a sewer system
7 that was placed at Little Neck?

8 A Yes.

9 Q When did you first learn of the sewer system?

10 A I don't specifically recall the date of that, other than
11 I do remember discussions about the installation of the
12 sewer system.

13 Q And from whom did you first hear about the installation
14 of the sewer system on Little Neck?

15 A I do not recall who I heard it from.

16 Q What did you hear?

17 A Just that it was claimed that there was going to be a
18 sewer system installed on Little Neck and that it was --
19 the issue of how it was going to be paid for and who was
20 going to be charged to pay for that, and I remember, the
21 biggest issue was the number of trucks that would have to
22 be running between Little Neck and the town and -- to
23 empty and to take the sewerage away.

24 Q What do you recall being told about how it was going to

1 be paid for?

2 A That it would be passed on to the tenants.

3 Q Who told you that?

4 A I don't recall who that was.

5 Q Was it a Feoffee?

6 A Again, I don't recall.

7 Q Do you recall being a party to a Probate Court action
8 wherein the Probate Court was asked to approve the
9 Feoffees' borrowing money so that the sewer system could
10 be built?

11 A I do not recall being a party to that. I may -- very
12 well could have been and I don't recall.

13 Q Do you recall litigation filed in the Probate Court for
14 the Feoffees to receive approval to borrow money to build
15 a sewer system?

16 A Yes.

17 Q You didn't have any objection to the Feoffees' borrowing
18 money to build that system, did you?

19 MS. BREWER: Objection.

20 A I had no opinion.

21 Q Did you ever voice any objection to the construction of
22 the sewer system?

23 A No, not to my knowledge.

24 Q Did you ever voice any objection to the Feoffees'

1 borrowing money so as to construct the sewer system?

2 A Not to my knowledge.

3 Q Were you familiar with what precipitated the need for a
4 sewer system at Little Neck?

5 A Not from a technical standpoint.

6 Q How about from a layman's standpoint?

7 A Just environmental concerns.

8 Q Have you ever read any documents that pertained to the
9 environmental issue at Little Neck?

10 A No.

11 Q Paragraph nine of the counter claim, on Page Nine, would
12 you read that to yourself, please?

13 A Yes.

14 Q Do you agree that the Feoffees have conducted business
15 without transparency?

16 MS. BREWER: Objection.

17 A I have no opinion.

18 Q Do you agree that the Feoffees have transacted business
19 without public accountability?

20 MS. BREWER: Objection.

21 A Again, I have no opinion.

22 Q Are you aware that the Feoffees file, annually, a report
23 with the Attorney General?

24 MS. BREWER: Objection.

- 1 Q Of their financial issues?
- 2 A I'm not aware of that.
- 3 Q Paragraph nine references a limited liability company.
- 4 Do you know to what that refers?
- 5 A No.
- 6 Q Paragraph ten, if you could read that to yourself,
- 7 please?
- 8 A Okay.
- 9 Q Do you know whether or not the Feoffees have failed to
- 10 make all necessary and appropriate governmental filings?
- 11 A I'm not aware of that.
- 12 Q Are you aware as to whether or not the Feoffees pay taxes
- 13 on income received by them?
- 14 A I'm not aware of that.
- 15 Q Have you ever heard any discussion about whether or not
- 16 the Feoffees should pay taxes on income received by them?
- 17 A I have heard discussions of that, yes.
- 18 Q And are those discussions that were entered into by
- 19 School Committee members?
- 20 A Yes.
- 21 Q And were you a party to those conversations?
- 22 A No.
- 23 Q You just heard them?
- 24 A That's correct.

1 Q Were those discussions at a School Committee meeting or
2 outside of a School Committee meeting?

3 A Outside.

4 Q With whom have you had conversations outside of School
5 Committee meetings regarding the issue of taxes?

6 MS. BREWER: Objection.

7 A That concern was raised by a School Committee member, Mr.
8 Traverso.

9 Q Did you have a conversation or conversations with Mr.
10 Traverso, yourself, about that issue?

11 A I did not enter into conversations with him. I, simply,
12 listened to his concerns.

13 Q And was there anyone else present?

14 A No.

15 Q He had your ear?

16 A He had my ear.

17 Q What did he say about income taxes?

18 A He questioned whether taxes were paid and whether they
19 should be and I didn't follow it with a great amount of
20 intent, other than to listen.

21 Q Do you know of anyone on the School Committee who favors
22 the Feoffeees paying taxes on income received by them?

23 A I'm not aware of anyone that would share that view.

24 Q Do you know whether or not the School Committee, through

1 its counsel, ever told the Feoffees, we do not want you
2 to file for an opinion with the IRS as to whether or not
3 the Feoffees are a taxable entity?

4 A Repeat the beginning of that again for me, Bill.

5 Q Sure.

6 MR. SHEEHAN: Would you read that back, Brenda?

7 (Pending question read back)

8 A I'm not aware of that, no. Thank you for clarifying.

9 Q Superintendent Korb, at some point in time, you learned
10 about the possibility of sale of Little Neck; did you
11 not?

12 A I did.

13 Q When did you first learn about the possibility of sale?

14 A I don't recall the specific time, but I know it was soon
15 after, when the litigation began and discussions
16 regarding sale versus rent arose.

17 Q And would you agree that the Feoffees kept you and the
18 School Committee apprised of what was going on in the
19 Superior Court litigation?

20 MS. BREWER: Objection.

21 A I would agree that we were kept informed. I do not know
22 to what degree, but we were -- received information from
23 the Feoffees regarding that.

24 Q And you received information as to what rents the

1 Feoffees were seeking to obtain from the tenants; isn't
2 that right?

3 A I do recall that, yes. I don't recall what they were,
4 but yes.

5 Q And at some point in time, were you informed by the
6 Feoffees, through their counsel, that there was an
7 opportunity to settle the Superior Court action by way of
8 a sale of Little Neck to the cottage owners?

9 A I do recall that, yes.

10 Q Do you know when you first heard about the possibility of
11 sale?

12 A Not specifically, not a specific date or time line.

13 Q Let me show you that document and let me ask you if you
14 can identify that?

15 MR. SHEEHAN: Here you go, Donna.

16 MS. BREWER: Thank you.

17 A It's identified as executive session minutes from
18 October 16, 2008, of the School Committee.

19 Q Do you recognize those two pages as minutes of that
20 executive sessions?

21 A That's correct.

22 Q And were you present at that executive session?

23 A I was.

24 Q Was your attorney present at that executive session?

1 A I believe, he was present only via telephone conference
2 call.

3 Q And those two pages represent the minutes of that
4 executive session?

5 A Correct. To the best of my knowledge, that is correct.

6 MR. SHEEHAN: Could we have that marked as the
7 next Exhibit, please?

8 (Exhibit No. 6, marked; Executive Session
9 Minutes of 10/16/08.)

10 Q What's the date of that executive session?

11 A October 16, 2008.

12 Q What was the purpose of the executive session on
13 October 16, 2008?

14 MS. BREWER: Objection.

15 A It states that it was the discussion on the possibility
16 of the sale of Little Neck.

17 Q Now, was October 16, 2008, the first time you ever heard
18 of the possibility of the sale of Little Neck?

19 A I don't recall.

20 Q Do you recall what was said at that meeting?

21 A There was a discussion relative to the merits, relative
22 to the price, as described in these minutes.

23 Q As of the end of the executive session on October 16,
24 2008, did you have a position on whether or not Little

1 Neck should be sold?

2 MS. BREWER: Objection.

3 A I don't recall if it was at that point in time, but I did
4 have an opinion.

5 Q And what was your opinion?

6 MS. BREWER: Objection.

7 A I shared with the committee that I had a voice, but not a
8 vote.

9 Q And what did your voice say as to sale?

10 A I supported sale.

11 Q Why?

12 MS. BREWER: Objection.

13 A I supported sale for the sole purpose of trying to
14 realize a stream of revenue to the schools as soon as
15 possible, to support our educational programs.

16 Q And did you support a sale at a price of 26.5 million
17 dollars?

18 MS. BREWER: Objection.

19 A I wasn't particular to the price. I supported sale to,
20 again, further -- I had no opinion on the price.

21 Q At the time you voiced your support for sale, you knew
22 that the sale price was twenty-six and a half million
23 dollars?

24 A That's what was proposed, yes.

1 Q And you supported the sale at that price?

2 A I did.

3 Q Do you still support the sale of Little Neck?

4 MS. BREWER: Objection.

5 A I have no opinion on that.

6 Q When did you move from in support of sale to no opinion
7 on sale?

8 MS. BREWER: Objection.

9 A As soon as we got into all the litigation issues and the
10 comparisons of rent possibilities versus sales
11 possibilities, and I opted, simply, to back out of that
12 until all the legal issues were resolved relative to
13 that, to see what would be most beneficial.

14 Q Now, following the October 16, 2008 executive session,
15 there was a vote as to whether or not to continue with
16 the issue of the possibility of sale; correct?

17 A I believe that would be correct.

18 Q And in fact, there were additional meetings held to
19 discuss sale?

20 A Yes.

21 Q Do you know when the next meeting was, and that is the
22 meeting of the School Committee, at which sale of Little
23 Neck was discussed?

24 A I don't recall.

1 Q Let me show you that two page document and ask you if you
2 can identify that for me?

3 A It's identified as minutes of a meeting at the Working
4 Group of the Feoffees, dated Tuesday, November 11, 2008.

5 Q What is the Working Group of the Feoffees?

6 A I believe, it was a joint committee of members of some
7 other town boards, as well as the School Committee, to
8 which School Committee members were appointed, but I
9 don't want to confuse that with the Tri-Board Working
10 Group. I'm a little vague as to what -- where the lines
11 are drawn.

12 Q The document I handed you are the minutes of the meeting
13 of November 11, 2008?

14 A That's correct.

15 MR. SHEEHAN: Could we have that marked,
16 please, as the next Exhibit?

17 (Exhibit No. 7, marked; Minutes of Meeting of
18 11/11/08.)

19 Q I'd like to talk to you, first, about who was present at
20 that meeting and do you see that there were no town board
21 members present, other than members of the School
22 Committee, and in conjunction with the members of the
23 School Committee, there are also others, but those others
24 are not members of any town board?

1 A Correct.

2 MS. BREWER: Are you asking if he has a
3 recollection different from what's in the document?

4 MR. SHEEHAN: No.

5 MS. BREWER: Or just agreeing that that's what
6 the document reflects?

7 Q Do you recall who was present at the meeting on
8 November 11, 2008?

9 A I do, after looking at this.

10 Q And the document that was marked as Exhibit Number Seven
11 accurately reflects who was present on November 11, 2008?

12 A As it states.

13 Q And you now recognize that the Working Group of Feoffees
14 consisted of certain members of the Ipswich School
15 Committee and yourself, but no other town board members?

16 A Yes. I am not a member of the Working Group of the
17 Feoffees. I, simply, was in attendance at the meeting.

18 Q Fair enough. So, if you can tell me from your present
19 memory, who were members of the Working Group of the
20 Feoffees?

21 A At that time, it was Mr. Loeb, Ms. Ross and Ms.
22 Arsenault.

23 Q And was that, in essence, a subcommittee of the School
24 Committee?

1 A That's correct.

2 Q And was that a subcommittee that was appointed on an ad
3 hoc basis by the School Committee?

4 A That would be my recollection, yes.

5 Q And that subcommittee, called the Working Group of the
6 Feoffees, met on November 11, 2008?

7 A As -- yes, as identified in this document.

8 Q And that was a continuation of the discussion of sale of
9 Little Neck, which took place at least as early as
10 October 16, 2008?

11 A That would appear to be.

12 Q And you were present?

13 A Yes.

14 Q And the School Committee's lawyer was present?

15 A That's correct.

16 Q Did you understand that Richard Allen was also acting as
17 your attorney?

18 A My personal attorney?

19 Q Yes.

20 A In representing us?

21 Q Yes.

22 A Yes, I was.

23 Q And the attorney for the Feoffees, Mr. Sheehan, was
24 present?

1 A That's correct.

2 Q And two Feoffees members were present, Mr. Foley and Mr.
3 Wiston?

4 A I do recall that, yes.

5 Q Without looking at the minutes for a moment, do you have
6 a present memory of what was discussed on November 11,
7 2008?

8 A I recall that after the initial introductions, that we
9 went into executive session, and I believe that issues
10 relative to litigation and things like that were
11 discussed.

12 Q And the final issue discussed was the sale; is that
13 right?

14 A I would have to look at it. I don't recall that, but I'd
15 have to look at it.

16 Q Take a look at Exhibit Number Seven and see if that
17 refreshes your recollection as to whether the final item
18 discussed on that occasion was the potential sale of
19 Little Neck?

20 A Yes, that's what's reflected.

21 Q There was discussion, on November 11, 2008, about what
22 would happen to the sales proceeds if Little Neck were
23 sold; is that right?

24 A That's correct.

1 Q And you had a particular position as to what should
2 happen with those monies, didn't you?

3 A Absolutely, yes.

4 Q What was your position?

5 A My position is that it should be put into a special
6 account, trust account, with an independent board
7 overseeing that.

8 And based upon an experience that I've had,
9 previously, in the State of Michigan, where a large
10 amount of money was left to the town, and to the schools,
11 that that board would oversee the investment of those
12 funds and that the practice that it would be invested so
13 that the return, the interest, we could spend eighty
14 percent of the interest and reinvest twenty percent of
15 the interest going back into the principal, so that the
16 principal would continue to grow in perpetuity.

17 Q And what was your experience in Michigan?

18 A There was a large amount of money that was left by a
19 gentleman, a former president of the bank, that he left
20 to the town, with specifics that it would be to benefit
21 both the town and the schools, for special projects or
22 initiatives within the community, that the board and the
23 citizens deemed appropriate.

24 And that board met once a year, and various

1 segments of the town, I remember, the very first -- the
2 very first initiative proposal that came forward was to
3 build a fire station, and as a result of that, money was
4 appropriated from those earnings in the first year, to
5 begin the process of building a fire station. The
6 schools, the town, different groups could meet and
7 present their case to the Board of Directors and it's
8 still in place, today, in Lowell, Michigan, and it's
9 really benefitted the town, tremendously.

10 Q And did that ----

11 A That was the model that I was aware of, that I
12 referenced.

13 Q And did that model that you were aware of, in Michigan,
14 use the eighty/twenty rule regarding income?

15 A They used the eighty/twenty rule, yes.

16 Q And as of November 11, 2008, did you favor sale of Little
17 Neck for twenty-six and a half million dollars?

18 MS. BREWER: Objection.

19 A I did.

20 Q Was a decision made by the working committee on
21 November 11, 2008, as to whether to support sale of
22 Little Neck for twenty-six and a half million dollars?

23 A I don't recall that without reading the minutes.

24 Q Take a look at the minutes and see if that refreshes your

1 memory as to whether the Working Group of the Feoffees
2 made a determination, one way or the other, as of
3 November 11, 2008, on whether sale of Little Neck should
4 take place for twenty-six and a half million dollars?

5 A As I read this, there was no decision that was made at
6 that point in time, in that meeting. Simply said, that
7 if the sale were to go through, the committees and Board
8 of Selectmen were to approve it and, potentially, it
9 would happen within the next year, and then the meeting
10 was adjourned.

11 Q Do you recall that as of November 11, 2008, Attorney
12 Allen had opined that he thought sale was appropriate at
13 twenty-six and a half million dollars?

14 MS. BREWER: Objection.

15 A I do recall that in the previous discussions, that took
16 place, I believe it was in October, in a phone conference
17 that that -- that was the -- I'm trying to think -- if I
18 may go back and just look at -- he said, Mr. Allen stated
19 that the Feoffees are seriously recommending sale of
20 Little Neck. As I go back on that, I do recall that
21 there were a number of conversations relative to that.

22 I, specifically, don't recall if Mr. Allen,
23 himself, was recommending that or not, without going back
24 and seeing what the minutes said. It doesn't pop up as

1 an immediate reflection.

2 Q Do you recall that -- well, strike that. We'll come back
3 to that.

4 Did the Working Group of the Feoffees report to
5 the full School Committee after November 11, 2008?

6 A You mean, the Feoffees, the Working Group of the -- the
7 Feoffees Working Group of the School Committee?

8 Q I'm just using that term, Working Group of The Feoffees.
9 Let's sort of clarify that, that phrase, because it does
10 -- Exhibit Number Seven does talk about minutes of
11 meeting of the Working Group of the Feoffees?

12 A Which would imply that it's a Feoffees Working Group as
13 opposed to a School Committee.

14 Q Right. It's not a Feoffees Working Group, is it?

15 A No, no.

16 Q It was, perhaps, better labeled, Working Group on the
17 Feoffees?

18 A Of the School Committee.

19 Q In any even, that Working Group that was made up of three
20 School Committee members did report back to the full
21 School Committee on the issue of sale; correct?

22 A I don't know that for certain, unless I could, perhaps,
23 see some further minutes.

24 Q All right, fair answer. Now, let me show you that three

1 page document.

2 Can you identify that for us?

3 A Let me just look at it for a minute. This document that
4 I have in front of me is the -- identified as executive
5 session, November 20, 2008, executive session of the
6 School Committee.

7 Q All right, and do you recognize those three pages as the
8 minutes of the executive session of the full Ipswich
9 School Committee on November 20, 2008?

10 A I do.

11 MR. SHEEHAN: Could we have that marked,
12 please, as Number Eight?

13 (Exhibit No. 8, marked; Minutes of Executive
14 Session of 11/20/08.)

15 Q Now, as of November 20, 2008, you favored a sale of
16 Little Neck for twenty-six and a half million dollars;
17 correct?

18 MS. BREWER: Objection.

19 A My position at that time had not changed.

20 Q That you were in favor?

21 A That I was in favor.

22 Q And although there's reference at the top of the first
23 page of Exhibit Number Seven to Mr. Loeb excusing himself
24 for the executive session, all seven School Committee

1 members, including Mr. Loeb, were part of the executive
2 session discussion on litigation and sale on November
3 twentieth; isn't that right?

4 A I'm just going to have to count here -- Traverso, Flynn,
5 Shepard, Arsenault, Hopping, Ross ----

6 MS. BREWER: You're going to have to say it so
7 she can understand it or say it to yourself, whichever
8 one works.

9 A Yes.

10 Q Yes, all seven were present?

11 A That's correct.

12 Q And there was a discussion among all seven School
13 Committee members as to whether or not the Feoffees
14 should be authorized to sell Little Neck to the cottage
15 owners for twenty-six and a half million dollars;
16 correct?

17 A That was the nature of the conversation, yes.

18 Q And you were there?

19 A Yes, I was.

20 Q Your finance director, Ms. Cuff, was there?

21 A Correct.

22 Q And the School Committee's lawyer and your lawyer, Mr.
23 Allen, was there?

24 A Correct.

1 Q And I was there?

2 A Yes.

3 Q Do you have a recollection of how long that meeting, that
4 executive session as to litigation and sale lasted?

5 A No, not without looking at it and reading it.

6 Q Do you recall a wide-ranging discussion which all the
7 School Committee members offered their input?

8 A Without reading this, I couldn't verify that.

9 Q Without reading this, do you recall a vote being taken?

10 A I do not, without reading that first.

11 Q All right, then, I'm going to ask you to take a look at
12 the executive session minutes and refresh your memory as
13 to what occurred at that meeting? Take your time.

14 A Okay.

15 Q Do those minutes refresh your recollection as to what
16 happened at the meeting on November 20, 2008?

17 A They do.

18 Q What happened at the meeting on November 20, 2008?

19 A There was a very good discussion about the various
20 options that are available regarding the land, from sale
21 to rent. Questions were asked, specifically, to -- as to
22 specific costs related, money off the top, so-to-speak,
23 for different fees and stuff of that nature.

24 I do recall, after reading these, of my

1 insistence upon the kind of guarantees and insurances
2 that could be written in the agreement to make sure that
3 the -- that the beneficiary would have true control of
4 the -- have control of that monies and not the town.

5 Q Let me stop you there for a minute. Did the Feoffees, by
6 their counsel, agree with your position?

7 A Yes, I do recall that, yes.

8 Q Please continue. What else happened in that meeting?

9 A There was then a motion that was moved by Dr. O'Flynn and
10 seconded by Mr. Shepard to go forward with the sale,
11 authorized by the Feoffees to the tenants for the price
12 of 26.5.

13 Q And did that ----

14 A A number of questions then took place and then it ended
15 up in a vote, a roll call vote on the motion, and the
16 minutes reflect that those that were in favor were Mr.
17 Traverso, Dr. O'Flynn, Mr. Loeb and Ms. Arsenault. Those
18 opposed, Mr. Hopping and Mrs. Ross, with Mr. Shepard
19 abstaining.

20 Q And do you recall, now that you have looked at these
21 minutes, that Attorney Allen recommended a sale at
22 twenty-six and a half million dollars?

23 A I don't recall that. I would have to see that in the
24 minutes here, and I don't recall reading that.

1 Q Take a look at the top line of the second page of those
2 minutes?

3 A Right, where he hopes that Mr. Allen and he have made it
4 clear why it is best to sell at this time.

5 Q Does that refresh your recollection that both Attorney
6 Allen and I were recommending sale?

7 A I, clearly -- I, clearly, remember your recommendation to
8 sell. I, specifically, did not recommend or recall Mr.
9 Allen's recommendation, but I don't discount what the
10 minutes say.

11 Q Do you recall, do you have any recollection of Attorney
12 Allen at any meeting, saying that he was in support of
13 the sale?

14 A The only thing that I recall is that ----

15 MS. BREWER: Objection. I ----

16 MR. SHEEHAN: Let me rephrase that.

17 MS. BREWER: Yes.

18 Q Do you recall Attorney Allen saying at any meeting at
19 which one or more Feoffees or their attorney was present,
20 wherein Attorney Allen recommended sale of Little Neck?

21 A I don't recall.

22 Q Did you have any conversations with Attorney Allen -- let
23 me preface this by saying, I'm going to ask you a series
24 of questions. Make sure you have a little pause before

1 you answer, because we're going to get into the area of
2 attorney/client privilege and I want to make sure that
3 you hear from your attorney as to whether or not you can
4 answer.

5 My first question is, did you ever have a
6 conversation with Attorney Allen, wherein he expressed to
7 you his advice, opinion or recommendation as to whether
8 or not to sell Little Neck for twenty-six and a half
9 million dollars?

10 MS. BREWER: I'm going to object to that and
11 instruct him not to answer, unless he recalls it at a
12 meeting at which the Feoffees or counsel or somebody
13 other than the School Committee was present.

14 A I don't recall that.

15 Q Did you ever have a conversation with Attorney Allen,
16 wherein he stated to you, his view as to whether or not
17 Little Neck should be sold to the cottage owners for
18 twenty-six and a half million dollars?

19 MS. BREWER: Same objection and same
20 instruction.

21 A I do not recall.

22 Q Do you know whether or not the Feoffees took any action
23 regarding the sale of Little Neck as a result of the vote
24 at the executive session on November 20, 2008?

1 A The only thing I recall regarding that is that if there
2 was a supportive vote to sell, that it would require an
3 opinion or feedback by the Attorney General, and I'm not
4 quite sure what -- how that was to proceed, if it was
5 through the Feoffees or in conjunction with the Feoffees
6 or just one of them.

7 Q Do you recall at that November 20, 2008, meeting, that
8 the vote was to sell, approve the sale and sell at the
9 price of twenty-six and a half million dollars?

10 A Yes.

11 Q And do you recall Attorney Allen talking to the School
12 Committee on November 20, 2008, about the Attorney
13 General's involvement?

14 A I do recall that.

15 Q And do you recall what Attorney Allen said that he was
16 confident that the Attorney General would support the
17 sale?

18 A I recall that it was, to paraphrase it, I believe that he
19 was hopeful or optimistic, but it also was a complicated
20 issue.

21 Q Did the Feoffees enter into the agreement with the
22 cottage owners to sell Little Neck for twenty-six and a
23 half million dollars?

24 A I am not aware of the specific legal arrangements that

1 were made.

2 Q Are you aware of a press release that was issued in
3 December 2008 regarding sale of Little Neck?

4 A I do recall such press release, but not the specifics of
5 it.

6 Q Let me show you that document and ask you if you can
7 identify that for me?

8 A This is a copy of the press release, and I don't see a
9 date on it, but ----

10 Q Do you recall seeing the information contained in this
11 press release as it appeared in either the Salem Evening
12 News or the Ipswich Chronicle?

13 A I do recall that, yes.

14 Q And if I suggested to you that the date of that press
15 release was December 9, 2008, does that sound right?

16 A It would be approximate, yes. I would not dispute that.

17 Q In any event, the press release came after the executive
18 session ----

19 A Yes.

20 Q ---- meeting on November 20, 2008?

21 A That's correct.

22 Q Following the publication of this press release, did any
23 School Committee member voice any objection to the sale
24 of the Little Neck for twenty-six and a half million

1 dollars?

2 A Not to my knowledge, other than those who had originally
3 voted against it.

4 Q Do you recall -- strike that.

5 The two School Committee members who voted
6 against it on November 20, 2008, were Mr. Hopping and Ms.
7 Ross?

8 A That's correct.

9 Q And ultimately, they voted in favor of the sale, didn't
10 they, at twenty-six and a half million dollars?

11 A I don't recall. I would have to go back and look at the
12 record.

13 Q We will get there. You don't have any independent memory
14 of that happening?

15 A No, I don't.

16 Q Did Mr. Hopping complain to you about the sale after the
17 press release of December 9, 2008?

18 A No.

19 Q Did Mr. Hopping complain to anyone, as far as you know,
20 about the sale of Little Neck following the press release
21 on December 9, 2008?

22 A I would have no knowledge of that.

23 Q Did School Committee Member Ross complain to you about
24 the sale of Little Neck after the press release on

1 December 9, 2008?

2 A Not to my knowledge.

3 Q Are you aware of Ms. Ross complaining to anyone about the
4 sale of Little Neck after the December 9, 2008, press
5 release?

6 A Not that I'm aware of.

7 MR. SHEEHAN: Let's have that press release
8 marked as the next Exhibit.

9 (Exhibit No. 9, marked; Copy of Press Release.)

10 Q I confess, I meant to stay in chronological order and I
11 have failed, but let me show you ----

12 A We all have our shortcomings, Mr. Sheehan.

13 Q Let me show you that document and ask you if you can
14 identify that for me?

15 A This appears to be a document of an executive session
16 minutes dated December 4, 2008.

17 MR. SHEEHAN: Let's have those minutes marked,
18 please, as Exhibit Number Ten.

19 (Exhibit No. 10, marked; Minutes of Executive
20 Session of 12/4/08.)

21 Q Without reviewing the minutes of the executive session
22 meeting of December 4, 2008, do you have a memory of what
23 took place in the executive session on December 4, 2008?

24 A Without reading them?

1 Q Yes.

2 A I do not.

3 Q Would you please read the minutes that we've marked as
4 Exhibit Number Ten to yourself, please, and take as much
5 time as you need?

6 A Okay.

7 Q Does that refresh your memory as to what took place on
8 December 4, 2008, at the executive session of the Ipswich
9 School Committee?

10 A Yes, it does.

11 Q What happened on December 4, 2008?

12 A We had two issues. Number one dealt with an ongoing
13 litigation relative to the school building contractor,
14 that was the NUFICK litigation issue, and I think it's
15 National Union Federal Insurance Corporation, I recall
16 that. And a settlement that was in the making regarding
17 a construct -- contractor issue.

18 And also, at that executive session Mr. Loeb
19 reiterated with the School Committee members that it was
20 not advisable to talk to anybody. Do not talk to anybody
21 about the potential settlement. And when the press
22 release comes out, that they could answer questions, but
23 some of the reasons, both the number and the concept,
24 needed to remain confidential until the deed was recorded

1 as referenced in the minutes.

2 Also, then talked about Mr. Allen's email to
3 the superintendent, to myself, containing the
4 recommendation that the combined Working Group and the
5 Feoffees Subcommittee resolve the Feoffee structure with
6 the attorney for the agreed court petition and proposed
7 trust administration order. A number of School Committee
8 members would constitute a majority of the School
9 Committee, and I then suggested that Dr. O'Flynn and Mr.
10 Traverso of the Feoffee of the Subcommittee and Mr. Loeb,
11 as chair, work with Mr. Allen to that effect.

12 Q As of December 4, 2008, had you talked about the sale of
13 Little Neck to anyone outside of the School Committee,
14 the School Committee's attorney and those Feoffees who
15 appeared at any of the executive session minutes and
16 their attorney?

17 A No.

18 Q Are you aware of whether or not any School Committee
19 member, prior to December 4, 2008, talked about the
20 possibility of sale of Little Neck for twenty-six and a
21 half million dollars to anyone outside that circle of
22 individuals?

23 A I am not personally aware of that.

24 Q Do you recall discussion at any of the executive

1 sessions, up through and including December 4, 2008,
2 about the importance of keeping these discussions
3 private?

4 MS. BREWER: Objection.

5 A I do recall the emphasis of confidentiality.

6 Q And when did you hear of the emphasis on confidentiality?

7 A That has always been something that I have strived for,
8 we have worked with School Committee members on, on any
9 executive session issue, and it's just kind of a given
10 that we always -- you know, those are the instructions,
11 the executive session is confidential.

12 Q To your knowledge, as of December 4, 2008, did any
13 Finance Committee members know of the proposed sale?

14 A I am not aware of that.

15 Q To your knowledge, as of December 4, 2008, did any
16 selectmen know about the possibility of sale?

17 A Not that I am aware of.

18 Q Now, are you aware that there were, in November and
19 December of 2008, selectmen who were serving as Feoffees?

20 A Yes.

21 Q In fact, some of the selectmen Feoffees were folks you
22 had met with; were they not, in this process in the fall
23 and early winter of 2008?

24 A Correct.

1 Q And you're aware that the selectmen Feoffees knew of the
2 potential for sale?

3 A Yes.

4 Q Do you know whether or not the non-Feoffee selectmen knew
5 about the possibility of sale of Little Neck?

6 A I'd have no knowledge of that.

7 Q You never had any conversation with them?

8 A None.

9 Q Now, it's not your phrase, it's whoever recorded the
10 minutes, talking about political whispering.

11 Do you know what that refers to?

12 A I don't.

13 Q Did Mr. Loeb use the phrase, political whispering?

14 A I don't recall if he did or not.

15 Q And five days after the December fourth executive
16 session, the press release that we've marked as Exhibit
17 Number Nine, appeared in the Salem News and the Ipswich
18 Chronicle; correct?

19 A I don't recall the exact date that it appeared, because
20 it's not recorded on here, but I do recall it appearing
21 in the newspapers.

22 Q And do you recall the press release appearing shortly
23 after December 4, 2008?

24 A Yes.

1 Q At some point in time, after December 9, 2008, did you
2 learn that the cottage owners at Little Neck were not
3 going to be able to pay a lump sum of twenty-six and a
4 half million dollars to buy Little Neck?

5 A I do recall that, yes.

6 Q And do you recall that there was discussion about some
7 other way to implement the sale for twenty-six and a half
8 million dollars?

9 A I do not recall that conversation.

10 Q Let me show you that document and ask you if you
11 recognize that?

12 A This is a document titled, Executive Session, dated
13 May 7, 2009.

14 MR. SHEEHAN: Could we have that document,
15 which consists of two pages, marked as the next Exhibit?
16 Number Eleven, I believe.

17 (Exhibit No. 11, marked; Minutes of Executive
18 Session of 5/7/09.)

19 Q Without reading yet, the minutes of May 7, 2009, do you
20 remember there being an executive session on May 7, 2009?

21 A As reminded by presence of the minutes here.

22 Q Do you recall what was said at the executive session on
23 May 7, 2009, without looking at the minutes?

24 A Without looking, no, I cannot.

1 Q Please take a look at them and, please, take as long as
2 you need?

3 Do those minutes refresh your recollection as
4 to what took place on May 7, 2009?

5 A Yes.

6 Q What happened?

7 A There is a discussion regarding a condominium concept
8 and, also, requested the School Committee to approve an
9 ANR plan, which is approval not required. They talked
10 about lots would then be sold to those who wished to buy,
11 would be leased to those who could not or did not wish to
12 buy, might have to buy later. It indicated the approval
13 would then place the Feoffees in a litigious position,
14 that if the court adopts the position with the tenants
15 and the Feoffees evict them, Feoffees must purchase their
16 homes, and if Feoffees would do that.

17 Dr. O'Flynn indicates here that he had to leave,
18 but he was fine with the concept. New trust will have
19 assets both in land and cash. Land vets would then
20 appraise each of the lots and then add to the individual
21 lot value one hundred and sixty-seventh of the determined
22 total value of the common area. A lot of discussion
23 about common area, I remember that.

24 Further discussions about in the event of

1 damage or erosion to the properties, relative to the
2 maintenance, as to how that would be addressed and
3 resolved.

4 I do remember, again, the discussion of what
5 the goal was. The goal was to net twenty million dollars
6 to the schools.

7 If the Feoffees are successful, the one million
8 dollar escrow would eventually see its way to the
9 schools.

10 A lot of discussion about the escrow money. I
11 recall that.

12 Mr. Sheehan stated that contributions have been
13 made to the schools by the Feoffees from 1978 to 2006.
14 Mr. Traverso disagreed with the dates of the
15 distributions, and then Mr. Loeb moved and it was
16 seconded by Mr. Hopping, to approve and support the ANR,
17 as outlined by Attorney Sheehan, and that was voted in
18 favor by Arsenault, Ross, Hopping and Loeb. It was
19 opposed by Mr. Traverso.

20 Q And it's fair to say that as a result of the vote on
21 May 7, 2009, that the Feoffees were authorized to
22 continue their attempt to sell Little Neck to the cottage
23 owners with a goal of netting twenty million dollars on
24 the sale?

1 A That would be a fair statement.

2 Q And the two folks who -- of the School Committee -- who
3 were opposed to selling in November of 2008, changed
4 their vote to approve the sale, didn't they?

5 MS. BREWER: Objection.

6 A Under this concept, yes.

7 Q Mr. Hopping, who had been opposed in November, was now in
8 favor of sale to net twenty million dollars on May 7,
9 2009?

10 A That's correct.

11 Q And Ms. Ross, who had been opposed in November of 2008,
12 was in favor in May of 2009, of the Feoffees selling
13 Little Neck and netting twenty million dollars?

14 A Per this concept, yes.

15 Q So, as of May 7, 2009, every School Committee member, who
16 voted on the possibility of sale, had, on one occasion or
17 another, or both, approved of sale so as to net twenty
18 million dollars; correct?

19 MS. BREWER: Objection.

20 A That would be correct, as evidenced by the minutes.

21 Q Mr. Shepard had abstained in November and he didn't
22 appear on May 7, 2009; correct?

23 A That's correct. He was not present.

24 Q There's reference in these minutes, that we just marked

1 as Exhibit Number Eleven, to a restructuring of the
2 Feoffees or the trust and an administration order.

3 Do you recall that discussion?

4 A I do not recall that, no.

5 Q Do you recall that as of May 7, 2009, there had been
6 discussion in which the Feoffees or their counsel had
7 taken part, as to changing the Feoffees or trustees such
8 that there would no longer be four Life Feoffees and
9 three Selectmen Feoffees?

10 A I recall those conversations relative to that concept,
11 but I don't recall the specific time frame in which those
12 discussions took place.

13 Q And do you recall that there was an atmosphere of
14 cooperation between the Feoffees and the School Committee
15 insofar as a proposed governance of the trust?

16 MS. BREWER: Objection.

17 A I don't recall the degree of cooperation, no. No, I
18 don't.

19 Q And there is reference in the May 7, 2009, minutes to
20 another press release going out?

21 A It references that Mr. Allen also requested that a copy
22 of the press release go to Mrs. Arsenault and Mr. Korb
23 for distribution to the committee.

24 Q And do you recall that shortly after May 7, 2009, there

1 was another press release that was issued?

2 A I recall a press release, but I -- again, I can't -- I
3 don't recall the specific contents.

4 Q Let me show you that document.

5 Do you recognize that as the press release that
6 was to the Salem News and the Ipswich Chronicle following
7 the May 7, 2009, executive session?

8 A Again, there's no date on it, but I do recall this press
9 release.

10 Q And if I were to suggest to you the press release went
11 out the following day, on May 8, 2009, does that sound
12 right?

13 A I would have no reason to doubt that.

14 MR. SHEEHAN: Let's have that press release
15 marked, please, as Exhibit Number Twelve.

16 (Exhibit No. 12, marked; Copy of Press
17 Release.)

18 Q Let's just pin down the dates of those press releases,
19 Superintendent Korb.

20 Let's go back, for a moment, to Exhibit Number Nine.
21 That was the first of the two press releases that we've
22 marked.

23 Let me show you that document and ask you if you can
24 identify that for me?

1 A This is a document -- this is a copy of an email sent
2 from William Sheehan, on Tuesday, December 9, 2008, at
3 10:02 a.m., to Ipswich, at CNC.com, which I believe is
4 the newspaper, and also, to, it appears, someone at the
5 Salem News, and copied were Attorney Allen and Attorney
6 Tyler Chapman. Subject was the Feoffees of Grammar
7 School of Ipswich, the termination of tenancies at the
8 Little Neck, Ipswich, press release.

9 Q Did you receive a copy of that press release?

10 A I do not recall -- oh, of the press release -- of this
11 email? No.

12 Q Of the email?

13 A No, I did not.

14 Q Did Attorney Allen send a copy on to you?

15 MS. BREWER: Objection. I'm going to instruct
16 you not to answer that.

17 MR. SHEEHAN: Let's have that email marked,
18 please, as Number Thirteen.

19 (Exhibit No. 13, marked; Copy of Email.)

20 Q Let me show you that document.

21 Do you recognize that as an email that was sent
22 by this office, to among others, you, covering the May 8,
23 2009, press release?

24 A I do not recall. I recognized that I was copied on it,

1 but I do not recall, you know, specifically receiving it.

2 I get hundreds of emails a day.

3 Q I'm sure. Is that the right email address for you?

4 A That is the correct email address, that's right.

5 Q Is it fair to say that in all likelihood, you received
6 that?

7 A In all likelihood, I received it.

8 Q Fair enough.

9 MR. SHEEHAN: Let's have that marked, please,
10 as Exhibit Number Fourteen.

11 (Exhibit No. 14, marked; Copy of Email.)

12 MR. SHEEHAN: Off the record.

13 (Off the record discussion)

14 Q In Ipswich, there is a Finance Committee; is that
15 correct?

16 A That's correct.

17 Q And the Finance Committee has a lot to say about the town
18 budget; is that accurate?

19 A They're advisory in nature.

20 Q They're advisory in nature, but in Ipswich, over the last
21 ten years, they pretty much call the shots, don't they?

22 A Well, they have no statutory authority to make decisions.
23 They're advisory. They're very opinionated. They let
24 you know what those opinions are, but again, they have no

1 statutory authority, other than to advise.

2 Q Right, but as a practical matter, who sets the budget in
3 the Town of Ipswich?

4 A The school budget?

5 Q The town budget?

6 A I don't -- the town, the Board of Selectmen.

7 Q Now, after the press release in December of 2008,
8 announcing the sale, the proposed sale of Little Neck,
9 the Finance Committee, entered the picture, didn't they?

10 A I don't recall the exact timing of that. I do know that
11 they did begin to express their opinion about that.

12 Q And they opposed the sale, didn't they?

13 A Yes.

14 Q And they opposed the sale and they let the School
15 Committee members know that they opposed the sale?

16 A That's correct.

17 Q And their opposition, at least in part, caused the School
18 Committee to change its mind as to supporting the sale;
19 did it not?

20 A I'm not -- I don't know that that was the reason for them
21 changing their mind. I know, they expressed their
22 opinions, but I can't -- can't sit here and say with any
23 certainty that any School Committee member changed their
24 mind because of the response or input from them.

1 Q Well, didn't you have some discussion with some School
2 Committee members about their reaction to the Finance
3 Committee asserting its opposition?

4 A Not -- did I have a conversation with them?

5 Q Yes.

6 A I don't recall that. I mean, I may have, but I don't
7 recall that -- a particular conversation about that
8 opposition.

9 Q Well, do you recall meetings which you attended and
10 Attorney Allen attended and I attended on behalf of the
11 Feoffees, where we discussed strategy on how to deal with
12 the Finance Committee opposition?

13 A Now that you mention it, I do remember the meetings, yes.

14 Q And those meetings were designed to figure out how to
15 deal with the Finance Committee's opposition and, yet, go
16 forward with the sale; were they not?

17 A Correct.

18 Q And ultimately, the Finance Committee had its way and the
19 School Committee voted to rescind its approval of the
20 sale?

21 MS. BREWER: Objection.

22 Q Isn't that accurate?

23 A I don't have an opinion on that. I don't know.

24 Q Well, the School Committee did vote to rescind its

1 approval of the sale?

2 A They did, but I'm not sure it was a result of what the
3 Fin. Com. said. I was not privy to those -- any
4 conversations that went on between them.

5 Q After the School Committee's vote to rescind its approval
6 of the sale, was there another vote of the School
7 Committee on the issue of whether to approve the sale at
8 twenty-nine million one hundred fifty thousand dollars,
9 as it was ultimately negotiated, between Feoffees and the
10 cottage owners?

11 A I don't recall that.

12 Q Do you recall a vote of the School Committee, where the
13 issue of the twenty-nine million one hundred fifty
14 thousand dollar sale was discussed and there was a vote,
15 three to favor the sale at twenty-nine million one
16 hundred fifty thousand, and four opposed?

17 A Not specifically, I don't recall that. I remember the
18 discussion and the concept, but I don't recall a vote.

19 Q You recall a discussion about the twenty-nine million?

20 A Yes, but not the vote. Not the vote.

21 Q And was that discussion in executive session?

22 A I don't recall.

23 Q Was it a discussion among the School Committee members?

24 A As I recall, it was a discussion amongst them only.

1 Q And were there those members of the School Committee who
2 favored going forward with the sale of twenty-nine
3 million, one hundred fifty thousand dollars?

4 A Again, I don't recall that, the specifics of that.

5 Q Well, without the specifics, do you remember that there
6 were two sides on the issue?

7 A There were two sides on the issue, that's correct.

8 Q And some approved sale at twenty-nine million, one
9 hundred fifty thousand and others opposed?

10 A Some were in favor; some were opposed.

11 Q And there was no vote taken, but there was a nose
12 counting and the nose count revealed three going forward
13 with the sale, four opposed; do you recall that?

14 MS. BREWER: Objection.

15 A I'm not familiar with any head count or nose count, no.

16 Q Now, the discussions that we referenced earlier, that you
17 were a party to, Attorney Allen was a party to, that I
18 was a party to, dealing with how to react to the Finance
19 Committee opposition, you recall those conversations?

20 A Vaguely, yes.

21 Q Is it fair to say that both Attorneys Sheehan and Allen
22 were in favor of the sale at twenty-nine million, one
23 hundred fifty thousand dollars?

24 A That's fair.

1 Q Now, I had asked you, this morning, about whether or not
2 the School Committee had been advised by the Feoffees or
3 their counsel, that there would be no distributions made
4 while the litigation was pending; correct?

5 A Yes.

6 Q And do you remember the Feoffees telling the School
7 Committee that?

8 A I do recall that, yes.

9 Q And prior to that discussion, do you recall the Feoffees,
10 through their then Attorney Don Greenough, going to the
11 School Committee with a proposed lease that was going to
12 be offered to the tenants?

13 A I do recall Mr. Greenough coming before the School
14 Committee and talking about a lease, yes.

15 Q And you received from Attorney Allen a copy of the lease
16 and comments on that draft lease; do you recall that?

17 A No, I don't.

18 Q Let me show you that document. Does that document
19 refresh your recollection that Attorneys Greenough and
20 Allen were working together on a draft lease to be sent
21 to the tenants?

22 A That would appear so, yes.

23 MR. SHEEHAN: Could we have that marked,
24 please, as the next Exhibit?

1 (Exhibit No. 15, marked; Copy of Lease.)

2 Q As a result of the work between Attorney Greenough and
3 Attorney Allen, a revised lease was prepared; correct?

4 A I don't recall that, but ----

5 Q But that's fair?

6 A Yes.

7 Q We're going back some years?

8 A Yes.

9 Q Let me show you that document and ask you if you
10 recognize that?

11 A It was sent to me, yes. You know, I don't recall it, but
12 obviously, it was, and just for the record, on the
13 protocols that were set up, was that Dick would
14 communicate with me, I would then distribute this
15 information to the School Committee.

16 Q Very good.

17 A So, many times, I didn't go into the details and read all
18 the details.

19 Q I understand, but you did receive the draft lease and the
20 revised rules and regulations that Attorney Allen sent to
21 you?

22 A That's correct.

23 MR. SHEEHAN: Could we had that marked, please,
24 as Exhibit Number Sixteen?

1 (Exhibit No. 16, marked; Copy of Lease.)

2 Q And Attorney Allen, among other things, indicated that
3 this proposed lease and the change from a tenancy at will
4 structure to a lease structure might cause upset?

5 A That's what it states in the email.

6 Q And you understood that the Feoffees might have a fight
7 on their hands with the cottage owners?

8 MS. BREWER: Objection.

9 A I had no opinion on that.

10 Q Now, I want to go back, for a moment, to Exhibit Number
11 One, which was your -- the re-notice of the taking of
12 your deposition, and that re-notice asked you to bring a
13 series of documents with you?

14 A Okay.

15 Q Is that correct?

16 A Yes.

17 Q And did you make a full and diligent effort to locate all
18 the documents which answered the deposition notice?

19 A Per the request of counsel.

20 Q And have you produced now, through your counsel, all the
21 documents that are described on Exhibit Number One?

22 A To the best of my ability, yes.

23 MR. SHEEHAN: Off the record for a moment.

24 (Off the record discussion)

1 Q At the end of 2006, the tenants, who were, in fact,
2 upset, as Attorney Allen thought they might be, filed
3 suit against the Feoffees; is that right?

4 A As I recall; correct.

5 Q And that's what we've been referring -- what we've
6 referred to, from time to time, as the Superior Court
7 action?

8 A Yes.

9 Q Have you read the complaint in the Superior Court action?

10 A Have I read ----

11 Q Have you read the complaint in the Superior Court
12 action?

13 A No, I have not.

14 Q Do you have any knowledge of the likelihood of success on
15 the merits of the tenants in that action against the
16 Feoffees in the Superior Court action?

17 MS. BREWER: I'm going to instruct you not to
18 answer, if you have knowledge gained from communications
19 with your counsel, but otherwise ----

20 A No, no opinion.

21 Q Have you talked with Attorney Allen or any other attorney
22 as to the merits or lack thereof of the Superior Court
23 action filed by the cottage owners?

24 MS. BREWER: Objection.

1 A No.

2 Q Now, I want to show you a document and ask you to
3 identify that for me?

4 A It's an agenda for a School Committee meeting for
5 February 1, 2007.

6 MR. SHEEHAN: Could we have that marked,
7 please, as Number Seventeen?

8 (Exhibit No. 17, marked; School Committee
9 Meeting Agenda of 2/1/07.)

10 Q And was there, in fact, a School Committee meeting on
11 February 1, 2007?

12 A I do believe there was.

13 Q And we've just had an off-the-record discussion that, so
14 far, we haven't been able to locate the February 1, 2007,
15 minutes and Attorney Brewer is going to continue her
16 efforts to find the minutes to that meeting.

17 Without having the minutes to refresh your
18 memory, do you remember anything that took place on
19 February 1, 2007, at that School Committee meeting?

20 A If I recall correctly, that would have been the time that
21 the budget would have been approved. So, it probably
22 would have been open hearing, a public hearing, on the
23 budget.

24 Q Do you recall the Feoffees, through counsel, appearing at

1 the February 2, 2007, School Committee meeting?

2 A No, I don't.

3 Q Let me show you that document.

4 Do you recognize these to be minutes of a meeting
5 of the School Committee held on March 29, 2007?

6 A Yes.

7 Q Now, at the top of that document is a -- are the words,
8 Revised: April 26, 2007. What does that mean?

9 A I honestly don't know. There must have been something
10 that was revised within it, but I honestly don't know
11 what it would have been.

12 Q Now, without looking at the minutes of the March 29, 2007
13 meeting, do you recall a discussion about a termination,
14 for the moment, of monies flowing from the Feoffees to
15 the Ipswich Public Schools?

16 A I don't.

17 Q Now, that I ask you to take a look at the minutes of the
18 March 29, 2007, meeting, and in particular, I'm going to
19 ask you to take a look at the first paragraph under Part
20 One, capital A, and certainly, feel free to look at all
21 of the document, if you would like?

22 Does that refresh your memory that there was
23 discussion at that meeting about there not being any
24 money that was going to go from the Feoffees to the

1 public schools as a result of the litigation?

2 A Now that I read it, I recall the discussion, but you
3 know ----

4 Q That's all right, and as I say, it goes back four or five
5 years?

6 A Right.

7 Q I don't mean to in any way besmirch your memory. It goes
8 back a ways, but you do now recall that that was one of
9 the subjects that was discussed that evening?

10 You have to answer yes or no for us.

11 A Yes.

12 MR. SHEEHAN: Could we have that marked,
13 please, as the next Exhibit?

14 (Exhibit No. 18, School Committee Minutes of
15 3/29/07.)

16 Q Now, let me show you that document.

17 Mr. Korb, do you recognize that as an email from
18 you to your administrative staff?

19 A Yes.

20 Q And you are acknowledging in that email the anticipated
21 shortcomings in the Feoffees' funding?

22 A That's correct.

23 Q And that's, again, recognizing that there wasn't going to
24 be any money from -- to the public schools from the

1 Feoffees while that litigation in the Superior Court was
2 pending; is that correct?

3 MS. BREWER: Objection.

4 A Yes.

5 MR. SHEEHAN: We'll have that marked, please,
6 as the next Exhibit.

7 (Exhibit No. 19, marked; Email.)

8 Q Following that email to your administrative staff, was
9 there a request made, by you or the School Committee,
10 that the Feoffees appear, through their counsel, and
11 report on the status of litigation?

12 A I don't recall that.

13 Q Let me show you the minutes or what purport to be the
14 minutes of a September 6, 2007, meeting and let me say,
15 for the record, that I find the dates on this document a
16 little bit confusing, and this is how the document was
17 presented to us. We have minutes that purport to be a
18 meeting of September 6, 2007. They are amended, as of
19 10/4/07. That's what it says on Page One.

20 On Page Two, it has the date of 9/6/07. Then,
21 on Page Three, it has the date of 11/15/07, and I can't
22 explain that, but I just wanted to highlight it for the
23 record.

24 One of the questions I'm going to ask you --

1 let me ask this question first. I take it, you don't
2 recall what happened on September 6, 2007, without
3 looking at this document?

4 A That's correct.

5 Q I'm going to ask you to take a look at the document to
6 refresh your memory as to what happened on September 6,
7 2007, and in the course of doing that, maybe you can
8 determine whether that third page belongs there or not.

9 (Off the record discussion)

10 MR. SHEEHAN: Let's go back on the record. For
11 the record, counsel have agreed that although I handed to
12 the witness a three page document, we've concluded that
13 the third page doesn't belong with the other two. So,
14 we're going to take that third page off.

15 Q So, now, Superintendent Korb, you have before you a two
16 page document, and that purports to be the minutes of the
17 School Committee meeting of September 6, 2007; correct?

18 A Correct.

19 Q And does that refresh your recollection as to what
20 occurred with respect to the Feoffees on September 6,
21 2007?

22 A To the degree that it's in the minutes.

23 Q Is it fair to say that on September 6, 2007, a detailed
24 explanation was provided to the School Committee by

1 counsel to the Feoffees on the status of litigation?

2 A Yes.

3 Q And at the conclusion of that presentation, the School
4 Committee recognized that they were willing to take the
5 long view and wait for a final settlement; meaning, they
6 were willing to wait and receive no money while this
7 issue of fair market rent was litigated in the Superior
8 Court; correct?

9 MS. BREWER: Objection.

10 A The final paragraph would seem to imply that, but I'm not
11 a legal expert on that.

12 Q Do you have a memory of the School Committee, by one or
13 more of its members, saying at the conclusion of the
14 presentation by Feoffees' counsel, that the School
15 Committee understood that there would be no money coming
16 to the School Committee while the Superior Court
17 litigation was going on?

18 A I don't remember any committee member talking about
19 recognizing that there would be no money. I do remember
20 them thanking you for the presentation. I remember
21 talking about the long haul ahead, but I don't
22 specifically recall about the money.

23 Q Do you recall one or more School Committee members
24 talking about the long haul ahead?

1 A Yes.

2 Q Do you remember who among the School Committee talked
3 about the long haul ahead?

4 A I honestly don't know.

5 Q Did you understand, never mind what the School Committee
6 members understood, did you understand that there would
7 be no money going from the Feoffees to the public schools
8 while that litigation was ongoing?

9 A That's how I understood it.

10 Q Did you ever share that understanding with any School
11 Committee member?

12 A No, no more than what -- the conversations we had that
13 evening.

14 MR. SHEEHAN: I don't know if we've marked that
15 yet or not. If we haven't, let's mark it as Twenty.

16 (Exhibit No. 20, marked; Minutes of School
17 Committee Meeting of 9/6/07.)

18 Q And while we're talking about that Superior Court
19 litigation, there was a discussion among the School
20 Committee members, shortly after that litigation was
21 instituted, as to whether they should intervene in the
22 case; do you recall that?

23 A No.

24 Q Let me show you that document?

1 A Okay.

2 Q Does that document refresh your memory that on
3 December 21, 2006, in executive session, there was a
4 discussion, at which you were present, among the School
5 Committee members as to whether to become involved in the
6 litigation that was brought by the tenants against the
7 Feoffees?

8 A To the degree that it's reflected in the minutes.

9 Q And the consensus was that the School Committee would not
10 intervene in the action; correct?

11 A That is correct.

12 Q And in fact, the School Committee has never intervened in
13 the Superior Court case?

14 A Not to my knowledge.

15 MR. SHEEHAN: Can we have the minutes of the
16 December 21, 2006, meeting marked, please, as Number
17 Twenty-one?

18 (Exhibit No. 21, marked; Minutes of School
19 Committee Meeting of 12/21/06.)

20 Q Now, moving ahead to February of 2008, do you have an
21 independent memory of receiving another update from
22 Feoffees' counsel on litigation on February 13, 2008?

23 A I do not recall.

24 Q Let me show you minutes of an open session of

1 February 13, 2008.

2 Do those minutes refresh your recollection as to
3 a discussion of the litigation with the School Committee
4 on the February 13, 2008?

5 A Yes, to the degree that it's reflected in the minutes.

6 MR. SHEEHAN: Could we have those minutes
7 marked, please, as Number Twenty-two?

8 (Exhibit No. 22, marked; Minutes of School
9 Committee Meeting of 2/13/08.)

10 Q Is it fair to say that on February 13, 2008, the
11 Feoffees, through their counsel, provided a further
12 update to the School Committee and to you on the
13 litigation?

14 A To the degree that it's outlined in the minutes.

15 Q And turning your attention, please, to the third page,
16 the second full paragraph, would you read that to
17 yourself, please?

18 A Okay.

19 Q And it's fair to say, that on February 13, 2008, the
20 School Committee advised the Feoffees and their counsel
21 to keep at the litigation, that they would support it and
22 recognized that there would not be any funds coming in
23 the near future?

24 MS. BREWER: Objection.

1 A I don't recall that discussion, and again, to the degree
2 that it may be mentioned in the minutes here, but I only
3 read that one paragraph.

4 Q Do you recall receiving a copy of correspondence from the
5 Little Neck Legal Action Committee shortly after the
6 February 13, 2008, School Committee meeting?

7 A I do recall some correspondence, but I don't recall the
8 date or the content within.

9 Q Let me show you that document. Do you recognize that as
10 a letter received by the School Committee chair from the
11 Little Neck Legal Action Committee?

12 A I recognized it as what you've described it as, but I was
13 not copied on it and I do not recall reading it.

14 Q So, you have no familiarity with that document?

15 A No.

16 Q Fair enough. I won't mark it, then.

17 During this time period, up through -- I think,
18 we've come up through February of 2008, do you recall
19 discussions about changing the trust, changing the
20 governance of the trust?

21 A Yes.

22 Q Tell me what, as best you can recall, what was going on
23 with respect to the discussion about changing the
24 governance of the trust?

1 A School Committee representation, that agreed it to that
2 School Committee would be represented and other governing
3 bodies in the town, just how many members could be on it,
4 you know, how many Feoffees would remain on it, how many
5 School Committee members would be a part of it. Just
6 generic discussions and conversations regarding that.

7 Q Do you have a view today, as to whether all or -- all of
8 the Feoffees should be appointed by public boards in
9 Ipswich?

10 MS. BREWER: Objection.

11 A I have no opinion on that.

12 Q Do you agree with me that the School Committee has come
13 under great public pressure regarding the sale of Little
14 Neck?

15 MS. BREWER: Objection.

16 A I can't -- no, I can't say that. I -- there's been,
17 certainly, a lot of discussion. There's been a lot of
18 public -- you know, in the newspapers and stuff, but I'm
19 not aware of any personal pressure that they've been
20 under, other than, you know, that's -- what's written in
21 the papers and stuff.

22 Q Well, you're aware that James Foley was or is a Life
23 Feoffee?

24 A Yes.

1 Q And that he was a selectman?

2 A Yes.

3 Q And that he ran for re-election in the middle of this
4 controversy?

5 A Yes.

6 Q And that he was defeated in that attempt?

7 A Yes.

8 Q And he was defeated by a fellow named Mr. Morley?

9 A Yes.

10 Q And Mr. Morley ran a campaign based on the fact that Mr.
11 Foley was a Feoffee and that was the basis of Mr.
12 Morley's campaign to oust Mr. Foley as a selectman?

13 A I was not aware of what his campaign, you know, position
14 was or anything of that nature. I'm not aware of that.

15 Q And it's your testimony that you don't think that the
16 School Committee members were pressured in any way to
17 change their position on sale of Little Neck?

18 MS. BREWER: Objection.

19 A I'm neither aware of that or have an opinion on that.

20 Q Do you recall that some time in the summer or fall of
21 2008, the Feoffees, by their counsel, reported to the
22 School Committee that attempts to settle the Superior
23 Court litigation by way of a lease had failed?

24 A I do recall that.

1 Q And it was following that discussion that the concept of
2 sale came about?

3 A I'm not quite -- I don't remember the progression, but I
4 do recall about the court thing, the failing.

5 Q And it's fair to say that the School Committee, at all
6 times, told the Feoffees that it would not agree to any
7 rent that was not fair market rent?

8 A I do recall that discussion, yes.

9 Q And that was the position of the School Committee?

10 A Yes, fair market value.

11 Q And that was the position that they communicated with the
12 Feoffees?

13 A As I recall.

14 Q And the Feoffees then reported back, understood, and we
15 can't get there by way of negotiation?

16 A I do remember that conversation.

17 Q Now, let me show you what I believe is an email from you
18 to a number of individuals.

19 Do you recognize that email?

20 A Yes.

21 Q And that is an email authored by you?

22 A Yes.

23 Q And it went out to the named addressees?

24 A Yes.

1 Q On December 9, 2008?

2 A Yes.

3 MR. SHEEHAN: Can we have that marked as Number
4 twenty-three?

5 (Exhibit No. 23, marked; Email of 12/9/08.)

6 Q There was discussion among counsel to the School
7 Committee and the Feoffees and you about the timing of
8 the release, of the press release?

9 A I don't recall that, but ----

10 Q Does this document, Exhibit Number Twenty-three, refresh
11 your memory that you were the one who was charged with
12 sending out the press release to a number of different
13 individuals?

14 A I was requested, as I recall, by the chair and by counsel
15 to forward this to them; correct.

16 Q Now, why did it go to the Finance Committee?

17 A It's one of the town governing boards. Professional
18 courtesy.

19 Q And who made the determination to send it to the Finance
20 Committee?

21 A I can -- I don't recall who determined that.

22 Q Was it your idea?

23 A I don't recall that.

24 Q It was not your practice to send emails to the Finance

1 Committee, was it?

2 A During this time, anything that I was advised to forward
3 was on the advice of either chair or counsel.

4 Q You just don't know whether it was advice of counsel or
5 the chair?

6 A Right.

7 Q When you say the chair, the chair ----

8 A Of the School Committee.

9 Q Fair enough. Who is Ellen Kallman, K-A-L-L-M-A-N?

10 A Ellen Kallman is a parent in the community. She, also,
11 is currently the president of the Education Foundation.

12 Q Was she the president of the Education Foundation in
13 2008?

14 A I honestly don't recall that.

15 Q What is the Education Foundation?

16 A It is a non-profit 501C3 organization whose objective is
17 to try to raise funds to support education in Ipswich.

18 Q Now, the December 9, 2008, press release was discussed by
19 the Finance Committee, Board of Selectmen and School
20 Committee that night, December 9, 2008; do you recall
21 that?

22 A I do not recall.

23 Q Let me show you that document.

24 Does that refresh your memory of a meeting of

1 those three committees regarding, among other things, the
2 sale of Little Neck?

3 A The minutes reflect -- I believe, this reflects a Tri-
4 Board meeting.

5 Q What is the Tri-Board?

6 A It's a joint meeting of the Finance Committee, Board of
7 Selectmen and School Committee.

8 Q How long has there been a Tri-Board in Ipswich?

9 A As long as I can remember, since I've been there.
10 Typically, one, maybe two a year.

11 Q Now, without reviewing the minutes of the Tri-Board
12 meeting on December 9, 2008, do you have a memory of what
13 took place with regard to the Feoffees?

14 A No, I do not.

15 Q Fair enough. Would you please look at Pages Three and
16 Four of the minutes of the Tri-Board meeting of
17 December 9, 2008, and see if that refreshes your memory
18 as to what occurred on that day?

19 A I agree that it's reflected in the minutes, I -- I would
20 agree.

21 Q Does it refresh your recollection that Mr. Howard made a
22 formal request that the Fin. Com. be involved?

23 A Again, only to the degree that I read it in the minutes,
24 yes.

1 Q So, that doesn't refresh your memory?

2 A No, it does not.

3 Q It's just a matter that it has been recorded that way?

4 A That's correct.

5 Q Do you know what a formal request means, as it is used in
6 these minutes, recognizing that you didn't draft these?

7 A No. As used in the meeting minutes, I'm not familiar
8 with what that might mean.

9 Q Was this the first time that you heard anyone from the
10 Finance Committee make a request, formal or informal,
11 that it be involved with the sale process?

12 A I honestly don't recall.

13 Q Richard Howard is -- strike that.

14 Richard Howard, on December 9, 2008, was a
15 member of the Finance Committee?

16 A I do believe so, yes.

17 Q Do you recall Mr. Howard ever talking to you or any one
18 member of -- strike that.

19 Do you recall Mr. Howard ever talking to you
20 about the sale of Little Neck prior to February -- prior
21 to December 9, 2008?

22 A No.

23 Q Do you know whether or not Mr. Howard spoke to any School
24 Committee member about the sale of Little Neck prior to

1 December 9, 2008?

2 A I'm not aware of that.

3 Q Do you recall Mr. Howard voicing frustration on December
4 9, 2008, with respect to the issue of the sale of Little
5 Neck?

6 MS. BREWER: Objection.

7 A I don't recall that.

8 Q Do you recall his demeanor at the meeting on December 9,
9 2008?

10 A I don't.

11 MR. SHEEHAN: Have we marked those? We have
12 not marked those. I think, this is Number Twenty-four,
13 Brenda.

14 (Exhibit No. 24, marked; Minutes of Tri-Board
15 Meeting of 12/9/08.)

16 Q Now, was Ms. Kallman a recipient of your December 9,
17 2008, email?

18 A I don't believe so, no.

19 Q She replied to your email; did she not?

20 MS. BREWER: You're asking if she replied to
21 the email that's been marked Exhibit Twenty-three?

22 MR. SHEEHAN: Yes.

23 A Okay. This email was sent December tenth. See, this was
24 sent by me to the -- to the foundation, regarding

1 Feoffees' news. I'm not even certain what would have
2 been the genesis of this email going, but let me read it.

3 There must have been something that had -- a
4 question must have come to me or something from the
5 foundation or something, regarding, you know, a rumor
6 that they had heard that something was -- you know, a
7 potential settlement might be, you know, in the offing
8 and that it might be something that the trust would be
9 set up and stuff like that. That's the only -- the only
10 thing I could imagine that this would have been
11 generated. Well, it's good -- you know, at the way I
12 started off.

13 Q So, do you recall responding to Ms. Kallman on December
14 10, 2008, at about 8:42 a.m.?

15 A See, this must -- yes, this was sent to me, okay. So,
16 the public announcement that the Feoffees and tenants of
17 -- let me read it quietly, okay?

18 Q Sure.

19 A When I was talking earlier about that, my email must have
20 followed some kind of inquiry, and now I see that this
21 was an email that Ellen sent me. So, that was based upon
22 the email I received from her earlier.

23 Q Very good.

24 A And I did copy the entire foundation on that.

1 Q That was my next question. Those are the members of the
2 foundation ----

3 A At that time, yes.

4 Q Did you vet your email through counsel before you sent
5 it?

6 MS. BREWER: Objection.

7 A No. I don't recall if I did or not.

8 MR. SHEEHAN: Could we have that emailed
9 marked, please, as Number Twenty-five?

10 (Exhibit No. 25, marked; Email of 12/10/08.)

11 Q Did you share Ms. Kallman's view that the agreement was
12 the best news that the schools could have hoped for?

13 MS. BREWER: Objection.

14 A I don't recall.

15 Q Do you recall an open session of the School Committee on
16 January 15, 2009, designed to talk to the public about
17 the settlement by way of sale of Little Neck?

18 A I don't recall.

19 Q Let me show you that document.

20 Have you had a chance to review the January 15,
21 2009, minutes?

22 A I have.

23 Q Now, prior to the January 15, 2009, meeting of the School
24 Committee, you and Joan Arsenault, who was then the chair

1 of the School Committee, met with Mr. Foley and counsel
2 to the Feoffees, Mr. Sheehan, at your office, with Dick
3 Allen on the telephone.

4 Do you recall that?

5 A I do recall a meeting, but I'm uncertain as to the date.

6 Q And do you recall, at that time, there was discussion
7 about the -- some of the details to be followed regarding
8 the sale of Little Neck?

9 A Again, I don't recall that.

10 Q Do you recall discussion on January eighth, about what
11 I'll call, the governance issue, of the makeup of the
12 Feoffees?

13 A I'm sorry, I don't know.

14 Q Do you recall that by January 8, 2009, the Feoffees had
15 offered to go into a minority position?

16 A I do recall discussions relative to that point. I'm not
17 sure when they took place.

18 Q And the Feoffees' proposal to move into a minority
19 position was made in response to the request of the
20 School Committee, that a majority of the Feoffees be
21 publicly appointed; is that correct?

22 A Yes, I don't recall the percentage or the majority or
23 just what it was, but I do remember there was discussion
24 about appointments.

1 Q Do you -- you would agree with me that as of January
2 2009, and in fact, as of today, the privately-selected
3 Feoffees, otherwise known as the Life Feoffees, make up
4 the majority of the Feoffees?

5 A As I understand it.

6 Q And you would agree that there was a request made by the
7 School Committee, that the Feoffees, Life Feoffees,
8 reduce their number such that they would be a minority?

9 A I do recall that.

10 Q And do you recall that the Life Feoffees agreed to do
11 that?

12 A I do recall that.

13 Q And that was all done in an attempt to resolve both the
14 sale issue and the so-called governance issue?

15 A I'm not aware of what the -- I realize -- I do, I do
16 agree that it was part of the general discussion to try
17 to resolve the issue.

18 Q And now, following that discussion, the School Committee
19 had an open meeting on January 15, 2009; is that right?

20 A That's correct.

21 Q And it's fair to say that you don't have any independent
22 memory of what happened on January 15, 2009?

23 A I can say that I believe that was the meeting that I left
24 due to -- I was recovering from H1N1 at that time, and I

1 was absolutely wiped, and I left.

2 Q You are reported as being present, at least at the
3 beginning?

4 A I was. I was. I remember that, and then I didn't make
5 it to the end.

6 Q Did you make it to the end of the Feoffees' discussion?

7 A I don't even think I got to the beginning of the
8 Feoffees' discussion, to be very honest with you.

9 Q So, if you left the meeting, you can't -- not only would
10 this set of minutes not refresh your memory, you can't
11 even be sure whether the minutes accurately record what
12 happened; is that fair to say?

13 A I -- again, I wasn't there. So, I couldn't comment on
14 that.

15 Q Does the School Committee make a practice of reviewing
16 and approving minutes of its previous meetings?

17 A Yes, they do.

18 Q And does the School Committee typically take up, at the
19 beginning of a meeting, minutes of the prior meeting?

20 A No, it's typically done under consent at the end of the
21 meeting.

22 Q The end of the meeting?

23 A Yes.

24 Q So, that at the end of a meeting on week number twenty-

1 eight of the calendar year, they will, by consent,
2 approve the minutes of their previous meeting, week
3 twenty-seven?

4 A Many times, it takes longer than that. It's not always
5 within -- two weeks later, the minutes are approved.
6 Many times, it takes time to put them together, collate
7 them, make sure that everything's correct.

8 Q Is it fair to say that if we now have a version of the
9 minutes that we're looking at, dated January 15, 2009,
10 that some time after January 15, 2009, the School
11 Committee reviewed these minutes and approved them?

12 A That would be a fair statement.

13 Q Have you read these minutes before today?

14 A I do not recall reading them.

15 MR. SHEEHAN: Let's have these marked as the
16 next Exhibit, which is Number Twenty-six.

17 (Exhibit No. 26, marked; Minutes of School
18 Committee Meeting of 1/15/09.)

19 Q Let me show you that document and ask you if you've seen
20 that before?

21 A This is the first time I've seen this, to the best of my
22 knowledge.

23 Q So, you can't identify that document at all?

24 A No.

1 Q Fair enough. Do you recall Ms. Arsenault, the School
2 Committee chair, being asked by the School Committee to
3 contact the Board of Selectmen regarding the sale of
4 Little Neck?

5 A Not to my recollection.

6 MR. SHEEHAN: Off the record for a minute.

7 (Off the record discussion)

8 MR. SHEEHAN: On the record, despite the best
9 efforts, I'm sure, of counsel to the School Committee and
10 the superintendent, there are minutes that I have not yet
11 received and they will be provided to me. The minutes of
12 February 1, 2007, which may be an open meeting or an
13 executive session, October 3, 2007, which may be an open
14 meeting or executive session, the executive session
15 minutes of March 19, 2009, and the executive session
16 minutes of September 1, 2010.

17 MS. BREWER: Consistent with our stipulation.

18 MR. SHEEHAN: Correct.

19 Q I want to sort of fast forward now, superintendent, to
20 the fall of 2009.

21 Is it fair to say that you and the School
22 Committee were being kept up to date as discussions were
23 ongoing between the Feoffees and the tenants, trying to
24 negotiate the sale?

1 A That would be an accurate statement.

2 Q And the Finance Committee continued to want input?

3 A Yes.

4 Q And the School Committee's position was what with respect
5 to the Finance Committee and input?

6 A The School Committee's position was to be transparent in
7 communication with the town boards and to keep them
8 informed and up to date as to what was going on regarding
9 the Feoffees. I don't know to what degree they sought
10 their input, but I do know that they tried to communicate
11 to them, updates, as to where the process was at.

12 Q Do you recall at a Tri-Board meeting on September 23,
13 2009, Finance Committee Member Kraft saying that if the
14 School Committee didn't take proper action with the
15 support of the Board of Selectmen and the Finance
16 Committee, that they would be held accountable?

17 A I don't recall that conversation.

18 Q Do you recall language like that being used by Mr. Kraft
19 or other Finance Committee members in the fall of 2009?

20 A No, I don't.

21 Q Do you recall in the late fall 2009 -- strike that.

22 Do you know who Jamie Fay is?

23 A I do.

24 Q Was he a member of the Finance Committee in the fall of

1 2009?

2 A I believe he was, yes.

3 Q Do you recall Mr. Fay pressuring you and the School
4 Committee regarding the potential sale of Little Neck?

5 MS. BREWER: Objection.

6 A No, I don't. I don't recall.

7 Q Do you recall Mr. Fay criticizing the School Committee
8 regarding its relationship with the Feoffees?

9 A No, no.

10 Q Do you recall Mr. Fay and the Finance Committee dictating
11 to the School Committee what it believed the School
12 Committee should do with respect to the Probate Court
13 action that was filed in October of 2009, that brings you
14 here today?

15 A No, I don't.

16 Q Do you recognize the document I just put in front of you
17 as an email sent to, among others, you, from Jamie Fay?

18 A I only recall it as submitted here, looking at it. I
19 don't specifically recall getting this, but obviously, I
20 did, as I was copied on it.

21 Q You don't recall your having any particular reaction to
22 this email?

23 A No. You know, I don't even remember reading it, quite
24 honestly.

1 MR. SHEEHAN: Could we have that email marked,
2 please, as Number Twenty-seven?

3 (Exhibit No. 27, marked; Email from Jamie Fay.)

4 Q Mr. Fay and the Finance Committee were demanding a School
5 Committee vote to rescind the prior vote of approval of
6 sale; correct?

7 A I do recall that.

8 Q And two days later, the School Committee met on November
9 19, 2009, and did rescind their approval of sale;
10 correct?

11 A I recall those discussions, yes.

12 Q Let me show you that document.

13 Is that document a fair and accurate copy of the
14 minutes of the November 19, 2009, meeting of the School
15 Committee?

16 A I can only say as it reflects it, as it was written.

17 Q And at the bottom of Page Three of those minutes, there's
18 a report of the Feoffees' Subcommittee.

19 Do you see that?

20 A I do.

21 Q And the Feoffees' Subcommittee voted on November 19,
22 2009, to rescind its vote taken on November 20, 2008; is
23 that correct?

24 MS. BREWER: Objection.

1 A Again, only as it's reflected here, in the minutes.

2 MR. SHEEHAN: Can we have that marked, please,
3 as Number Twenty-eight?

4 (Exhibit No. 28, marked; Minutes of School
5 Committee Meeting of 11/19/09.)

6 Q In December 2009, did you receive a copy of the
7 settlement agreement entered into between the cottage
8 owners and the Feoffees?

9 A I don't recall.

10 Q I don't have any intention of marking this as an Exhibit,
11 and I know that Attorney Brewer certainly has a copy, but
12 have you seen that settlement agreement before today?

13 A I recall seeing something like this, but again, I know
14 that I did not read it, other than the title. Didn't
15 have time to.

16 Q Fair enough. You've anticipated my next question.
17 You're not familiar with the ----

18 A No.

19 Q ---- elements of that settlement?

20 A No, I'm not at all.

21 Q Is it fair to say that you did learn of the settlement
22 agreement towards the end of December, 2009?

23 A I learned of the settlement agreement, but I'm not sure
24 as to when I was, no.

1 Q Was someone kind enough to send you a copy of that full
2 settlement agreement; do you know?

3 A I'm sure -- I'm sure we did.

4 Q And there was a meeting, in fact, it was a meeting that
5 was held at the Performing Arts Center in the Middle High
6 School on January 7, 2010, to discuss, publicly, with the
7 School Committee that settlement agreement?

8 A I don't recall that.

9 Q You don't recall that?

10 A I don't, no. Was I present at that?

11 MR. SHEEHAN: Off the record.

12 (Off the record discussion)

13 Q Are you familiar with the whole appraisal issue regarding
14 Little Neck?

15 A Only to the extent of the public discussions that have
16 gone on about that.

17 Q Have you read any of the appraisals?

18 A I have not.

19 Q Are you aware that four different appraisers have
20 appraised the property during the year 2010?

21 A I am.

22 Q And are you aware that one of them was an appraiser
23 called Meredith, Colliers & Grew?

24 A I recall that name.

1 Q And are you aware that the Finance Committee posted on
2 the town website a portion of that appraisal?

3 A I was not aware.

4 Q Are you aware of any controversy over the fact that the
5 Finance Committee posted only a portion of the Colliers,
6 Meredith & Grew report?

7 A I do remember those discussions in the community about
8 the differences in what was posted versus what the report
9 reported.

10 Q Are you familiar with the details of that at all?

11 A I am not.

12 Q Do you know what numbers Colliers, Meredith & Grew came
13 up with?

14 A I don't, because every appraiser came up with a different
15 number.

16 MR. SHEEHAN: And I had said, earlier, I think,
17 Meredith, Colliers & Grew. I think, it's Colliers,
18 Meredith & Grew, is the name of it, the firm.

19 Q Do you recall that the School Committee was dissatisfied
20 with the report that was prepared by Colliers, Meredith &
21 Grew?

22 A I wouldn't call it dissatisfied. I remember that they
23 wanted their own numbers.

24 Q And the School Committee engaged Steven Foster of Lincoln

1 Financial, to do its own appraisal?

2 A That is correct.

3 Q And Mr. Foster reported to the School Committee, that
4 among other things, that the Colliers, Meredith & Grew
5 number was not the right number?

6 MS. BREWER: Objection.

7 A I don't recall that.

8 MR. SHEEHAN: I'm just going to take a short
9 break. It's 3:12 p.m., give you a chance to stretch your
10 legs, maybe five minutes or so.

11 (Recess)

12 Q Now, Mr. Korb, you've indicated that you are -- you've
13 not read that settlement agreement and I'm certainly not
14 going to ask you a series of questions about something
15 you haven't read, but I'm going to ask you this.

16 Do you have a general understanding that the
17 proposed sale would be accomplished by way of the
18 creation of a condominium that would consist of one
19 hundred sixty-seven units at Little Neck?

20 A I am.

21 Q And do you also have an understanding that in order to
22 accomplish that, the Feoffees had to attempt to negotiate
23 purchase and sale agreements with all of the cottage
24 owners?

1 A I am.

2 Q And are you familiar with the fact that such purchase and
3 sale agreements have now been negotiated with a hundred
4 and sixty-five out of the hundred and sixty-seven cottage
5 owners?

6 A I'm not aware of that.

7 Q Do you know how any purchase and sale agreements have
8 been negotiated?

9 A I do not.

10 Q Are you aware of the fact that the Feoffees kept Attorney
11 Allen apprised of how many purchase and sale agreements
12 were executed as they were being signed?

13 A I'm not aware of that, no.

14 Q Regarding the real estate taxes that are collected by the
15 Town of Ipswich and form the biggest part of the income
16 side of the town's budget, what percentage of the income
17 tax revenue ultimately flows to the School Committee?

18 MS. BREWER: Objection.

19 A I don't know.

20 Q Do you know the rough split between the School Committee
21 budget and the town budget?

22 A Yes.

23 Q What is that?

24 A Typically, of all the revenue -- typically, it's sixty-

1 two percent to the schools, thirty-eight percent to the
2 town.

3 Q Do you know how much tax revenue is generated by the real
4 estate at Little Neck?

5 A I'm not aware.

6 Q I'm going to show you that document.

7 Do you recognize that document to be minutes of
8 the Tri-Board on November 9, 2010?

9 A Yes, I would presume that's what this represents.

10 Q And you were present at that meeting?

11 A I was.

12 MR. SHEEHAN: Could we have the minutes marked,
13 please, as the next Exhibit?

14 What I'm going to recommend, Brenda, is that you
15 mark it in the upper right hand corner so that we'll
16 cover up and so we won't confuse the tag that says,
17 Exhibit Eighty-one, on what I've just handed to the
18 witness. That Exhibit Eighty-one is a reference to a
19 summary judgment record in this case.

20 (Exhibit No. 29, marked; Minutes of Tri-Board
21 Meeting of 11/9/10.)

22 Q Without reading the minutes that we've marked as Exhibit
23 Number Twenty-nine, Mr. Korb, do you have a memory of
24 what transpired at the Tri-Board meeting on November 9,

1 2010, regarding Little Neck?

2 A I do not.

3 Q Would you please take a look at Exhibit Number twenty-
4 nine and see if that refreshes your memory as to what
5 occurred with respect to Little Neck on that occasion?

6 A Okay.

7 Q Does that refresh your memory that at the Tri-Board
8 meeting on November 9, 2010, the appraiser engaged by the
9 School Committee appeared before the Tri-Board?

10 A That is correct, he did appear.

11 Q And he was asked questions in open session, wasn't he?

12 A I do not recall if that was in open session or in
13 executive session, because it appears as if there was a
14 -- Dr. O'Flynn's statement earlier, in the minutes, that
15 they would go into executive session regarding the
16 appraised value of the real estate property.

17 Q Right. Does that refresh your memory that Dr. O'Flynn
18 and Attorney Allen both recommended to the Tri-Board that
19 it not ask questions of Mr. Foster in open session, but
20 the Finance Committee did so, anyway?

21 A I do recall that exchange and that recommendation.

22 Q And the recommendation wasn't abided by by the Finance
23 Committee, at least, initially, was it?

24 A I don't recall, specifically, what questions might have

1 been asked, but I do know that they were asked not to.

2 Q And there were questions, in fact, that were asked of Mr.
3 Foster by the Finance Committee members while the Tri-
4 Board was still in open session, as reflected in these
5 minutes; correct?

6 A As reflected in the minutes.

7 Q Do you recall Mr. Foster saying that the 42.6 million
8 dollar number of Colliers, Meredith & Grew isn't the
9 right value?

10 A Again, only as reflected in the minutes.

11 Q Do you have any reason to believe that these minutes are
12 not accurately recorded?

13 A I have no reason not to, no.

14 Q Now, we talked about what the School Committee does as a
15 matter of practice with the minutes.

16 Does the Tri-Board have a practice with respect to
17 reviewing and approving minutes?

18 A The secretary from one of the board takes the minutes and
19 then prepares them and distributes them to all three
20 boards and then it's up to all three boards to
21 selectively determine whether they be approved.

22 Q Is it fair to say that if we now have these minutes,
23 dated November 9, 2010, that these minutes were reviewed
24 by the School Committee, the Selectmen and the Finance

1 committee and were approved by each of those boards?

2 MS. BREWER: Objection.

3 A I can only speak to the School Committee.

4 Q Well, does the -- when do minutes get published, of the
5 Tri-Board?

6 A I would -- I don't remember. I don't recall. I'd have
7 to check with my administrative assistant.

8 Q Is it fair to say that the minutes don't get published
9 until each of the boards reviews and approves?

10 A That would be a fair statement, I believe.

11 Q So, it's fair to say that these minutes of November 9,
12 2010, have been reviewed and approved by each of the
13 three boards?

14 MS. BREWER: Objection.

15 A Again, I can only speak to the School Committee.

16 Q Do you recall Mr. Foster saying to the Tri-Board that
17 taking out the threat of litigation, a development would
18 look at Little Neck as a 20.5 million dollar value?

19 MS. BREWER: What did you say the amount was?

20 MR. SHEEHAN: 20.5 million dollars.

21 A I recall that conversation, reminded of it by the
22 minutes, but I don't remember any followup discussion
23 about it. I do recall that, though, being said.

24 Q Now, you said that you have not read the appraisals of

1 any of the appraisers; correct?

2 A That's correct.

3 Q Have you read any correspondence authored by any of the
4 appraisers?

5 A Not to my knowledge, I haven't.

6 Q You've been wise enough to stay away from that?

7 A I've tried to stay away from all of that. I have enough
8 to do just running the School District and to worry
9 about.

10 Q So, the letter of November 5, 2010, to Attorney Allen
11 from Mr. Foster re: Little Neck, Ipswich, Massachusetts,
12 you've not seen that?

13 A I would have to look at it to see. I don't know if I was
14 copied on it or not.

15 Q Let me show you the -- I only have one copy right here.
16 Let me show you this copy. I will tell you that the
17 markings on it are mine, and if you have seen it before,
18 I'm going to get a clean copy marked and ask you
19 questions about it, but if you haven't seen it, then I'm
20 going to do what I've done throughout, and not ask you
21 questions about something you haven't seen?

22 A I do not recall seeing this.

23 Q Fair enough. Do you know how much -- strike that.

24 Do you know anything about the Feoffees'

1 history of charging rents and how much they charged from
2 1998 to the present?

3 A Very, very little.

4 Q What do you know about that?

5 A Just that it's -- I remember a meeting that was held in
6 the Payne School -- in fact, I believe that you were
7 there, along with Mr. Foley and Mr. Allen -- meeting
8 upstairs in the conference room, when this whole thing
9 started going back on the history of what the rent
10 schedules were and kind of working us up through that,
11 but I don't remember the details associated with it.

12 Q You are intimately acquainted with budget issues of the
13 Ipswich School Committee and the Ipswich Public Schools
14 from 1998 to the present?

15 A That's correct.

16 Q Have there been one or two major elements that have
17 driven that budget higher and higher over the last
18 thirteen years or is it just sort of a gradual creep?

19 A It's been -- traditionally, one of the big driving forces
20 has been health care costs, another one has been special
21 education costs, and the other one, that we are an
22 organization that is eighty-five percent personnel-
23 driven, with teachers and teacher assistants and para-
24 professionals, and so, the cost of trying to be

1 competitive in the salary market and attract and retain
2 staff is another very important part of it.

3 Q Did the -- if I can use the phrase the health care
4 crisis, the health care cost crisis -- when did that
5 begin?

6 A Oh, gosh, I think -- as I recall and think back on it,
7 probably, it really came to a head, I want to say,
8 probably about 2005, 2005-2006.

9 Q And how about the costs, you talked about special
10 education costs?

11 When did that begin to spike?

12 A That really, even at the very, very beginning of the cost
13 of out-of-district placements, along with trying to be
14 able to serve children, both within our district as well
15 as outside, I'm thinking -- I remember dealing with those
16 issues when I first arrived, in 1998-1999.

17 Q The costs had started to skyrocket by 1998, 1999; had
18 they not?

19 A Yes.

20 Q Was that in conjunction with changes in the law that
21 imposed additional obligations on the part of a local
22 school to pay for placements outside of the schools?

23 A I think that was a direct correlation to that.

24 Q That happened around that 1998, 1999 time period?

1 A Something like that. In the early two thousands.

2 Q I know I've been singularly unsuccessful in getting you
3 to comment on the governance issue of the Feoffees, but
4 do you think there's merit in the position that there
5 should be some members of the Feoffees who are not
6 appointed by public boards, so that they will be free of
7 political pressures?

8 MS. BREWER: Objection.

9 A I honestly have not thought about that.

10 Q Are you aware of any dishonest acts committed by Life
11 Feoffees?

12 A No, I am not.

13 Q Are you aware of any acts committed by Life Feoffees out
14 of selfish motive, as opposed to being motivated by what
15 is best for the public schools?

16 A I am not.

17 Q Are you aware of any hostility held by any Life Feoffee
18 towards the Ipswich Public Schools such that one of those
19 Life Feoffees could not carry out his obligation as a
20 trustee?

21 A I am not.

22 Q Are you familiar at all with the status of the one
23 hundred sixty-seven cottages at Little Neck being what we
24 call prior non-conforming structures in a zoning context,

1 are you familiar with any of that?

2 MS. BREWER: Objection.

3 A No.

4 Q Do you have a view or opinion as to whether more people
5 living year round at Little Neck is problematic for the
6 Ipswich Public Schools?

7 MS. BREWER: Objection.

8 A I have no opinion.

9 Q Have you reviewed the William Payne Trust?

10 A I have not.

11 Q Are you familiar with its contents?

12 A To some degree.

13 Q Are you familiar with the clause that says the land at
14 Little Neck shall not be sould nor wasted?

15 A I've heard that terminology used.

16 Q With sould being spelled, S-O-U-L-D?

17 A I've read that, yes.

18 Q Do you think that Little Neck is, right now, being
19 wasted?

20 MS. BREWER: Objection.

21 A I have no opinion.

22 Q Have you made a determination as to whether the public
23 schools would be better off whether the property is sold
24 as contrasted with held and rented?

1 MS. BREWER: Objection.

2 A I've not made that comparison.

3 Q Well, Superintendent Korb, I have no further questions.

4 I want to thank you for coming in here, today.

5 Attorney Brewer has the opportunity to inquire.

6 MS. BREWER: Which I will not exercise.

7 Thank you.

8 MR. SHEEHAN: What I want to do, right now, is
9 just suspend the deposition, because I do want to get the
10 other School Committee meeting minutes.

11 And I will say, for the record, I do not expect
12 to have to bring you back to discuss those. We should be
13 able to handle them between Attorney Brewer and me, if I
14 have any questions as to what the minutes say, but just,
15 for the record, we'll suspend.

16 (Whereupon, at 3:50 P.M., the deposition
17 suspended.)

18

19

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24

SIGNATURE PAGE FOR DEPONENT

I, Richard Leroy Korb, do hereby certify that I have read the foregoing and that to the best of my knowledge said deposition is true and accurate (with the exception of the following desired changes listed below):

PAGE LINE	CHANGE
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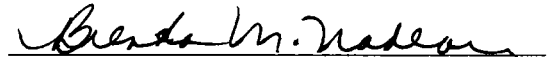
Signed under the pains and penalties of perjury,
this _____ day of _____, 2011.

Deponent's Signature

C E R T I F I C A T E

I, Brenda M. Nadeau, a Notary Public in and for the Commonwealth of Massachusetts, do hereby certify that the foregoing record, Pages 1 to 139, inclusive, is a true and accurate transcript of my System Tapes to the best of my knowledge, skill and ability.

In Witness Whereof, I have hereunto set my hand and Notarial Seal this sixth day of November, 2011.



Brenda M. Nadeau

Notary Public

My Commission expires: July 22, 2016

November 21, 2011

Richard Korb
8 Mayfair Court
Ipswich, MA 01938

Re: *Alexander B.C. Mulholland, Jr., et al. v.*
Attorney General of the Commonwealth of Massachusetts, et al.
No. ES09E0094QC (Essex Probate Court)

Dear Rick:

Enclosed please find a copy of the transcript of your deposition taken in the above referenced case on October 20, 2011. You should read the transcript carefully and note any factual errors.

Please telephone me within two weeks to discuss your proposed corrections before completing the signature page (page 139).

Very truly yours,



Donna M. Brewer

DMB:mpb
Enclosure

7428.0/519940.1

**COMMONWEALTH OF MASSACHUSETTS
PROBATE AND FAMILY COURT DEPARTMENT**

ESSEX, ss.

Docket No. ES09E0094QC

ALEXANDER B.C. MULHOLLAND, JR., et al.)	
Plaintiffs,)	
)	
v.)	
)	
ATTORNEY GENERAL OF THE)	
COMMONWEALTH OF MASSACHUSETTS,)	
et al.)	
Defendants.)	

**RE-NOTICE OF TAKING
DEPOSITION**

TO: Stephen M. Perry, Esq.
Casner & Edwards, LLP
303 Congress Street
Boston, MA 02210

Johanna Soris, Esq.
Commonwealth of Massachusetts
Office of the Attorney General
Public Charities Division
One Ashburton Place
Boston, MA 02108

Please take notice that at 10:00 a.m. on October 20, 2011, at the offices of William H. Sheehan III, MacLean Holloway Doherty Ardiffe & Morse, P.C., 8 Essex Center Drive, Peabody, Massachusetts, the Plaintiffs in this action, by their attorney, will take the deposition upon oral examination of Richard Korb pursuant to the applicable provisions of the Massachusetts Rules of Civil Procedure, before a Notary Public in and for the Commonwealth of Massachusetts, or before some other officer authorized by law to administer oaths. The oral examination will continue from day to day until completed.

The records and documents sought by the Plaintiffs are set forth in Exhibit A attached hereto.

You are invited to attend and cross-examine.

Respectfully submitted,
Feoffees of the Grammar School
in the Town of Ipswich
By their attorney,



William H. Sheehan III
MacLean Holloway Doherty
Ardiff & Morse, P.C.
8 Essex Center Drive
Peabody, MA 01923
(978) 774-7123

Dated: September 20, 2011

CERTIFICATE OF SERVICE

I, William H. Sheehan III, attorney for the Plaintiffs, hereby certify that I served a copy of the within Re-Notice of Deposition by mailing the same, postage prepaid, to the following attorney:

Stephen M. Perry Esq.
Casner & Edwards, LLP
303 Congress Street
Boston, MA 02210

Johanna Soris, Esq.
Commonwealth of Massachusetts
Office of the Attorney General
Public Charities Division
One Ashburton Place
Boston, MA 02108



Date: September 20, 2011

William H. Sheehan III

Exhibit A

1. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated by you to the Town of Ipswich Finance Committee or any member(s) thereof.
2. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated by you to the Town of Ipswich Board of Selectmen or any member(s) thereof.
3. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated by you to the defendant Ipswich School Committee or any member(s) thereof.
4. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated by you to the defendant Attorney General of the Commonwealth of Massachusetts.
5. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated by you to the Town of Ipswich Tri-Board or any member(s) thereof.
6. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated by you to the Town of Ipswich Committee on the Feoffees or any member(s) thereof.
7. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated by you to the Ad Hoc Committee created to evaluate the sale that is at issue in this action or any member(s) thereof.
8. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated by you to any other department or board of the Town of Ipswich or any member(s) thereof.
9. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated by you to any department, agency, division, board or commission of the Commonwealth of Massachusetts or the United States of America.
10. All documents that relate, in whole or in part, to the Feoffees, this action, or Little Neck, authored by, generated by, delivered by, or otherwise communicated to you by any board, committee commission, agency, department, division or member(s) thereof identified in paragraphs 1-9 hereof.

11. All documents supporting the claim of the Ipswich School Committee and the deponent that the privately-appointed Feoffees have conducted Trust business in private, without transparency and public accountability and, if you are claiming that doing so was improper, all documents supporting that allegation.

12. All documents supporting the claim of the Ipswich School Committee and the deponent that the Feoffees have failed to fulfill reasonable expectations and are unfit to continue to serve as Feoffees.

13. If the deponent is claiming that the Feoffees acted improperly as to the design, construction, implementation or maintenance of the Little Neck common wastewater system, all documents supporting that claim.

14. All documents supporting the claim of the Ipswich School Committee and the deponent that the governance and administrative structure of the Trust is inadequate and there is good cause to revise it.

15. All documents authored by or in behalf of the deponent and communicated to the Feoffees wherein the deponent complained of, or criticized, the conduct of the Feoffees.

16. All documents relative to the Ipswich School Committee's efforts to reorganize or reconstitute the Feoffees including all draft trusts and notes related thereto.

17. All notes of any conversations or meetings that relate, in whole or in part, to the Feoffees, this action, or Little Neck, in which you participated or for which you were present.

18. All diaries, journals, notebooks or schedules kept by you since you first began your position as the Superintendant of the Ipswich Public Schools.

19. All records relative to distributions made to the Ipswich Public Schools by the Feoffees.

20. All documents that relate, in whole or in part, to opinions of value of Little Neck, the propriety or lack thereof of the proposed sale of Little Neck, or the propriety or lack thereof of the Feoffees creating an endowment fund with proceeds from the proposed sale of Little Neck.

21. All documents that are not otherwise responsive to the requests herein that relate, in whole or in part, to the Feoffees, Little Neck or this action.

ESSEX, SS

ALFRED B. C. MULHOLLAND, JR.
ET AL.
PLAINTIFFS

ATTORNEYS
DEFENDANTS

PROBATE & FAMILY COURT
DEPT.

DOCKET NO. ES09CV00940C

STIPULATION ON PLAINTIFFS'
WITNESSES TO COME DISCOVERY

The parties stipulate and agree as follows:

1. To exchange non-expert witness lists by November 1, 2011.

2. To answer expert interrogatories by November 15, 2011.

3. To exchange preliminary exhibit lists by November 20, 2011.

4. Communications between School Committee members and other Ipswich Town officials, committee members and or board members shall be produced, to the extent they exist, in conjunction with the depositions of School Committee members.

under agreement of confidentiality, not to be disclosed to anyone but counsel for the parties, parties, and experts without further Court order

5. The following ~~Executive~~ session meeting minutes shall be produced by October 19, 2011:

(a) Minutes of meetings prior to October 6, 2009, not protected by the attorney-client privilege

(b) Minutes of meetings at which a Floeffe or their Counsel was present; and

(c) Minutes of meetings at which the School Committee voted on the issue of whether or not

to support the salary little book.

6. To schedule such additional disbursements as may be necessary after November 1, 2011.

Executed this 14th day of October 2011.

Teachers of the Grammar School

in the Town of Ipswich

By their Attorney



WILLIAM H. SHEEHAN ESQ.

BBO No. 457060

MacLean, Holloway, Duffern

8 ESSO CORTEX DRIVE


PLATSBURY, MA 01986

(978) 774-7123

W Sheehan@wldpc.com

Ipswich School Committee

By its Attorney


Donna M. Brewer

Donna M. Brewer

BBO 545254

Casner + Edwards, LLP

303 Congress St.

Boston, MA 02210

(617) 426-5900

brewer@casneredwards.com

**COMMONWEALTH OF MASSACHUSETTS
PROBATE AND FAMILY COURT DEPARTMENT**

ESSEX, ss.

Docket No. ES09E0094QC

ALEXANDER B.C. MULHOLLAND, JR.,
PETER FOOTE, DONALD WHISTON,
JAMES FOLEY, ELIZABETH KILCOYNE,
PATRICK J. MCNALLY, AND INGRID
MILES AS THEY ARE THE FEOFFEEES OF
THE GRAMMAR SCHOOL IN THE TOWN
OF IPSWICH

Plaintiffs,

V.

ATTORNEY GENERAL OF THE
COMMONWEALTH OF MASSACHUSETTS,
IPSWICH SCHOOL COMMITTEE, and
RICHARD KORB, as he is Superintendent of
Schools in the Town of Ipswich,

Defendants.

FIRST AMENDED COMPLAINT FOR DEVIATION PURSUANT TO G.L. c. 214, § 10B

1. Plaintiffs Alexander B.C. Mulholland, Jr., Peter Foote, Donald Whiston, James Foley, Elizabeth Kilcoyne, Patrick J. McNally and Ingrid Miles are the Feoffees of the Grammar School in the Town of Ipswich (the “Feoffees”). The Feoffees own the real estate known as Little Neck, Ipswich, Massachusetts (“Little Neck”), containing approximately twenty-six acres (per Town Assessor’s Records), in trust (“the Trust”) for the benefit of the Ipswich Public Schools, which Trust was established by the Will of William Payne in 1660.

2. The Attorney General of the Commonwealth of Massachusetts (“Attorney General”) is named as a party herein pursuant to Mass.Gen.Laws c. 214 § 10B.

3. The Defendant Richard Korb is the Superintendent of Schools in the Town of Ipswich and, pursuant to Mass.Gen.Laws c. 71, §59, is responsible for the management of the

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Ipswich Public Schools, the beneficiary of the Trust. He has a usual place of business at 1 Lord Square, Ipswich, Massachusetts.

4. The Defendant Ipswich School Committee, pursuant to Mass.Gen.Laws c. 71, §37, has the power to select and to terminate the Superintendent of Schools, shall review and approve budgets for public education in Ipswich, and shall establish goals and policies for the Ipswich Public Schools. It has a usual place of business at 1 Lord Square, Ipswich, Massachusetts.

5. The Feoffees bring this action to obtain permission to deviate from the subordinate term of the Trust which states that Little Neck shall not “be sould nor wasted.” Specifically, the Feoffees seek to obtain the power to sell the real estate at Little Neck, in whole or in part, and to grant and receive mortgages of the real estate for the reasons set forth herein.

6. A number of private individuals, among them Roger Payne and William Payne, a/k/a William Paine, and their successors, were granted, both by the Town of Ipswich and by other private individuals, land for the benefit of the Ipswich Public Schools, all as evidenced by the minutes of the Town Meeting of November 14, 1650 and the minutes of the Town Meeting of January 26, 1652 (See Exhibit A attached hereto), the Will of William Payne who died in 1660 (See Exhibit B attached hereto), and the minutes of the Town Meeting of January 12, 1756 (See Exhibit A attached hereto).

7. The particular land in question, now known as Little Neck, was devised by the Will of William Payne “unto the free scoole of Ipswich”, “which is to bee and remain to the benefitt of the said scoole of Ipswich for ever as I have formerly Intended and thearefore the sayd land not to be sould nor wasted.” In that Will, Mr. Payne named certain individuals as

feoffees in trust. That Will was made in 1660, by which time William Payne, with others, was holding other land for the benefit of the school.

8. On January 12, 1756, Town Meeting, acting in concert with the feoffees holding title to, among others, the land in question, voted to apply “to the Great and General Court to obtain an Act, if they see meet, fully to authorize and empower the present four Feoffees and such successors as they shall time to time appoint in their stead, together with the three eldest Selectmen of this Town for the time being, other then such Selectman or men as may at any time be of the four Feoffees, to be a Committee in Trust, the major part of whom to order the affairs of the school land”

9. The Great and General Court acted upon that application and enacted Chapter 26 of the Province Laws of 1755-56 (See Exhibit C attached hereto). In that enactment, the Great and General Court first recognized the private nature of the transfer of Little Neck: “Whereas divers piously disposed persons . . . granted and conveyed to feoffees in trust, and to such their successors in the same trust as those feoffees should appoint to hold perpetual succession, certain lands” It then recognized two issues: the power of the trustees who received the town grants to appoint successors and the power to charge and collect rents.

10. The Great and General Court addressed and resolved those two issues by incorporating “a joint committee or feoffees in trust, with full power and authority by a majority of them to grant necessary leases of any of said land not prejudicial to any lease already made, and not exceeding the term of ten years, to demand and receive the said rents and annuities, and, if need be, to sue for and recover the same;”

11. Most notably, the Great and General Court left all decision-making in the hands of a committee whose majority was composed of private citizens and not public officials. It

named four individuals who were “the present surviving feoffees on the part of the private persons granting lands as afores(ai)d,” and three of the then Selectmen to constitute the committee or feoffees in trust. To ensure that private citizens would always constitute a majority of the feoffees, the Great and General Court provided that the four private citizens would have the power to appoint the successors to their number, “according to the original intention of their first appointm(en)t”; the remaining three committee members would be the three selectmen most senior in service.

12. Chapter 26, by its own terms, was to expire in ten years.

13. By Chapter 5 of the Province Laws of 1765-66, the Great and General Court extended the existence of the “joint committee or feoffees in trust, for twenty-one years, making no changes, in the constitution of the feoffees and their method of succession.” (See Exhibit C attached hereto).

14. By Chapter 54 of the Acts of 1786, the constitution and method of succession of the feoffees became permanent. (See Exhibit D attached hereto)

15. At no time has the land at issue ever been owned by the Town of Ipswich.

16. At all times the land at issue has been privately owned by persons who, in the majority, have been privately selected.

17. The Feoffees are administering private land owned by them in trust, not public land owned by the town.

18. The Feoffees hold title to the land at Little Neck for the benefit of the Ipswich Public Schools.

19. Prior to June 30, 2006, the various tenants of the Feoffees had been tenants at will. Those tenants rented lots of land owned by the Feoffees on which lots the tenants built

cottages. There are presently 167 such cottages located at Little Neck. Twenty-four of those cottages may be used year round. The remaining 143 cottages may be used seasonally.

20. From time to time, prior to June 30, 2006, the Feoffees proposed to their tenants increases in rents, the tenants agreed to pay said rents and, for the most part, the tenants paid the rents in a timely fashion.

21. During the time period 2003 through 2006, the Feoffees distributed net rental income to the beneficiary of the Trust in excess of \$1,400,000.

22. In addition thereto, for those same four years, the Ipswich Public Schools have received approximately sixty percent of the real estate tax revenue generated by the land and buildings on Little Neck, the Ipswich Public Schools' share being approximately \$1,100,000.

23. In and about 2005 and 2006, the Feoffees, consistent with their fiduciary obligation to their beneficiary to charge what they determined was fair market rent, proposed to increase the rent charged to their tenants to \$9,700 per year for seasonal (April 1 to December 31) cottage users and to \$10,800 per year for year-round cottage users. For the first time, the Feoffees offered to their tenants the opportunity to enter into a lease. The proposed lease provided that the rent would not increase for three years. The proposed lease allowed the tenants to terminate the lease upon sixty days written notice.

24. During that same time period, the Feoffees, in conjunction with the Attorney General and the Ipswich Public Schools, in Probate and Family Court Civil Action No. 05E-0026-GC1, sought and obtained permission from this Court to borrow funds from commercial lenders and to secure such loan(s) with a conditional assignment of leases and rents, betterment fees, and contracts and permits, all in anticipation of spending in excess of \$7,000,000, to construct a common wastewater system so as to comply with an Administrative Consent Order

with the Massachusetts Department of Environmental Protection, and to construct an upgrade to the electrical distribution network on Little Neck, so as to comply with an Order from the Ipswich Department of Public Utilities. (See Exhibits E [Stipulation and Request for Instructions] and F [Order dated August 5, 2005] attached hereto). The Feoffees have completed that construction.

25. Some of the Little Neck residents, now thirty-three in number, have signed the proposed lease or a similar version thereof, seasonal or year-round.

26. Some of the Little Neck residents, apparently believing that the rent was “unlawful and unequitable,” have not signed the proposed lease. Two of said tenants have brought an action in the Essex County Superior Court styled Lonergan et al v. Foley et al., Docket Number 2006-02328D (the “Superior Court Action”), both individually and seeking to act in a representative capacity in behalf of an alleged class of persons, which action is pending.

27. Pursuant to a stipulation filed in the Superior Court Action, the non-lessees are paying to the Feoffees an amount equal to the rent paid by them when they were tenants at will, together with real estate taxes and monthly amounts for the use, operation and maintenance of the common wastewater system, and paying into escrow the difference between what the non-lessees are paying and what the lessees are paying to the Feoffees.

28. As a result of (a) many residents refusing to pay the rent prescribed in the lease, which rent the Feoffees, Ipswich School Committee and Superintendent believe to be fair and reasonable, (b) the fees and costs incurred by the Feoffees in connection with the defense of the Superior Court Action, and (c) the mortgage payments due from the Feoffees as a result of the aforesaid construction, the Feoffees have been unable to distribute any rental income to the beneficiary during the last three years.

29. During the last three years, based again on the estimate of sixty percent of tax revenues going to the schools, the Ipswich Public Schools have received approximately one million dollars generated by the land and the buildings on Little Neck.

30. Over the last twelve to eighteen months, the Feoffees have discussed with the Superintendent of Schools, the Ipswich School Committee, and representatives of the residents of Little Neck, both lessees and non-lessees, the possibility of selling all or a portion of Little Neck, both by means of a potential sale of the entirety of Little Neck and by means of dividing Little Neck into 168 lots, by the endorsement of a so-called "Approval Not Required Plan (ANR)," such that each cottage would be on its own lot and the remaining land would be the one hundred sixty-eighth lot, and a sale of individual lots.

31. The Superintendent and the Ipswich School Committee have agreed with the Feoffees that a sale would be prudent, subject to the adequacy of the sale price or prices.

32. After the date of the Feoffees filing their original Complaint for Deviation, the Massachusetts Appeals Court, in the case of Branagan v. Zoning Board of Appeal of Falmouth, entered a Memorandum and Order pursuant to Appeals Court Rule 1:28 which caused the Feoffees and the residents of Little Neck to conclude that an ANR plan was not advantageous.

33. In lieu of an ANR plan, the Feoffees and the non-lessee residents, the latter acting by and through the Little Neck Legal Action Committee (LNLAC), have reached a tentative agreement whereby the Feoffees will create a Condominium at Little Neck consisting of the land, buildings, improvements, and cottages at Little Neck and offer for sale or lease to each of the 167 residents a Condominium Unit which will be defined, in essence, as the cottage he or she now owns.

34. The creation of a Condominium and the Feoffees' sales of Condominium Units will provide the following benefits to the beneficiary of the Trust: (a) it will allow the Feoffees to pay down and pay off their indebtedness and create an endowment fund for the benefit of the Ipswich Public Schools; (b) it will permit a diversification of the assets of the Trust; (c) it will allow the Feoffees, by prudent investment of the proceeds of the sale of the real estate, to obtain a fair rate of return on their assets; (d) it will free the Feoffees from the cost of repairs and improvements to the land, resulting in increased net income to the beneficiary; (e) it will provide a means to end the stalemate now extant over the rent to be charged and paid by the residents of Little Neck, many of whom now contend that they cannot afford to pay the rent prescribed by the lease; (f) it will result in a dismissal of the Superior Court Action; and (g) upon dismissal of said action, it will bring to an end the expenditure of legal fees and costs in that action.

35. The Will of William Payne makes clear that the great thing in the testator's mind, his dominant intent, was to support the Ipswich Public Schools. The Feoffees and their predecessors have carried out that intent for over three hundred years. The relief sought by this complaint for deviation is wholly consistent with that intent.

36. The requirement of the testator that Little Neck not be sold is subordinate to the predominant charitable end which William Payne had in mind at the time he prepared his Will. The power to sell is necessary to avoid a wasting of Little Neck. For the reasons set forth above, the subordinate requirement that Little Neck not be sold is obstructive of, and inappropriate to, the accomplishment of William Payne's principal charitable purpose.

37. For the reasons set forth above, without the deviation requested by the Feoffees, William Payne's principal charitable purpose will continue to be frustrated and there is a danger of a "wasting" of the assets, directly contrary to the explicit language of the Trust.

38. The interest of the Ipswich Public Schools will be best served by granting the relief requested herein.

39. The relief requested herein is a reasonable deviation from the terms of the Will and Trust of William Payne and consistent with the Feoffees' primary charitable purpose.

40. All of the above can be accomplished without the beneficiary's losing, based on the last seven years' average, the annual \$300,000 generated by the real estate taxes on the land and buildings at Little Neck.

41. In the event the Superior Court Action is not resolved, the Feoffees must borrow funds to pay for the defense of same.

42. To accomplish the creation of the Condominium, the Feoffees will incur engineering expense, estimated at \$200,000, for which they anticipate the need to borrow funds.

43. The previous authority of this Court to borrow money was limited to the construction projects mentioned above.

44. The Feoffees reasonably believe that the proposed borrowing as aforesaid may require, on the part of the lender, a mortgage of the real estate at Little Neck.

45. The Feoffees require the power to receive mortgages so as to facilitate the sale of Condominium Units to prospective buyers, all as set forth in the tentative settlement agreement referenced above.

WHEREFORE, the Plaintiffs pray that this Honorable Court grant the following relief and enter judgment as follows:

1. That the Feoffees be permitted to sell the land known as Little Neck in Ipswich, Massachusetts on such terms as are set forth in a settlement agreement between the Feoffees and the LNLAC and as this court deems meet and just;

2. That the Feoffees be permitted to grant and receive mortgages on all or part of the land at Little Neck;

3. That the Feoffees be permitted to borrow funds to defend the Superior Court Action and to implement and accomplish the sale or sales sought to be authorized by this Complaint;

4. That this Honorable Court approve the terms of the settlement of the Superior Court Action and that the Feoffees be authorized to enter into a dismissal of said action;

5. That this Honorable Court declare that the provisions of Massachusetts General Laws Chapter 30B do not apply to the sale of Condominium Units and Little Neck as contemplated by the settlement agreement between the Feoffees and the LNLAC;

6. That this Honorable Court issue such licenses, judgments and other orders as are necessary to implement and accomplish the relief granted by this Court to the Feoffees; and

7. Such other relief as this Honorable Court deems meet and just.

Respectfully submitted,
Feoffees of the Grammar School in the
Town of Ipswich
By its attorney,



William H. Sheehan III BBO #457060
Robin Stein, BBO #654829
MacLean Holloway Doherty Ardiffe & Morse, P.C.
8 Essex Center Drive
Peabody, MA 01960
(978) 774-7123

Dated: December 17, 2009

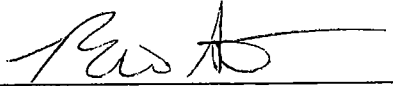
Certificate of Service

I Robin Stein counsel to the Plaintiffs hereby certify that this 17th day of December 2009 I served a copy of the instant first amended complaint upon the following counsel of record via first class mail postage prepaid:

Richard C. Allen, Esq.
Casner & Edwards, LLP
303 Congress Street
Boston, MA 02210

Johanna Soris, Esquire
Commonwealth of Massachusetts
Office of the Attorney General
Public Charities Division
One Ashburton Place
Boston, MA 02108

December 17, 2009



Robin Stein

CERTIFIED
A

Selected Actions of the Town of Ipswich

At a Town Meeting November 14, 1650

Granted to Mr. Robert Payne, and Mr. William Payne and such others as the Town shall appoint for the use of the school all that neck beyond Chebaco River and the rest of the ground (up to Gloucester Lane) adjoining to it Mayor Dennison, Mr. ?, *undeceivable* chosen by the Town and added to.

At a Town Meeting January 26, 1652

For the better ordering of the schools and the affairs thereof, Mr. Simmons, Mr. Rogers, Mr. Morton, Mayor Denison, Mr. Robert Payne, Mr. William Payne, Mr. Hubbard Ivason Whipple, Mr. Bartholomew were chosen a committee to receive all such sums of money as have been and shall be given towards the building or maintenance of a grammar school and schoolmaster, and to disburse and dispose such such (*sic*) sums as are given to provide a school house and schoolmaster's house, either in building or purchasing, *undeceivable* house with all *undeceivable* speed, And such sums of money, parcels of land, roads or annuities as are or shall be given towards the maintenance of a schoolmaster, they shall receive and dispose of to the schoolmaster, that they shall *undeceivable* a house to that *undeceivable* from time to time, towards his maintenance, which they shall have power to enlarge by appointing (?) *undeceivable* from year to year, which each scholar shall yearly or quarterly pay or apportionably, who shall also have full power to regulate all matters concerning the school master and scholars as in their wisdom they shall think meet from time to time, who shall also consider the best way to make provision for *undeceivable* written and such (?) accounts.

At a Town Meeting January 12, 1756

Whereas, the Town in granting the school farm at Chebaco did not give those persons to whose trust they committed the improvement of said farm a power to appoint successors as the private persons who granted lands in the Town for the same use did, as appears by examining the respective grants, by which means, those grants being differently constituted and the persons entrusted by the Town as aforesaid being long since dead, endless disputes may arise between the Town and Feoffees about the school (to the support of which the whole income if needed is to be applied) unless relief be had from the General Court, and in as much as the present Feoffees have manifested their agreement thereto,

Voted, that a joint application be made to the Great and General Court to obtain an Act, if they see meet, fully to authorize and empower the present four Feoffees and such successors as they shall time to time appoint in their stead, together with the three eldest Selectmen of this town for the time being, other then such Selectman or men as may at any time be of the four Feoffees, to be a Committee in Trust, the major part of whom to order the affairs of the school land, appoint the schoolmaster from time to time, demand receive and apply the income agreeably to the intension of the donor. No Feoffee hereafter to be appointed by the present Feoffees or by their successors other than an inhabitant of this Town, and not to act after he remove his dwelling out of it, and to have no more than four at one time, And least any unforeseen inconvenience may happen in this method, it is agreed that the Act be only for ten years at first.

these sold before and they to receive this gift at the
age of 5 years I doe give unto my son Samuel
Plummer all my wearing clothes both lined and un-
lined further I doe give to Mr. Thompson five pounds to Mr.
Willson forty shillings to Mr. Norton three pounds
to James Bennett forty shillings in English money to John
Seach twenty shillings and to William Dinsdale
I doe give my Joynter Axes aders and all my other
working tools with one coat and a pair of breeches as
is my will that my affections executory and assent
Perrin and Samuel Plummer my executors see the per-
formance of this my will after my debts and funeral
expenses be discharged unto this my will I have
subscribed my own hand it is my will that James
Perrin shall take the twenty pounds I doe give to my
two grand children and to pay it till they come to age
Signed and sealed in the presence of three wit-
nesses.

William Plummer

Modell to wit

Nathaniel Williams and Mandell Enge deposed
before the magistrates y^e 20th September 1661 that
having subscribed their names to the writing
that they were present and saw the sayd Samu-
el Bidfield sign seal and deliver this paper
and heard him publish it to be his last
will & testament and that to their best know-
ledge and understanding hee was of a sound mind when
hee did.

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William Plummer
Will

I William Plummer of Boston in the County of
Southsuffen in New England having by a long
time by the hand of god much exercised with Infir-
mity of body age through the merree of god con-
tinued in perfect memory I doe therefore take this
opportunitie to make my last will and testa-
ment and settle my estate as followeth first I
will bequeath unto Hanna my doctoryng wife One
hundred pounds to her sole use and behoofe for
ever And also I give unto my said wife my
dwelling house situate in Boston Aforesayd
with all the outhouse Orchard garden yards

and whatever she do be longe unto the said
fortune and terme of her naturall life and
also I give unto my said wife my will at
wider to remitt all the houses lands privileges
and appurtenances and every of them for terme and
terme of her naturall life And also I give unto my
sayd wife all my household stuff the use and
improvement of it for terme and terme of her nat-
urall life I give unto my three grand children
which were the children of my daughter Cassia
Appleton Deceased the some of fifteene hundred
pounds as to Hanna six hundred pounds to
Samuell five hundred pounds and to Judith
four hundred pounds And if any of my sayd
grandchildren shall Depart this life leaving
no Issue of there bodies lawfully begotten
behind them Then the sayd legacies or legacies
shall remaine to them that shall survive and
their heires for ever But if they shall all de-
part this life leaving no Issue of there bodies
as Aforesayd I intend Then my will is that
the sayd fifteene hundred pounds shall returne
and be repayd back unto my son John Paine
to be and remaine to him his heires and assigns
for ever The which sayd three legacies shall be
payd unto my sayd grandchildren and every
of them as they shall attaine unto age accord-
ing to law or uppon the day of maridge which
shall first happen provided allwayes and it
is hereby intended that they and every of them
shall give securitie to be reasonable according
to the sayd will as is Aforesayd and also I give
to Hanna Appleton my said grandchild all the
household stuff that now standeth in the hall
chamber to be and remaine to her after my
sayd wife doe depart out of this naturall life and
the rest of my sayd household stuff I give unto
the other of my grandchildren after my sayd
wifes Decease which shall be then alive as
before to the same 3 I give unto the children
of Symond Legard Deceased viz. To Symon
Edward Legard To Edward Legard and Dorothy the
same offf of one hundred pounds a peece of them I intend

and I give the some of Sixty pound yearly to be paid when is
the sume of four pounds to be paid when is
come of age according to lawe. I give unto my
Sister Page the some of three pounds yearly
yearly and every year to her sole use and be-
hoofe during the terme of her naturall life.
And I give unto my kinsman John Page which
now is in his hands the some of five pounds
and to the other children of my sayd sister
Page viz. To Samuel Elizabeth Mary Phoebe
the some of five pounds to each of them to give
unto the trustees of my sister the said viz. To
John Elizabeth and Hannah the some of five
pounds to each of them and to my kinde
woman Elizabeth House dafter to Samuel
and Elizabeth House the some of Ten pounds
to give unto the Trustees of my love and faith
full friends of forty shillings to be paid when
they are of age according to lawe my meaning is
fforty shillings to each of them. I give unto my
son in law Samuel Appleton the some of Ten
pounds and to William Howard the some of ffif-
teen pounds and to Jeremy Belcher forty shil-
lings I give unto Mr Anthony Stodder the some
of ffive pounds and unto Mr Christopher Clarke
the some of Ten pounds I give unto Mr Joseph
Gunter the some of Ten pounds and unto Mr
Oliver Purches the some of Ten pounds I give
unto Mary Ingham the some of fforty shillings
yearly and every year during the time of her
naturall life I give unto the free scole of Spe-
ritch the little neck of land at Haverhill com-
monly knowne by the name of Liberty necke The which
it to be out revenue to the benefitt of the said
scole of Spiritich for ever as I have formerly In-
tented and therefore the sayd land which
could not be sold I give unto the Colledge of
Cambridge the some of Ten thousand pounds The
which is now paid for that end unto the
hands of the worshipfull Mr Thomas Farnham
of Cambridge and shall be and remaine in the
hands of the said Colledge and free school of the Col-
ledge and free school for the time being and there

and receivers after them from time to time and at
all times forever, I employ or have to be employ-
ed the said Twenty pounds for the benefit of
the said College But the said Twenty pounds
not to be expended But to be used as a stock
to the College Afore-said for ever I give unto
my reverent friends viz Mr Norton and Mr
Mildon Pastor and teacher of the Church of Boston
the some of forty shillings to each of them and to
Mr Sherman Pastor of the Church at Woburn
the some of forty shillings and to Mr Brown
Pastor of the Church at Sudbury the some of
forty shillings and to Mr Kitchin pastor of the
Church at Ipswich the some of forty shill-
ings and to Mr Cook pastor of the Church at
Haverford the some of forty shillings and to
Mr Phillips teacher of the Church at Rowley the
some of forty shillings and to Mrs Mather pastor of the
new Church in Ipswich the some of forty shillings

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with which all the several sequents afore-
mentioned shall be paid within one year after
I shall depart out of this mortal life excepting
only such legacies Afore-said As have their times
of payment before expressed I give all the rest of
my estate both real and personal my debts being
discharged unto my son John Payne Afore-said
to his sole use and behoofe forever but if
providence should so order that my son
John Payne should depart this life leaving no
Issue of his body lawfully born or to be born of
the said John Payne then my will is that the houses
and lands which he might doe be long unto me
with in the bounds and Symitts of Ipswich in
New England with the rights priviledges and ap-
pointments belonging unto the said houses
and lands In all respects I give and bequeath
unto the children of my sayd Daughter Hanna Af-
ter deceased as manely to Hanna Judeth
and Samuel or so many of them as shall be their
share here or to their come to them and their
heirs for ever according as there is portion made
unto them of goods formerly given unto my
son John Payne Afore-said And also

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since should be ordered that my said son
John Payne should depart this life leaving no
issue of his body behind nor the issue of the said
issue as is before expressed. These may well fur-
ther it that the children of my said sister Page
mentioned in the forth particule above shall have
out of my estate the sum of three hundred pounds
and the same to be equally divided between
them and Providence should be ordered that my
said son first above said should depart out of
this mortal life before my self. These may well
further it that the children of Samuel Griers sen. be-
ceased mentioned in the third particule above shall
have five pounds apiece to be paid more to their for-
mer five pounds and the children of my sister Page
and sister Jane a sum of money in the fourth particule
inter alia above shall have five pounds each and a
duty of five pounds. I do hereby ear-
nestly request Mr Oliver Purchase to be helpfull
to my said son John Payne concerning his busi-
ness and the accounts thereof whose ability and
faithfulness I have had experience of and to whose
care I do commit the said accounts. I do hereby
testify that my son John Payne was married to
Elizabeth Griers daughter and the said Elizabeth
I do hereby certify of this marriage with a
testament and Oath hereby subscribed and sworn
of the said Mr Christopher Blake Mr James
Saville and Mr Oliver Purchase to be true
over and before me in the presence of the said
will and testament. I say well further with a
if my said son should die with my said Elizabeth
I say well that we shall leave for some money and
money to give one hundred pounds they
shall have to take out of my estate for
performance thereof. I am witness to these presents at
my said and considerate act I have confirmed
the same by my hand and seal this second day
of October Anno one thousand six hundred and six

Will Payne a Seal

Witnessed and confirmed in presence of us
the undersigned as aforesaid to the will

about 1000 given unto Docter Clarke the some of
five pounds and I do give to Capt Thomas Clarke
Company to buy their bills the some of five
pounds.

John Maye

Christopher Clarke

Will Howard

At a County Court held at Boston on adjournment
14th November 1660 Mrs Samuell Appleton appeared
before the Court and declared by reason of his
ill note living and inability to manage such a
trust hee did renounce his executorship to the will
of Mr Anthony Stoddard on request of Mr
John Payne Town to the late Mr William Paine
hee did renounce his executorship to this will
etc etc etc as above before the probate of the will

Edward Rawson Recorder.

At a County Court held at Boston the 14th November
1660 John Maye Christopher Clarke William
Howard deposed each that having subscribed
the names as witnesses to the will were present
and saw and heard the said Mr Will Paine
signe seal & publish it as his last will and
testament y day and ye are above mentioned
and that when soe hee did hee was of a sound and
disposing mind to there his knowledge.

Edw. Rawson Recorder.

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I certify that honored County Court now Asses Mather & Buehler
held in Boston that our honored father Mather Agreement
Mather who lately departed this life on the 30th Division
day of September last having some while before
his decease sensible of his Inability through Age
to make his proper testament for his and
his Childrens sake hee did call in his wife and
some of his sons and some of his neighbors
and as a witness are under written together And ac-
quainted with that hee was desirous to set his house
in order and on terms to settle his estate on
those his Children and to give us possession
of our several portions and to say that all

CHAPTER 26.

AN ACT REGULATING THE GRAMMAR SCHOOL IN IPSWICH, AND
FOR INCORPORATING CERTAIN PERSONS TO MANAGE AND DIRECT THE
SAME.

Whereas divers piously disposed persons in the first settlement of the town of Ipswich, within the county of Essex, granted and conveyed to feoffees in trust, and to such their successors in the same trust as those feoffees should appoint to hold perpetual succession, certain lands, tenements and annuities by them mentioned, for the use of school-learning in said town forever; of which feoffees the honourable Thomas Berry, Esq., Daniel Appleton and Samuel Rogers, Esqrs., with Mr. Benjamin Crocker, are the only survivors; and whereas the town of Ipswich did also, in their laudable concern for promoting learning, about the same time, and for the same use, give and grant to certain persons in said grant mentioned, and to such others as the said town should appoint, a large farm, then called a neck of land, situate in Chebacco, in the same town, with some other lands adjoining; all which farm and lands were soon after leased out for the space of one thousand years, the rents to be applied to the uses of learning in said town as aforesaid; but as is apprehended by some, no power was given by the said town to their trustees to appoint successors in that trust for receiving and applying the rents, or of ordering and directing the affairs of the school in said town, as in the first-mentioned case is provided; from which difference in the original constitution of those grants, which were all designed for one and the same use, considerable disputes have already arisen between the said town and the feoffees; and not only so, but some doubts are started whether it is in the power of said town or feoffees to compel the payment of the rents of the farm and adjoining land before mentioned; and inasmuch as the said town of Ipswich, by their vote of the twenty-second day of January, one thousand seven hundred and fifty-six, by and with the consent of the aforementioned feoffees, have agreed to apply to this court for aid in the manner in said vote mentioned; wherefore,-

Be it enacted by the Governor, Council and House of Representatives,

[SECT. 1] That from and after the first day of March next, for and during the space of ten years, the aforementioned Thomas Berry, Daniel Appleton and Samuel Rogers, Esqrs., with Mr. Benjamin Crocker, the present surviving feoffees on the part of the private

persons granting lands as afores[a]id, together with Francis Choate, Esq., Capt. Nathaniel Tredwell and Mr. John Patch, Junr., three of the present selectmen of said town, shall be and they are hereby incorporated a joint committee or feoffees in trust, with full power and authority by a majority of them to grant necessary leases of any of said land not prejudicial to any lease already made, and not exceeding the term of ten years, to demand and receive the said rents and annuities, and, if need be, to sue for and recover the same; to appoint grammar-school masters from year to year and time to time, and agree for his salary; to apply the rents and annuities for the paym[en]t of his salary and other necessary charges arising by said school; to appoint a clerk and treasurer, and if found necessary, to impose some moderate sum and sums of money to be paid by such scholars as may attend said school, for making up and supplying any deficiency that may happen in the yearly income and annuities of said lands; for defr[ā][e]ying the necessary charges that may arise by said school, and enforce the payment; to inspect said school and schoolmaster, and in general to transact and order all matters and things relative to such school, so as may best answer the original intent and design thereof.

[SECT. 2.] And the said committee or feoffees and their successors shall, at the anniversary meeting of said town in March, yearly, during the continuance of this act, lay before said town a fair account of their proceedings relating to said school for the year then last past.

And for the continuance of the succession of the before-named ~~selectmen~~ committee or feoffees,--

Be it enacted,

[SECT. 3.] That if either the said Thomas Berry, Daniel Appleton, Samuel Rogers or Benjamin Crocker, shall decease, or remove out of said town of Ipswich, or otherwise become incapable or unfit to discharge said trust, it shall and may be lawful for the surviving and qualified remainder of those four gentlemen to appoint some other suitable person or persons in his or their room so deceasing, removing or otherwise unqualified, according to the original intention of their first appointm[en]t, so as to keep up the same number of four feoffees thus constituted, and no more; and no person to be appointed a feoffee but an inhabitant of the town of Ipswich: and the aforementioned selectmen shall, from year to year, be succeeded by the three oldest in that office of the selectmen of said town for the time being, other than such of them as may be also one of the aforesaid four feoffees; and in case it should at any time happen that there is not three selectmen chosen by said town that may have served the town before in that office, the deficiency shall be supplied by those first named in the choice of the town.

And for rend[er]ing the whole more effectual,--

Be it further enacted,

[SECT. 4.] That the afores[a]id committee or feoffees in trust may, in all matters relative to s[a]id grammar school, in which

they may by force of this act be concerned, sue or be sued by the name or char[e][a]cter of the feoffees of the grammar school of the town of Ipswich, in the county of Essex; and in this power their successors shall be included with respect to the transactions of those that may have preceeded them in said office.

[SECT. 5.] This act to continue and be in force for the space of ten years, and no longer. [Passed February 17; published February 26.]

CHAPTER 5.

AN ACT FOR REGULATING THE GRAMMAR SCHOOL IN IPSWICH, IN THE COUNTY OF ESSEX, AND FOR INCORPORATING CERTAIN PERSONS TO MANAGE AND DIRECT THE SAME.

Whereas divers piously disposed persons, in the first settlement of the town of Ipswich, in the county of Essex, granted and conveyed to feoffees in trust, and to such their successors in the same trust as those feoffees should appoint, to hold perpetual succession, certain lands, tenements and annuities by them mentioned, for the use of school-learning in the said town forever; of which feoffees John Choate, Samuel Rogers, Aaron Potter and Francis Choate, Esqrs., are the only survivors; and whereas the said town of Ipswich did also, in their laudable concern for promoting learning, about the same time, and for the same uses, give and grant to certain persons in their grants mentioned, and to such others as the said town should appoint, a large farm, then called a heek of land, situate in Chebacco, in the said Ipswich, with some other lands, the rents of which to be applied to the use of learning in said town as aforesaid; but, as is apprehended, no power was given by the said town, to their trustees, to appoint successors, in that trust, for receiving and applying the rents, or of ordering and directing the affairs of the school in said town, as in the first-mentioned case is provided; from which difference in the original constitution of these grants, which were all designed for one and the same use, disputes have heretofore arisen between the said town and the said feoffees; and also some doubts have arisen whether, by the constitution of those grants as aforesaid, it is in the power, either of the said town or feoffees, to compel the payment of the rents of said farm and other lands granted by said town, as before mentioned; and whereas, for the removal of the aforesaid difficulties, on the joint application of both said town and the then feoffees, this court did, in the twenty-ninth year of his late majesty King George the Second, by one act then passed, intituled "An Act for regulating the grammar school in Ipswich, and for incorporating certain persons to manage and direct the same," empower the then surviving feoffees, with three successors, together with part of the selectmen of said town, for the time being, as an incorporate body, to manage and direct the affairs of said school for ten years then next coming, in manner as in said act is expressed, which ten years will expire on the first day of March next; and whereas it has been found by experience that the said act has been of great advantage to the interest of learning in said town, and that all doubts and disputes aforementioned, from the passing of said act, have ceased, and the parties concerned have desired the continuance of the aid of this court touching the premisses; wherefore,--

Be it enacted by the Governor, Council and House of Representatives,

[SECT. 1.] That from and after the first day of March next, the aforementioned John Choate, Samuel Rogers, Aaron Potter and Francis Choate, Esqrs., the present surviving feoffees on the part of the private persons granting lands as aforesaid, together with Michael Farlow, Samuel Burnham and Samuel Lord the third, three of the present selectmen of the said town of Ipswich, shall be and they are hereby incorporated a joint committee or feoffees in trust, with full power and authority by the whole, or the major part of them, to pass necessary leases of any of said lands, not prejudicial to any leases already made and not exceeding the term of twenty-one years at any one time; also to demand receive all rents and annuities, on such other grants or leases relative to said school, that now is or that hereafter may be, and, if need be, to sue for and recover the same, either by themselves or by their attorney; also to appoint a clerk and treasurer, also a grammar-school master, from year to year; and, from time to time, to agree with him and them for his and their salaries; and to apply the said rents, grants and annuities for the payment of his and their salaries, and for the discharge of other necessary expences attending this affair, so far as those rents, grants and annuities will go; with a like power from time to time to inspect the said school and master, and, in general, to transact and order all matters and things relative to said school, and to all the lands, grants, rents and annuities that do now, or that may hereafter, belong to said school, arising from the donations aforesaid, so as best to answer the general design and intent thereof; annually laying an account of their proceedings in this trust before the said

town, at their March meeting, for their inspection.

And for the continuance of the succession of the aforementioned committee or feoffees,--

Be it further enacted,

[SECT. 2.] That if either the said John Choate, Samuel Rogers, Aaron Potter or Francis Choate, shall decease, or move out of the said town of Ipswich, or otherwise become incapable or unfit to discharge said trust, or unreasonably neglect to do it, it shall and may be lawful for the surviving and qualified remainder of those four persons, from time to time, to appoint some other suitable and qualified person or persons in his or their room so deceasing, removing or otherwise unqualified, or neglecting his or their duty as aforesaid; which power of appointment shall descend to those so appointed, so as always to have four of said feoffees constituted in this way, and no more; no person at any time to be appointed that is not an inhabitant of the said town of Ipswich: and the selectmen aforesaid, by this act incorporated as aforesaid, shall, from year to year, be succeeded by the three eldest, in that office, of the selectmen of that town, other than such of them as be also one of the feoffees constituted as aforesaid; and in case it shall so happen, at any time, that there are not three selectmen chosen by the said town who have served in that office before, then those first named in such choice shall succeed as aforesaid.

And, for rendering the whole more effectual,--

Be it further enacted,--

[SECT. 3.] That the aforesaid committee, or feoffees in trust, may, in all matters relative to said grammar school, in which they may by force of this act be concerned, sue or be sued by the name of Feoffees of the Grammar School in the town of Ipswich, in the county of Essex;

and in this power their successors shall, from time to time, be included, with respect to the transactions of those who may have preceded them in that trust.

[SECT. 4.] This act to continue and be in force for the term of twenty-one years from the first day of March next, and no longer.
[Passed June 21; published June 25.]

1786 - CHAPTER 54.AN ACT MAKING PERPETUAL, AN ACT RESPECTING THE GRAMMAR
SCHOOL, in IPSWICH, IN THE COUNTY OF ESSEX.

Whereas A Law respecting the said School, was enacted in the year one thousand seven hundred and sixty five, to be in force for the term of twenty one years, from the first day of March, one thousand seven hundred and sixty six, which Law has been found beneficial, and to answer the purposes for which it was enacted:

Be it therefore Enacted, by the Senate, and House of Representatives, in General Court assembled, and by the authority of the same, That the said Law, entitled, "An Act for regulating the grammar School in Ipswich, in the county of Essex, and for incorporating certain persons to manage and direct the same," Be and hereby is made perpetual.

COPY

5531C.FEOFFEEES.STIP/WIPJUL/080105/A

COMMONWEALTH OF MASSACHUSETTS

ESSEX, SS.

PROBATE AND FAMILY COURT
SALEM DIVISION
DOCKET NO. 05E-0026-GC1

FEOFFEEES OF THE GRAMMAR SCHOOL)
IN THE TOWN OF IPSWICH,)
 Plaintiffs)
)
v.)
)
TOWN OF IPSWICH PUBLIC SCHOOLS)
AND THE ATTORNEY GENERAL OF THE)
COMMONWEALTH OF MASSACHUSETTS,)
 Defendants)

STIPULATION AND REQUEST FOR INSTRUCTIONS

Now come the Parties in the above-entitled matter and hereby stipulate and agree as follows:

1. That equitable relief pursuant to M.G.L. Chapter 215, Section 6 in the form of instructions from this Honorable Court is needed regarding the authority of the Plaintiffs to borrow funds as necessary to complete certain construction projects as mandated by the Commonwealth of Massachusetts and the Town of Ipswich;
2. That the Feoffees of the Grammar School in the Town of Ipswich (hereinafter "Plaintiffs") exist under a trust created by a vote of the Town Meeting in November, 1650.
3. That the land in Ipswich commonly known as "Little Neck" was devised to the Plaintiffs by the Last Will of William Paine, who died in 1660 (Suffolk Probate Court 1:346). The Will stated that the devise was "unto the free scoole of Ipswich

the little neck of land at Ipswich for ever as I have formerly intended and therefore for the sayd land not be sould nor wasted."

4. That subsequently Chapter 5 of the Province Laws of 1765-66 established the terms for the management and use of the Plaintiffs' property for the exclusive benefit of the Ipswich Public Schools.
5. That the Plaintiffs rent 167 parcels of land on which tenants have constructed single family dwellings, the net rent proceeds for which are distributed on an annual basis to the Ipswich Public Schools, in accordance with Chapter 5.
6. That the Plaintiffs, in order to comply with the Administrative Consent Order with the Massachusetts Department of Environmental Protection and the Massachusetts Clean Waters Act, M.G.L. Chapter 21, Sections 26-53, must construct a common wastewater collection system with an estimated project cost of \$6.483 million dollars;
7. That if the work is not completed by the end of 2005, the Plaintiffs will not be able to rent lots to the tenants at Little Neck, resulting in a substantial loss of income for Ipswich Public Schools;
8. That the Plaintiffs, in order to comply with an Order from the Department of Public Utilities of the Town of Ipswich that the electrical distribution network on Little Neck must be upgraded at an estimated project cost of \$535,000.00;

9. That this electrical work, if not completed, could affect the safety and welfare of the Little Neck tenants;
10. That pursuant to Section 1 of Chapter 5 of the Province Laws of 1765-66, as made perpetual by Chapter 54 of the Acts of 1786, the Plaintiffs were granted the power "in general, to transact and order all matters and things relative to said school, and to all the lands, grants, rent and annuities that do now, or that hereafter, belong to said school, arising from the donations aforesaid, so as to best answer the general design and interest thereof;"
11. That the Plaintiffs cannot pay these costs to complete the work required by the DEP and the Town and are therefore required to borrow the required funds from one or more commercial lenders;
12. That borrowing said funds without assigning or granting a security interest in the Little Neck land will not be a prohibition of the William Paine bequest against the sale of the property and is acceptable to Ipswich Public Schools;
13. That the Plaintiffs do possess the implied authority under the trust to borrow money upon reasonable terms not involving the assignment of the land or the granting of a security interest in the land, all as necessary to fulfill the purpose of the trust;
14. That the Plaintiffs, in order to complete said work and fulfill its implied authority under the trust, will be

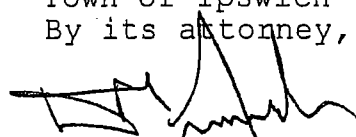
required to give security to commercial lenders in the nature of customary commercial loan documents not involving the assignment of the land or the granting of a security interest in the land, such as, but not limited to, conditional assignments of leases and rents, conditional assignments of betterment fees (or other income from the tenants for the wastewater project) and conditional assignments of the contracts and permits for the projects, which would provide that in the event of a default by the Plaintiffs, the lenders would have the authority to complete the project, collect the rents and otherwise manage the property to protect the lenders' interest and secure the repayment of the debt;

15. That the Plaintiffs have the implied right to borrow money and grant security interests in the leases and rents, betterment fees, contracts and permits;
16. That the Plaintiffs have advised the Ipswich Public Schools that the cost of the electrical system project will be borne by the Plaintiffs, since it relates to an essential service which has been customarily supplied by the Plaintiff to its tenants;
17. That the Plaintiffs have advised the Ipswich Public Schools that the costs of the wastewater project will be paid solely by the tenants, as they have customarily been responsible for all costs for septic management for their dwellings;

18. That it is agreed that the ability of the Plaintiffs to borrow the necessary funds from commercial lenders to complete these projects on a timely basis will or may affect the benefits to be paid to Ipswich Public Schools.

Respectfully submitted,
Feoffees of the Grammar
School in the
Town of Ipswich
By its attorney,

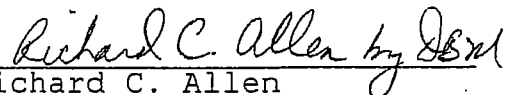
Date: August 1st, 2005



Donald M. Greenough
BBO # 210360
2 Depot Square
Ipswich MA 01938
978-356-1040

Town of Ipswich
Public Schools
By its attorney,

Date: August 1st, 2005


Richard C. Allen
BBO #015720
Casner & Edwards, LLP
303 Congress Street
Boston, MA 02210
617-426-5900

COMMONWEALTH OF MASSACHUSETTS

ESSEX, SS.

PROBATE AND FAMILY COURT
SALEM DIVISION
DOCKET NO. 05E-0026-GC1

FEOFFEES OF THE GRAMMAR SCHOOL
IN THE TOWN OF IPSWICH,
Plaintiffs

V.

TOWN OF IPSWICH PUBLIC SCHOOLS
AND THE ATTORNEY GENERAL OF THE
COMMONWEALTH OF MASSACHUSETTS,
Defendants

~~CONFIDENTIAL~~ ORDER

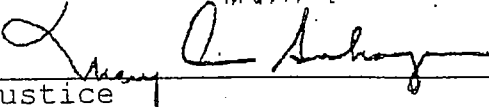
The matter having come before this Court and after hearing finds as follows:

1. The stipulation filed by the Parties dated August 1st, 2005 is incorporated as findings of the Court.
2. The Trust created by the Town of Ipswich, the provisions of Chapter 5, Section 1 of the Province Laws of 1765-66, as made perpetual by Chapter 54 of the Acts of 1786 and the provision of the Last Will of William Paine provide the Plaintiffs with the implied authority to borrow funds from commercial lenders, upon reasonable terms not involving the assignment of the Little Neck land or the granting of a security interest in the land, to complete those construction projects that are the subject of this Petition and set forth in the Stipulation of the Parties.

3. The Plaintiffs; by borrowing funds from commercial lenders to complete those construction projects upon terms not involving the assignment of the Little Neck land or the granting of a security interest in the land, do not implicate the prohibition in the devise by William Paine against sale of the property.
4. The Plaintiffs have the authority to borrow funds from commercial lenders, upon terms not involving the assignment of the Little Neck land or the granting of a security interest in the land, to complete those construction projects that are the subject of this Petition and set forth in the Stipulation of the Parties, which authority includes the execution of the customary commercial lending documents necessary for such a borrowing, such as, but not limited to, conditional assignments of leases and rents, betterment fees, and contracts and permits, as security for the repayment of the debt to the commercial lenders.
5. The Plaintiffs have the authority to borrow funds from commercial lenders, upon terms not involving the assignment of the Little Neck land or the granting of a security interest in the land, to complete said construction projects in keeping with the intent and purpose of the Last Will of William Paine and provisions of Chapter 5, Section 1 of the Province Laws of 1765-66, as made perpetual by Chapter 54 of

the Acts of 1786, and the Trust created by the Town of
Ipswich.

So ordered


Justice

August 05, 2005

COMMONWEALTH OF MASSACHUSETTS

ESSEX, SS.

PROBATE & FAMILY COURT
NO. ES09E0094QC

ALEXANDER B.C. MULHOLLAND, JR,
et als., as they are THE FEOFFEES
OF THE GRAMMAR SCHOOL IN THE
TOWN OF IPSWICH

Plaintiffs,

v.

ATTORNEY GENERAL of the
Commonwealth of Massachusetts;
IPSWICH SCHOOL COMMITTEE;
and RICHARD KORB, as he is
Superintendent of Schools in the
Town of Ipswich

Defendants

ANSWER AND COUNTERCLAIM OF IPSWICH SCHOOL COMMITTEE
AND RICHARD KORB, IPSWICH SUPERINTENDENT OF SCHOOLS

NOW COME the Defendants IPSWICH SCHOOL COMMITTEE and
RICHARD KORB as Ipswich Superintendent of Schools (these Defendants are referred
to herein collectively as the "School Defendants") and answer the Plaintiffs' First
Amended Complaint dated October 6, 2009 (herein, the "Complaint") as follows:

1. The allegations set forth in Paragraph 1 of the Complaint are admitted.
2. The allegations set forth in Paragraph 2 of the Complaint are admitted.
3. The allegations set forth in Paragraph 3 of the Complaint are admitted.
4. The allegations set forth in Paragraph 4 of the Complaint are admitted.
5. The School Defendants state that Paragraph 5 sets forth legal conclusions
to which no response is required.

6. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 6 of the Complaint.

7. The allegations in the first sentence of Paragraph 7 of the Complaint are admitted. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the remaining allegations of Paragraph 7 of the Complaint..

8. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 8 of the Complaint.

9. The School Defendants state that Chapter 26 of the Province Laws of 1755-56 speaks for itself. The School Defendants state that the remainder of Paragraph 9 sets forth legal conclusions to which no response is required.

10. The School Defendants state that Paragraph 10 sets forth a legal conclusion to which no response is required.

11. The School Defendants state that Paragraph 11 sets forth legal conclusions to which no response is required.

12. The School Defendants state that Chapter 26 of the Province Laws of 1755-56 speaks for itself.

13. The School Defendants state that Chapter 5 of the Province Laws of 1765-66 speaks for itself.

14. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 14 of the Complaint..

15. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 15 of the Complaint.

16. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 16 of the Complaint.

17. The School Defendants state that Paragraph 17 sets forth a legal conclusion to which no response is required.

18. The allegations set forth in Paragraph 18 of the Complaint are admitted.

19. The allegations set forth in Paragraph 19 of the Complaint are admitted.

20. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 20 of the Complaint.

21. The allegations set forth in Paragraph 21 of the Complaint are admitted.

22. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 22 of the Complaint.

23. The School Defendants admit that the Plaintiffs proposed a rent increase at the time and in the amounts described in Paragraph 23 of the Complaint and that they

offered residents a lease as described. The School Defendants state that the remainder of Paragraph 23 sets forth legal conclusions to which no response is required.

24. The School Defendants admit that the Stipulation and Request for Instructions that is Exhibit E of the Complaint was entered into and that the Court Order that is Exhibit F was obtained. The School Defendants state that Exhibit E and Exhibit F speak for themselves, and that the remainder of Paragraph 24 sets forth legal conclusions to which no response is required

25. The School Defendants admit that the Plaintiffs have informed them that thirty-three Little Neck residents have signed leases as set forth in Paragraph 25 of the Complaint.

26. The School Defendants admit that some Little Neck residents have not signed the proposed lease, and that the civil action identified in Paragraph 26 is pending. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the remaining allegations of Paragraph 26 of the Complaint.

27. The School Defendants admit that a stipulation as referenced in Paragraph 27 was filed in the Superior Court Action. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the remaining of Paragraph 27 of the Complaint.

28. The School Defendants admit that the Ipswich Public Schools have not received a distribution from the Plaintiffs during the last three years. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the remaining allegations of Paragraph 28 of the Complaint.

29. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 29 of the Complaint.

30. The School Defendants admit that the Plaintiffs have discussed with them the possibility, subject to Court approval, of selling all or a portion of Little Neck through various means of sale. The School Defendants state that the remainder of Paragraph 30 sets forth legal conclusions to which no response is required.

31. The School Defendants deny that they have a present position as to whether a sale would be appropriate.

32. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 32 of the Complaint.

33. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 33 of the Complaint.

34. The School Defendants state that Paragraph 34 sets forth legal conclusions to which no response is required.

35. The School Defendants state that Paragraph 35 sets forth legal conclusions to which no response is required.

36. The School Defendants state that Paragraph 36 sets forth legal conclusions to which no response is required.

37. The School Defendants state that Paragraph 37 sets forth legal conclusions to which no response is required.

38. The School Defendants state that Paragraph 38 sets forth legal conclusions to which no response is required.

39. The School Defendants state that Paragraph 39 sets forth legal conclusions to which no response is required.

40. The School Defendants state that Paragraph 40 sets forth legal conclusions to which no response is required.

41. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 41 of the Complaint.

42. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 42 of the Complaint.

43. The School Defendants state that Paragraph 43 sets forth legal conclusions to which no response is required.

44. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 44 of the Complaint.

45. The School Defendants are without information or knowledge sufficient to form a belief as to the accuracy of the allegations set forth in Paragraph 45 of the Complaint.

FURTHER ANSWER

The Defendants IPSWICH SCHOOL COMMITTEE and RICHARD KORB, Ipswich Superintendent of Schools, further answer as follows:

1. The Plaintiff's First Amended Complaint does not set forth a specific sale proposal.
2. The School Defendants have not been presented with a specific sale proposal.
3. In the absence of a specific sale proposal acceptable to the School Defendants as the institutional beneficiary, the Plaintiffs have not satisfied conditions precedent to receipt of the relief requested in their Complaint and have not stated a claim upon which relief can be granted.

REQUESTED DISPOSITION OF PLAINTIFFS' REQUESTS FOR RELIEF

WHEREFORE, the Defendants IPSWICH SCHOOL COMMITTEE and RICHARD KORB, Ipswich Superintendent of Schools, respectfully request that the Court:

1. Dismiss the Plaintiffs' First Amended Complaint, which does not include a specific sale proposal acceptable to the School Defendants as the institutional beneficiary, with prejudice.
2. Grant the School Defendants their costs and such other and further relief as the Court may deem just and proper.

COUNTERCLAIM

1. This Counterclaim is brought against the Plaintiff Feoffees pursuant to the Court's jurisdiction under G.L. c. 215, §6 and G.L. c. 203, §12 over matters of equity with respect to charitable property and funds.

2. The Defendants Ipswich School Committee and Ipswich Superintendent of Schools (the "School Defendants"), as Counterclaimants, seek an order modernizing the governance and administrative structure for carrying out the Trust that was created by William Paine to benefit the Ipswich Public Schools and that is referenced in the Plaintiffs' Complaint.

3. As referenced in the Plaintiffs' First Amended Complaint, the Trust is presently governed by seven Feoffees, four of whom were appointed privately by their predecessors (herein, the "Privately-appointed Feoffees") and three of whom serve by virtue of being members of the Ipswich Board of Selectmen (herein, the "Selectmen Feoffees").

4. Under the existing governance structure for the Trust, the four Privately-appointed Feoffees serve unlimited terms and select and appoint their successors privately. There are no bylaws and no other comprehensive governance documents or rules.

5. The School Defendants submit that due to evolved circumstances over the years and the Privately-appointed Feoffees' failure to fulfill reasonable expectations, a comprehensive revised governance and administrative structure is in the best interest of the charitable purpose of the Trust.

6. The current governance and administrative structure of the Trust is inadequate and there is good cause to revise it.

7. For many years, the rents charged by the Feoffees to Little Neck residents have been less than fair market levels, resulting in distributions in support of the Ipswich Public Schools that were less than fair market rents would have provided.

8. In recent years, disputes with Little Neck residents regarding rents and charges and with contractors involved with the installation of a sewer system have resulted in a total absence of distributions in support of the Ipswich Public Schools.

9. The Privately-appointed Feoffees have conducted Trust business, both directly and through a Limited Liability Company (LLC), in private, without transparency and public accountability.

10. The Privately-appointed Feoffees have failed to make all necessary and appropriate governmental filings in a timely manner.

11. A modernized Trust governance and administrative structure has been the subject of several years of careful consideration, analysis, and review by the School Defendants, by other Town of Ipswich governmental bodies, and by Ipswich residents. The Trust governance and administrative structure has been the subject of numerous public meetings and public hearings of the School Committee and its subcommittees, the Ipswich Board of Selectmen, the Ipswich Finance Committee, joint Tri-Board meetings of these three governmental bodies, a Town Committee on the Feoffees, and the two most recent sessions of the Ipswich Town Meeting. The Trust governance and administrative structure has been the subject of numerous meetings and discussions with the Privately-appointed Feoffees and counsel for the Feoffees.

12. The governance and administrative structure proposed by the School Defendants is summarized in Exhibit A of this Counterclaim, and a proposed Order of this Court to implement this governance and administrative structure is set forth in Exhibit B of this Counterclaim. Under the proposed Trust governance and administrative structure:

- a. eligibility criteria for service as a Feoffee are specified;
- b. effective upon the effective date of the Trust Administration Order, all seven Feoffees are to be persons appointed for three year terms by governmental bodies of the Town of Ipswich: two by the School Committee; two by the Board of Selectmen; two by the Finance Committee; and one by the Town Meeting.
- c. powers, responsibilities and requirements with respect to the Little Neck property that is the subject of the Trust are set forth;
- d. powers, responsibilities and requirements with respect to funds of the Trust are set forth; and
- e. other governance and administrative standards and procedures are set forth.

13. The School Defendants submit that the proposed Trust governance and administrative structure would provide necessary and appropriate clarification and guidance for carrying out the charitable purpose of the Trust. In addition to the Ipswich School Committee and the Ipswich Superintendent of Schools, the proposed governance and administrative structure is supported by the Ipswich Board of Selectmen (including those serving as Selectmen Feoffees), the Ipswich Finance Committee, representatives of the Town Committee on the Feoffees, and votes at the two most recent Ipswich Town Meetings.

REQUESTED RELIEF WITH RESPECT TO DEFENDANTS' COUNTERCLAIM

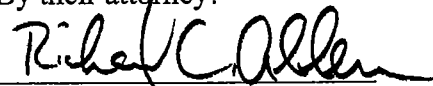
WHEREFORE, the Defendants IPSWICH SCHOOL COMMITTEE and
RICHARD KORB respectfully request that the Court:

1. Pursuant to the Court's equitable powers with respect to estates, charitable trusts, and charitable funds, approve and order for the Trust created by William Paine with respect to the land known as Little Neck to benefit the Ipswich Public Schools the revised governance and administrative structure, including replacement of the existing Feoffees with Feoffees appointed by Ipswich governmental bodies, that is summarized in Exhibit A of this Counterclaim and set forth in the proposed Trust Administration Order attached as Exhibit B of this Counterclaim;
2. Order full distribution to the Ipswich Public Schools from the funds of the Trust of all short-falls resulting from the Feoffees' failure to provide distributions to the Ipswich Public Schools commensurate with fair market rents;
3. Grant the School Defendants their attorneys fees and costs; and
4. Grant such other relief as the Court deems just and proper.

Respectfully submitted,

IPSWICH SCHOOL COMMITTEE AND
RICHARD KORB, SUPERINTENDENT

By their attorney:



Richard C. Allen, BBO # 015720
Casner & Edwards, LLP

303 Congress Street
Boston, MA 02110
Phone: 617-426-5900 x 339
Fax: 617-426-8810

Dated: December 30, 2009

CERTIFICATE OF SERVICE

I hereby certify that I have caused a copy of the foregoing Answer and Counterclaim to be served by first class mail upon counsel for the Plaintiffs and upon the Attorney General.

A handwritten signature in black ink, appearing to read "Richard C. Allen", written over a horizontal line.

Richard C. Allen

7428.0/475605.1

EXHIBIT A

Summary of revised Trust governance and administrative structure in proposed Trust Administration Order (the “Court Order”)

- 1) Name: Feoffees of the Grammar School in the Town of Ipswich Trust
- 2) Beneficiary: the Ipswich public schools
- 3) Trust purpose: in furtherance of the bequest in 1660 by William Paine who established this Trust “to be and remain to the benefit of the free school of Ipswich forever,” the Trust purpose is to support the Ipswich public schools by, at least annually, making distributions of the Trust’s net income and appreciation, after reasonable expenses and operational reserves, to the Ipswich public schools. The educational uses of the distributed funds shall be determined by the Ipswich School Committee, with preference when feasible for supplemental enrichment programs and uses that provide education enhancement for Ipswich public school students.
- 4) Trust governance
 - a) Eligibility to serve as a Feoffee
 - To be eligible to be appointed as a Feoffee or to continue to serve as a Feoffee, a person’s primary residence shall be in Ipswich.
 - No person may be a Feoffee while serving as a member of the School Committee, Board of Selectmen or the Town Finance Committee or as Town Manager or Superintendent of Schools.
 - no person may be appointed as a Feoffee or continue to serve as a Feoffee who is a resident or home owner on Little Neck if his or her lot is rented from the Trust, nor may a person (referred to here as the “individual”) be appointed as a Feoffee or continue to serve as a Feoffee if one of the following is a resident or home owner on Little Neck and his or her lot is rented from the Trust:
 1. the individual’s spouse;
 2. a parent of the individual or of the individual’s spouse;
 3. a child of the individual and/or of the individual’s spouse;
 4. a sibling of the individual or of the individual’s spouse.

- In the appointment of Feoffees, the appointing bodies shall appoint persons possess the qualities of integrity and sound judgment and who acknowledge at the time of appointment the Feoffees' fiduciary duties and obligations of trusteeship and the purpose of the Trust to benefit the Ipswich public schools. Persons will be appointed who also possess expertise and skills that will enable the Feoffees collectively to carry out their responsibilities.
 - No person may be appointed as a Feoffee or continue to serve as a Feoffee who has been convicted of a crime involving dishonesty, false statement, theft, fraud, or moral turpitude.
- b) Number and appointment of Feoffees
- 7 Feoffees
 - Appointments
 - 2 appointed by School Committee
 - 2 appointed by Board of Selectmen
 - 2 appointed by Finance Committee
 - 1 appointed by Town Meeting
 - Nothing herein shall prevent a person presently serving as a Private Feoffee (a Feoffee not appointed by a public body) from being appointed as a Feoffee by a public body so long as all eligibility requirements herein are met.
- c) Term of service
- staggered three-year terms (with appropriate staggering of shorter initial terms)
 - no limit as to number of terms served
 - suspension or removal
 - Feoffee appointed by School Committee, Board of Selectmen or Finance Committee may be suspended or removed by appointing authority for cause, provided that such Feoffee is given at least seven days written notice of the proposed suspension or removal and the reasons therefor, and an opportunity to be heard at the meeting, and that notice of the proposed suspension or removal is given in the notice of meeting

- Feoffee appointed by Town meeting may be suspended or removed for cause by a Town meeting or by a two-thirds vote of both the School Committee and the Board of Selectmen (i.e., a two-thirds vote by each body), subject to the same notice and hearing procedure as above
 - “cause” defined as: (i) breach of fiduciary duty; or (ii) failure to carry out his or her duties with reasonable judgment, skill, care or prudence.
 - in the case of a Feoffee vacancy, the appointing authority may appoint a Feoffee to fill the remainder of the term
 - d) Serve without compensation, but reasonable and necessary trust-related expenses paid, such trust-paid expenses to be reported in writing at least quarterly and in detail to the School Committee, the Board of Selectmen and the Finance Committee
 - e) Shall be subject to a conflict of interest policy, approved by the School Committee, that is compliant with the State Public Ethics Statute and good governance standards for governmental bodies and public charities
 - f) Shall meet at least quarterly.
 - g) The Feoffees meeting quorum is a majority of the Feoffees in office (vacancies to be included in the denominator), and, unless otherwise provided herein or required by law, a majority vote of those present is required for action.
 - h) The Feoffees may elect officers from among their number, establish such officers’ responsibilities, and establish committees of Feoffees.
- 5) Responsibilities and powers with respect to sale, rental, and management of real property in addition to those conferred upon trustees by law
- a) lease, rent, improve and manage the Trust real estate (sale, if any, shall be subject to School Committee approval and a Court order separate from this Trust Administration Order).
 - b) establish and collect rents and fees
 - c) establish and enforce regulations, including through eviction, with respect to residency on and use of Trust property
 - d) pay all proper charges and expenses

- e) upon approval by the School Committee, borrow funds and mortgage the real estate and the rent income stream therefrom to the extent necessary for the prudent operation and maintenance of the Trust property
 - f) hire or employ property managers and other agents, and pay reasonable compensation for the services of such persons (maximum term of 3 years, with termination available to the Feoffees for cause; Feoffees may provide that terms are renewable at the Feoffees' discretion)
- 6) Responsibilities and powers with respect to the funds of the Trust, in addition to those conferred upon trustees by law:
- a) Hold title to and manage the funds of the Trust, with the net proceeds of the sale of Little Neck lots if any to establish a permanent endowment. The amount of said net sale proceeds, after payment, in an amount approved by the School Committee, of debts owed by the Feoffees at the time of this Order or owed at the time of the sale of a lot or lots, and a reasonable expenses and operational reserve agreed to by the School Committee, shall constitute the initial principal or "historic dollar value" of said endowment. The following shall not be distributed: (i) the initial principal; and (ii) the accumulation that is added to principal pursuant to Paragraph (b), below.
 - b) Pursuant to the Trust purpose, make distributions of net investment income and appreciation and net rental income to the School Committee to benefit the public schools, after reasonable expenses and operational reserves and the accumulation described in the following sentence. Prior to distribution, the following amount of income and appreciation shall be accumulated and added to principal, not to be distributed: the smaller of (i) the amount needed to maintain the inflation-adjusted value of the endowment over time; or (ii) 20% of net investment and rental income and investment appreciation. As provided in Part 3 above, the educational uses of the distributed funds shall be determined by the Ipswich School Committee, with preference when feasible for supplemental enrichment programs and uses that provide education enhancement for Ipswich public school students.
 - c) Hire or employ qualified investment managers and, if appropriate, advisors and other investment professionals, attorneys, or other agents, subject to the approval of the School Committee, and pay reasonable compensation for the services of such persons.

- d) Establish and periodically review and update the Trust's Investment Policy, with the goal of maintaining an appropriate balance of security and growth of principal and consistent and beneficial annual distributions to benefit the public schools. The Investment Policy and any amendments shall be communicated to the School Committee, the Board of Selectmen, and the Finance Committee.
- e) Hold, through third party fund custodians independent of Feoffees and of investment advisors, and invest Trust assets in accordance with and furtherance of the Trust's Investment Policy and in accordance with and subject to the standards set forth in the prudent investor rule set forth in M.G.L. c. 203C, the Massachusetts Prudent Investor Act, and any successor statute and M.G.L. c. 180A, the Massachusetts Uniform Management of Institutional Funds Act, and any successor statute (except that the historic dollar value of the Trust endowment shall not be distributed).
- f) If funds are placed in banking institutions, follow good stewardship practices as to coverage by depositor insurance and the rate of interest income generated. Funds placed in banking institutions may be placed in banks located outside Ipswich.
- g) Arrange for investment performance reports at least quarterly to ascertain current and long-term levels of achievement relative to stated goals, with a copy to be provided to the School Committee, Board of Selectmen, and Finance Committee.
- h) Monitor the Trust's overall compliance with the Investment Policy, as well as the performance and diversification of its invested assets.
- i) Develop, in conjunction with advisors, appropriate market performance benchmarks against which the Trust's return will be measured.
- j) Monitor the performance of investments, managers and advisors to assure that the Trust's investment objectives are being met.
- k) Periodically review and, if appropriate, rebalance the strategic asset allocation of the Trust and make tactical allocation decisions based on the Trust's Investment Policy and information and advice provided by investment advisers and consultants.
- l) Accept charitable gifts for the benefit of the Trust, to be added to principal unless the donor specifies otherwise

- m) Pay all proper charges and expenses, and maintain an operational reserve for this purpose
- n) Ensure the Trust's compliance with legal and regulatory requirements and donor restrictions related to the investment of the Trust's funds.
- o) Pursue, defend and settle all claims and demands relating to the Trust or Trust property, subject to the advice and consent of the School Committee and the Board of Selectmen (if the School Committee or Board of Selectmen are sued with respect to a matter relating to the Trust or the Trust property, the sued body will notify the other body)
- p) Use the same fiscal year as the Town.
- q) Unless the Trust and any affiliated entities are included in the annual Town audit, with payment by the Trust of its proportionate share of the cost, the Feoffees shall cause the finances of the Trust and affiliated entities to be audited, said audit to be completed within four months of the close of the fiscal year. The Feoffees shall file the annual financial statement of the Trust and affiliated entities with the Town for inclusion in the Town annual report.
- r) Maintain regular and open communication with the School Committee, provide periodic reports, and reply within one month to all requests by the School Committee for information concerning the Trust and affiliated entities.
- s) Periodically, based on the expected annual portfolio returns, past distribution levels, and other appropriate factors, and subject to the approval of the School Committee, set the following: (i) the accumulation amount or percentage to be added to principal; (ii) the overall draw on the endowment of funds for expenditure and distribution; and (iii) the measurement date on which to base the calculation of distributions to be made pursuant to Paragraph (u), below (the "Measurement Date").
- t) Report to the School Committee by October 1 each year (or such other date agreed by the School Committee) the amount that the Feoffees reasonably anticipate that they will distribute to the public schools in the forthcoming distribution, and shall, immediately report any adjustment in this amount that may have resulted from the completion of the annual audited financial statement. The Feoffees will also report any additional adjustments that may result from the audit of Town accounts made at a later date as part of the regular Town audit.

- u) At least annually, and no later than the first day of the public schools' fiscal year, distribute to the School Committee all available income and appreciation determined as of the Measurement Date pursuant to Paragraph (s), above, after accumulation, expenses and reserves. The annual distribution shall be reported at a public meeting called for that purpose and for the purpose of providing the public and the School Committee with additional information pertaining to the Trust and its management in the previous year and to answer inquiries.
- v) At least annually, report on the activities and financial status of the Trust and affiliated entities in a meeting of the School Committee, with any participation in such meeting by the Board of Selectmen and Finance Committee subject to separate arrangement among the bodies.
- w) Trust property shall be held in the name of the Trust, and agreements, obligations, instruments, papers and actions on behalf of the Trust may be made, incurred, executed, signed, or taken in the name of the Trust.
- x) No Feoffee appointed pursuant to the terms of this Order shall be personally liable: (i) for any obligation or liability incurred by the Trust; (ii) for the acts or omissions of another Feoffee; or (iii) otherwise by reason of serving or having served as a Feoffee. Exceptions: (a) breach of duty of loyalty to the Trust; (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; and (c) a transaction from which the Feoffee derived an improper personal benefit. Each Feoffee appointed pursuant to the terms of this Order shall be entitled to indemnification and reimbursement out of the Trust assets to the extent permitted by law. Each Feoffee appointed pursuant to the terms of this Order, both individually and as a Feoffee, shall be defended, indemnified and held harmless in the pending litigation with the residents of Little Neck.
- y) Such other powers, consistent with the requirements of the Trust, necessary to carry out the purposes of the Trust.
- z) Minor, technical adjustments of Paragraphs (c) through (x), above, may be made upon approval of a two-thirds majority of the School Committee members in office (e.g., 5 members of a 7-member School Committee).

7) Rental of property on Little Neck

- a) pursuant to the Feoffees' fiduciary duties as trustees of this Trust to benefit the Ipswich public schools, the Feoffees shall charge and collect rents, for residence on or other use of the Trust property, at a level that is designed to maximize the financial benefit to the public

schools. To the extent possible, the amount of income provided to the Ipswich public schools each year shall at a minimum represent a reasonable return on the market value of the Trust's assets; if the income provided to the public schools is lower than the amount that would be such a reasonable return, the Feoffees shall report the reasons for this differential to the School Committee.

- b) in calculating the rent levels necessary to satisfy the standard set forth in (a), above, all costs of operation of the Trust shall be taken into account, including the following costs, to the extent that they provide benefit to the residents and are appropriately includable in determining the rent: (i) the cost of extra services provided by or for the Feoffees at or in connection with Little Neck (such as police details, etc.); (ii) the cost of providing and maintaining common or unoccupied land or structures; (iii) the cost of providing and maintaining other amenities; (iv) taxes on all the land, including the common or unoccupied land and all improvements; and (v) taxes on residential structures whether or not paid separately by the homeowners or residents. The Feoffees shall take reasonable steps on an ongoing basis to monitor property tax assessments and property taxes levied with respect to Little Neck occupied property, unoccupied property, and common land, to evaluate whether adjustments should be sought, to respond to resident request with respect to property tax matters, and to seek property tax adjustments where determined to be appropriate.
- c) consideration shall be given to establishing rents that vary lot by lot, depending on size, location, view, and other factors affecting rental value, including year-round versus seasonal rental. However, no more than twenty-four lots, the number presently eligible for year-round rental, shall be rented on a year-round basis.
- d) Feoffees are authorized to enter into written rental agreements for periods of years, the substantive content of which has been approved by the School Committee.
- e) Feoffees are authorized to engage expert assistance in establishing rent levels, length of rentals, and other rental terms and practices.
- f) additional Feoffee powers are enumerated in Parts 5 and 6, above.

8) Other applicable requirements

- a) The Trust shall be a municipal trust.
- b) The Trust shall be subject to the standards and requirements set forth in the open meeting law and subsequent amendments.

- c) The Trust shall be subject to the standards and requirements set forth in the public records law and subsequent amendments.
- d) The Trust shall be subject to the standards and requirements set forth in the public bidding law and subsequent amendments.
- e) The Trust shall be subject to the standards and requirements set forth in the public ethics (i.e., conflict of interest) law and subsequent amendments.

7428.0/475678.1

COMMONWEALTH OF MASSACHUSETTS

ESSEX, SS.

PROBATE & FAMILY COURT
NO. ES09E0094QC

ALEXANDER B.C. MULHOLLAND, JR,
ET ALS., as they are THE FEOFFEEES
OF THE GRAMMAR SCHOOL IN THE
TOWN OF IPSWICH

Plaintiffs,

v.

ATTORNEY GENERAL of the
Commonwealth of Massachusetts;
IPSWICH SCHOOL COMMITTEE;
and RICHARD KORB, as he is
Superintendent of Schools in the
Town of Ipswich

Defendants

TRUST ADMINISTRATION ORDER

Pursuant to the Court's equitable powers with respect to estates, charitable trusts, and trustees, the Court hereby approves and orders the following revision and amplification of the governance structure and administrative requirements applicable to the Trust created by William Paine respect to the land known as Little Neck:

1. The formal name for the Trust shall be Feoffees of the Grammar School in the Town of Ipswich Trust.
2. The beneficiary of the Trust shall be the Ipswich public schools.
3. In furtherance of the bequest in 1660 by William Paine who established this Trust "to be and remain to the benefit of the said school of Ipswich forever," the Trust purpose is to support the Ipswich public schools by, at least annually, making distributions of the Trust's net income, after reasonable expenses and operational reserves, to the Ipswich Public Schools. The

educational uses of the distributed funds shall be determined by the Ipswich School Committee, with preference when feasible for supplemental enrichment programs and uses that provide education enhancement for Ipswich public school students.

4. Trust governance

a. Eligibility to serve as a Feoffee

- i. To be eligible to be appointed as a Feoffee or to continue to serve as a Feoffee, a person's primary residence shall be in Ipswich.
- ii. No person may be a Feoffee while serving as a member of the School Committee, Board of Selectmen or the Town Finance Committee or as Town Manager or Superintendent of Schools.
- iii. No person may be appointed as a Feoffee or continue to serve as a Feoffee who is a resident or home owner on Little Neck if his or her lot is rented from the Trust, nor may a person (referred to here as the "individual") be appointed as a Feoffee or continue to serve as a Feoffee if one of the following is a resident or home owner on Little Neck and his or her lot is rented from the Trust:
 - a. the individual's spouse;
 - b. a parent of the individual or of the individual's spouse;
 - c. a child of the individual and/or of the individual's spouse;
 - d. a sibling of the individual or of the individual's spouse.
- iv. In the appointment of Feoffees, the appointing Authorities (defined below) shall appoint persons who possess the qualities of integrity and sound judgment and who acknowledge at the time of appointment the Feoffees' fiduciary duties and obligations of trusteeship and the purpose of the Trust to benefit the Ipswich public schools. Persons shall be appointed who also possess expertise and skills that will enable the Feoffees collectively to carry out their responsibilities.
- v. No person may be appointed as a Feoffee or continue to serve as a Feoffee who has been convicted of a crime involving dishonesty, false statement, theft, fraud, or moral turpitude.

b. Number and appointment of Feoffees

- i. The Trust shall be administered by a body of Feoffees as follows: (i) two Feoffees appointed by the Ipswich School Committee; (ii) two Feoffees appointed by the Ipswich Board of Selectmen; (iii) two Feoffees appointed by the Ipswich Town Finance Committee; and (iv) one Feoffee appointed by the Ipswich Town Meeting (The School Committee, the Board of Selectmen, the Finance Committee, and the Town Meeting are each referred to below as an "Appointing Authority.")
- ii. Nothing herein shall prevent a person presently serving as a Private Feoffee (a Feoffee not appointed by a public body) from being appointed as a Feoffee by a public Appointing Authority so long as all eligibility requirements herein are met.

c. Term of service

- i. The term of office for each Feoffee shall be three years, except that to implement staggered terms, the initial term pursuant to this Order shall be two years for one Feoffee appointed by the School Committee, one Feoffee appointed by the Board of Selectmen, and one Feoffee appointed by the Finance Committee. A Feoffee shall hold office until his or her successor is duly appointed, or until he or she sooner resigns, is removed, becomes disqualified, or dies.
- ii. Feoffees may be reappointed, with no limit as to number of terms served.
- iii. Suspension or removal
 - a. A Feoffee appointed by School Committee, Board of Selectmen or Finance Committee may be suspended or removed by his or her Appointing Authority for cause, provided that such Feoffee is given at least seven days written notice of the proposed suspension or removal and the reasons therefor, and an opportunity to be heard at the meeting, and that notice of the proposed suspension or removal is given in the notice of meeting.
 - b. A Feoffee appointed by a Town Meeting may be suspended or removed for cause by a Town Meeting or by a two-thirds vote of both the School Committee and the Board of Selectmen (i.e., a two-thirds vote by each

body), subject to the same notice and hearing procedure as above.

- c. For purposes of suspension or removal, “cause” is defined as: (i) breach of fiduciary duty; or (ii) failure to carry out his or her duties with reasonable judgment, skill, care or prudence.
 - d. In the case of a Feoffee vacancy, the applicable Appointing Authority may appoint a Feoffee to fill the remainder of the term.
 - d. Feoffees shall serve without compensation, but reasonable and necessary trust-related expenses may be paid, such trust-paid expenses to be reported in writing at least quarterly and in detail to the School Committee, the Board of Selectmen and the Finance Committee.
 - e. The Feoffees shall be subject to a conflict of interest policy, approved by the School Committee, that is compliant with the State Public Ethics Statute and good governance standards for governmental bodies and public charities.
 - f. The Feoffees shall meet at least quarterly.
 - g. The Feoffees meeting quorum shall be a majority of the Feoffees in office (vacancies to be included in the denominator), and, unless otherwise provided herein or required by law, a majority vote of those present is required for action.
 - h. The Feoffees may elect officers from among their number, establish such officers’ responsibilities, and establish committees of Feoffees.
5. In addition to those responsibilities and powers conferred upon trustees by law, the Feoffees shall have the following responsibilities and powers with respect to the Little Neck property:
- a. Lease, rent, improve and manage the Trust real estate (sale, if any, shall be subject to School Committee approval and a Court order separate from this Trust Administration Order).
 - b. Establish and collect rents and fees.
 - c. Establish and enforce regulations, including through eviction, with respect to residency on and use of Trust property.
 - d. Pay all proper charges and expenses.

- e. Upon approval by the School Committee, borrow funds and mortgage the real estate and the rent income stream therefrom to the extent necessary for the prudent operation and maintenance of the Trust property.
 - f. Hire or employ property managers and other agents, and pay reasonable compensation for the services of such persons (maximum term of three years, with termination of the arrangement available to the Feoffees for cause; Feoffees may provide that terms are renewable at the Feoffees' discretion).
6. In addition to responsibilities and powers conferred upon trustees by law, the Feoffees shall have the following responsibilities and powers with respect to the funds of the Trust:
- a. Hold title to and manage the funds of the Trust, with the net proceeds of the sale of Little Neck lots if any to establish a permanent endowment. The amount of said net sale proceeds, after payment, in an amount approved by the School Committee, of debts owed by the Feoffees at the time of this Order or owed at the time of the sale of a lot or lots, and a reasonable expenses and operational reserve agreed to by the School Committee, shall constitute the initial principal or "historic dollar value" of said endowment. The following shall not be distributed: (i) the initial principal; and (ii) the accumulation that is added to principal pursuant to Paragraph (b), below.
 - b. Pursuant to the Trust purpose, make distributions of net investment income and appreciation and net rental income to the School Committee to benefit the public schools, after reasonable expenses and operational reserves and the accumulation described in the following sentence. Prior to distribution, the following amount of income and appreciation shall be accumulated and added to principal, not to be distributed: the smaller of (i) the amount needed to maintain the inflation-adjusted value of the endowment over time; or (ii) 20% of net investment and rental income and investment appreciation. As provided in Part 3 above, the educational uses of the distributed funds shall be determined by the Ipswich School Committee, with preference when feasible for supplemental enrichment programs and uses that provide education enhancement for Ipswich public school students.
 - c. Hire or employ qualified investment managers and, if appropriate, advisors and other investment professionals, attorneys, or other agents, subject to the approval of the School Committee, and pay reasonable compensation for the services of such persons.

- d. Establish and periodically review and update the Trust's Investment Policy, with the goal of maintaining an appropriate balance of security and growth of principal and consistent and beneficial annual distributions to benefit the public schools. The Investment Policy and any amendments shall be communicated to the School Committee, the Board of Selectmen, and the Finance Committee.
- e. Hold, through third party fund custodians independent of Feoffees and of investment advisors, and invest Trust assets in accordance with and furtherance of the Trust's Investment Policy and in accordance with and subject to the standards set forth in the prudent investor rule set forth in M.G.L. c. 203C, the Massachusetts Prudent Investor Act, and any successor statute and M.G.L. c. 180A, the Massachusetts Uniform Management of Institutional Funds Act, and any successor statute (except that the historic dollar value of the Trust endowment shall not be distributed).
- f. If funds are placed in banking institutions, follow good stewardship practices as to coverage by depositor insurance and the rate of interest income generated. Funds placed in banking institutions may be placed in banks located outside Ipswich.
- g. Arrange for investment performance reports at least quarterly to ascertain current and long-term levels of achievement relative to stated goals, with a copy to be provided to the School Committee, Board of Selectmen, and Finance Committee.
- h. Monitor the Trust's overall compliance with the Investment Policy, as well as the performance and diversification of its invested assets.
- i. Develop, in conjunction with advisors, appropriate market performance benchmarks against which the Trust's return will be measured.
- j. Monitor the performance of investments, managers and advisors to assure that the Trust's investment objectives are being met.
- k. Periodically review and, if appropriate, rebalance the strategic asset allocation of the Trust and make tactical allocation decisions based on the Trust's Investment Policy and information and advice provided by investment advisers and consultants.
- l. Accept charitable gifts for the benefit of the Trust, to be added to principal unless the donor specifies otherwise

- m. Pay all proper charges and expenses, and maintain an operational reserve for this purpose
- n. Ensure the Trust's compliance with legal and regulatory requirements and donor restrictions related to the investment of the Trust's funds.
- o. Pursue, defend and settle all claims and demands relating to the Trust or Trust property, subject to the advice and consent of the School Committee and the Board of Selectmen (if the School Committee or Board of Selectmen are sued with respect to a matter relating to the Trust or the Trust property, the sued body will notify the other body).
- p. Use the same fiscal year as the Town.
- q. Unless the Trust and any affiliated entities are included in the annual Town audit, with payment by the Trust of its proportionate share of the cost, the Feoffees shall cause the finances of the Trust and affiliated entities to be audited, said audit to be completed within four months of the close of the fiscal year. The Feoffees shall file the annual financial statement of the Trust and affiliated entities with the Town for inclusion in the Town annual report.
- r. Maintain regular and open communication with the School Committee, provide periodic reports, and reply within one month to all requests by the School Committee for information concerning the Trust and affiliated entities.
- s. Periodically, based on the expected annual portfolio returns, past distribution levels, and other appropriate factors, and subject to the approval of the School Committee, set the following: (i) the accumulation amount or percentage to be added to principal; (ii) the overall draw on the endowment of funds for expenditure and distribution; and (iii) the measurement date on which to base the calculation of distributions to be made pursuant to Paragraph (u), below (the "Measurement Date").
- t. Report to the School Committee by October 1 each year (or such other date agreed by the School Committee) the amount that the Feoffees reasonably anticipate that they will distribute to the public schools in the forthcoming distribution, and shall, immediately report any adjustment in this amount that may have resulted from the completion of the annual audited financial statement. The Feoffees will also report any additional adjustments that may result from the audit of Town accounts made at a later date as part of the regular Town audit.

- u. At least annually, and no later than the first day of the public schools' fiscal year, distribute to the School Committee all available income and appreciation determined as of the Measurement Date pursuant to Paragraph (s), above, after accumulation, expenses and reserves. The annual distribution shall be reported at a public meeting called for that purpose and for the purpose of providing the public and the School Committee with additional information pertaining to the Trust and its management in the previous year and to answer inquiries.
 - v. At least annually, report on the activities and financial status of the Trust and affiliated entities in a meeting of the School Committee, with any participation in such meeting by the Board of Selectmen and Finance Committee subject to separate arrangement among the bodies.
 - w. Trust property shall be held in the name of the Trust, and agreements, obligations, instruments, papers and actions on behalf of the Trust may be made, incurred, executed, signed, or taken in the name of the Trust.
 - x. No Feoffee appointed pursuant to the terms of this Order shall be personally liable: (i) for any obligation or liability incurred by the Trust; (ii) for the acts or omissions of another Feoffee; or (iii) otherwise by reason of serving or having served as a Feoffee. Exceptions: (a) breach of duty of loyalty to the Trust; (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; and (c) a transaction from which the Feoffee derived an improper personal benefit. Each Feoffee appointed pursuant to the terms of this Order shall be entitled to indemnification and reimbursement out of the Trust assets to the extent permitted by law. Each Feoffee appointed pursuant to the terms of this Order, both individually and as a Feoffee, shall be defended, indemnified and held harmless in the pending litigation with the residents of Little Neck.
 - y. Such other powers, consistent with the requirements of the Trust, necessary to carry out the purposes of the Trust.
 - z. Minor, technical adjustments of Paragraphs (c) through (x), above, may be made upon approval of a two-thirds majority of the School Committee members in office (e.g., 5 members of a 7-member School Committee).
7. In addition to responsibilities and powers conferred upon trustees by law, the Feoffees shall have the following responsibilities and powers with respect to rental of residential lots on Little Neck:
- a. Pursuant to the Feoffees' fiduciary duties as trustees of this Trust to benefit the Ipswich public schools, the Feoffees shall charge and

collect rents, for residence on or other use of the Trust property, at a level that is designed to maximize the financial benefit to the public schools. To the extent possible, the amount of income provided to the Ipswich public schools each year shall at a minimum represent a reasonable return on the market value of the Trust's assets; if the income provided to the public schools is lower than the amount that would be such a reasonable return, the Feoffees shall report the reasons for this differential to the School Committee.

- b. In calculating the rent levels necessary to satisfy the standard set forth in (a), above, all costs of operation of the Trust shall be taken into account, including the following costs, to the extent that they provide benefit to the residents and are appropriately includable in determining the rent: (i) the cost of extra services provided by or for the Feoffees at or in connection with Little Neck (such as police details, etc.); (ii) the cost of providing and maintaining common or unoccupied land or structures; (iii) the cost of providing and maintaining other amenities; (iv) taxes on all the land, including the common or unoccupied land and all improvements; and (v) taxes on residential structures whether or not paid separately by the homeowners or residents. The Feoffees shall take reasonable steps on an ongoing basis to monitor property tax assessments and property taxes levied with respect to Little Neck occupied property, unoccupied property, and common land, to evaluate whether adjustments should be sought, to respond to resident request with respect to property tax matters, and to seek property tax adjustments where determined to be appropriate.
 - c. Consideration shall be given to establishing rents that vary lot by lot, depending on size, location, view, and other factors affecting rental value, including year-round versus seasonal rental. However, no more than twenty-four lots, the number presently eligible for year-round rental, shall be rented on a year-round basis.
 - d. Feoffees are authorized to enter into written rental agreements for periods of years, the substantive content of which has been approved by the School Committee.
 - e. Feoffees are authorized to engage expert assistance in establishing rent levels, length of rentals, and other rental terms and practices.
 - f. Additional Feoffee powers are enumerated in Parts 5 and 6, above.
8. Other applicable requirements
- a. The Trust shall be a municipal trust.

- b. The Trust shall be subject to the standards and requirements set forth in the open meeting law and subsequent amendments.
- c. The Trust shall be subject to the standards and requirements set forth in the public records law and subsequent amendments.
- d. The Trust shall be subject to the standards and requirements set forth in the public bidding law and subsequent amendments.
- e. The Trust shall be subject to the standards and requirements set forth in the public ethics (i.e., conflict of interest) law and subsequent amendments.

Justice of the Probate and Family Court
Department of the Trial Court

_____, 2010
7428.0/475679.1

Karb x 5

History of Letters
Contributions

~~Ec4 Money~~
~~2009-2010~~
~~Day~~ ~~PMF~~
~~WIN~~ ~~DHS~~



The Town of Ipswich

Municipal Website



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ISC 002413

Most Recent Feoffees Trust June 02, 2006
The Feoffees' Contributions to the Schools
Town Committee on the Feoffees - Research Findings

Ipswich Town Hall, 25 Green Street, Ipswich, MA 01938 | 978-356-6600 | 978-356-6616
Mon 8:00am-7:00pm, Tue-Thu 8:00am-4:00pm, Fri 8:00am-12:00pm

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ISC 002414

THE FEOFFEEES' CONTRIBUTIONS TO THE SCHOOLS 1976 -

as reported by the Feoffees in the Annual Town Report

1976	\$7,500
1977	7,500
1978	0 (i.e. no "gift" reported)
1979	7,500
1980	7,500
1981	2,500
1982	0
1983	0
1984	0
1985	2,500
1986	No Feoffees' report
1987	0
1988	0
1989	0
1990	0
1991	0
1992	0
1993	4,761
1994	0
1995	25,000
1996	50,000
1997	50,000
1998	173,000
1999	0
2000	25,000

as reported in the Feoffees' SFAS Financial Statements

2001	50,000
2002	282,970
2003	245,000

not yet formally reported

2004	305,545
2005	300,000
2006	573,000

Town Assessors' assessments of the Feoffees' property at Little Neck:

FY 1986	\$5,462,080
1996	13,354,500
2002	20,468,400
2004	31,278,800

IPSWICH PUBLIC SCHOOLS
Office of the Superintendent

History of Feoffees Contributions to the Schools

As Reported by the Feoffees in Ipswich's Annual Town Report

	1976	\$7,500
1970	\$ 7500.00 ✓	1977 \$7,500 ✓
1971	\$ 7500.00 ✓	1978 -0-
1972	\$ 7500.00 ✓	1979 \$7,500 ✓
1973	\$ 7500.00 ✓	1980 \$7,500 ✓
1974	\$ 7500.00 ✓	1981 \$2,500
1975	\$ 7500.00 ✓	1982 -0-
	1983 -0-	
	1984 -0-	
	1985 \$2,500	
	1986 -0-	
	1987 -0-	
	1988 -0-	
	1989 -0-	
	1990 -0-	
	1991 -0-	
	1992 -0-	
	1993 \$4,761 ✓	
	1994 -0-	
	1995 \$25,000	
	1996 \$50,000 ✓	
	1997 \$50,000 ^{7/8} 18,000.00 + ^{10/10} 30,000.00	
	1998 \$173,000	
	1999 \$25,000 ✓	
	2000 \$25,000 (check dated 1/4/00) ✓	
	2001 \$50,000 (check dated 12/12/00) ✓	
	2002 \$282,970 (check dated 1/15/02) ✓	
	2003 \$245,000 (check dated 1/28/03) ✓	
	2004 \$308,545 (check dated 1/27/04) ✓	
	2005 \$300,000 (check dated 2/10/05) ✓	
	2006 \$588,000 (\$450,000 2/28/06 and \$138,000 (6/22/06) ✓	

Given to R. Korb 6/23/06 by Don Greenough. 6/23/06
 Check to T. Cuti, Accts Payable 6/23/06

Security enhanced document. See back for details.

FEOFFEES GRAMMAR SCHOOL
 IPSWICH, MASSACHUSETTS

2989

53-471/113 01

PAY TO THE ORDER OF Ipswich Public School DATE 6-22-06

one hundred and thirty eight thousand \$ 138,000. ^{xx}/_{xx}

xx DOLLARS ^{xx}/_{xx}

The First National Bank of Ipswich
 Investing in relationships

FOR 05 balance

MP

⑈002989⑈ ⑆011304711⑆ 1090000112⑈

2/28/06 450,000

6/22/06 138,000

588,000

RECEIVED

JUN 23 2006

ISC 002417

Handed Check to J. Cutt 3/1/06


Security enhanced document. See back for details.

FEOFFES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2962

53-471/113
01

PAY TO THE ORDER OF Town of Ipswich Public Schools \$ 450,000. ^{XX}
Four hundred and fifty thousand ^{XX} DOLLARS ^{XX}

 The First National Bank of Ipswich
Investing in relationships

FOR Annual gift to school as Peter J. Kelly MP

⑈002962⑈ ⑆011304711⑆ 1090000112⑈

GUARDIAN & SAFETY © Charles American Bank

ISC 002418

-3-

FEOFFEEES OF THE GRAMMAR SCHOOL

Statement of Activities

For the Year Ended June 30, 2006

	<u>Undesignated</u>	<u>Board Designated</u>	<u>Total</u>
Support and Revenue:			
Rents	\$ 847,000	\$ -	\$ 847,000
Buildings, home and land collections	458,746	-	458,746
Interest income	<u>19,284</u>	<u>-</u>	<u>19,284</u>
Total support and revenue	<u>1,325,030</u>	<u>-</u>	<u>1,325,030</u>
Expenses:			
Gift to Town of Ipswich Public Schools	588,000	-	588,000
Real estate taxes	468,628	-	468,628
Management fees	46,442	-	46,442
Wastewater removal - May storm	42,676	-	42,676
Repairs and upkeep	28,410	-	28,410
Land appraisal	9,285	-	9,285
Insurance	8,519	-	8,519
Utilities	6,984	-	6,984
Police details	6,075	-	6,075
Dock removal and storage	3,975	-	3,975
Legal	3,673	-	3,673
Accounting	3,000	-	3,000
Office expense	1,923	-	1,923
State fees	750	-	750
Beach sampling	666	-	666
Meetings	<u>358</u>	<u>-</u>	<u>358</u>
Total expenses	<u>1,219,364</u>	<u>-</u>	<u>1,219,364</u>
Change in net assets	105,666	-	105,666
Net assets, beginning of year	<u>778,263</u>	<u>50,000</u>	<u>828,263</u>
Net assets, end of year	\$ <u>883,929</u>	\$ <u>50,000</u>	\$ <u>933,929</u>

Security enhanced document. See back for details.

FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2829

PAY
TO THE
ORDER OF

DATE 2/10/05

53-471/113
01

Ipswich Schools
Three Hundred-thousand and 00/100

\$300,000 00

DOLLARS

Security features
are included.
Details on back.



The First National Bank of Ipswich
Investing in relationships

FOR yr 03-04

Donald F. Wheaton

MP

⑈002829⑈ ⑆011304711⑆ 1090000112⑈

Check to Sail Zenn 2/10/05

ISC 002420

FEOFFEEES OF THE GRAMMAR SCHOOL

Statement of Activities - Cash Basis

For the Year Ended June 30, 2005

	<u>Undesignated</u>	<u>Board Designated</u>	<u>Total</u>
Support and Revenue:			
Buildings, home and land collections	\$ 461,448	\$ -	\$ 461,448
Rents	809,500	-	809,500
Assessments - DEP study	115,500	-	115,500
Interest income	<u>5,015</u>	<u>-</u>	<u>5,015</u>
Total support and revenue	<u>1,391,463</u>	<u>-</u>	<u>1,391,463</u>
Expenses:			
Real estate taxes	480,220	-	480,220
Gift to Town of Ipswich Public Schools	300,000	-	300,000
Repairs and upkeep	23,307	-	23,307
Salaries	22,214	-	22,214
Interest expense	15,563	-	15,563
Police details	9,353	-	9,353
Insurance	5,495	-	5,495
Legal	2,423	-	2,423
Dock removal and storage	2,380	-	2,380
Accounting	2,300	-	2,300
Office expense	1,766	-	1,766
Beach sampling	760	-	760
Meetings	306	-	306
Telephone	223	-	223
Advertising	214	-	214
State fees	<u>125</u>	<u>-</u>	<u>125</u>
Total expenses	<u>866,649</u>	<u>-</u>	<u>866,649</u>
Change in net assets	524,814	-	524,814
Net assets, beginning of year	<u>15,637,902</u>	<u>50,000</u>	<u>15,687,902</u>
Net assets, end of year	<u>\$ 16,162,716</u>	<u>\$ 50,000</u>	<u>\$ 16,212,716</u>

See Independent Auditors' Report.

The accompanying notes are an integral part of these financial statements.

ISC 002421

Check To Gail Zeman
1-28-04

ISC 002422


Security enhanced document. See back for details.


FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2682

PAY TO THE ORDER OF Ipswich Schools DATE 1/27/04 53-471/113 01

Three Hundred-Eight Thousand five Hundred-forty five & 00/100 \$ 308545 ⁰⁰

DOLLARS  Security features are included. Details on back.

 The First National Bank of Ipswich
Investing in relationships

FOR Pay 300,000 Interest 8545.00 Donald F Whiston MP

002682 011304711 1090000112

GUARDIAN & SAFETY

-3-

FEOFFFEES OF THE GRAMMAR SCHOOL

Statement of Activities - Cash Basis

For the Year Ended June 30, 2004

	<u>Undesignated</u>	<u>Board Designated</u>	<u>Total</u>
Support and Revenue:			
Buildings, home and land collections	\$ 475,303	\$ -	\$ 475,303
Rents	493,315	-	493,315
Interest income	<u>7,787</u>	<u>-</u>	<u>7,787</u>
Total support and revenue	<u>976,405</u>	<u>-</u>	<u>976,405</u>
Expenses:			
Real estate taxes	493,397	-	493,397
Gift to Town of Ipswich Public Schools	308,545	-	308,545
Alternative wastewater plan	140,051	-	140,051
Horticultural and landscaping services	19,951	-	19,951
Legal	17,243	-	17,243
Mud slide repairs	12,816	-	12,816
Salaries	9,600	-	9,600
Consulting - DEP enforcement	9,365	-	9,365
Underground electric engineering services	9,000	-	9,000
Road maintenance	6,895	-	6,895
Land appraisal services	6,856	-	6,856
Insurance	6,244	-	6,244
Police details	5,945	-	5,945
Maintenance and cleaning	5,346	-	5,346
Accounting	2,100	-	2,100
Dock removal and storage	1,500	-	1,500
Office expense	1,209	-	1,209
Beach sampling	665	-	665
Consulting-wastewater plan	650	-	650
Meetings	331	-	331
Telephone	287	-	287
State fees	<u>125</u>	<u>-</u>	<u>125</u>
Total expenses	<u>1,058,121</u>	<u>-</u>	<u>1,058,121</u>
Change in net assets	(81,716)	-	(81,716)
Net assets, beginning of year	<u>15,719,618</u>	<u>50,000</u>	<u>15,769,618</u>
Net assets, end of year	\$ <u>15,637,902</u>	\$ <u>50,000</u>	\$ <u>15,687,902</u>

See Independent Auditors' Report.

The accompanying notes are an integral part of these financial statements.

ISC 002423

FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2588

DATE 1/28/03

53-471/113
01

PAY
TO THE
ORDER OF

Ipswich Public Schools Feoffee's Revolving Account \$245,000⁰⁰

Two hundred forty five thousand ²⁴/₁₀₀ DOLLARS



The First National Bank of Ipswich
Investing in relationships

FOR Contribution to Ipswich Schools FY 2002

Donald F. Whiston

⑈002588⑈ ⑆011304711⑆ 1090000112⑈

Given to Supt. by Feoffees at
their Annual Meeting on
January 28, 2003.

ISC 002424

FEOFFEES OF THE GRAMMAR SCHOOL

Statement of Activities - Cash Basis

For the Year Ended June 30, 2003

	<u>Undesignated</u>	<u>Board Designated</u>	<u>Total</u>
Support and Revenue:			
Buildings, home and land collections	\$ 389,483	\$ -	\$ 389,483
Rents	345,088	50,000	395,088
Interest income	<u>8,545</u>	<u>-</u>	<u>8,545</u>
Total support and revenue	<u>743,116</u>	<u>-</u>	<u>793,116</u>
Expenses:			
Real estate taxes	389,483	-	389,483
Gift to town of Ipswich Public Schools	245,000	-	245,000
Road maintenance	20,189	-	20,189
Horticultural and landscaping services	23,903	-	23,903
Community Center repairs	7,717	-	7,717
Other repairs	936	-	936
Salaries	9,600	-	9,600
Legal and accounting	16,658	-	16,658
Police details	6,566	-	6,566
Insurance	6,068	-	6,068
Consulting - DEP enforcement	1,085	-	1,085
Water testing fees	665	-	665
Office expense	329	-	329
State fees	500	-	500
Docks and floats	1,450	-	1,450
Telephone	313	-	313
Meetings	<u>387</u>	<u>-</u>	<u>387</u>
Total expenses	<u>730,849</u>	<u>-</u>	<u>730,849</u>
Change in net assets	12,267	50,000	62,267
Net assets, beginning of year	<u>15,707,351</u>	<u>-</u>	<u>15,707,351</u>
Net assets, end of year	<u>\$ 15,719,618</u>	<u>\$ 50,000</u>	<u>\$ 15,769,618</u>

See Independent Auditors' Report.
The accompanying notes are an integral part of these financial statements.

ISC 002425

check to J. Zeman

1-16-02

Securely enhanced document. See back for details.


FEOFFES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2479

DATE 1/15/02 53-471/113
01

PAY TO THE ORDER OF Ipswich Schools Gift Fund \$ 282970²⁸

Two Hundred - Eighty two Thousand - Nine Hundred Seventy²⁸ / 100 DOLLARS


The First National Bank of Ipswich
Investing in relationships

FOR Shirley F. Whiston MP

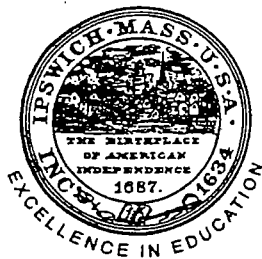
⑈002479⑈ ⑆011304711⑆ 1090000112⑈

GUARDIAN & SAFETY

Line Number: 260-000-261-0-10400

per J. Zeman
J. Frier

ISC 002426



RICHARD L. KORB
SUPERINTENDENT OF SCHOOLS

Ipswich Public Schools

PAYNE SCHOOL BLDG.
1 LORD SQUARE
IPSWICH, MA 01938
TEL. (978) 356-2935
FAX (978) 356-0445
RKsuper@aol.com

May 10, 2002

Mr. Donald Whiston
Two Jeffrey's Neck Road
Ipswich, MA 01938

Dear Mr. Whiston:

I would like to once again thank the Feoffees for their contribution of \$282,970.28 to the Ipswich Public Schools this year.

I want to update the Feoffees on a proposal that I will be submitting to the School Committee relative to the expenditure of those funds. This proposal calls for the purchase and/or lease of the following technology equipment:

Doyon School

- * 44 laptops
- * 90 computers
- * 31 laser printers
- * 2 wireless carts

Winthrop School

- * 36 laptops
- * 101 computers
- * 31 laser printers
- * 2 wireless carts

Middle School/High School

- * midi lab (for the Music Department) of 15 computers
- * cad lab (for the Technology Department) of 26 computers.

The total equipment value, should it be purchased, would cost approximately \$555,000. However, we also have investigated leasing as an option and find that we would be able to lease this technology equipment, and have it all installed and ready for the fall of 2002, for a cost of approximately \$200,000 per year. This would be a three-year lease program with an option at the end of the three years to purchase each piece of the technology equipment for approximately \$1.00 per machine. Obviously, with the lease we would have to be assured that the money would be there each year for the duration of this initial lease. If in the second year of this lease, the 2003-2004 school year, we find it necessary to begin to address the Middle School/High School technology needs, as we did with the elementary schools, then we would have to add an additional \$100,000 to this figure, thus bringing the maximum commitment to approximately \$300,000 per year. However that is a decision that can be delayed until then, giving us time to assess the availability of funding.

Don, I ask for your feedback and input as it pertains to the availability of funds for the future and the ability of the Feoffees to assure the school district that you would be able to continue the

Mr. Donald Whiston
May 10, 2002
Page 2

contributions to such a degree and level as to assure our ability to meet our lease payments. We intend to use the current contribution that was given to us in FY02 to pay for the first year's lease of this technology. I look forward to your feedback and any suggestions that you might have. Once again, on behalf of the children and staff of the Ipswich Public Schools, I thank you for your continued support and generosity.

Sincerely,



Richard L. Korb
Superintendent of Schools

RLK:jmc

Copy: Ipswich School Committee
G. Zeman, Director, Finance and Operations

Don,
Thanks for your
input and
continued support.
R. Le

FEOFFEEES OF THE GRAMMAR SCHOOL

Statement of Activities - Cash Basis

For the Year Ended June 30, 2002

Support and Revenue:

Buildings, home and land collections	\$ 334,043
Rents	361,756
Interest	<u>11,449</u>

Total support and revenue	<u>707,248</u>
---------------------------	----------------

Expenses:

Real estate taxes	334,043
Gift to town	282,970
Water and road repairs	52,384
Salaries	9,600
Legal	8,811
Maintenance	7,266
Landscaping	6,475
Police	6,104
Insurance	5,095
Consulting and engineering fees	3,962
Docks and floats	1,400
Office expense	822
Telephone	316
Meetings	<u>160</u>

Total expenses	<u>719,408</u>
----------------	----------------

Change in net assets	(12,160)
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Net assets, beginning of year	<u>15,719,511</u>
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Net assets, end of year	\$ <u>15,707,351</u>
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See Independent Auditors' Report.

The accompanying notes are an integral part of these financial statements.

ISC 002429

59 2000-2001

2374

FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

53-471/113

PAY

TO THE
ORDER OF

Ipswich Schools Gift Fund # 260000261045000

\$ 50,000⁰⁰

Fifty Thousand & 00/100

DOLLARS

 **The First National Bank**
IPSWICH, MASSACHUSETTS 01938 OF IPSWICH

FOR

Donald F. Whiston

⑈002374⑈ ⑆011304711⑆ 10900001⑈12

ISC 002430

-3-

FEOFFEES OF THE GRAMMAR SCHOOL

Statement of Activities - Cash Basis

For the Year Ended June 30, 2001

Support and Revenue:

Buildings, home and land collections	\$ 317,105
Rents	290,723
Interest	<u>11,660</u>

Total support and revenue	<u>619,488</u>
---------------------------	----------------

Expenses:

Real estate taxes	317,105
Gift to town	50,000
Consulting and engineering fees	47,866
Maintenance	12,636
Salaries	9,600
Legal	8,418
Insurance	8,253
Kitchen - Community Center	7,296
Police	7,009
Water and road repairs	3,667
Landscaping	3,135
Docks and floats	1,350
Office expense	911
Telephone	<u>261</u>

Total expenses	<u>477,507</u>
----------------	----------------

Change in net assets	141,981
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Net assets, beginning of year	<u>15,577,530</u>
-------------------------------	-------------------

Net assets, end of year	\$ <u>15,719,511</u>
-------------------------	----------------------

See Independent Auditors' Report.
The accompanying notes are an integral part of these financial statements.

ISC 002431

-3-

FEOFFEEES OF THE GRAMMAR SCHOOL

Statement of Activities - Cash Basis

For the Year Ended June 30, 2000

Support and Revenue:	
Buildings, home and land collections	\$ 314,182
Rents	202,158
Interest	<u>2,380</u>
Total support and revenue	<u>518,720</u>
Expenses:	
Real estate taxes	314,182
Consulting and engineering fees	64,812
Docks and floats	42,944
Gift to town	25,000
Insurance	11,015
Water and road repairs	9,527
Police	8,224
Salaries	7,800
Legal	4,589
Tree and brush cutting	2,785
Maintenance	2,649
Playgrounds	1,040
Office expense	1,030
Interest expense	745
Transportation	600
Meetings	<u>187</u>
Total expenses	<u>497,129</u>
Change in net assets	21,591
Net assets, beginning of year	<u>15,555,939</u>
Net assets, end of year	<u>\$ 15,577,530</u>

See Independent Auditors' Report.

The accompanying notes are an integral part of these financial statements.

ISC 002432

1
Jo Sue
10/10/97

File
Feiffers


20

53-471/

FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

PAY
TO THE
ORDER OF Ipswich School Gifts Acct. Oct 10 1997

Thirty - Thousand and 00/100 \$ 30,000 DOLL

 **The First National Bank**
IPSWICH, MASSACHUSETTS 01938 OF IPSWICH

FOR Donald F. Whiston

⑈002070⑈ ⑆01130471⑆ 10900001⑈12

ISC 002433

To Joan Tinner 1-6-2002

(1999

FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2281

PAY
TO THE
ORDER OF

Ipswich Schools Gift Fund

1/4/2000

53-471/113

\$ 25000⁰⁰

Twenty-five Thousand & 00/100

DOLLARS



The First National Bank
OF IPSWICH
IPSWICH, MASSACHUSETTS 01938

FOR

Donald F. Whiston

MP

⑈002281⑈ ⑆011304711⑆ 10900001⑈12

ISC 002434

check to
Sue on 7/8/97

FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2050

PAY
TO THE
ORDER OF

7/8 1997

53-471/113

Ipswich Schools Gift Account

Eighteen Thousand & 00/100

\$ 18000 00

DOLLARS

 The First National Bank
IPSWICH, MASSACHUSETTS 01938 OF IPSWICH

FOR

Donald F. Fehstun

MP

⑈002050⑈ ⑈011304711⑈ 10900001⑈12

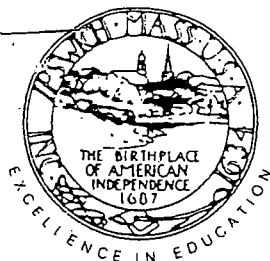
ISC 002435

Sch. Dept. Special Gift

Check to Sue
6/15/93

ISC 002436

		1811
FEOFFEE'S GRAMMAR SCHOOL IPSWICH, MASSACHUSETTS		
		53-471/113
PAY TO THE ORDER OF	<u>Ipswich School System</u>	<u>June 14</u> 19 <u>93</u> \$ 4761 ⁰⁰
<u>Four thousand-seven hundred sixty-one and 00/100</u>		DOLLARS
THE FIRST NATIONAL BANK OF IPSWICH IPSWICH, MASSACHUSETTS 01938		
FOR	<u>Conference "Model Schools for the 21st Century"</u>	<u>Donna F. Whiston</u>
⑈001811⑈ ⑆011304711⑆ ⑈0900001⑈12		



RICHARD F. THOMPSON
SUPERINTENDENT OF SCHOOLS

file feoffees *Mailed 7/1/93*

Ipswich Public Schools

PAYNE SCHOOL BLDG.
1 LORD SQUARE
IPSWICH, MA 01938
TEL. (508) 356-2935
Facsimile (508) 356-0445

June 30, 1993

Mr. Donald Whiston
Feoffees of the Grammar School
Jeffrey's Neck Road
Ipswich, MA 01938

Dear Mr. Whiston:

The Ipswich School Committee at their June 17, 1993 meeting voted to accept the gift of the Feoffees. On behalf of the Ipswich School Committee, administrators, and Ipswich teachers, I would like to thank the Feoffees of the Grammar School for this gift of \$4,761 which provided partial funding for the "Model Schools for the 21st Century" Conference in Raleigh, North Carolina. The knowledge gained from participation in this conference will surely benefit the entire school system.

Thank you, again, for this generous gift.

Sincerely,

Richard F. Thompson
Superintendent of Schools

RFT/am

C: Ipswich School Committee

ISC 002437

Schedule II
Expenditures
July 1, 1992 - June 30, 1993

Taxes

- Town of Ipswich \$283,561.54

Repairs & Upkeep

- Wharf & Docks 4,998.21
- Playgrounds 1,565.00
- Tree & Brush Work 5,619.00
- Road Paving & Repair 4,405.00
- Maintenance 2,327.18

Salaries

- Salaries 7,000.00
 - Transportation 500.00
 - Police 4,428.70
 - Office Supplies 615.95
 - Meetings 230.90
 - Signs for 911 645.45
 - Insurance 8,764.00
 - Computer 1,470.00
 - Contribution to Schools 4,761.00
 - Transfer to Savings - School Accounts 51,000.00
- \$381,891.93

The First National Bank of Ipswich

Ipswich, Massachusetts 01938

February 5, 1980

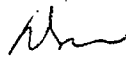
DONALD F. WHISTON
PRESIDENT

Mr. John Stella
Superintendent of Schools
Lord Square
Ipswich, Massachusetts 01938

Dear John:

I am pleased to enclose a check for \$7,500.00 payable to the Ipswich Public Schools representing the desires of the Feoffees for the year 1979. We are sure that it can be put to good use.

Sincerely,



Donald F. Whiston

DFW/g
Enc.



ISC 002439



IPSWICH PUBLIC SCHOOLS

JOHN H. STELLA
Superintendent of Schools

PAYNE SCHOOL BLDG.
1 Lord Square
Ipswich, Mass. 01938
Tel. 356-2935

February 7, 1980

Donald F. Whiston, President
The First National Bank of Ipswich
Ipswich, Massachusetts 01938

Dear Don:

The Ipswich Public Schools gratefully appreciates the \$7,500.00 from the Feoffees. In behalf of the Ipswich Public Schools, I am acknowledging this generous gift and extend to you and the Feoffees our sincere appreciation.

Very truly yours,

John H. Stella
Superintendent of Schools

JHS:als

cc: Deanna Cross, Chairwoman, Ipswich School Committee

ISC 002440



IPSWICH PUBLIC SCHOOLS

JOHN H. STELLA
Superintendent of Schools

PAYNE SCHOOL BLDG.
1 Lord Square
Ipswich, Mass. 01938
Tel. 356-2935

January 10, 1978

Mrs. George Hodgkins, Jr.
80 East Street
Ipswich, Massachusetts 01938

Dear Mrs. Hodgkins:

The Ipswich Public School system gratefully appreciates the Peoffees' check for \$7500.00. In accordance with our policy, the check has been remitted to the Town of Ipswich General Fund and is used to reduce the annual school appropriation.

Thank you again for your generosity.

Very truly yours,

John H. Stella
Superintendent of Schools

JHS:als

cc: M. Patricia Manning, Chairman, Ipswich School Committee

ISC 002441

FEOFFEES OF THE GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

December 16, 1977

Mr. John H. Stella
Superintendant of Shcools
Lord Square
Ipswich, Mass. 01938

Dear Mr. Stella:

Herewith please find the check for
\$7500 which the Feoffees of the Grammar
School are happy - tho' pushed - to give
to the education of our young people.

May you have a Merry Christmas and
a Happy New Year!

Sincerely,

Louise Holpkin

lh

ISC 002442

December 22, 1976

Mr. Donald Whiston
2 Jeffrey's Neck Road
Ipswich, Massachusetts 01938

Dear Mr. Whiston:

The Ipswich Public Schools gratefully accepts the
\$7500.00 check from the Feoffees. We appreciate
your consideration in this matter.

Best wishes for the holiday season.

Sincerely yours,

John H. Stella
Superintendent of Schools

JHS:vmf

ISC 002443

December 17, 1975

Mrs. Louise Hodgkins
Feoffees of the Grammar School
Ipswich, Massachusetts 01938

Dear Mrs. Hodgkins:

This is to acknowledge your check in the amount of \$7500.00
as the Feoffees' annual contribution to the Ipswich Public Schools.

The gift of the Feoffees of the Grammar School is most generous,
and we wish to convey our sincere appreciation.

Very truly yours,

John H. Stella
Superintendent of Schools

JHS:als

ISC 002444

FEOFFEES OF THE GRAMMAR SCHOOL
IPSWICH, MASS. 01938

WILLIAM F. HAYES
JEROME RICHARDSON

Copies for Joan M. James G.
HARRY E. MUNRO
DONALD R. WHISTON

December 9, 1975

Mr. John H. Stella
Superintendent of Schools
One Lord Square
Ipswich, Mass. 01938

Dear Mr. Stella:

Once again the Feoffees of the Grammar School are pleased to be able to make a donation of \$7500.00 to the Ipswich School System.

Very truly yours,

Louise Hopkins

For the Feoffees

(Mrs. J. E. Hopkins)

L
Enc

SCHOOL DEPT

DEC 11 1975

December 20, 1974

Mrs. Louise Hodgkins
Feoffees of the Grammar School
Ipswich, Massachusetts

Dear Mrs. Hodgkins:

This is to acknowledge your check for \$7500.00 as the Feoffees' annual contribution to the school system of Ipswich.

We sincerely appreciate this generous gesture and we express our deep appreciation to you and the Feoffees.

Very truly yours,

John H. Stella
Secretary, Ipswich School Committee

JHS/fay.

ISC 002446

Have check to you
FEOFFEEES OF THE GRAMMAR SCHOOL 12/6/74
IPSWICH, MASS. 01938

WILLIAM F. HAYES
JEROME RICHARDSON

HARRY E. MUNRO
DONALD F. WHISTON

S
December 2, 1974

Mr. John H. Stella
Superintendant of Schools
Lord Square
Ipswich, Mass. 01938

Dear Mr. Stella:

In accordance with the vote taken at the Annual Meeting of the Feoffees of the Grammar School I enclose a check in the amount of \$7500 as the Feoffees' annual contribution to the school system of Ipswich.

Very truly yours,

Louise Hodgkins
(Mrs. J. E. Hodgkins)
For the Feoffees

L
Encl SCHOOL DEPT.

DEC 6 1974

ISC 002447

1973

S
February 12, 1974

Mrs. Louise Hodgkins
Secretary to Peofees
80 East Street
Ipswich, Massachusetts

Dear Mrs. Hodgkins:

The Ipswich Public Schools gratefully acknowledge the cash gift of \$7500 towards the operation and maintenance of the Ipswich Public Schools.

Very truly yours,

John H. Stella
Superintendent of Schools

JHS/ahv

ISC 002448

S

January 3, 1973

Feoffees of the Grammar School
Ipswich, Massachusetts 01938

Dear Sirs:

This letter is to acknowledge a check for \$7500,
your donation to the Ipswich Public Schools.

The Ipswich School Committee and the Superintendent
of Schools gratefully accept this generous gift.

Very truly yours,

John H. Stella
Superintendent of Schools

JHS/ahv

ISC 002449

FEOFFEES OF THE GRAMMAR SCHOOL
IPSWICH, MASS. 01938

CHARLES E. GOODHUE, JR.
JEROME RICHARDSON

WILLIAM F. HAYES
HARRY E. MUNRO

December 11, 1972

Mr. John H. Stella
Superintendent of Schools
Ipswich, Massachusetts

Dear Mr. Stella:

I enclose our check in the amount
of \$7500.00, our donation to the Ipswich
Schools, as voted at the last Annual
Meeting of the Feoffees of the Grammar
School.

Very truly yours,

Harriet Hagopian

L
Enc.

For the Feoffees

SCHOOL DEPT.

(Mrs G. E. Hagopian)

DEC 1 1972

ISC 002450

S

December 16, 1971

Mr. Jerome Richardson, Treasurer
Peoffees of the Grammar School
Ipswich, Mass. 01938

Dear Mr. Richardson:

The Ipswich School Committee and the Superintendent
gratefully accept your check in the amount of \$7500. as
your contribution to the schools of Ipswich for the year
1971.

Very truly yours,

John H. Stella
Superintendent of Schools

JHS:cac

ISC 002451

FEOFFEES OF THE GRAMMAR SCHOOL
IPSWICH, MASS. 01938

CHARLES E. GOODHUE, JR.
JEROME RICHARDSON

WILLIAM F. HAYES
HARRY E. MUNRO

December 10, 1971

Mr. John H. Stella
Superintendent of Schools
2 Central Street
Ipswich, Massachusetts 01938

Dear Mr. Stella:

I am pleased to enclose our check in
the amount of \$7500.00 as our contribution
to the Schools of Ipswich for the year 1971.

Very truly yours,



Jerome Richardson, Treas.

JR:L
Encl.

SCHOOL DEPT.

DEC 10 1971

ISC 002452

December 14, 1970

Mr. Jerome Richardson, Treasurer
Feoffees of the Grammar School
Ipswich, Massachusetts 01938

Dear Mr. Richardson:

This is to acknowledge receipt of the check for \$7500.00 towards the operation of the schools of Ipswich for the year 1970.

We appreciate this sum of money and we sincerely hope that the Feoffees will give serious consideration to granting a substantial sum of money to our schools in 1971.

Very truly yours,

John H. Stella
Superintendent of Schools

JHS/ahv

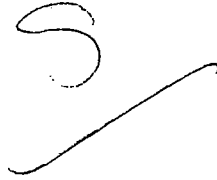
ISC 002453

FEOFFEES OF THE GRAMMAR SCHOOL

IPSWICH, MASS. 01938

CHARLES E. GOODHUE, JR.
JEROME RICHARDSON

WILLIAM F. HAYES
HARRY E. MUNRO



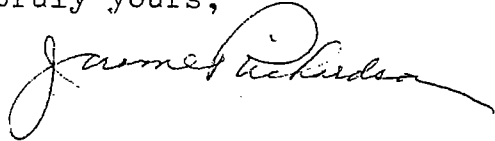
December 10, 1970

Mr. John H. Stella
Superintendent of Schools
2 Central Street
Ipswich, Massachusetts

Dear Mr. Stella:

I am pleased to enclose our check in the amount
of \$7500.00 as our contribution to the Schools of
Ipswich for the year 1970.

Very truly yours,



Jerome Richardson, Treasurer

J:L SCHOOL DEPT

871

ISC 002454

IPSWICH PUBLIC SCHOOLS
Office of the Superintendent

History of Feoffees Contributions to the Schools

As Reported by the Feoffees in Ipswich's Annual Town Report

1976	\$7,500
1977	\$7,500
1978	-0-
1979	\$7,500
1980	\$7,500
1981	\$2,500
1982	-0-
1983	-0-
1984	-0-
1985	\$2,500
1986	-0-
1987	-0-
1988	-0-
1989	-0-
1990	-0-
1991	-0-
1992	-0-
1993	\$4,761
1994	-0-
1995	\$25,000
1996	\$50,000
1997	\$50,000
1998	\$173,000
1999	\$25,000
2000	\$25,000 (check dated 1/4/00)
2001	\$50,000 (check dated 12/12/00)
2002	\$282,970 (check dated 1/15/02)
2003	\$245,000 (check dated 1/28/03)
2004	\$308,545 (check dated 1/27/04)
2005	\$300,000 (check dated 2/10/05)
2006	\$588,000 (\$450,000 2/28/06 and \$138,000 (6/22/06)

TEOFFEES OF THE GRAMMAR SCHOOL

IPSWICH, MASS. 01938

WILLIAM F. HAYES
JEROME RICHARDSON

HARRY E. MUNRO
DONALD F. WHISTON

TEOFFEES

FINANCIAL STATEMENT 1976

Balance January 1, 1976	\$ 2,835.37
Cash received	103,204.98
	<u>106,040.35</u>
Expenditures	102,100.03
Balance December 31, 1976	\$ 3,940.32

Little Neck (land only) valued at		\$ 97,500.00
Store building		4,600.00
Barn		1,090.00
Wharf		1,019.66
Cash in First National Bank Ipswich		3,940.32
On deposit Ipswich Saving Bank	\$17,185.88	
Interest	<u>1,070.00</u>	18,255.88
On deposit Ipswich Savings Bank		
Farm account	5,974.83	
Interest	<u>322.22</u>	6,297.05
On deposit Ipswich Savings Bank		
Special Notice account	3,660.42	
Interest	<u>216.70</u>	3,877.12
On deposit Ipswich Cooperative Bank	7,605.67	
Interest and dividends	<u>530.35</u>	8,136.02
	Cost	Value
234 Sh. 1st Nat'l Bost. Corp.	\$2,748.18	\$6,932.25
140 Shares Shaw Ass'n. Corp.	2,748.63	3,500.00
Ipswich Coop. paid-up Cert.	2,000.00	2,000.00
		<u>12,432.25</u>
		\$157,147.64

\$7,500.00 was donated to the Town for support of schools.

Donald F. Whiston
Treasurer/Manager

DAV

Taxes:
Town of
Collecto
Donation
Town of
Repairs;
Roads
Wharf
Float
Trees an
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Repairs
Playgrou
Police:
Town Off
Special
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Salaries
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Rental,
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Miscella

FEOFFEES OF THE GRAMMAR SCHOOL

IPSWICH, MASSACHUSETTS

Jerome Richardson, Chairman
Alexander B. C. Mulholland, Jr.

Donald F. Whiston, Treasurer
George W. Hayes

Jerome B.
Alexande

Financial Statement 1977

Cash Balance January 1, 1977	\$ 3,940.32
Cash Recieved 1977	130,367.44
	<u>134,307.76</u>
Expenditures 1977	134,055.42
Cash Balance December 31, 1977	<u>252.34</u>

Cash I

Cash I

Little Neck (land only) valued at		\$ 97,500.00
Store Building		4,600.00
Barn		1,090.00
Wharf		1,019.00
Cash in First National Bank-Ipswich		252.34
On Deposit-Ipswich Savings Bank	17,255.88	
Interest	<u>1,072.71</u>	18,328.59
On Deposit-Ipswich Savings Bank		
Farm Account	6,406.48	
Interest	<u>228.24</u>	6,634.72
On Deposit-Ipswich Savings Bank		
Special Account	3,767.69	
Interest	<u>337.67</u>	4,105.36
On Deposit-Ipswich Co-op. Bank	<u>8,136.02</u>	
Interest and Dividends	<u>559.36</u>	8,695.38
	Cost	Value
234 Shs 1st Nat'l Boston Corp.	2,748.18	5,850.00
140 Shs Shawmut Ass'n Corp.	2,748.63	3,990.00
Ipswich Co-op Paid up Cert.	2,000.00	2,000.00
		<u>11,840.00</u>
		<u>\$154,065.39</u>

Cash I

Cash I

\$7,500.00 was donated to the town for support of schools.

The following taxes were paid to the Town of Ipswich:

Land	Assessed Value		
Store	"	97,500.00	\$ 6,873.75
Barn	"	4,600.00	324.30
Wharf	"	1,090.00	76.85
	"	1,019.00	71.84
Cottages	"	1,126,590.00	78,682.34
		<u>1,230,799.00</u>	<u>\$86,029.08</u>

Respectfully submitted,

Donald F. Whiston
Donald F. Whiston
Treasurer

Schedule II

Expenditures

January 1 - December 31, 1978

Taxes:		
Town of Ipswich		\$92,985.32
" " Water Liens		475.00
Director of Internal Revenue		<u>144.00</u>
		93,604.32
Transfer to Savings		28,000.00
Repairs:		
Roads	\$ 727.59	
Wharf	193.79	
Tree work	1,492.75	
Playground	457.47	
Miscellaneous	<u>1,060.81</u>	
		3,932.41
New work:		
Float		2,471.84
Salaries and Expenses:		
Salaries	\$2,382.24	
Transportation	1,800.00	
Meetings and Dinner	155.60	
Office Supplies and Postage	82.00	
Telephone	250.83	
Rental Safe Deposit Box	<u>13.00</u>	
		4,683.67
Police		1,424.00
Insurance and Bond		1,238.00
Town of Ipswich - Reimbursed by Little Neck Association		<u>148.84</u>
		<u>\$135,503.08</u>

Note: Donation to Town of Ipswich for support of Schools in the amount of \$7,500.00 was made in February 1979.

FEOFFEEES OF THE GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

Financial Statement

Balance, January 1, 1978	\$	252.34
Cash Recieved 1978		<u>138,648.30</u>
		138,900.64
Expenditures		<u>135,503.08</u>
Balance, December 31, 1978		<u>3,397.56</u>

Little Neck, Valued at		\$	97,500.00
Store Building			4,600.00
Barn			1,090.00
Wharf			1,019.00
Cash in First Nat'l Bank, Ipswich			3,397.56
On Deposit Ipswich Savings Bank	21,328.59		
Interest 1978	<u>1,247.55</u>		22,576.64
On Deposit Ipswich Savings Bank-Farm a/c	6,634.72		
Interest 1978	<u>355.80</u>		6,990.52
On Deposit Ipswich Savings Bank-Special Notice Account	4,105.36		
Interest 1978	<u>241.67</u>		4,347.03
On Deposit Ipswich Co-op Bank	8,695.38		
Interest and Dividends	<u>589.95</u>		9,285.33
	<u>Cost</u>	<u>Present Value</u>	
117 Sh 1st Nat. Boston Corp.	2,748.18	5,817.24	
140 Sh Shawmut Ass'n Corp.	2,748.63	5,782.00	
Ipswich Co-op Bank paid-up Certificate	<u>2,000.00</u>	<u>2,000.00</u>	13,599.24
	<u>7,496.81</u>		
			<u>\$164,405.32</u>

The following taxes were paid to the Town of Ipswich:

Land	Assessed Value			
		97,500.00	7,361.25	
Store	"	4,600.00	347.30	
Barn	"	1,090.00	82.30	
Wharf	"	1,019.00	76.93	
Cottages	"	<u>1,128,090.00</u>	<u>85,117.54</u>	
		1,232,299.00	92,985.32	

Expenditures

January 1 - December 31, 1979

Town of Ipswich
Director of Internal Revenue

123.94

94,617.20

- Roads
- Wharf
- Tree Work
- Playground & Community Center
- Miscellaneous

170.00

397.50

2,902.06

2,306.51

6,326.10

Gate

1,023.00

Salaries
Transportation
Legal
Meetings & Dinners
Office Supplies & Postage
Telephone

1,800.00

1,200.00

137.00

314.06

170.51

6,490.80

1,120.00

2,026.00

7,500.00

\$119,103.10

119,839.23

4,500.00

1,547.96

871.70

126,758.89

SCHEDULE II

Expenditures

January 1 - December 31, 1980

Taxes: Town of Ipswich \$ 45,201.50

Repairs:

Road	\$ 686.74	
Wharf	250.00	
Tree Work	2,480.00	
Playground & Community Center	1,878.00	
Miscellaneous	427.43	5,722.17

Salaries & Expenses:

Salaries	2,400.00	
Transportation	1,800.00	
Police	1,352.00	
Telephone	138.44	
Meetings & Dinners	184.20	
Office Supplies & Postage	364.83	
Insurance	943.00	
Interest	612.08	7,794.55

Brady Hot Top Roads 23,860.00

Money Market Certificate 10,000.00

Town of Ipswich Public Schools 7,500.00

Loan Payment 2,000.00

\$102,078.22

SCHEDULE II

Expenditures

January 1 - December 31, 1981

<u>Taxes:</u>				
	Town of Ipswich	\$211,794.48	\$211,794.48	Balance, Ja
				Cash Receip
<u>Repairs:</u>				
	Water Pipes	4,188.56		
	Wharf	453.54		
	Playgrounds	478.25		Expenditure
	Tree Work	555.00		
	Miscellaneous	<u>536.44</u>	6,211.79	Balance, De
<u>Salaries & Expenses:</u>				
	Salaries	3,200.00		
	Transportation	1,800.00		
	Police	1,560.00		
	Legal	600.00		
	Telephone	151.11		January thr
	Meetings & Dinners	234.40		July thru I
	Office Supplies & Postage	292.66		
	Insurance	1,799.00		
	Interest	<u>933.02</u>	10,570.19	
	Town of Ipswich Public Schools		2,500.00	
	Loan Payment		<u>11,000.00</u>	
			<u>\$242,076.46</u>	

10,156.84
 Library Trust
 R. T. Crane
 Eunice C. Cowles
 4.42
 1,169.00
 700.00
 11,873.42
 11,873.42
 194,145.63
 Total Payments

SOURCE: TOWN ACCOUNTANT

FEOFFEEES OF THE GRAMMAR SCHOOL
 IPSWICH, MASSACHUSETTS

Financial Statements

Balance, July 1, 1981	\$ 87,253.94
Cash Received	<u>188,045.16</u>
	275,299.10
Expenditures	262,372.61
Balance, June 30, 1982	12,926.49

Little Neck, valued at	2,030,560.00
Buildings - Community Center & Barn	33,090.00
Cash in First National Bank of Ipswich	12,926.49
On Deposit - Ipswich Savings Bank	\$1,252.44
Interest	579.62
	1,832.06
On Deposit - Ipswich Savings Bank	5,197.28
Interest	312.84
	5,510.12
On Deposit - Ipswich Savings Bank	7,179.48
Interest	202.45
	7,381.93
On Deposit - Ipswich Co-operative Bank	11,116.40

Savings Certificates

First National Bank of Ipswich	11,304.89
Ipswich Savings Bank	20,000.00
Ipswich Co-operative Bank	<u>2,000.00</u>
	<u>\$2,135,721.89</u>

SCHEDULE I I

EXPENDITURES

July 1, 1981 - June 30, 1982

16,881.97			
17,706.76			
2,189.56			
585.00			
<u>681.87</u>			
88,045.16			
	<u>Taxes</u>		
	Town of Ipswich		\$231,962.33
	<u>Repairs</u>		
	Water	\$2,736.28	
	Wharf	545.00	
	Community Center	648.80	
	Playground	2,506.01	
	Tree Work	905.00	7,341.09
	<u>Salaries & Expenses</u>		
	Salaries	3,050.00	
	Transportation	1,800.00	
	Police	1,820.00	
	Legal	600.00	
	Telephone	156.91	
	Meetings & Dinners	242.10	
	Office Supplies	192.00	
	Insurance	1,796.00	
	Interest	412.18	10,069.19
87,253.94			
<u>188,045.16</u>			
175,299.10	<u>Loan Payment</u>		<u>13,000.00</u>
<u>262,372.61</u>			<u>\$262,372.61</u>
12,926.49			

FEOFFEEES OF THE GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

Balance, July 1, 1982	\$ 12,926.49
Cash Received	<u>184,126.67</u>
	197,053.16
Expenditures	<u>190,022.67</u>
Balance, June 30, 1983	7,030.49

Little Neck, valued at	2,030,560.00
Buildings - Community Center & Barn	33,090.00
Cash in First National Bank of Ipswich	7,030.49
On Deposit - Ipswich Savings Bank	5,510.12
Interest	291.37
	5,801.49
On Deposit - Ipswich Savings Bank	7,381.93
Interest	213.82
	7,595.75
On Deposit - Ipswich Savings Bank	1,832.06
Interest	54.42
	1,886.48
On Deposit - Ipswich Co-operative Bank	12,416.84

Savings Certificates

First National Bank of Ipswich	11,785.05
Ipswich Savings Bank	21,233.31
Ipswich Co-operative Bank	<u>2,116.88</u>
	<u>\$2,133,516.29</u>

J

Rents & Land T
Taxes
Late Payment I

Balance, July
Cash Receipts
Expenditures -

SCHEDULE II

EXPENDITURES

July 1, 1982 - June 30, 1983

Taxes

Town of Ipswich	\$147,911.39
-----------------	--------------

Repairs & Upkeep

Water	17,729.07	
Wharf	720.00	
Community Center	1,410.00	
Playground	1,557.07	
Tree Work	2,302.00	
Hot Topping Roads	7,650.00	
		31,368.14

Salaries & Expenses

Salaries	3,900.00	
Transportation	1,800.00	
Police	1,945.00	
Legal	600.00	
Telephone	127.09	
Meetings & Dinners	265.05	
Office Supplies	333.00	
Insurance	1,773.00	
		10,743.14
		<u>\$190,022.67</u>

R
This notice is publis
Revenue Sharing Regul
1983. Section 51.55
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The Town of Ipswich,
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The Town of Ipswich ha
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Homeowners are advised
life of their septic s
septic tank maintenanc
guidelines:

1. Pump the septic t
areas or if indic
2. Minimize water us
ness of the septic
empty basement su
dishwashers and w
and toilets promp
3. Avoid disposal of
 - Coarse Organic I
kins, and coffee
frequent septic
 - Fats and Grease
tem. Cooking o
and clog the lea
 - Chemicals: Pest
thinner, etc., v
the septic tank
frequent pump-out

These guidelines are pu
Water Quality Managem
1982.

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168,000.00 168,000.00
1,685.51 1,685.51
43,580.09 43,580.09
2,775.00 2,775.00
216,140.60 216,140.60

168,000.00
1,685.51
43,580.09
2,775.00
216,140.60

168,100.00
1,685.51
43,580.09
2,775.00
216,140.60

BURLEY EDUCATION FUND

Balance on Hand January 01, 1984..... \$22,519.65
Income from Funds for Year 1984 as follows:
Interest: Ipswich Co-operative Bank/Money Market Certificate..... 2,222.28
Expenditures for the Year 1984 as follows:
Apple Computer, Inc. (Computer System For Doyon Memorial School)... 1,700.00
Balance on Hand January 01, 1985 as follows:
Ipswich Co-operative Bank Money Market Certificate..... 23,041.93

Respectfully submitted,
V. James DiFazio, Treasurer

FEOFFEEES OF THE GRAMMAR SCHOOL

Balance, July 01, 1983 \$ 7,030.49
Cash Received 213,582.32
220,612.81
Expenditures 205,404.69
Balance, June 30, 1984 \$ 15,208.12

Little Neck, valued at \$2,030,560.00
Buildings - Community Center & Barn 33,090.00
Cash in First National Bank of Ipswich 15,208.12
On Deposit - Ipswich Savings Bank \$5,801.49
Interest 537.87 6,339.36
On Deposit - Ipswich Savings Bank 7,595.75
Interest 227.78 7,823.53
On Deposit - Ipswich Savings Bank 1,886.48
Interest 57.97 1,944.45
On Deposit - Ipswich Co-operative Bank 13,207.51
Savings Certificates - Ipswich Savings Bank 24,360.34
Ipswich Co-operative Bank 2,233.76
\$2,134,767.07

SCHEDULE I

CASH RECEIPTS

July 01, 1983 - June 30, 1984

Rents & Land Taxes \$ 78,341.01
Building Taxes 120,904.06
Late Payment Interest & Miscellaneous 2,736.73
201,981.80
Transfer Certificate 12,329.79
214,311.59
Less Bad Checks 729.27
\$213,582.32

SCHEDULE A
RECONCILIATION OF CASH BALANCE

Balance, July 01, 1983	\$ 7,030.49
Cash Receipts - Schedule I	213,582.32
	<u>220,612.81</u>
Expenditures - Schedule II	205,404.69
	<u>\$ 15,208.12</u>

SCHEDULE II
EXPENDITURES
July 01, 1983 - June 30, 1984

<u>Taxes</u> - Town of Ipswich		\$181,207.93
<u>Repairs & Upkeep</u> - Water	\$7,279.48	
Wharf	743.60	
Community Center	331.81	
Playground	661.63	
Tree Work	2,594.20	
Hot Topping Road	421.11	12,031.83
<u>Salaries & Expenses</u> - Salaries	4,750.00	
Transportation	1,800.00	
Police	2,574.00	
Legal	600.00	
Telephone	149.33	
Meetings & Dinners	289.60	
Office Supplies	276.00	
Insurance	1,726.00	12,164.93
		<u>\$205,404.69</u>

\$ 15,208.12
 236,834.94
 247,196.23
 4,846.83

SCHEDULE II

EXPENDITURES

July 1, 1984 - June 30, 1985

2,030,560.00
 33,090.00
 4,846.83
 13,991.78
6,927.46
 \$ 2,089,415.97

Taxes

Town of Ipswich	\$ 183,042.86
Contribution to Ipswich Schools	2,500.00

Repairs & Upkeep

Water	67,698.72	
Wharf and Docks	1,282.99	
Community Center	3,153.39	
Playgrounds	1,239.60	
Tree Work	1,774.14	
Hot Topping Roads	16,647.69	
Greenhead Traps	431.78	
Water Drain	825.00	93,053.31

Salaries & Expenses

Salaries	5,850.00	
Transportation	1,800.00	
Police	3,018.00	
Telephone	169.58	
Meetings and Dinners	322.95	
Office Supplies	356.53	
Insurance	2,083.00	13,600.06

\$ 247,196.23

79,930.40
 113,966.57
 2,037.97
5,100.00
 201,034.94
35,800.00
 236,834.94

15,208.12
236,834.94
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247,196.23
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Ron Ray

ANNUAL REPORT TOWN OF IPSWICH



1986

No Fees Financial Statement in
1986 Annual Town Report.

ISC 002470

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185,498,796 KWH's,
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FEOFFEES OF THE GRAMMAR SCHOOL IPSWICH, MASSACHUSETTS

Balance, July 2, 1986	\$ 12,734.75
Cash Received	240,524.85
Expenditures	227,458.22
Balance, June 30, 1987	25,801.38

Little Neck valued at	5,462,080.00
Buildings - Community Center and Barn	20,410.00
Cash in First National Bank of Ipswich	25,801.38
On Deposit - Ipswich Cooperative Bank	2,000.00
On Deposit - Ipswich Savings Bank	1,202.54
	<u>\$5,511,493.92</u>

SCHEDULE I

CASH RECEIPTS

July 1, 1986 - June 30, 1987

Buildings and Land Taxes	184,521.30
Rents	55,390.01
Late Payment Interst & Miscellaneous	613.54
	<u>\$240,524.85</u>

SCHEDULE A

RECONCILIATION OF CASH RECEIPTS

Balance, July 1, 1986	12,734.75
Cash Receipts - Schedule I	240,524.85
	<u>253,259.60</u>
Expenditures - Schedule II	227,458.22
	<u>\$ 25,801.38</u>

SCHEDULE II

EXPENDITURES

July 2, 1986 - June 30, 1987

Taxes - Town of Ipswich	190,619.05
Repairs and Upkeep	
Water	7,121.88
Wharf	350.00
Playgrounds	1,145.00
Tree Work	6,413.00
Community Center	1,600.00
Hot topping	725.00
Maintenance	2,000.00
	19,354.88

FEOFEEES OF THE GRAMMAR SCHOOL
(Continued)

Schedule II (Continued)

Salaries & Expenses		
Salaries	4,200.00	
Transportation	1,800.00	
Police	3,483.07	
Office Supplies	372.75	
Meetings & Dinners	302.08	
Telephone	164.39	
Interest	2,162.00	
Insurance	5,000.00	
		17,484.29
		<u>\$227,458.22</u>

LIBRARY TRUST FUNDS

BALANCE RECEIVED

Building Fund
Augustine Hea
Elizabeth R.
Adelaide B. Lo
Abby L. Newma
George Spille
Daniel Treadw
Wales Endowme

INTEREST INCO
Ipswich

Building Fund
Augustine Hea
Elizabeth R.
Adelaide B. Lo
Abby L. Newma
George Spille
Daniel Treadw
Wales Endowme

BALANCE ON HAND

Building Fund
Augustine Hea
Elizabeth R.
Adelaide B. Lo
Abby L. Newma
George Spille
Daniel Treadw
Wales Endowme

FEOFFEEES OF THE GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

Balance, July 1, 1987	\$ 25,801.38
Cash Received	254,526.82
Expenditures	266,141.18
Balance, June 30, 1988	14,187.02

Little Neck valued at	5,414,900.00
Buildings - Community Center and Barn	23,320.00
Cash in First National Bank of Ipswich	14,187.02
On Deposit - Ipswich Cooperative Bank	2,000.00
On Deposit - Ipswich Savings Bank	1,267.97
	\$5,455,674.99

SCHEDULE I
CASH RECEIPTS

July 1, 1987 - June 30, 1988

Buildings and Land Taxes	189,216.55
Rents	64,210.00
Late Payment Interst & Miscellaneous	\$254,526.82
	\$254,526.82

SCHEDULE A
RECONCILIATION OF CASH RECEIPTS

Balance, July 1, 1987	25,801.38
Cash Receipts - Schedule I	254,526.82
	280,328.20
Expenditures - Schedule II	266,141.18
	\$ 14,187.02

SCHEDULE II
EXPENDITURES

July 1, 1987 - June 30, 1988

Taxes - Town of Ipswich	225,533.79
Repairs and Upkeep	
Water	5,111.13
Wharf & Docks	1,033.91
Playgrounds	2,172.00
Tree Work	3,069.00
Community Center	4,818.17
Maintenance	2,000.00

Schedule II ((

Salaries & Exp
Salaries
Transpor
Police
Office !
Meeting:
Telephoi
Insuran
Legal
Signs

Balance on ha

Income from f

Interest:

Balance on ha

Ipswich C

\$ 25,801.38
 254,526.82
 266,141.18
 14,187.02

5,414,900.00
 23,320.00
 14,187.02
 2,000.00
 1,267.97

\$5,455,674.99

189,216.55
 64,210.00

\$254,526.82

25,801.38
 254,526.82
 280,328.20
 266,141.18
 \$ 14,187.02

225,533.79

5,111.13
 1,033.91
 2,172.00
 3,069.00
 4,818.17
 2,000.00

FEOFEEES OF THE GRAMMAR SCHOOL
 (Continued)

Schedule II (Continued)

Salaries & Expenses	
Salaries	4,200.00
Transportation	1,800.00
Police	3,617.89
Office Supplies	225.33
Meetings & Dinners	230.75
Telephone	181.50
Insurance	11,494.02
Legal	150.00
Signs	503.69
	<u>\$266,141.18</u>

BURLEY EDUCATION FUND

Balance on hand January 1, 1988 \$26,818.29

Income from funds for year 1988 as follows:

Interest: Ipswich Co-Operative Bank
 Money Market Certificate 2,080.26

Balance on hand January 1, 1989, as follows:

Ipswich Co-Operative Bank Money Market Certificate \$28,898.55

FEOFFEEES OF THE GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

Balance, July 1, 1988	14,187.02
Cash Received	284,829.67
Expenditures	285,534.03
Balance, June 30, 1989	13,482.66

Little Neck, Land Valuation	18,358,700.00
Buildings - Community Center & Barn	75,600.00
Cash in First National Bank of Ipswich	13,482.66
On Deposit - Ipswich Co-operative Bank	2,000.00
On Deposit - Ipswich Savings Bank	<u>1,336.16</u>
	<u>5,455,674.99</u>

SCHEDULE I

CASH RECEIPTS

July 1, 1988 - June 30, 1989

Building & Land Taxes	209,032.67
Rents	74,600.00
Late Payment Interest & Miscellaneous	1,197.00

SCHEDULE A

RECONCILIATION OF CASH RECEIPTS

Balance, July 1, 1988	14,187.02
Cash Receipts - Schedule I	<u>284,829.67</u>
	<u>299,016.69</u>
Expenditures - Schedule II	<u>285,534.03</u>
	13,482.66

Taxes

Town of Ipswich

Repairs & Upkeep

Water

Wharf & Docks

Playgrounds

Tree Work

Maintenance

Road - Hot top

Salaries & Expenses

Salaries

Transportation

Police

Office Supplies

Meetings

Telephone

Insurance

Legal

Miscellaneous Re

FOOL

14,187.02
284,829.67
285,534.03
13,482.66

18,358,700.00
75,600.00
13,482.66
2,000.00
1,336.16
5,455,674.99

209,032.67
74,600.00
1,197.00

PTS

14,187.02
284,829.67
299,016.69
285,534.03
13,482.66

SCHEDULE II

EXPENDITURES

July 1, 1988 - June 30, 1989

Taxes

Town of Ipswich

216,766.40

Repairs & Upkeep

Water

15,302.62

Wharf & Docks

1,897.42

Playgrounds

1,930.00

Tree Work

7,390.25

Maintenance

2,122.29

Road - Hot topping & Repair

8,666.74

Salaries & Expenses

Salaries

5,500.00

Transportation

500.00

Police

3,763.02

Office Supplies

164.00

Meetings

323.98

Telephone

229.39

Insurance

17,984.12

Legal

2,793.80

Miscellaneous Refund

200.00

285,534.03

FEOFFEEES OF THE GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

Balance, July 1, 1989	13,482.66
Cash Received	329,532.96
Expenditures	331,247.82
Balance, June 30, 1990	11,767.80

Little Neck, Land Valuation	18,371,700.00
Buildings - Community Center & Barn	75,600.00
Cash in First National Bank of Ipswich	11,767.80
On Deposit - Ipswich Co-operative Bank	2,000.00
On Deposit - Ipswich Savings Bank	<u>1,407.82</u>
	<u>18,462,475.62</u>

SCHEDULE I

CASH RECEIPTS

July 1, 1989 - June 30, 1990

Building & Land Taxes	244,643.82
Rents	51,000.00
Water Loan	33,500.00
Late Payment Interest & Miscellaneous	389.14

SCHEDULE A

RECONCILIATION OF CASH RECEIPTS

Balance, July 1, 1989	13,482.66
Cash Receipts - Schedule I	<u>329,532.96</u>
	<u>343,015.62</u>
Expenditures - Schedule II	<u>331,247.82</u>
	11,767.80

Taxes

Town of Ipswich

Repairs & Upkeep

Water

Wharf & Docks

Playgrounds

Tree Work

Maintenance

Speed Bumps

Salaries & Expenses

Salaries

Transportation

Police

Office Supplies

Meetings

Telephone

Legal

Loan Payments

Loan Interest

Tax abatement refunds

SCHOOL
TTS

13,482.66
329,532.96
331,247.82
11,767.80

18,371,700.00
75,600.00
11,767.80
2,000.00
1,407.82

18,462,475.62

244,643.82
51,000.00
33,500.00
389.14

REPTS

13,482.66
329,532.96
343,015.62
331,247.82
11,767.80

SCHEDULE II

EXPENDITURES

July 1, 1989 - June 30, 1990

Taxes

Town of Ipswich 244,643.82

Repairs & Upkeep

Water 36,867.40
Wharf & Docks 1,978.86
Playgrounds 1,015.00
Tree Work 1,470.00
Maintenance 1,212.75
Speed Bumps 1,475.00

Salaries & Expenses

Salaries 5,500.00
Transportation 500.00
Police 3,966.57
Office Supplies 611.21
Meetings 181.00
Telephone 182.02
Legal 3,569.00
Loan Payments 27,000.00
Loan Interest 293.96
Tax abatement refunds 781.23
331,247.82

FEOFFEEES OF THE GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

Balance, July 1, 1990	11,767.80
Cash Received	356,012.08
Expenditures	324,288.45
Balance, June 30, 1991	43,491.43
Little Neck, Land Valuation	18,371,700.00
Buildings - Community Center & Barn	75,600.00
Cash in First National Bank of Ipswich	43,491.43
On Deposit - Ipswich Co-operative Bank	2,000.00
	18,492,791.43

SCHEDULE I
CASH RECEIPTS

July 1, 1990 - June 30, 1991

Building & Land Taxes	274,931.60
Rents	81,080.48
	356,012.08

SCHEDULE A
RECONCILIATION OF CASH RECEIPTS

Balance, July 1, 1990	11,767.80
Cash Receipts - Schedule I	356,012.08
Expenditures - Schedule II	367,779.88
	324,288.45
	43,491.43

I. BOOK FUND

Balance -
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Expendi

Balance -

II. IPSWICH SPI

Balance -
Interest
Balance -

III. LIBRARY TRU

Balance Jul
Interest
Balance -

Augustine
Elizabeth
Adelaide
Abby L.
George S.
Daniel Tr

owe
r
South Main Street
01938
18
7:00 p.m. Mondays
4:00 p.m. Tues. -
12:00 noon Fridays

SCHEDULE II

EXPENDITURES

July 1, 1990 - June 30, 1991

Taxes

Town of Ipswich

274,931.60

Repairs & Upkeep

Wharf & Docks

2,753.00

Playgrounds

1,345.00

Tree & Brush Work

2,656.00

Speed Bumps & Road Repair

2,885.00

Maintenance

2,150.25

Salaries & Expenses

Salaries

5,500.00

Transportation

500.00

Police

5,357.55

Office Supplies

597.75

Meetings

130.30

Telephone

192.43

Loan Payments

8,000.00

Loan Interest

678.57

Insurance

16,611.00

324,288.45

FEOFFEEES OF THE GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

Balance, July 1, 1991	\$ 43,491.43
Cash Received	349,222.72
Expenditures	379,554.68
Balance, June 30, 1992	13,159.47
Little Neck, Land Valuation	\$18,371,700.00
Buildings - Community Center & Barn	75,600.00
Cash in First National Bank of Ipswich	13,159.47
On Deposit - Ipswich Cooperative Bank	2,000.00
On Deposit - First National Bank of Ipswich	<u>25,561.92</u>
	<u>\$18,488,021.39</u>

SCHEDULE I

CASH RECEIPTS

July 1, 1991 - June 30, 1992

Building & Land Taxes	\$ 279,301.16
Rents	<u>69,921.56</u>
	<u>\$ 349,222.72</u>

SCHEDULE A

RECONCILIATION OF CASH RECEIPTS

Balance, July 1, 1991	\$ 43,491.43
Cash Receipts - Schedule I	<u>349,222.72</u>
	392,714.15
Expenditure - Schedule II	<u>379,554.68</u>
	\$ 13,159.47

SCHEDULE II

EXPENDITURES

July 1, 1991 - June 30, 1992

Taxes

Town of Ipswich	\$ 279,301.16
-----------------	---------------

Repairs & Upkeep

Wharf & Dock	4,295.71
Playgrounds	1,200.00
Tree & Brush Work	7,804.00
Road Paving & Repair	29,419.00
Shingle Community Center	8,015.59
Maintenance	2,273.90

Salaries & Expenses

Salaries	4,000.00
Transportation	500.00
Police	5,128.64
Office Supplies	960.47
Meetings	225.41
Telephone	110.05
Insurance	8,764.00
Aluminum Dock Ramp	2,556.75
Transfer to Savings - School Account	<u>25,000.00</u>

\$379,554.68

TRU:

Schedule II
Expenditures
July 1, 1992 - June 30, 1993

Taxes

• Town of Ipswich \$283,561.54

Repairs & Upkeep

• Wharf & Docks 4,998.21
• Playgrounds 1,565.00
• Tree & Brush Work 5,619.00
• Road Paving & Repair 4,405.00
• Maintenance 2,327.18

Salaries

• Salaries 7,000.00
• Transportation 500.00
• Police 4,428.70
• Office Supplies 615.95
• Meetings 230.90
• Signs for 911 645.45
• Insurance 8,764.00
• Computer 1,470.00
• Contribution to Schools 4,761.00
• Transfer to Savings - School Accounts 51,000.00
\$381,891.93

I. BOOK FUND AN

Balance - Ju

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Balance - Ju

II. IPSWICH SPEI

Balance - Ju

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Balance - Ju

III. LIBRARY TRU:

Balance - Ju

Interes

Balance - Ju

August.
Elizab.
Adelad.
Abby I
George
Daniel

Sch. Dept. Special Gift

Check to Sue
6/15/93

FEOFFEEES GRAMMAR SCHOOL IPSWICH, MASSACHUSETTS		1811
PAY TO THE ORDER OF	<u>June 14</u> 19 <u>93</u> <u>Ipswich School System</u>	53-471/113
	<u>Four thousand - seven hundred sixty-one and 00/100</u>	\$ <u>4761⁰⁰</u>
		DOLLARS
THE FIRST NATIONAL BANK OF IPSWICH IPSWICH, MASSACHUSETTS 01937		
FOR	<u>Conference "Model Schools for the 21st Century"</u>	<u>Donald F. Whiston</u>
⑈001811⑈ ⑈011304711⑈ ⑈0900001⑈ 12		

ISC 002484

Feoffees of Grammar School
Ipswich, Massachusetts

Balance, July 1, 1993	\$19,681.15
Cash Received	392,073.88
Expenditures	395,235.86
Balance, June 30, 1994	16,519.17

Little Neck Valuation	
Buildings & Land	\$22,806,100.00
Cash in First National Bank of Ipswich	16,519.17
On Deposit Ipswich Cooperative Bank	23,000.00
On Deposit First National Bank of Ipswich	36,211.59
On Deposit Ipswich Savings Bank	<u>20,000.00</u>
	\$22,901,830.76

Schedule I
Cash Receipts
July 1, 1993 - June 30, 1994

Buildings & Land Taxes	\$296,621.88
Rents	<u>95,452.00</u>
	\$392,073.88

Schedule A

Balance, July 1, 1993	\$19,681.15
Cash Receipts	<u>392,073.88</u>
	\$417,755.03
Expenditures Schedule II	<u>395,235.86</u>
	\$16,519.17

Schedule II
Expenditures
July 1, 1993 - June 30, 1994

Taxes

• Town of Ipswich	\$296,621.88
-------------------	--------------

Repairs & Upkeep

• Wharf & Docks	1,820.00
• Playgrounds	1,650.00
• Tree & Brush Work	5,877.00
• Road Paving & Repair	50,385.58
• Maintenance	2,373.74

Salaries

• Salaries	4,500.00
• Transportation	500.00
• Police	4,991.86
• Office Supplies	1,138.40
• Insurance	265.18
• Meetings	370.00
• Transfer to Savings School Accounts	23,300.00
• Stone Repair Gate	900.00
• Legal	<u>542.22</u>
	\$395,235.86

SCHEDULE II
Expenditures
July 1, 1994 - June 30, 1995

Taxes

*Town of Ipswich \$303,809.05

Repairs and Upkeep

*Community Center	7,980.86
*Docks	1,200.00
*Split Rail Fence	4,751.80
*Playgrounds	1,865.00
*Tree and Brush Cutting	16,815.19
*Road Paving and Repair	8,448.88
*Maintenance	2,056.97

Other Expenses

*Salaries	5,500.00
*Transportation	500.00
*Police	5,037.01
*Office Expense	902.36
*Insurance	20,100.00
*Meetings	515.89
*Legal	1,046.40
*Gift to Ipswich Schools	25,000.00
Abated Taxes Returned	843.22
*Transfer Funds to Title 5 Account	<u>5,500.00</u>
	\$411,872.63

BURLEY EDUCATION FUND

Balance on hand January 1, 1995.....\$ 37,111.41

Income from funds for year 1995 as follows:

Interest: Ipswich Co-operative Bank	
Money Market Certificate	2,267.72

Expenditures for the year 1995 as follows: None

Balance on hand January 1, 1996, as follows:

Ipswich Co-operative Bank Money Market Cert.... \$ 39,379.13

TRUS

I. Book Fund and
Balance - J

Contributi
Interest In
Expenditu
Books
Walkway
Engineer
Compute
125th An

Balance - Jun

II. Ipswich Special
Balance - July
Interest Inc
Balance - Jun

III. Library Trust
Balance - Jul
Interest Inc
Balance - Jun

Augustine
Elizabeth
Adelaide B
Abby L. N
George Sp
Daniel Tre

FEOFFEEES OF THE GRAMMAR SCHOOL
Ipswich, Massachusetts

Balance, July 1, 1995	\$ 27,290.04
Cash Received	409,820.53
Expenditures	406,481.18
Balance, June 30, 1996	30,629.39

Little Neck Valuation	
Buildings and Land	\$ 22,683,000.00
Cash in First National Bank of Ipswich	30,629.39
Reserve for Erosion Account-Ipswich Coop. Bank	30,520.00
Reserve for Title 5 Account-Ipswich Savings Bank	28,477.78
Reserve for Ipswich Schools Account	<u>73,867.85</u>
	\$ 22,846,495.02

SCHEDULE I
Cash Receipts
July 1, 1995 - June 30, 1996

Buildings, Home and Land Taxes	\$312,857.25
Rents	<u>96,963.28</u>
	\$409,820.53

SCHEDULE A

Balance, July 1, 1995	\$ 27,290.04
Cash Receipts	<u>409,820.53</u>
	\$437,110.57
 Expenditures - Schedule II	 <u>406,481.18</u>
	 \$ 30,629.39
	<u>=====</u>

SCHEDULE II
Expenditures
July 1, 1995 - June 30, 1996

Taxes

*Town of Ipswich

\$312,857.25

Repairs and Upkeep

*Docks & Floats
*Playgrounds
*Tree & Brush cutting
*Road Paving & Repair
*Guard Rails & Posts
*Maintenance

2,873.45
765.00
6,733.75
2,827.00
1,458.00
2,534.61

Other Expenses

*Salaries
*Transportation
*Police
*Office Expense
*Insurance
*Meetings
*Legal
*Flag Pole
*Abated Taxes Returned
*Gifts to Ipswich Schools

6,500.00
500.00
5,413.99
880.23
10,789.00
487.30
1,207.50
525.98
128.12
50,000.00
\$406,481.18

Warrants Payable

8/13/97

\$320,088.67

Fund Balance
6/30/97

Expenditures
6/30/97

1,894.76

2,550.00

17,047.50

2,761.60

2,948.45

0.00

6,700.00

500.00

4,771.85

746.97

10,892.00

350.00

1,815.00

400.00

2,900.00

3,727.80

50,000.00

\$430,094.60

**TOWN OF IPSWICH
SPECIAL REVENUE FUNDS
FISCAL YEAR 1997**

Revenue
6/30/97

2,100.00

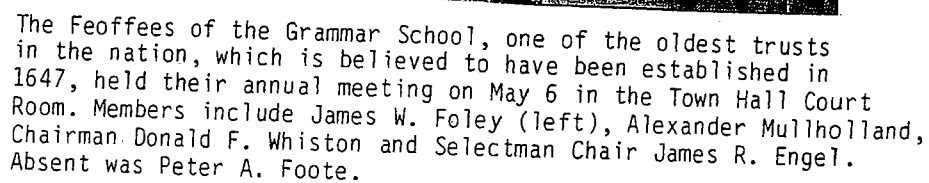
Cash
6/30/97

2,100.00
...

Fund Balance
7/1/96

0.00
11 051 251

**Fund 200 - Revolving
440 P&S Demetriou
801 Sea Pines**



SCHEDULE II
Expenditures
July 1, 1997 - June 30, 1998

Taxes

*Town of Ipswich \$304,779.87

Repairs and Upkeep

*Docks & Floats	1,700.00
*Playgrounds	1,445.00
*Tree & Brush cutting	2,785.00
*Water Line Repairs	4,426.00
*Maintenance	3,432.24

Other Expenses

*Salaries	6,700.00
*Transportation	500.00
*Police	5,771.15
*Office Expense	756.02
*Insurance	10,928.00
*Meetings	339.27
*Legal	1,942.50
*Title 5 Engineering	252.50
*Consultant	3,631.29
*Funds Transfer to Checking	4,000.00
Gift to Schools	<u>173,000.00</u>
	\$561,794.84

BURLEY EDUCATION FUND

Balance on hand January 1, 1998	\$42,264.66
---------------------------------	-------------

Income from funds for year 1998 as follows:

Interest: Ipswich Co-operative Bank	
Term Deposit Certificates	2,529.09

Expenditures for year 1998 as follows:

Winthrop School - camcorder & equip.	2,011.77
--------------------------------------	----------

Balance on hand January 1, 1999 as follows:

Ipswich Co-operative Bank	
Term Deposit Certificates	<u>\$42,781.98</u>

SCHEDULE II
Expenditures

July 1, 1998 - June 30, 1999

TRUSTEES
STATI

Taxes

*Town of Ipswich \$318,694.24

Repairs and Upkeep

*Docks & Floats	42,827.85
*Playgrounds	1,870.00
*Tree & Brush cutting	8,380.00
*Maintenance	3,637.14

Other Expenses

*Salaries	7,800.00
*Transportation	600.00
*Police	9,460.90
*Office Expense	1,490.78
*Meetings	281.90
*Legal	5,996.10
*Consultant & Engineering fees-dock	15,923.71
*Consulting, Engineering, Legal fees (DEP)	16,467.50
*Consulting Fee (Appraisal & Legal) (Sale of R.E.)	3,000.00
*Transfer funds to School Acct.	<u>21,000.00</u>
	\$457,430.12

Book and Memorial Fund
Balance - July
Interest/Divide
Book Sales
Gifts
Books, Publica
Building costs

Balance - June

Ipswich Speaks Fund
Balance - July
Interest Income

Balance - June

Markos Fund for Hellenic
Balance - July
Income (Interes

Balance - June

Fidelity Mutual Fund
Balance - July 1
Interest Income

Balance - June

Library Trust Fund
Balance - July 1
Interest Income

Augustine Hear
Elizabeth R. La
Adelaide B. Lock
Abby L. Newma
George Spiller
Daniel Treadwel

Balance - June :

ISC 002493

2281

FEOFFEEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

53-471/113

1/4/2000 13

PAY
TO THE
ORDER OF_

PAY TO THE ORDER OF Spencer School Cft Fund 1/4/2000 18

Twenty - five thousand & 00/100 \$ 25000.00

DOLLARS

The First National Bank
OF IPSWICH
IPSWICH, MASSACHUSETTS 01938

FOR:

Donald F. Wheeler

27.11.0000607 1172406770:1 11782200.11

AMMAR SCHOOL
Massachusetts

18,658.27
625,139.87
643,798.14

632,129.41
11,668.73

\$22,275,300.00

ch 11,668.73
h Coop. Bank 14,156.76
h Savings Bank 11,162.74
125,452.55

\$22,437,740.78

I
pts

June 30, 2000

\$ 314,181.70
183,147.71
104,800.00
30,000.00

\$ 632,129.41

A

\$ 18,658.27
625,139.87

\$ 643,798.14

632,129.41

\$ 11,668.73

SCHEDULE II
Expenditures

July 1, 1999 - June 30, 2000

Taxes

*Town of Ipswich \$314,181.70

Repairs and Upkeep

*Docks & Floats 42,944.00
*Playgrounds 1,040.00
*Tree & Brush cutting 2,785.00
*Maintenance 2,648.73
*Water & Road Repair 9,527.00

Other Expenses

*Insurance 11,015.00
*Salaries 7,800.00
*Transportation 600.00
*Police 8,224.33
*Office Expense 1,029.80
*Meetings 187.13
*Legal-DEP 3,141.50
*Legal-Sale RE 1,448.00
*Consultant - Engineering DEP 60,812.00
*Consulting - Appraisal Sale RE 4,000.00
*Gift to School 25,000.00
*Transfer funds to School Acct. 25,000.00
*Loan Payoff 30,099.17
*Loan Interest 646.05
*Purchase CD 80,000.00

\$632,129.41

54 2000-2001

2374

FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

53-471/113

PAY
TO THE
ORDER OF

12/12/00

Ipswich Schools Gift Fund # 260000261045000

\$ 50,000⁰⁰

Fifty Thousand & 00/100

DOLLARS

 **The First National Bank**
OF IPSWICH
IPSWICH, MASSACHUSETTS 01938

FOR

Donald F. Whiston

⑈002374⑈ ⑆011304711⑆ 10900001⑈12

ISC 002495

Check to G. Zeman

1-16-02

Securely enhanced document. See back for details.


FEOFFEE'S GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2479

DATE 1/15/02 53-471/113
01

PAY TO THE ORDER OF Ipswich Schools Gift Fund \$ 282970 ²⁸/₁₀₀

Two Hundred - Eighty two Thousand - Nine Hundred Seventy ²⁸/₁₀₀ DOLLARS


The First National Bank of Ipswich
Investing in relationships

FOR _____ Donald F. Whiston MP

⑈002479⑈ ⑆011304711⑆ 1090000112⑈

GUARDIAN • SAFETY • © 2001 American Bank

Security features are included. Details on back.

Line Number: 260-000-261-0-10400

per J. Zeman
J. Frier

ISC 002496

01-02

62-03

FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2588

DATE 1/28/03

53-471/113
01

PAY
TO THE
ORDER OF

Ipswich Public Schools Feoffee's Revolving Account \$ 245,000.00

Two Hundred forty five Thousand ⁰⁰/₁₀₀

DOLLARS



The First National Bank of Ipswich
Investing in relationships

FOR Contribution to Ipswich Schools Fy 2002

Donald F. Whiston

⑈002588⑈ ⑆011304711⑆ 1090000112⑈

Given to Supt. by Feoffees at
their Annual Meeting on
January 28, 2003.

ISC 002497

Check To Jail Zeman
1-28-04

Security enhanced document. See back for details.


FEOFFES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2682

PAY TO THE ORDER OF Ipswich Schools DATE 1/27/04 53-471/113 01

Three Hundred-Eight Thousand five Hundred-forty five & 00/100 \$ 308545⁰⁰

DOLLARS

 The First National Bank of Ipswich
Investing in relationships

FOR Rent 300,000 Interest 8545.11 Donald F Whiston MP

⑈002682⑈ ⑆01130471⑆ 1090000112⑈

GUARDIAN & SAFETY

ISC 002498

2004

Security enhanced document. See back for details.

FEOFFEES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2829

PAY
TO THE
ORDER OF

DATE 2/10/05

53-471113
.01

Ipswich Schools
Three Hundred thousand and 00/100

\$300,000⁰⁰

DOLLARS



The First National Bank of Ipswich
Investing in relationships

FOR yr 03-04

Donald F. Whiston

⑈002829⑈ ⑆011304211⑆ 10900000112⑈

Check to Sail Zenn 2/10/05

ISC 002499

2005

Handed Check to J. Carr 3/1/06

2006

Security enhanced document. See back for details.

2962

53-471/113
01

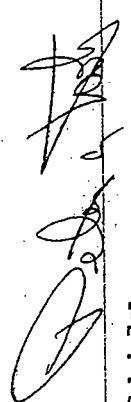
DATE 2-28-08

PAY TO THE ORDER OF Town of Ipswich Public Schools

Four hundred and fifty thousand

\$450,000.00

X X X DOLLARS



FOR Annual gift to school OS

1002962 1001304711: 10900001121

The First National Bank of Ipswich
Investing in relationships

GUARDIAN & SAFETY

ISC 002500

Given to R. Korb 6/23/06 by Don Greenough. 6/23/06
Check to T. Cuth, Accts Payable 6/23/06

Security enhanced document. See back for details.

FEOFFES GRAMMAR SCHOOL
IPSWICH, MASSACHUSETTS

2989

DATE 6-22-06 53-471/113
01

PAY TO THE ORDER OF Ipswich Public School \$ 138,000. ^{xx}/_{xx}

One hundred and thirty eight thousand ^{xx}/_{xx} DOLLARS

The First National Bank of Ipswich
Investing in relationships

FOR OK balance [Signature]

⑈002989⑈ ⑆011304711⑆ 1090000112⑈

GUARDIAN & SAFETY

RECEIVED

JUN 23 2006

IPSWICH
PUBLIC SCHOOLS

ISC 002501

DISCUSSION ON POSSIBILITY OF SALE OF LITTLE NECK LAND

In attendance were J. Arsenault, J. Loeb, E. Traverso, N. Sheppard, H. O'Flynn, B. Hopping, D. Ross, Sup't. Korb, and Finance Director J. Cuff. Mr. Korb connected on speaker phone with Richard Allen, Attorney.

Mr. Allen stated that the Feoffees are seriously recommending the sale of Little Neck. A poll taken of the School Committee members resulted in the following: O'Flynn – yes, to sell; Traverso – open to exploring; Hopping – open to more lengthy discussion to possible sale; Ross – opposed to selling but willing to listen; Loeb – opposed to selling; Sheppard – yes, to sell; Arsenault – on the fence and will listen.

A question/answer period followed with Mr. Allen and members. Mr. Loeb asked if Feoffees/tenants' discussion included anything to restrict to 160 year-round homes. Allen replied that Sheehan has become concerned about how long the year-round/seasonal restriction can be continued. Mr. Allen thinks that Sheehan feels that, with a sale, restrictions would be off. Mr. Loeb stated that title restrictions are only good for a limited number of years and, if done through tenancy, it would mean occupancy at x-number of months a year.

To a question by Mrs. Ross of the sewer debt, Mr. Allen replied that the \$26.5 million proposal would mean that the debt for the sewer would be paid from it, leaving about \$20 million.

Mrs. Ross asked if the Feoffees' current holdings would stay with the Feoffees or would it go with the purchase of the land. Mr. Allen explained his understanding that it would be just purchase of the land and not anything about the tenants' purchasing of the Feoffees trust.

Dr. O'Flynn asked if sale would nullify maintenance. Mr. Allen understands that all ownership responsibility is borne by the new owner. O'Flynn asked if this plan was agreed to between both attorneys, and Mr. Allen reported that it was mostly led by Sheehan, when after negotiating all day, there was no progress on the "rental" status. Feoffees were beginning to lean toward sale and kept pushing for \$32 million, finally down to \$26.5 million with attorneys' fees and sewer debt dropping it to \$20 million.

Dr. O'Flynn asked if Allen felt this is a fully negotiated and completed price. What if we say "yes" to concepts, but that it is not enough money? Mr. Allen wondered if the School Committee should get an appraisal. Fair value is not really known, he said, but he feels the tenants have gone pretty much as high as they will go.

Mr. Traverso asked if there would be a new trust agreement based on securities rather than the land, a Board of Trustees, and an investor. Mr. Allen agreed with all of it.

Mrs. Arsenault was concerned about the Town having access to the money realized from the sale and keeping it because of the original endowment. Mr. Allen felt strongly that it should be cleared in Court, that it be an "advised trust" arrangement because the original bequest never said anything about "over and above taxes". Having encountered a similar situation in the past,

Mr. Korb suggested that a separate trust with a separate Board of Directors be established and the principal never touched, 80% of the interest be available for utilization, and 20% of the interest continue to go back into the principal.

Mr. Hopping asked if, in selling (a direct violation of the bequest), does it compromise our position with the Town? Mr. Allen answered that, done legally through the Court, he wasn't sure how the Town would feel.

Mr. Traverso asked if the AG has a role. Mr. Allen said he thought the AG would sign off if the School Committee, Feoffees, and tenants, with support from the Town, were united in going to Court.

Mrs. Arsenault asked for a scenario if the School Committee chose not to explore sale of the property. Mr. Allen commented that the Feoffees would go forward in litigation, without the School Committee, in disappointment. Tenants would try to argue fraud and deception with no assurances of low rent. It could be a very long battle where the Feoffees should win in the end.

There was discussion of a working group to meet with Atty. Sheehan and Land Vest people to see what they have to say. While members would like another appraiser, Mr. Loeb couldn't see the tenants agreeing to a \$25,000 expense for another appraisal.

Mr. Loeb stated that he was against Executive Session for tonight for discussion of the sale. Whether or not it is going to be sold is a town-wide issue. He feels it will be a longer process which the tenants and Feoffees haven't thought out.

Dr. O'Flynn moved to explore the option of sale of Little Neck land, seconded by Mr. Traverso. IN FAVOR- O'Flynn, Traverso, Hopping, Sheppard, OPPOSED- Arsenault, Ross, Loeb.

Mrs. Arsenault, after appointing Mr. Traverso (for his historical knowledge), Mrs. Ross (for her real estate expertise), and Mr. Loeb (for his legal expertise), to the working group, directed Mr. Allen to let Mr. Sheehan know that the School Committee is willing to explore the possibility of selling but in no way has voted to sell. This working group will not be available until after November 1.

Mr. Loeb moved, seconded by Mr. Traverso, to adjourn Executive Session at 9:30 p.m. IN FAVOR- Traverso, O'Flynn, Sheppard, Hopping, Loeb, Arsenault, Ross.

Korb x 7

EXECUTIVE SESSION

NOVEMBER 11, 2008

PAGE ONE

Minutes of Meeting
Working Group of the Feoffees
Tuesday, November 11, 2008
7:30 p.m. – Payne School

The meeting was called to order at 7:35 p.m. School Committee members of the Working Group of the Feoffees present were Jeff Loeb, Dianne Ross, and Joan Arsenault. Also present were Superintendent Richard Korb, Attorney for the School Committee, Richard Allen; Attorney for the Feoffees, Bill Sheehan; Feoffees member Jim Foley, and past Feoffees member Don Whiston.

Motion by Dianne Ross, seconded by Joan Arsenault, to appoint Jeff Loeb, Chair of the School Committee's Working Group. UNANIMOUS

At that point, Chairman Loeb took over. There was an immediate motion to go into Executive Session. Motion made by Dianne Ross, seconded by Joan Arsenault for the purpose of discussions related to litigation, after which the meeting would adjourn.

There was an update on litigation given by Attorney Sheehan.

- Litigation continues to remain in the discussion phase. There have been numerous depositions taken.
- We are years away from a litigated result.
- With that in mind, the Feoffees sat down with the tenants to discuss various lease terms. It was unlikely, however, that there would be a settlement in the near future.
- The discussion as a result of that scenario was focused on the potential sale, understanding that the Probate Court and the Attorney General would need to weigh in.
- Feoffees legal council feels the only way to resolve this issue is sale versus litigation on lease terms.

Rent Issue

Following those five points, discussions turned to the rent issue. Following the October day-long session, final position of the Feoffees and tenants is as follows:

- ▶ Feoffees position is a seasonal rent for 2009 of \$5,900, and an annual rent to \$7,400.
- ▶ The tenants position is a seasonal rent for 2009 of \$5,400 and an annual rent of \$6,500.
- ▶ For 2010 through the duration of the 20-year agreement, the Feoffees proposal would be \$6,500 for seasonal and \$8,140 annual. The tenants position is \$5,900 seasonal and \$7,000 annual.

The cost of living terms that discussed were: The tenants wanted no more than 9% over a period of 3 years for cost of living. The Feoffees wanted no more than 14% over a three year period. No compromise was reached.

ISC 003380

Escrow Account

Currently, there is \$700,000 in an Escrow Account. This is money that was paid by the non-lessees. When this issue is resolved, the tenants wanted all of that escrow money back. The Feoffees position is that they will not receive the money back.

Sewers

The sewer issue appears to be the only one where they have reached tentative agreement between the Feoffees and the tenants. The tenants agree to pay \$2,836 per year for 20 years or a one-time lump sum payment.

Other Issues

Following the 20-year lease agreement, the Feoffees maintain the right of setting the rent. The tenant's position is they want an equal say in setting the rent.

The other issue, 55 and older. The tenants have posed the question would the Feoffees consider provisions to accommodate additional residents for year round living if they adopted the 55 and over statute.

Other issues that remain outstanding are the Feoffees need to have reasons limiting year round residency. The Feoffees are concerned that they will be sued if they failed to allow the residents to stay there year round. Currently there are only 24 residents that are there year round and now that the sewer has been completed the concern is that they no longer have a substitutive reason for keep people from living there year round.

Final Issue Discussed – The Sale

From the very beginning, it is the feeling of the Feoffees legal council, Mr. Sheehan, that the tenants were trying to position themselves for the purpose to buy the land. Discussion did take place regarding the sale. The two were significantly apart, but the tenants started out with an offer of \$16.5 million. The Feoffees started out with a price of \$33 million. A compromise figure of \$26.5 million was arrived at. This would be a one-time cash sale of which the \$6.5 million would come off the top to pay for sewer, thus leaving \$20 million to the schools, the beneficiaries, to then go into a trust account. Discussions followed relative to investment strategies for that money. The sales agreement would be written so that the money goes directly to the beneficiary and not pass through the town.

Other discussions were held about strategies such as only using 80% of the interest that is earned each year, putting the other 20% back to build the principle for future years to come. Timing related to any potential sale is that it would have to go through the Probate Court process. If agreed, appointments would have to be made with the Attorney General's office and then ask the Court to stay litigation.

If the sale were to go through, and the Committees and Board of Selectmen were to approve it, it potentially could happen within the next year.

That being said, the meeting was adjourned at approximately 10:00 p.m.

At 9:33 p.m. Executive Session began with the following attendees: Traverso, O'Flynn, Sheppard, Arsenault, Hopping, and Ross, Superintendent Korb, Finance Director J. Cuff, and Attorneys Sheehan and Allen. Mr. Loeb excused himself for the Executive Session discussion at 9 p.m.

Health Insurance for Employees

Mrs. Kilcoyne, Board of Selectmen member, presented corrected information following meetings with PEC (Public Employees Committee) who are looking to 75/25% split premium payments and for retirees, Medicare Part B at 50%. The proposal now is a 65/35% split. Without the "sweeteners", it appears the GIC insurance proposal won't be accepted by the employees/retirees.

Mrs. Arsenault and Mr. Korb both felt that MIAA (current carrier) would be offering some interesting information. The School Committee, in consensus, made no counteroffer to the proposal on the table.

Litigation

Mr. Loeb, Chair, and the working group met last Tuesday for fact-finding and due diligence. The non-negotiable price to purchase the property is \$26.5 million. The discussion of value prepared for the Feoffees is that \$26.5 million is 30% better than what an appraiser can do. The limitations to seasonal use of the property appear legally to be unenforceable.

Attorney Sheehan reported that he had told the working group that the parties cannot reach a rental agreement. There was disparity argumentation over lease figures, over the escrow amount's eventual placement, and then over residents 55 years and over being allowed to live year round, an amount that would grow as residents age—an impossible demand. Mr. Sheehan reminded the Board of the day-long meeting with tenants and their counsel and the feeling that sale of the property would break the log jam. There will no longer be any control over numbers of year-round residents with the sale of the property because of the waste water system installation.

The third option (leasing and selling being numbers 1 and 2), a court decision, means that tenants no longer have any rights and Feoffees must buy the houses. Tenants are relying on the history; Feoffees covering expenses and giving the rest to the Town. After 1998 when the Feoffees announced that they were going to fair-market value, a new renter couldn't argue that, but at a trial this will be argued a long time with a probable appeal (2 – 3 years minimum with no money to the schools).

Mr. Hopping asked and Mr. Sheehan replied that the tenants have the authority to buy for \$26.5 million and if a homeowner can't afford to buy the property, he/she will become a tenant of the Association that buys the property.

Mr. Traverso argued that the \$26.5 million which produces a 5% return (\$1,300,000 per year) is much lower than the value Mr. Sheehan claims. Mr. Sheehan replied that the bottom line is between rent (\$9,700 yields \$750,000 to the schools each year) or sale (\$1 million round number to the schools).

Mr. Sheehan said he hopes that Mr. Allen and he have made it clear why it is best to sell at this time. Once voted, the attorneys then get a Purchase and Sales (P&S) agreement and they go to the Attorney General. There is little doubt that a compelling case can be made by beneficiary and Trustees for deviation from the original terms of the Trust. The Attorney General will study the primary intent of the gift giver, who has long since passed away, and, if he approves the process, the attorneys go to Probate Court in Salem. The time frame is 3 - 6 months. There are two hurdles: (1) tenants want to take a look at the waste water system; and (2) getting an appointment with the Attorney General.

The process involves only the Trustees and the beneficiary (schools), not the Town. Mr. Korb asked Mr. Sheehan if there would be another endowment or trust. He would like to see 80% of the potential 5% annual return on the \$20 million net (or \$1 million annually) go to the schools while 20% would remain to compound with the original \$20 million investment for growth every year. Mr. Korb also asked what kind of guarantees and assurances could be written so that there would be true control by the beneficiary and not by the Town. The attorneys felt that the creation of a 9-member board, the majority of whom are publicly elected, will make it much more likely to be in the category of control by the public and more likely, as a public entity, to be exempt from income taxes. The attorneys would argue in the complaint for deviation that it would not be appropriate for tax purposes. Mr. Sheehan commented that the new entity should be accomplished before the P&S agreement.

Dr. O'Flynn moved, seconded by Mr. Sheppard, to go forward with the sale of Little Neck property authorized by the Feoffees to the tenants at the price of \$26.5 million.

Mrs. Ross asked if money went with the sale, and Mr. Sheehan said the \$750,000 in escrow does not go with the sale, that there is no sinking fund, and they cannot pay their bills. She asked the time frame and the financing and was told that it is a cash sale which would probably take place within about 30 days. There was a clear understanding that the parties negotiating had full authority and the ability and commitment to pay \$26.5 million for the land.

Mr. Sheppard asked how much the Feoffees are drawing off each year. Mr. Sheehan replied between \$50,000 and \$100,000 each year for management. After the sale, there would be no need for remuneration, and the biggest question for the 9 newly appointed trustees would be to choose the investor.

Mr. Allen commented that, while the details could be complicated, he is optimistic about the Attorney General's decision. The Probate Court will tend to approve if all parties are in agreement and the attorneys can make a strong argument. He felt it is important to downplay the IRS number. Because of the public nature, there may be a potential issue with the bidding law. Mrs. Arsenault and Mr. Loeb questioned whether the tenants are aware of potential issues and will stay with the price. Mr. Sheehan said the uniform procurement act has certainly been discussed and will come up with the Attorney General. Even with the bid process, who would want to buy it? While members discussed the need to maintain confidentiality until there is a signed P&S agreement, Mr. Hopping was concerned about the Town at large and making sure that procedures are appropriate. He said he can't support the sale tonight until he works out some of the ramifications of keeping the Town unaware of proceedings.

Mrs. Ross wondered, if the tenants walk, would it put the beneficiaries in a better light for raised rents and said she couldn't support the sale at this point.

Mr. Loeb moved to table, and Dr. O'Flynn said he would not withdraw his motion to sell. Again, there was discussion of when to go public. Mr. Hopping moved the question.

ROLL CALL VOTE ON MOTION: IN FAVOR - Traverso, O'Flynn, Loeb, Arsenault
OPPOSED - Hopping, Ross
ABSTAINING - Sheppard.

Mr. Hopping moved, seconded by Mrs. Ross, to adjourn Executive Session at 11:10 p.m.
Roll Call vote in favor: Traverso, O'Flynn, Sheppard, Arsenault, Hopping, Loeb, Ross.

PRESS RELEASE

The Feoffees of the Grammar School in the Town of Ipswich, the Ipswich School Committee and the Little Neck Legal Action Committee, representing most of the tenants of Little Neck, announced today that the Feoffees and the tenants have reached an agreement in principle whereby the Feoffees will sell and the tenants will purchase the land at Little Neck for a price of \$26,500,000. The agreement to sell, if finalized, would settle the dispute between the parties.

The land is held in trust by the Feoffees to benefit the Ipswich public schools. A sale of the land must be approved by the Essex Probate Court and all parties have agreed to seek that approval. The result of a sale will be an endowment fund, the investment proceeds to provide annual support to benefit the Ipswich schools.

The tenants anticipate forming a business entity to take title to the real estate. Those individuals who have signed leases with the Feoffees will have the opportunity to participate in the business entity as will the tenants who have not signed leases.

Contact Information: Feoffees: James Foley (978) 360-2799

LNLAC: Mark DiSalvo (508) 633-3282
mdisalvo@sema4usa.com

Korb X 18

In attendance at 9:45 p.m.: B. Hopping, D. Ross, E. Traverso, H. O'Flynn, N. Sheppard, J. Loeb, R. Korb and J. Cuff.

NUFIC LITIGATION

Mr. Loeb explained that the settlement with NUFIC was risky in the beginning. NUFIC paid the subcontractor, N B Kenney, \$120,000, and NUFIC is now asking the School Committee for \$60,000. Mr. Loeb (who always believed it was School Committee responsibility) and Mr. Korb recommended a \$40 - 45,000 figure and asked for School Committee discussion after which Mr. Hopping moved, seconded by Mrs. Ross, to authorize the expenditure of up to, but not exceeding \$45,000, for a settlement with NUFIC. Roll call IN FAVOR - Traverso, O'Flynn, Sheppard, Hopping, Loeb, Ross. Mr. Loeb asked that settlement come before June 30.

LITTLE NECK

Mr. Loeb reported on political whispering and reiterated that School Committee members can't talk to anybody. Once the press release comes out, they could answer questions but some of the reasons to vote the number and concept need to remain confidential until the deed is recorded.

Mr. Loeb commented that Mr. Allen's email to the Superintendent contained the recommendation that the combined Working Group and Peoffees Subcommittee resolve the Peoffees structure with the attorney for the agreed Court petition and proposed Trust Administration Order. This number of School Committee members would constitute a majority of the School Committee. Mr. Korb suggested that Dr. O'Flynn and Mr. Traverso, of the Peoffees Subcommittee, and Mr. Loeb, Chair of the Working Group, work with Attorney Allen.

Mr. Korb promised to keep members informed as soon as possible on Sunday night or early Monday morning.

Mr. Loeb moved, seconded by Mrs. Ross, to adjourn at 10:04 p.m. IN FAVOR - Traverso, O'Flynn, Sheppard, Loeb, Hopping, Ross.

Exec. Session Minutes
No. 7 Released in open session

EXECUTIVE SESSION

5/7/09

PAGE 6

Present at 9:10 p.m.: School Committee members: Arsenault, Loeb, Hopping, Ross, O'Flynn,
Traverso

Superintendent Korb
Attorneys Sheehan and Allen (by phone)

Mr. Sheehan refreshed the Committee on past Feoffee activities: that is, failure to sell the land, failure to create a condominium because Feoffees own the land and tenants own the cottages. At the last Feoffees meeting, they voted to request the School Committee to approve a "Approval Not Required" (ANR) plan. The ANR plan would result in 168 lots - 167 to be owned individually and one common area consisting of the beach, ballfield, community house, etc. Lots would be sold to those who wish to buy, would be leased to those who could not or did not wish to buy and might opt to buy later, and the rest would be subject to eviction for those lots which were not sold or leased. This approval would place the Feoffees in a litigious position that if the Court adopts the position with the tenants and the Feoffees evict them, Feoffees must purchase their homes and the Feoffees would do that. Once up for sale, the Feoffees get the value of the land.

Having to leave at 9:15, Dr. O'Flynn commented that he was fine with the idea conceptually.

The new trust will have assets both in land and in cash. Land Vest will appraise each of the lots and add to the individual lot value $1/167^{th}$ of the determined total value of the common areas. The waste water treatment is one of the features of the common areas that will have value.

In the event of a megastorm, the expense of repairs would go to a homeowners' association which would oversee the common areas. The renters' expense will include a share of common area expenses with the Feoffees who would continue to own that lot. In the event of damage (erosion), determination would be made under the terms of the lease, subject to the Feoffees. Street maintenance would remain the same as it is now. Until the Feoffees have sold everything, they would have an interest in the lots. The goal remains to net \$20 million for the schools; if the Feoffees are successful, the \$1 million escrow will eventually see its way to the schools.

Mr. Allen feels that work should continue on the new trust; Mr. Sheehan feels that the Administrative Order should be filed with the deviation complaint as one complaint.

Mr. Sheehan stated that contributions had been made to the schools by the Feoffees from 1978- 2006; Mr. Traverso disagreed with the dates of distribution.

Mr. Loeb moved, seconded by Mr. Hopping, to approve and support the Approval Not Required (ANR) proposal outlined this evening by Attorney Sheehan. IN FAVOR- Arsenault, Ross, Hopping, Loeb; OPPOSED- Traverso. Mr. Traverso is not in favor of basing everything on Land Vest evaluations, including taxes.

Mr. Allen suggested that Feoffees counsel report periodically to the School Committee when Mr. Loeb asked about lots of details that need to be worked out. Mr. Allen also requested that a copy of the press release go to Mrs. Arsenault and Mr. Korb for distribution to the Committee.

Mr. Loeb moved, seconded by Mrs. Ross, to go out of Executive Session at 10:10 p.m. IN FAVOR- Traverso, Arsenault, Hopping, Loeb, Ross.

PRESS RELEASE

The Feoffees of the Grammar School in the Town of Ipswich announced that the proposed sale of Little Neck to the cottage owners for \$26,500,000 will not go forward because the cottage owners are not able to raise the purchase price. "We are sorry that the sale cannot be consummated, but understand the cottage owners' inability to raise the purchase price in these difficult economic times," said Feoffees Chairman James Foley.

The Feoffees intend to seek approval from the Essex Probate Court to file with the Ipswich Planning Board a plan of land dividing Little Neck into 168 lots, 167 lots improved with cottages and one lot to be used in common by all residents, so as to permit the Feoffees to sell lots to those cottage owners who wish to buy the lots on which their cottages are located. Such a plan is known as an "Approval Not Required" (ANR) plan, authorized by the state law that governs the division of a parcel of land which housed multiple buildings when the subdivision control law went into effect in Ipswich into as many lots as there were buildings. "Such sales will permit the Feoffees to raise money for the Endowment Fund desired by the School Committee. We will continue to offer to lease lots to those cottage owners who are unwilling or unable to purchase the lots on which their cottages are located." Foley said.

Probate Court approval is required because of the provision of William Paine's will which directs that the Little Neck land not be sold.

The Feoffees hope that the ANR plan and sale will lead to a successful resolution of the pending litigation with many of the cottage owners.

"We share the frustration of Ipswich residents with the inability over the last three years to continue making the sizable distributions the Feoffees have made to the schools over the preceding ten years. During those ten years, we distributed to the schools over \$2,000,000.

Contrary to information being casually spread around town, minutes of the annual meetings of the Feoffees show a vote to make a contribution to the schools every year from 1978 to 2006 when the residents' litigation began." Foley said.

"It is important to remember that the lawsuit was not brought by the Feoffees. It was brought by those residents of Little Neck who objected to paying what the Feoffees believed and continue to believe are fair rents reflecting the value of the land rented. At all times since the lawsuit started we have kept the School Committee informed of the Feoffees' positions and the School Committee has been in total agreement with us on all financial issues.

"It is also important to remember that, even though the residents have not agreed to pay the rents we charged, by agreement filed with the Court, they are paying the difference between what they have agreed to pay and what the Feoffees believe is fair into escrow and that escrow account exceeds one million dollars. If the case goes to trial and the Feoffees are successful, the escrow monies will go to the Feoffees and ultimately be available to the schools. Of course, we continue to hope that we can resolve our differences with the residents and we continue to talk with their representatives." Foley said.

William H. Sheehan III

From: William H. Sheehan III
Sent: Tuesday, December 09, 2008 10:02 AM
To: 'Ipswich@cnc.com'; 'wbroadus@salemnews.com'
Cc: 'Chapman, Tyler'; 'Allen, Richard'
Subject: FW: Feoffees of the Grammar School of Ipswich, The / Termination of Tenancies at Little Neck Ipswich (28873-1)

Attachments: Press Release



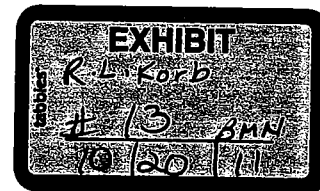
102541_2.doc (31 KB)

I forward press release in the matter of the Feoffees of the Grammar School in the Town of Ipswich and the tenants of Little Neck, Ipswich.

-----Original Message-----

From: Kathryn J. Sabbio
Sent: Tuesday, December 09, 2008 9:53 AM
To: William H. Sheehan III
Subject: Feoffees of the Grammar School of Ipswich, The / Termination of Tenancies at Little Neck Ipswich (28873-1)

Press Release



William H. Sheehan III

From: William H. Sheehan III
Sent: Friday, May 08, 2009 12:11 PM
To: 'Ipswich@cnc.com'; 'wbroadbus@salemnews.com'; 'laidler@globe.com'
Cc: rksuper@aol.com; 'joan@masstextimaging.com'; 'Allen, Richard'; james.foley@town.ipswich.ma.us
Subject: FW: Feoffees of the Grammar School in the Town of Ipswich
Attachments: Press Release 5/7/09



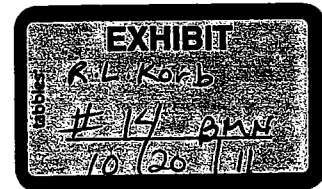
102541_3.doc (53 KB)

I forward press release in the abovesaid matter. If you need further information, please feel free to call William H. Sheehan III, attorney for the Feoffees, at 978-774-7123 (w) or 978-771-7232 (c), or James Foley at 978-360-2799. Thank you for your attention.

-----Original Message-----

From: Kathryn J. Sabbio
Sent: Friday, May 08, 2009 11:20 AM
To: William H. Sheehan III
Subject: Feoffees of the Grammar School of Ipswich, The / Termination of Tenancies at Little Neck Ipswich (28873-1)

Press Release 5/7/09



Fran Seldenrich

Exec. Session

From: "Allen, Richard" <allen@casneredwards.com>
To: <rksuper@aol.com>
Sent: Sunday, March 12, 2006 10:26 AM
Attach: Re Little Neck lease.eml; Feoffees matter -- comments on draft lease and rules.eml
Subject: Little Neck lease

Rick,

Here are the following: (1) e-mail from Don Greenough forwarding the draft lease and rules & regulations (attached to his e-mail); and (2) my comments sent back to Don this morning (reserving that neither the lease & rules nor my comments had yet been reviewed by you and the Subcommittee and that they are subject to further comment after you have had a chance to review the lease & rules and my comments).

Regards,

Dick

<<Re: Little Neck lease>> <<Feoffees matter -- comments on draft lease and rules>>

Richard C. Allen
Casner & Edwards, LLP
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Phone: (617) 426-5900 x 339
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ISC 002822

3/12/2006

Fran Seltnerich

From: "Allen, Richard" <allen@casneredwards.com>
 To: "Don Greenough" <donaId.greenough@verizon.net>
 Sent: Sunday, March 12, 2006 10:22 AM
 Subject: Feoffees matter -- comments on draft lease and rules

Don,

Thank you for forwarding the draft lease and rules. In the interest of time, I am sending you my comments without my client's review, so my comments are subject to further response after my client has seen the lease and rules and my comments, which I am forwarding to them this morning.

- a) I assume that Paragraph 2 as well as Exhibit A will be different for year-long rentals.
- b) Paragraph 4: the rent levels, periods of adjustment, basis of adjustment, etc. are the subject of discussion at our upcoming meeting on Thursday, March 16.
- c) Paragraph 6: in the fifth sentence, I assume that "continues" should be typed "continue."
- d) Paragraph 10: after the second sentence, which requires the Tenant to defend Landlord's interest, I suggest adding language reserving a Landlord right to defend, and prohibiting Tenant from compromising or settling Landlord's interest without Landlord's sign-off.
- e) Paragraph 12: at the top of page 4, include Tenant's neglect or failure to perform or observe Landlord's rules and regulations as a breach of condition.
- f) Paragraph 13: in the first sentence's requirement of Landlord consent for assignment of the lease, add that consent is not to be unreasonably denied.
- g) Paragraph 14: what do the words "Add 1" refer to?
- h) Paragraph 18: reserve right to enter at any time for an emergency, upon notice that is reasonable under the circumstances?
- i) Exhibit A: in the fourth paragraph, the reservation of a right to adjust the rents based upon a classification of lots based on relative value could be read as not applying to the first three years of the lease. Is this intended?
- j) Rules Paragraph 1: reserve that the \$1,000 per week additional rent is not the only remedy?
- k) Rules Paragraph 8: I suggest that the second sentence and third sentence each be its own Paragraph with its own number, as each is conceptually different from "Condition of Cottages" and deserves its own heading.

Regards,

Dick

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 Phone: (617) 426-5900 x 339
 Fax: (617) 426-8810
 allen@casneredwards.com

ISC 002823

3/13/2006

Subj: **FW: Little Neck - leases and rents**
Date: 3/13/2006 9:11:56 A.M. Eastern Standard Time
From: allen@casneredwards.com
To: rksuper@aol.com

Rick,

See response below from Don Greenough regarding: (a) my lease comments; and (b) the Feoffees' thinking regarding the rent issues for Thursday night's meeting.

Regards,

Dick

Richard C. Allen
Casner & Edwards, LLP
303 Congress Street
Boston, MA 02210
Phone: (617) 426-5900 x 339
Fax: (617) 426-8810
allen@casneredwards.com

www.casneredwards.com

-----Original Message-----

From: Don Greenough [<mailto:donald.greenough@verizon.net>]
Sent: Monday, March 13, 2006 8:34 AM
To: Allen, Richard
Cc: Anderson, Slater
Subject: Little Neck - leases

Dick:

Thanks for getting your comments and questions to me over the weekend. I will get a revised draft to you this afternoon addressing a-k in Sunday morning's note.

In regards to last evening's note, I have a few quick responses.

Rent values and amenities -- Since its initial analysis in 1997, LandVest has taken into account the status of Little Neck as a private "gated" community, the Tenant's exclusive use of his or her Lot and the shared use of the common amenities (roads, electric grid, beach, dock, community center, ballfield, etc.) provided by the Landlord. The Landlord's annual overhead of approximately \$85,000 includes landscaping, maintenance and repair, taxes on all of the land (except the 167 Lots); security during peak occupancy, water quality testing at the beach as required by state law, liability insurance, and accounting and legal fees.

Period of adjustments -- As I believe I've previously mentioned, LandVest is extremely concerned about the effect of the presence of the pump trucks and the financial costs of the betterment and user fees on the Little Neck market. Slater Anderson believes that 2006-7 could be a year of tremendous upheaval and therefore he would like to take another look at values after the first year. The Feoffees respect his opinion, but they believe that due to the betterment and sewer costs, the promise of some predictability in the rent for the next three years will be a factor to persuade Tenants to execute the leases.

Use of index for adjustments -- The Feoffees have been enthusiastic about the use of a verifiable index for the periodic adjustments. Slater made a persuasive case against the use of an index due to unique issues which may drastically affect values on Little Neck, but not the general real estate marketplace, during the next 5-15 years. It's possible that the sewer system will be a fiasco and that the daily presence of pump trucks and the system's costs will have a serious negative impact on Little Neck values compared to other waterfront properties

or, on the other hand, if the Town of Ipswich extends the municipal sewer system collection system is connected at a reasonable cost, there would be a huge

ISC 002824

y, March 13, 2006 America Online: Rksuper

positive impact on the values which an index would not adequately reflect.

The Feoffees have advised Slater that the appropriate period for adjustments and the relative merits of adjustments based on appraisals or an index will be a primary topic of Thursday's discussion.

On a related subject, the Feoffees have informally discussed gradually increasing the seasonal rents -- \$5,000, then \$5,300 and then \$5,600 -- over the first three years. This would provide the same total income to the schools over the three years but requires discussion with the School Committee. The Feoffees believe that the deferral of approximately \$50,000 in income from FY2007 to FY2009 may be a reasonable sacrifice for timely execution of the leases assuring the payment of the betterments to service the construction debt.

I look forward to speaking with you after you review the revised lease. I expect that it will be a strain to fully discuss all of the issues in only 90 minutes on Thursday night, so if there are any other items that you would like to have feedback from Slater before the meeting, please let me know.

Donald M. Greenough, Attorney
P.O. Box 790
2 Depot Square
Ipswich, MA 01938-0790
978-356-1040 Phone
978-356-1042 Fax
donald.greenough@verizon.net

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Fran Seltenrich

From: "Allen, Richard" <allen@casneredwards.com>
To: <rksuper@aol.com>
Sent: Tuesday, June 27, 2006 9:15 AM
Attach: 3850A.LEASE.LN.SEASONAL.doc; 3850A.LEASE.LN.ANNUAL.doc; Loc.30 - LN RULES REGS.doc
Subject: Little Neck lease, tenancy terminations, and rules & regulations

Rick,

Attached are the following:

- 1) the lease (seasonal lease plus year-round lease) that I understand that the Feoffees will be mailing to the Little Neck tenants today.
- 2) the Feoffees' revised Rules and Regulations for Little Neck occupancy.

I have reviewed them and worked with Don Greenough regarding my comments and suggestions.

The Feoffees are implementing the leases by mailing to each tenant a notice of termination of the current tenancy-at-will. This will come from the office of attorney Leonard F. Femino. At the same time, the Feoffees will mail to the tenants the new lease and an invoice reflecting the new rent for the period beginning July 1. I understand that all of this will be in the mail today. The termination of the current tenancy-at-will could be upsetting to some tenants, but it is a legal requirement in order to accomplish the transition to the lease.

If you or the School Committee have any questions, please let me know.

Regards,

Dick

<<3850A.LEASE.LN.SEASONAL.doc>> <<3850A.LEASE.LN.ANNUAL.doc>> <<Loc.30 - LN RULES REGS.doc>>

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ISC 002692

6/28/2006

REVISED: APRIL 26, 2007

IPSWICH SCHOOL COMMITTEE MEETING
THURSDAY, MARCH 29, 2007
7 P.M.

MIDDLE/HIGH SCHOOL ENSEMBLE ROOM

OPEN SESSION

CALL TO ORDER

Mr. J. Loeb, Chair, called the meeting to order at 7:17 p.m. with the following members present: E. Traverso, H. O'Flynn, B. Hopping, and D. Ross. Also present was Superintendent of Schools Richard Korb.

CITIZENS' QUESTIONS - None.

I. SCHOOL COMMITTEE DISCUSSION

A. FEOFFEEES TRUST DISCUSSION

Discussion was begun with Mr. Loeb's review of the Trust over the years and the current situation with unsigned leases on Little Neck and pending lawsuits. As a result, the flow of money to the School Committee to meet its budget hasn't happened yet. While some of the troubling language in previous tries at revision has been eliminated, Mr. Loeb sees the biggest remaining issue is governance of the Trust. Currently, Mr. Foley, Mr. Rauscher, Mr. McNally, and Mrs. Kilcoyne (all members of the Board of Selectmen) are members of the Feoffees. While the consensus of the group was to sacrifice "municipal governance" of the Trust, Mr. Traverso argued that if it remains a private trust, the Feoffees will report only to the Attorney General of Massachusetts and will be exempt from all of the laws pertaining to transparency and accountability.

In discussion, the Board set out to include items in the Trust revision which would demand an accounting by the Feoffees. Following the suggested revision done by Richard C. Allen of Casner & Edwards, LLP, the members reviewed sections and deleted and/or added sections. The new draft will be reviewed by members at their April 26 meeting.

Mr. Traverso disagreed with the Feoffees method of setting the value of a lot; that is, letting a third party, rather than an assessor, do the work. It seemed ridiculous to him that the least valuable lot (\$80,000) and the most valuable lot (\$300,000) pay the same rent. Mr. Loeb recalled that in April, 2005, the School Committee had signed off on the current rental setup as consensus for one year according to Minutes.

Dr. O'Flynn recalled a letter that Mr. Traverso had written which proposed a new system for rent assessment that would be fair and equal and which could go a long way toward settling the issue by using the assessor's values.

REVISED: APRIL 26, 2007

OPEN SESSION

3/29/07

PAGE 2

Mr. Hopping asked for clarity as to whether the Feoffees were created by an act of the government, and Mr. Loeb replied that the issue is currently being litigated by the District Attorney's office.

Members discussed the question, if it came to it, whether the School Committee would go forward with the revision alone. Consensus of members was that, if there is not a consensus with the Board of Selectmen and the Feoffees, the School Committee would go forward with their attorney to the Judge of Probate Court. Mrs. Ross commented that it is important that the whole process be expedited as quickly as possible.

Mr. Korb suggested that the Feoffees design a five-year capital improvement plan. A percentage (say 5%) of the rentals could be set aside annually in a fund, Mr. Traverso said, that would be used for ongoing maintenance and unusual expenses rather than the current sporadic method of informing the School Committee at a late date that large sums of money needed to be spent on upkeep/modernization of the property and, therefore, couldn't be presented to the school system.

II. ADJOURNMENT

Mr. Hopping moved, seconded by Mrs. Ross, to adjourn at 8:45 p.m. UNANIMOUS.

Kob X 18

Fran Seldenrich

From: <Rksuper@aol.com>
To: <ssmith@ipswichschools.org>; <jcuff@ipswichschools.org>; <zemang@verizon.net>; <CherylF@aol.com>; <JMintonRA@aol.com>; <mjoss@ipswichschools.org>; <kcooper@ipswichschools.org>; <bcahill@ipswichschools.org>; <drdalt@ipswichschools.org>; <fseltenr@ipswichschools.org>; <cforster@ipswichschools.org>
Sent: Thursday, August 16, 2007 3:46 PM
Subject: Feoffee's budget concern

Ad Min team,

Due to the anticipated shortcomings in the Feoffee's funding, we need to be prepared to discuss alternative choices for any discretionary spending from that account. The biggest part of our budget that the Feoffee's was expected to fund in this years budget was Gas heat and Transportation. I know that Dept stipends come from that account and we need to revisit that to see if we need to look for other funds to help if for some reason the town backs off from their original pledge of the first \$200K, not to mention the second \$200 K in October. There is some scuttlebutt going around that indicates it will be a topic of conversation at the next Fin Com meeting. It's an issue I will go to war on with them, but need the SC to understand the alternatives. I also understand that other smaller things like PD journals etc have traditionally come from that account. I'm afraid we will need to freeze those expenditures for awhile until we can get a firm grip on what to expect. I'm not trying to be an alarmist..just taking a cautious and prudent look at the situation. I want to have that conversation at next weeks SC meeting when I review our recommendations for changes in the 08 budget. Rick

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ISC 002949

8/16/2007

Korb x 20

AMENDED PER 10/4/07 SCHOOL COMMITTEE MEETING

IPSWICH SCHOOL COMMITTEE MEETING THURSDAY, SEPTEMBER 6, 2007 MIDDLE/HIGH SCHOOL ENSEMBLE ROOM

OPEN SESSION

CALL TO ORDER

J. Arsenault, Chair, called the meeting to order at 7: 05 p.m. with the following members present: D. Ross, B. Hopping, N. Sheppard, E. Traverso, J. Loeb, and H. O'Flynn. Also present were R. Korb, Superintendent of Schools; G. Zeman and J. Cuff, Financial Office; and April Hoffmann, Student Representative.

ANNOUNCEMENTS

Mrs. Arsenault read the following announcements:

There will be no Executive Session

Custodians Negotiations Team will meet on September 10, 10:15 a.m., Payne School

Clerical Negotiations Team will meet on September 11, 3:30 p.m., Payne School

Food Services Negotiations Team will meet on September 17, 3 p.m., Payne School

Policy/Operations Subcommittee will meet on September 17, 7:30 p.m., Payne School

Athletics Subcommittee will meet September 18, 6:30 p.m., Room B229, Middle/High School

School Committee will meet on September 20 at 7 p.m., Middle/High School Ensemble Room

CITIZENS' QUESTIONS

Peter Holtz, teacher at the Middle School, made a plea for restoration of the Professional Development funds for teachers as supported since 2004 but cut this year because of lack of funding. He said it is especially important because there are 75 new teachers in the system of 176 in the last five years, there is a new administrator, accreditation is coming up at the high school, and he felt that "mediocre or good enough" is not the definition of the Ipswich school system. He asked that the School Committee keep an eye on professional development as they review the situation with Feoffees.

Mr. Korb thanked everyone who sent him best wishes during his recent health issue. He much appreciated all the community's concern.

I. SCHOOL COMMITTEE PRESENTATIONS

A. FEOFFEE'S UPDATE

Mr. James Foley, Chair of the Feoffees of the Grammar School, began by enumerating the non-legal affairs. The waste-water system, in its second season, is working very well and the signed contracts for disposal will be up next April. The next big project is to repair the storm damage of last April which tore away parts of River Road and the hill facing Plum Island Sound amounting to \$1 - 1.5 million in damage. The Feoffees have applied for grants from FEMA and MEMA, but no word has come, one reason being the dispute over whether Feoffees are a public or private entity, and remediation will take probably 8 - 12 months after notification. Mr. Traverso asked where the money went which regularly was set aside for erosion control, and Mr. Foley responded that the wharf area to Sandy Beach and along River

Road had been rebuilt. To Mr. Traverso's comment that there had been no official notification from the Feoffees that there will be no distribution to the schools for '07, Mr. Foley apologized and offered an invitation to the School Committee's Feoffees Committee to attend the Feoffees' open meetings.

Mr. William Sheehan, attorney for the Feoffees, in litigation in Essex Superior Court cited three issues: (1) the right to possession of the lots (tenants say Feoffees don't have the right to set the rents); (2) the issue of damages regarding the figures on the waste-water project (tenants sued first, Feoffees sued in turn) to be decided by the judge of the Essex Superior Court; and (3) whether or not the Feoffees is a governmental body. The Attorney General has been asked to rule and the Uniform Procurement Act will apply. Feoffees are now holding all meetings as open meetings whether or not the determination is made that Feoffees is a governmental body.

Under the Uniform Procurement Act, the question is whether the Feoffees have the right to rent to those who choose to without putting it before the whole community. The District Attorney and Attorney General say there is no real controversy. The Feoffees say that they are a private body; an individual left the land in the 1600s to the townspeople, and four private persons and three selectmen would run the body after instruction by the Great and General Court back then.

Litigation is moving on two parallel tracks. Settlement attempts have been made on March 1 and May 17. A retired Superior Court judge, Sam Adams, has been retained as mediator and on July 9, the parties and counsel met with the judge with a second session in August. While most non-money issues have been resolved, the biggest issue is the amount that the tenants are willing to pay. The Feoffees have an obligation to the school children of the Town of Ipswich to get a fair rate of return, and the Feoffees have determined that the assessed value of the property is the fairest way to determine the value of the lots. Some 30 tenants have agreed; the others are in suit. The September 12 session will determine one way or the other, and Mr. Sheehan felt that it is less than likely that a resolution will result. There is a statutory procedure to determine what an arbiter says the "fair value" is. At issue is the power of the Feoffees to charge the rate of rent.

To a question of timing if the September 12 meeting falls apart, Mr. Sheehan reviewed the process and, at best, he was talking about the end of '07. If, however, the parties came to terms and leases were signed by the recalcitrant tenants, he thought there would be money for the schools.

Mr. Traverso questioned disparity of assessed value and fair rent value, and Mr. Sheehan replied that the only complaint was the 20-year lease requirement with a 3-year figure for rental. A formula has been established in a fairly lengthy process, best expressed at assessed value. Mr. Sheehan also explained that costs of the waste-water system have been amortized with land rentals to each tenant.

The School Committee members thanked Mr. Sheehan for his time, agreed that advocating for the children is tantamount, but that a difficult situation exists without Feoffees funds; however, they are willing to take the long view and wait for settlement.

EXECUTIVE SESSION

12/21/06

PAGE 4

Executive Session was called to order at 8:35 p.m. by J. Loeb with Traverso, O'Flynn, Sheppard, Hopping, Arsenault, Ross, and Superintendent Korb present.

Members discussed whether to become involved in the litigation against the Feoffees. Consensus was that the Committee should stay away from it.

Mr. Loeb asked for consensus re the revised trust agreement and if it would be limited to governance. The feeling was that the full Committee should move on it and will schedule a meeting of the Feoffees Subcommittee at the January 4 meeting.

Mr. Sheppard moved, seconded by Mrs. Arsenault, to adjourn the meeting at 9:05 p.m. Roll call IN FAVOR: Traverso, O'Flynn, Sheppard, Loeb, Hopping, Arsenault, Ross.

5. FEOFFEEES SUBCOMMITTEE

Mr. Traverso suggested that, when the Feoffees finally go forward to decide whether it is a municipal or private charity trust, it might behoove the School Committee to have two drafts for whatever direction Feoffees take to prevent further delay and an incentive to move faster.

6. OPERATIONS SUBCOMMITTEE - None.

7. POLICY SUBCOMMITTEE

Mr. Hopping reported that the Subcommittee had made an insertion on the Student Transportation policy, had reviewed the job descriptions for the Facilities Manager and the Custodial Supervisor, and had discussed the subcommittees of the School Committee which has not been revised since the mid-1980s. The Subcommittee is polling other districts as to how they work.

8. TECHNOLOGY SUBCOMMITTEE

Mr. Traverso reported that the technology people seem to think that when the Feoffees money comes through, it will all go to technology funding!!

9. IPSWICH HIGH SCHOOL STUDENT REPRESENTATIVE

April Hoffmann reported that the girls' soccer team made the Northeast Division finals with a final record of 12/5/4 and a lot of support from faculty, students, and the town.

10. OTHER

III. SUPERINTENDENT'S REPORT

IV. CONSENT

Mr. Hopping moved, seconded by Mrs. Ross, to accept the Minutes of November 1, 2007, Open Session School Committee meeting. UNANIMOUS.

VII. ADJOURNMENT

Mr. Hopping moved, seconded by Mrs. Ross, to adjourn at 8:07 p.m. UNANIMOUS.

**IPSWICH SCHOOL COMMITTEE BUDGET/REGULAR MEETING
WEDNESDAY, FEBRUARY 13, 2008
MIDDLE/HIGH SCHOOL ENSEMBLE ROOM**

OPEN SESSION

CALL TO ORDER

Mrs. J. Arsenault, School Committee Chair, called the meeting to order at 7:02 p.m. with the following members present: N. Sheppard, H. O'Flynn, D. Ross, B. Hopping, and E. Traverso. Also present were R. Korb, Superintendent of Schools; G. Zeman and J. Cuff, Financial Office; April Hoffmann, Student Representative; and Principals C. Forster-Cahill and B. Cahill.

Mrs. Arsenault repeated the agenda for the evening, stressing that no vote would be taken on the budgets being presented and that audience members were free to ask questions after the presentations.

CITIZENS' QUESTIONS -- None.

SPECIAL ACKNOWLEDGMENTS

Mr. Hopping moved, and Mrs. Ross seconded, to accept the donation of \$415 from Ipswich Citizens for Education (ICE) for supplies and materials such as toner and ink at the Doyon School. **UNANIMOUS.**

I. SCHOOL COMMITTEE PRESENTATIONS

A. MIDDLE SCHOOL BUDGET

Mrs. Cheryl Forster-Cahill, Principal, introduced her PowerPoint presentation with the phrase "powerful, innovative school district" and ended it with commentary from a middle school student as a 21st Century learner in partial answer to the question of the School Committee and staff: Are we doing our job? She showed 3-year comparisons of Middle School budget figures, increases in SPED, enrollment figures, increased class sizes, dropped programs for after-school and staff development. With classrooms built for 24 students, Mrs. Ross asked how many teachers were currently involved with 8th grade core subjects. There are 7 currently with one science teacher preparing the others who are teaching science out of their specialty area. Next year the 8th grade will have 6 teachers as the budget now stands, making for classes of 28 – 30 students. Mr. Hopping asked several questions including the impact of elimination of the technology instruction at the high school and the future MCAS testing in the "science engineering technology" category. A specialist in technology gives instruction to the Middle School for 1/4 of the year. Mr. Traverso commented that it would be good to see numbers for a year in Middle/High School building use by the community on weekends; Dr. O'Flynn commented that fees should be charged to parents/adults.

Mr. Hopping moved, seconded by Mrs. Ross, to take the Middle School budget under advisement. **UNANIMOUS.**

B. HIGH SCHOOL BUDGET

Mr. Barry Cahill, Principal, spoke first on building operations of the joint buildings, down 10% because of the cut of the custodian and the school resource officer, and utilities reduction because of energy-saving measures. As he listed level funding and cuts in the various departments at the High School, it became apparent that clubs, activities and technology were taking severe hits, but also he showed cuts in areas that had supported the quality High School that earned the Compass School Award (2003), the Vanguard School Award (2004), and the NCLB Blue Ribbon School Award (2005). At Mr. Cahill's request, the student representative, April Hoffmann, spoke of the numerous outside activities that she has participated in for four years, and Mr. Cahill added her outstanding subject matter studies.

Members asked questions of Mr. Cahill, and Mrs. Arsenault requested information on SPED of the .3 Adjustment Counselor and .4 Program Manager cuts.

Mrs. Ross moved, seconded by Mr. Traverso, to take the Middle/High Operations and the High School budgets under advisement. UNANIMOUS.

David Shelbourne of Rowley, parent of a Choice student, spoke from the audience, citing a page of Cape Ann comparisons he had put together where Ipswich was #1 or high on the list of accomplishments. He wondered what the other 13 schools have done about budget increases.

C. SUMMARY

Mr. Korb thanked the people who had attended the two budget meetings and repeated that this is a very real crisis. The challenge that lies ahead is one that the community must solve; local revenues and support from outside funding have kept the school system afloat to this point and an override has been talked about, but time is short. Mrs. Arsenault urged everyone to come to the public hearing on February 28. Mrs. Ross felt that an override is the only other option to avert the devastating cuts.

D. FEOFFEEES UPDATE

Mr. Jim Foley, of the Feoffees, announced that a final draft of the lease with Little Neck residents has come about which they feel is fair and equitable. They are looking for the conclusion of the lawsuit with the cooperation of the tenants so that everyone can move on.

Mr. William Sheehan, attorney for the Feoffees, began by stating that the Feoffees are not responsible for the \$1 million deficit in the schools; over the last 5 years the Feoffees have distributed over a million dollars (2002-06). In 2007 most of the tenants rejected the offers and brought suit. As a result, tenants have paid at the 2005 rate, totaling \$996,900. Feoffees expenses were debt service (\$660,000), operating expenses (\$125,000), and legal fees (\$225,000), leaving expenses in excess of rent.

The tenants did not want the proposal of a lease for a 3-year term offered by the Feoffees (\$9,700/year for 143 seasonal; \$10,800 for 24 year-round) at a less than 4% rate of return on the value of the asset. Offers of a 20-year lease were rejected. Mediation has gone on for over 7 months. Non-economic terms, with changes, have been agreed to. On February 13, a proposed lease was submitted to counsel for the tenants. Mr. Sheehan presented a chart of proposed rents from 2008 - 2013 for seasonal and year-round figures. Eventually the 5% rate will be based on assessed value, rent going up if value of property goes up; down, if down. All but 4 tenants have

made payments into an escrow account: there is \$350,000 now in the account. If every tenant signs the newly proposed lease, there could be a \$500,000 distribution, but he doesn't believe that all the tenants, who have one month to sign the lease, will do so.

Mr. Traverso congratulated Mr. Sheehan for basing rents on the assessed value rather than the appraisals by Land Vest. He asked if the common lands (unbuilt lots) have a value and whether the tenants pay for the wastewater project before they pay their rent. Mr. Sheehan replied that tenants pay their own utilities, pay for waste-water hauling, and pay their real estate taxes. Mr. Traverso was upset that the cost of the sewer project was really going to be paid for by the Trust and that rental income and all of the benefits of betterment accrue to the land and not to the tenants.

Members expressed disappointment that, while they have supported and will continue to support the Feoffees through all these proceedings, they didn't feel optimistic that funds would be received from the Feoffees for 2008. Mr. Foley reiterated that Feoffees have a responsibility to the school children of Ipswich, and he is very hopeful that the situation can be resolved by June 30, 2008.

Two Little Neck residents disputed Mr. Sheehan's figures and defended their right to disagree with land values and the sewer project cost. One promised to write a letter to the School Committee in protest of the ending of mediation.

II. CONSENT

A. CONSENT AGENDA

Mrs. Ross moved, seconded by Mr. Hopping, to approve the Consent Agenda as follows:
Acceptance of Minutes of January 24, 2008, School Committee Open Session.

Acceptance of donation of \$10,000 from New England BioLabs in support of funding the Ipswich Public School System's participation in the National Science Teachers Association annual convention in Boston, Massachusetts.

Acceptance of the Facing History and Ourselves, Choosing to Participate Community Grant in the amount of \$775 submitted by Jeffrey Krieger, Ipswich High School Social Studies Teacher, and the Ipswich High School Honors Student Group.

Acceptance of the donation of \$1,000 from the Essex County Community Foundation to benefit the Birth to Three Center. UNANIMOUS.

III. ADJOURNMENT

Mr. Hopping moved, seconded by Mrs. Ross, to adjourn at 10:40 p.m. UNANIMOUS.

Fran Seldenrich

From: "Rksuper" <rksuper@aol.com>
To: <fincom@town.ipswich.ma.us>; <bos@town.ipswich.ma.us>; <csurpitski@verizon.net>;
<ed.rauscher@sepracor.com>; <ingridmiles@verizon.net>; <elizabethkilcoyne@comcast.net>;
<james.foley@town.ipswich.ma.us>; <lawtrick@comcast.net>; <robertm@town.ipswich.ma.us>;
<lawtrick@yahoo.com>
Cc: <bhopping@newburyport.k12.ma.us>; <normshep@aol.com>; <jloeb@richmaylaw.com>; <hugh@oflynn.org>;
<jeffrey.loeb@comcast.net>; <r.arsenault@comcast.net>; <edtraverso@verizon.net>;
<dianneross@comcast.net>; <bhopping@verizon.net>
Sent: Tuesday, December 09, 2008 12:33 PM
Attach: PRESS RELEASE 12.9.08.doc
Subject: Joint Press Release regarding Little Neck / Feoffes

BOS and Fin Com,

I am forwarding to you this press release as prepared by the legal counsels of the SC, the Feoffee's and the Tenants of Little Neck.

Rick Korb Supt of Schools

PRESS RELEASE

The Feoffees of the Grammar School in the Town of Ipswich, the Ipswich School Committee and the Little Neck Legal Action Committee, representing most of the tenants of Little Neck, announced today that the Feoffees and the tenants have reached an agreement in principle whereby the Feoffees will sell and the tenants will purchase the land at Little Neck for a price of \$26,500,000. The agreement to sell, if finalized, would settle the dispute between the parties.

The land is held in trust by the Feoffees to benefit the Ipswich public schools. A sale of the land must be approved by the Essex Probate Court and all parties have agreed to seek that approval. The result of a sale will be an endowment fund, the investment proceeds to provide annual support to benefit the Ipswich schools.

The tenants anticipate forming a business entity to take title to the real estate. Those individuals who have signed leases with the Feoffees will have the opportunity to participate in the business entity as will the tenants who have not signed leases.

Contact Information: Feoffees: James Foley (978) 360-2799

LNLAC: Mark DiSalvo 508 633-3282
mdisalvo@sema4usa.com

**FINANCE COMMITTEE
BOARD OF SELECTMEN
SCHOOL COMMITTEE
IPSWICH TOWN HALL, ROOM A
TUESDAY, DECEMBER 9, 2008, 7:30 PM**

FinCom Members in Attendance: Rob White, Chairman, Richard Howard, Jamie Fay, Marion Swan, Ray Morley, Michael Schaaf, Janice Clements-Skelton.

BOS Members in Attendance: Ingrid Miles, Chairman, Charles Surpitski, Elizabeth Kilcoyne, Pat McNally, Jim Foley.

SC Members in Attendance: Joan Arsenault, Chairman, Dianne Ross, Hugh O'Flynn, Ed Traverso, Jeff Loeb.

Others in Attendance: Rick Korb, Joanne Cuff, Bob Markel, Rita Negri, Chris Rogers.

Call to Order: 7:45 pm.

Citizen's Queries: None.

FY08 AUDIT REVIEW WITH CHRIS ROGERS

Mrs. Kilcoyne gave a brief overview of what the Auditors covered in the FY08 Audit.

Mr. Rogers stated that the audit was completed in a timely manner. He presented the Financial Summary and the highlights.

One of the changes from last year was the additional information relating to pensions in the audit.

Mr. Rogers stated that they gave the Town an Unqualified Opinion, which is the best that can be awarded.

Mr. Rogers stated that the total fund balance was \$2.3M, down \$277,000 from last year. There was \$973,000 in undesignated funds. He gave an explanation of where the difference resulted from. He stated that over the last 2 years, the fund balance has dropped by \$1M. Currently the Town is at 4.8% and should be aiming for 10%.

Jim Foley and Joan Arsenault arrived at 7:55pm.

Water, Sewer and ELD are on a Full Accrual Basis, The Town is on a Modified Accrual Basis.

Janice Clements-Skelton arrived at 8 pm.

Mr. Rogers reviewed the main figures on the Financial Statements.

Mr. Fay inquired if the auditors had taken the retirees unfunded liability into account in the audit. Mr. Rogers stated that they will be implementing that information next year into the audit. This will not have an impact on the modified accrual statements. The full liability will not be brought into the books next year.

Mrs. Clements-Skelton questioned if the bond rating for the Town will be affected by this liability. Mr. Rogers stated that this issue has been discussed, but he is not aware of how it will be handled

specifically. He noted that when the GASB changes came out, the ratings did not change then. He advised discussing this with the Town's Financial Advisor.

Management Letter

Mr. Rogers stated that there were 6 comments with the Management Letter, 5 repeat ones and 1 new one.

Pat McNally arrived at 8:10 pm.

#1 Comment – Extended Day

Mr. Rogers stated that his findings called for many more formal processes to be followed. They have been addressed and implemented. He stated that the total revenue for this program was approximately \$150,000. Mr. Rogers stated that the loan from the Extended Day program to the Tiger Tots program needed to be paid back promptly. Mr. Korb stated that this issue will be addressed.

#2 Comment – Snow & Ice

There is a need for a formal Policy and Procedure Manual. There were also problems with time slips and time sheets not maintained correctly. Controls on contractors were needed and purchasing policies need to be adhered to. Mr. Rogers acknowledged that the price of salt contributed to the large increase in this budget. The Management Response came from Mr. Bob Gravino. He noted that the DPW foreman retired in August and the new Operations Manager was hired in November. The department is under complete review to discover ways to save funds. One half of the expense in this budget is salt. The department will comply with all the recommendations.

Mr. Markel stated that they are in the process of putting a Policy & Procedure Manual together from all the departments.

Mr. Markel stated that some of the recommendations will be difficult to put into effect. When it snows, there is a rush to get out there and clear the streets. They will be looking at ways to better monitor private contractors.

Mr. Markel is looking into ways to cut the cost of Salt, such as alternatives to salt, electronic monitors on the trucks for salt release and the mix.

Mrs. Swan questioned why the cost of salt had risen so much. Mr. Fay stated that much of the cost has to do with the transportation of the salt.

Mrs. Clements-Skelton stated that the priority should be on the time sheets, the need to insure accuracy. Mr. Markel agreed and will be focusing on this issue.

Mrs. Clements-Skelton questioned the conditions to send out salt trucks. Mr. O'Flynn stated that cutting back could create dangerous roads and sidewalks.

Mr. Fay questioned the purchasing policy of the DPW. There seems to be items purchased without purchase orders. Mrs. Negri noted that 5 out of 6 of those items were purchased during emergency situations. Mr. Markel stated that the Accounting department has very tight controls, but there are a few gap areas and 'private contractors' is one of those areas. Mr. Foley noted that they will be implementing a tracking system for private contractors this winter.

#3 Comment – Payroll

There is a need for time sheets to be signed off on. Mr. Markel noted that all departments will comply with this request. This comment is primarily meant for Public Works and Public Safety.

#4 Comment – Student Activities

There were areas in the Doyon School and Middle School that needed to be addressed. Mrs. Cuff noted that the Doyon School discrepancies had been resolved and the ones at the Middle School were being worked on. The accounts will be reconciled monthly.

#5 Comment – Fire Details.

The time cards are not being signed off on or reviewed. There also were no hard copies kept of the time cards. The Fire department agreed to comply with all recommendations. This is a repeat Comment and it was noted that last year the Fire department stated that they would comply and it did not happen.

Mrs. Negri noted that all the documentation that she receives has been correctly signed off on. Where the lack of control is happening is with in the department. Mrs. Negri noted that everything from this department are being watched much closer and her assistant is conducting internal control audits to try and monitor this issue more closely. Mrs. Clements-Skelton questioned if the risk for not following these guidelines is being relayed to the employees. Mrs. Negri stated that it is and they are following up on this.

#6 Comment – Two Unauthorized bank accounts

Two unauthorized bank accounts with the Town Tax ID were identified. Kevin Merz is working to close these accounts.

Mr. Rogers noted that there were 2 comments from last year about the Financial Policy & Procedures Manuel and a Risk Management Manuel, but they have been satisfactorily addressed. He did not that all the manuals should be bound and approved by the BOS.

Mr. Rogers noted that in his opinion, Ipswich is a very well run town with good controls, but that it should always strive to improve.

Mr. Rogers stated that under the Federal Rewards Program, the Title I distribution and SPED were both given unqualified opinions. The only comment was that the Supplement Report was not filed.

FEOFFEES / LITTLE NECK

Mrs. Arsenault stated that the Feoffees legal case is still in litigation, but that there was a Press Release issued stating that Little Neck will be sold to the tenants for \$26.5M. Mr. Foley, as a Feoffees representative, stated that they were pleased with this outcome. There will be more information coming out as the details are worked out.

Mrs. Arsenault stated that the School Committee was working on getting a document in place to deal with any future distributions. The money will be put into a trust endowment.

Mr. Foley stated that currently there is a P & S being worked on. The transfer is expected to happen late summer or early fall. There is still litigation going on.

Mr. Howard stated that he felt there should be a public discussion during this process since this issue has consequences for the Town of Ipswich.

Mr. Foley stated that he had been advised to stay with just what was in the press release at this time and that further discussion would have to wait until more details are worked out.

Mr. Howard made a formal request that the FinCom be involved with this process prior to it going to the Attorney General or Probate. He would like a formal response from the School Committee and the Feoffees concerning this request. Mr. Schaaf stated that he agreed with Mr. Howard position on this issue. Mr. Foley stated that he would address this request and respond to the FinCom on this.

Mrs. Miles noted that this is a private trust, but the beneficiaries are the Ipswich school children.

Probate court will decide if all conditions of the trust have been met and if the trust can be broken. Mr. Schaaf inquired if the BOS had looked into the value of Great Neck with regards to the sale of Little Neck. Mrs. Miles stated that she could not speak to that at this time.

Mr. Markel stated that there are two areas of interest with this sale, could this increase the numbers of year round homes on Little Neck and that the value of year round homes is generally higher than summer cottages. Mrs. Clements-Skelton noted that the town currently plows the roads on Little Neck. Mr. Markel stated that the plowing of private ways is being looked into.

Mr. Loeb stated that the School Committee can not speak publicly on this issue until their legal counsel gives them permission.

Mr. White noted that the override was voted on last year with the Feoffees issue in mind, and that he would hope that the legal counsel takes this into consideration.

FY10 REVENUE FORCAST

Mrs. Negri gave a brief overview of the projected revenue. She noted that not much had changed since her last overview.

The tax rate has not been set as yet. Mrs. Negri noted that some numbers on the revenue sheet may change when the tax rate is set.

Mr. Fay stated that he feels the Town may see cuts before the next fiscal year. He suggested making cuts this year to help next year.

Mr. Korb stated that the SC is preparing to address any cuts that happen.

Mr. Morley questioned if there was any savings this year, how do we make those funds available for the next year. Mrs. Negri stated that they go into Free Cash and it helps build reserves, which then could be used for an emergency situation.

Mr. Markel stated he is expecting some cuts in January 2009. He noted that he is working with Brad Hill on trying to recoup some of the money from the State that he feels was shorted over State owned land.

Mr. Markel stated that his revenue sheets project a 5% cut.

He is projecting a 1.4% increase for next year.

Mr. Loeb stated that the schools need to have these numbers going into budget season. If cuts are needed, they need to be made before the next session of the year starts.

Mrs. Negri explained that any Real Estate taxes not received go into liens and are eventually collected, but that the initial shortfall will have to be covered in the budget.

Mr. Markel stated that he feels any cuts in the budget should come from the BOS. Mr. Loeb stated that he feels the FinCom should advise the BOS on this issue.

Mr. Fay stated that in anticipation of declining revenues, we should be looking to cover the \$357,857 shortfall. With the Split of 61-39, the school needs to find \$216,000 and the Town \$140,000.

Mr. Fay made a motion that the Finance Committee advises both the Schools and the Town that they will see a deficit of \$357,857, and that they take action to accommodate this deficit with a 61-39 split. Mr. Morley 2nd. All voted in favor.

Mr. Markel stated that he has instructed all departments to come in level funded -0% increase. He noted that this may be with a 5% reduction of Local Aid.

The New Growth projected for next year from the Assessors office is \$25M. This year it was \$35M and the prior year it was at \$41M.

Collective Bargaining starts in January with 7 unions. Mr. Markel suggested holding onto as much Free Cash as possible as he sees FY10 to be a very lean year.

Mr. Fay made a motion to recommend the target rate at 0% to both the Schools and Town. Mr. Morley 2nd.

Mrs. Clements-Skelton stated that 0% is a place where there will be cuts made due to contractual obligations. Mr. Loeb noted that there could possibly be \$1M in needed cuts. The Feoffees issue will not have an impact until 2011.

All voted in favor.

Mr. Markel stated that he believes there will be money for infrastructure from both Washington DC and Boston.

Mr. White initiated a discussion on a zero based budget, but this was determined to be an idea for the future.

Mr. Fay stated that where ever cuts in staffing are projected, the Town needs to be willing to stand behind those cuts.

Mr. White stated that he had spoken with Mrs. Miles about combining some of the department budget presentations. Mrs. Miles agreed that it would be beneficial not to have so many duplicate meetings. Mrs. Arsenault inquired if the Schools budget presentation could go 2 nights instead of 3. It was determined that the FinCom would like 3 nights to properly discuss all the issues. March 24, 25, & 26th will be the School budget hearings.

Mrs. Cuff stated that she would send the monthly budget report to the FinCom.

Mr. Howard requested the FinCom receive Mr. Korb's draft budget administrative proposal. Mrs. Clements-Skelton requested the electronic version for the draft budget and the book version for the formal presentation.

FOLLOW UP ISSUES

Mr. Foley will report back during the January meeting on the Snow & Ice program.

Wind Turbine - The Memo of Understanding

The SC is prepared to vote on this as soon as the BOS has a chance to review it.

Mr. Loeb stated that the 1st two years will be covered.

There seems to have been a miscommunication on what the FinCom requested as a Memo of Understanding. Mr. White will email the SC & the BOS on what is being requested. Mr. Korb stated that he has sat in a meeting with the 2 investors and spoke directly on this issue and is assured that this will be covered.

GIC deadline was December 1st and there was not the 70% agreement, resulting in a failed effort.

Mr. White mentioned that Mr. Bruce Tarr spoke of an open meeting on regionalization. Mr. Korb will send the information to Mr. White.

Mr. Morley is retiring as the Whittier representative. Mr. Morley stated that David Keough was interested. This is a Town Meeting selection.

Meeting adjourned at 11pm

Respectively Submitted,

Lynne Gibbs
Recording Secretary
Ipswich Finance Committee

Approved: 1/13/09

Knb X 25

Fran Seldenrich

From: "Rksuper" <rksuper@aol.com>
To: "Ellen Kallman" <ekallman@verizon.net>; "Becky Gayton" <rjgayton@comcast.net>; "Fran Seldenrich (E-mail)" <fseltenr@ipswichschools.org>; "Jay Tsoutsouras (E-mail)" <tsoutcpa@tiac.net>; "Jen Bauman" <jsbauman@comcast.net>; "Joanne Cuff" <jcuff@ipswichschools.org>; "John Wigglesworth" <jcwiggs@verizon.net>; "Kathy Spinale" <kspinale@northshore.edu>; "Kathy Spinale" <kandtspin@hotmail.com>; "Marie McDermet" <memcdermet@comcast.net>; "Marlene Doyle" <mmdoyle100@aol.com>; "Rich Kallman" <rich@kallmanlaw.com>; "Sheila McAdams" <ssmcadams@comcast.net>; "Steve Filosa (E-mail)" <sfilosa@pingree.org>; "Susan Brengle" <SBrengle@EatonVance.com>; "Susan Monahan" <susantmonahan@comcast.net>
Sent: Wednesday, December 10, 2008 8:42 AM
Subject: Re: Feoffees News

All,
 While it is good news that we are on the way to a very nice endowment fund. Please know that at a minimum, we will not have access to the interest it will generate until FY 2011 at best. The trust must be finalized, trustee's established, proceeds received and invested via a prudent strategy, and time for the principal to earn the interest that could be accessed. We must never touch the principal and my recommendation will be that we only utilize 80% of the interest earned and the rest go back into principal to forever build that amount.

Also please know that we are in a "World of Hurt" for next year FY10. In fact, Town revenue is down for this year and we will have to make cuts from this years budget to match that lost revenue. On top of that, the House Majority leader has told us to brace for more state cuts in January, which will increase the amount we will have to cut by second semester. We are working to fix the exact amount of our share of cuts for this year, but suffice it to say, it will be significant. Next year will be worse as we expect no increases in local or state aid and must be prepared for massive cuts. Happy Holidays. Rick

In a message dated 12/10/08 08:28:08 Eastern Standard Time, ekallman@verizon.net writes:

The public announcement that the Feoffees and tenants of Little Neck have reached an agreement is the best news the schools could have hoped for. Finally, a true endowed fund designed solely to benefit the Ipswich Schools! In line with our discussion at Monday's Board meeting, it would seem that this might be the impetus to launch the Foundation as the more public, visible, philanthropy arm of the schools. It would be hopeful to think the school counsel could petition the probate court to leverage this endowment to be seed money for a comprehensive foundation, encompassing all schools and all fundraising entities. Such an endowment would fall under professional investment management with an expanded foundation board to include broader community representation. This would certainly be favorable to having the Feoffees manage the endowment, as stated in the article this morning, or having the funds be donated to Essex County Community Foundation, for example, where oversight and management fees would diminish the final value to the Ipswich Schools.

I hope we can continue to participate in a dialogue about this exciting news as it moves through the probate approval. I'm sure Rick will have more to share with us as he alluded to Monday evening.

Best regards,
 Ellen

Ellen M. Kallman
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 Ipswich, MA 01938
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 ekallman@emkconsulting.com
 www.emkconsulting.com

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12/10/2008

in/

**IPSWICH SCHOOL COMMITTEE MEETING
THURSDAY, JANUARY 15, 2009
PERFORMING ARTS CENTER**

OPEN SESSION

CALL TO ORDER

J. Arsenault, Chair, called the meeting to order at 7:05 p.m. with the following members present: N. Sheppard, H. O'Flynn, E. Traverso, D. Ross, and J. Loeb. Also present were R. Korb, Superintendent; Matthew Roberts, Student Representative; and Richard Allen, Attorney.

ANNOUNCEMENTS

Mrs. Arsenault read the following announcements:

There will be no Executive Session

Athletics Subcommittee will meet on January 21, 6:30 p.m., Room B229, Middle/High School

School Committee will meet on January 22, at 7 p.m., Middle/High School Ensemble Room

School Committee, Finance Committee, and Board/Selectmen will meet on January 27, Town Hall Meeting Room A.

School Committee/Administrators' Budget Workshop will be held on January 29, 7 p.m., Middle/High School Ensemble Room

CITIZENS' QUESTIONS

Mrs. Arsenault welcomed the audience of about 35 people and, in introducing Atty. Allen, asked him to offer a brief overview of the topic. Mr. Allen began with the School Committee's positions of upgrading rents and modernizing the Trust, the objections of many residents of Little Neck, and the resultant litigation which meant that little money has been given to the schools. The Feoffees' counsel had kept the School Committee informed as to the litigation. This past fall, exhaustive efforts to reach agreement on a rent and lease settlement reached an impasse, but the Feoffees and the tenants reached a tentative agreement to sell the property. The Feoffees recommended the sale to the School Committee. If the sale were to happen, approval of the Attorney General and Probate Court is still required. Late in November, having carefully studied the history of the Trust, the litigation, and the proposed sale, the School Committee voted 4-2-1 to authorize going forward with the sale. Negotiations are still underway with residents. The Probate Court will review and hopefully approve the sale and a new "Trust Administration Order."

Many audience members asked questions and made comments. Richard Howard, Fin Comm member, requested an open and transparent process, drafts of the Trust to be exchanged with Fin Comm, sale of the property to be included in public discussion to balance the litigation process in Executive Session, recommended that a new Feoffees board be transparent and publicly appointed, and asked for a commitment from the School Committee and Feoffees that nothing go before Probate Court until all of these issues are resolved.

To a question of whether a separate Trust and Feoffees will be needed after the sale, Mr. Loeb replied that it is the collective vision of the School Committee that they wish to keep the Feoffees, who will hire an investment advisor, who will help with the investing, and who will report back to the schools. Mr. Allen added that the Trustees, who will not receive remuneration, will be overseeing a very large endowment.

The question of appraisal of the property was answered by Mr. Allen saying that the Feoffees had an independent professional evaluation done and a successful negotiation process on the price with which the School Committee and he felt comfortable. In response to a further question, Mr. Allen commented that the property's fair value and the Town's assessed value are, in fact, different. Mr. Loeb assured the audience that the School Committee did go through due diligence—the subcommittee working on the matter were originally opposed to the sale—about the appraisal and were satisfied that the price was good and fair.

II. SCHOOL COMMITTEE DISCUSSIONS

Mr. Allen began to review the content of the proposed revised Trust Administration Order.

(1) Name: Feoffees of the Grammar School in the Town of Ipswich Trust

Mr. Traverso moved, seconded by Mr. Sheppard, that the name be changed to "William Paine Trust in support of the Ipswich Public Schools".

During discussion, Mr. Hopping joined the meeting at 7:45 p.m.

Mr. Allen felt that a change of that order would add to the burden of getting the Court to approve. Vote: IN FAVOR- Traverso, Sheppard, Ross; OPPOSED- Loeb, Arsenault, O'Flynn, Hopping. Motion failed.

(3) Trust Purpose

Mr. Traverso moved to strike "when feasible", seconded by Dr. O'Flynn. Mr. Allen opined that the striking of the phrase would make the sentence more "mandatory". Vote: IN FAVOR- Ross, O'Flynn, Traverso; OPPOSED – Loeb, Hopping, Arsenault, Sheppard. Motion failed.

Mr. Traverso moved, seconded by Mrs. Ross, to add at the end of (3): "Expenditures for the purposes other than enrichment and enhancement require a 2/3 vote of the School Committee." Mr. Allen opined that this would change the dynamic of the previous sentence. Mr. Korb and other members could see problems with budgetary discretion in years to come. Vote: IN FAVOR- Ross, Arsenault, Traverso; OPPOSED- Hopping, Loeb, O'Flynn, Sheppard. Motion failed.

(6) Other Applicable requirements:

After a short discussion, Mr. Traverso moved, seconded by Mr. Hopping, to approve #6. IN FAVOR- UNANIMOUS.

(5) Responsibilities and powers, in addition to those conferred upon trustees by law:

Members reviewed (a) – (u). Under (d), the Committee indicated that it wants School Committee approval of the Trust's Investment Policy. Under (f), the Committee wants investment performance reports made available to the School Committee. Under (k), the Committee wants gifts to go into permanent principal unless the donor explicitly provides otherwise. Under (q), on a question of "mandatory" accumulation to account for inflation, it was decided that Ross, Loeb, and Traverso will work with Atty. Allen for further discussion and possible action at the next meeting on January 22. In discussion of (r) and (s), the Committee spoke about fiscal year and budgetary time frames. Joanne Cuff, Financial Director, advised that the recording of interest should take place by July 1 and the reporting date by November 1. Under (r), Mr. Traverso suggested adding language that the School Committee report to the Feoffees how the School Committee used the distributions; this proposal did not pass.

The Committee mentioned once again that they would like to see a percentage of interest each year added to the principal for growth.

(4) Trust governance.

Under the first bullet of Part 4(a), the Committee approved a residency requirement for service as a Feoffee.

Members discussed adding the Board of Selectmen to the ineligibility in the second bullet under (a) Eligibility to serve as a Feoffee. The Committee voted 6 – 1 against the Board of Selectmen serving and, as a result, inserted the following underlined phrase: "No person may be a Feoffee while serving as a member of the School Committee, the Board of Selectmen or the Finance Committee or as Town Manager or Superintendent of Schools."

The Committee agreed that if the property is sold, Little Neck residents would no longer be ineligible to serve as a Feoffee.

4(b) Number and appointment of Feoffees

In a discussion as to the sense of the Committee, Mrs. Ross and Mr. Sheppard preferred 5 members for the Feoffees Board makeup and the rest wanted 7 members, most by appointment by the School Committee, Fin Comm, and Board/Selectmen. There was some interest in an appointment by Town Meeting, perhaps after recommendation of the Town Moderator. On the question of private Feoffees, Sheppard and Traverso wanted to have a fresh start and not have any current Feoffees while five accepted that 2 Feoffees could remain with 2-3 year terms for all Feoffees.

4(c) term of service.

The group mostly agreed with the draft. Mrs. Ross asked that if there was a Town Meeting appointment of a Feoffee, that the wording regarding suspension/removal be 2/3 vote of School Committee and 2/3 vote of Board/Selectmen.

4(d)to: serve without compensation, but reasonable and necessary trust-related expenses paid was added: and reported in detail

Mr. Salah (from the audience) offered several other suggestions:

1. That priority be given to security of income and maximization of principal
2. That the investment be fully covered by depositor insurance
3. That the custody of the assets needs to be separate from the investment advisor
4. That the Feoffee organization needs to be spelled out in the selection process for Chair and Vice-Chair.

I. CONSENT AGENDA

Mr. Hopping moved, seconded by Mr. Sheppard, to approve the Consent Agenda as follows:

Acceptance of the Minutes of December 9, 2008, Open Session

Acceptance of the donation of \$7,500 from New England BioLabs to benefit the Birth to Three Center

Acceptance of the donation of \$750 from America's Growth Capital, LL (Birth to Three parent, John Guido) to benefit the Birth to Three Center

Acceptance of the donation of \$1,000 from the Forest Foundation, Loel and Arthur Poor, to benefit the Birth to Three Center

Acceptance of the donation of \$3,000 from the McCarthy Family Foundation to benefit the Birth to Three Center

Acceptance of the donation of \$2,000 from EBSCO Industries to benefit the Birth to Three Center

Acceptance of the donation of \$500 from George J. Markos to benefit the Music Department at Ipswich High School. UNANIMOUS.

III. ADJOURNMENT

Mr. Loeb moved, seconded by Mr. Sheppard, to adjourn at 9:50 p.m. UNANIMOUS.

Fran Seltenrich

From: "Jamie Fay" <jfay@fpa-inc.com>
To: "Jeff Loeb" <jloeb@richmaylaw.com>
Cc: <SchoolCommittee@town.ipswich.ma.us>; "Board of Selectmen" <BoS@town.ipswich.ma.us>; "Robert Markel" <robertm@town.ipswich.ma.us>; "Rick Korb" <rksuper@aol.com>; "Dan MacAlpine" <ipswich@cnc.com>; "North weekly" <noweek@globe.com>; "Salem News" <slandwehr@ecnnews.com>
Sent: Tuesday, November 17, 2009 9:12 AM
Subject: Actions re: Feoffees
Jeff;

I want to convey to you and the School Committee the substance of the Finance Committee discussion at our meeting on November 10, 2009 regarding the School Committee actions with respect to the Feoffees situation. As you know, the Feoffees issue has been a high priority of the Finance Committee and has been the subject of two Town Meeting votes, one in May and one in October. Consistent with the overwhelming support received at Town Meeting from both voters and town boards, the Fincom believes that the School Committee needs to be more aggressive in its position and more timely in its responses to the Feoffees issue.

Accordingly, the Fincom voted unanimously at our last meeting to request that the School Committee take two actions. First, to immediately file with the Probate Court the proposed Feoffees trust agreement which the School Committee has prepared and adopted, irrespective of the timing of the responses which may be required to the Complaint for Deviation which has been filed, but not yet served, by the Feoffees. This trust agreement has been developed over a very long period of time with much care and forethought by the School Committee and needs to be presented to the Probate Court for consideration now, as the reformation of the Feoffees trust is of paramount importance.

Second, the School Committee should take action immediately to rescind its prior vote endorsing the sale of Little Neck. This vote was taken at a different time under a different set of circumstances. We are concerned that this vote which remains on record may be misinterpreted by some as endorsing unconditionally the sale of Little Neck. Any future actions by Town Boards with respect to the sale of Little Neck should be developed in the context of an appraisal based valuation of the assets and an understanding of the fiscal impacts to the community.

We thank you for your consideration of these issues and look forward to discussing them with your committee at your earliest convenience.

Jamie

Jamie Fay
Chairman
Finance Committee

ISC 000010

11/17/2009

Korb x 28

**IPSWICH SCHOOL COMMITTEE MEETING
THURSDAY, NOVEMBER 19, 2009
MIDDLE/HIGH SCHOOL ENSEMBLE ROOM**

OPEN SESSION

CALL TO ORDER

J. Loeb, Chair, called the meeting to order at 7:04 p.m. with the following members present: B. Hopping, L. Dietz, and E. Traverso. Also present were: R. Korb, Superintendent of Schools; J. Cuff, Financial Director; Principals David Archambault and Sheila McAdams; and School Representative Abigail Skelton.

ANNOUNCEMENTS

Mr. Loeb read the following announcements:

There will be an Executive Session to discuss strategies in regard to collective bargaining and strategies with respect to pending litigation, after which we will adjourn

All schools/offices will release early on Nov. 25 for the Thanksgiving holiday and will reopen on November 30

The dedication ceremony for the Jack Welch Stadium will be held at half-time during the Thanksgiving Day football game, November 26.

School Committee will meet on December 3, 7 p.m., Middle/High Ensemble Room

Tri-Board Meeting will take place at 7:30 p.m., December 8, Meeting Room A of Town Hall

CITIZENS' QUESTIONS

I. SCHOOL COMMITTEE PRESENTATIONS

A. ELEMENTARY SCHOOLS MCAS PRESENTATION

David Archambault, Doyon Principal, presented an overview of MCAS results at his school, with the good news that, all across the board, the school is way ahead of the state average on scores. In a PowerPoint presentation, he presented Grades 3, 4, and 5 in language arts and math and Grade 5 science in addition pointing out comparisons over 4 years. On a grid, he analyzed median student growth for grades 4 and 5 (same students, up one year) and a slide for sub-group data (IEP students). The recommendations for FY09-10 are concentrated writing, inference questions, and reinforcement in test-taking skills as well as increasing math vocabulary and weekly tests to increase fact memorization and multi-step computations. Tutoring continues with identified students in Grades 3-5 in language arts and math. Discussion ensued with the School Committee regarding state average comparison and comparison with surrounding area schools and frustration from the principals that only a small sample of data was released that could be used for analysis. Mr. Traverso had analyzed facts in such a way that girls were much higher than boys on a pass/fail basis (in "needs improvement" and "warning" categories). Mr. Korb commented that Superintendents across the State are constantly being advised by the Commissioner that the purpose of MCAS testing is not to compare one district to another and that comparing improvement within a given class as it advances through the district is a more valuable measure.

Mr. Hopping commented that the warning areas really amount to a small number of students. He recommended working with the top students in the “needs improvement” and “proficient” categories to try to bring them up to the next higher level.

Dr. O’Flynn joined the meeting at 8 p.m.

Sheila McAdams, Winthrop Principal, made her MCAS presentation on PowerPoint with Grade 3 language arts and math comparisons in the 4 categories and analysis of multiple choice/open response questions and challenges because 40% of the class is on Title I (11%) and IEP (29%) plans and 3 SPED teachers are in the classrooms daily. Grade 4, she commented, with 8% on IEPs and 12% on Title I shows great growth while not showing tremendous achievement. Grade 5 results present challenges with 12% in the warning/failing area over a 3-year period. The group reviewed the District Achievement and growth by SPED Status slides, and the Principal reviewed the recommendations for writing including genre and content-specific vocabulary, geometry vocabulary, and measurement conversions. Because Winthrop did not reach AYP (adequate yearly progress), she reviewed specifically the new LEAD (Learning Extended After School) program for students by invitation only. ACE (Afterschool Community Enrichment) is being funded by FRIES and Winthrop’s gift account. Mr. Korb offered kudos to Principal McAdams for the after-school program to make homework, vocabulary development, and fun sessions available for extra time before/after school.

The Committee thanked both elementary principals for their presentations.

B. FY10 FINANCIAL UPDATE

Ms. Cuff reported that SFSF grant money has still not come in and necessitates personnel overages to appropriate funds which will be reversed once the grant comes in (late December). Expenses in Middle/High School Operations have increased (SPED and boiler repair). The Audit draft recommended developing “a reasonable method to allocate indirect costs to the program” for EDP. A second recommendation that “anticipated hours” prior to actually working them within the SPED cluster grants need to be changed to reflect hours actually worked. An improved form with instructions for filling it out will be implemented.

Discussion ensued over the H1N1 flu, substitute increase (23% already), distribution of shots for elementary students (Saturday) and others during the regular school day to occur from the 1st – 15th of December.

Ms. Cuff commented that she is working with Pepper White of LCI Energy on a grant proposal to the Massachusetts Department of Energy Resources to improve the air quality and energy efficiency of the MS/HS campus. Minimum awards will be \$500,000. Mr. Loeb asked if funds could be applied to the HVAC system at the MS/HS, and Mr. Korb said another potential grant would provide solar panels to the back side of the Doyon School (\$250,000).

C. SUPERINTENDENT'S CONTRACT

Dr. O'Flynn moved, seconded by Mr. Traverso, to extend the Superintendent's contract such that the contract term of three years will commence 7/1/09 and end 6/30/12.

UNANIMOUS. Mr. Korb thanked the Committee.

II. SCHOOL COMMITTEE REPORTS**A. VOUCHERS/BILLS****B. SCHOOL COMMITTEE SUBCOMMITTEE REPORTS****1. ATHLETICS SUBCOMMITTEE**

Mr. Loeb reported that there will likely be increased fees at budget time, that collaborative discussion is ongoing with fields and grounds contracts with Tom Gallagher and Paul Bedard, and that the issue of an open school building on weekends and over the winter vacation is yet to reach consensus with coaches, principals, etc. Dr. O'Flynn spoke about the manpower problem and Mr. Bedard agreed because of the lack of custodial coverage.

2. ATHLETIC FIELD STUDY COMMITTEE

Mr. Hopping will be meeting the first week of December.

3. AD HOC TOWN/SCHOOL COLLABORATION COMMITTEE**4. DAY CARE CENTER SUBCOMMITTEE****5. DEMOGRAPHIC STUDY COMMITTEE**

Mr. Korb reported that this Committee will be reconvening with the elementary principals and he is looking for representatives from kindergarten and Grade 1 in each building along with parents from the gray area, hopefully for a kickoff meeting in December.

6. EARLY CHILDHOOD SUBCOMMITTEE

Mr. Traverso reported on focus on the mission and the vision. He has worked on getting leads to grant availability. Mr. Korb added that there is need to collaborate and cooperate in the community between Birth-to-3, Tiger Tots, preschool programs, EBSCO and New England BioLabs and it is a great committee of 12 individuals.

7. FEOFFEEES SUBCOMMITTEE

After discussion of the possibility of moving forward to Probate Court, Mr. Traverso moved, seconded by Mr. Hopping, to rescind the vote taken on November 20, 2008, which action includes the support of the Feoffees with the sale price of Little Neck property at \$26.5 million. Vote: IN FAVOR - Hopping, O'Flynn, Traverso, Loeb; OPPOSED - 0; ABSTAINING - Dietz (not a School Committee member in 2008).

Mr. Hopping moved, seconded by Mrs. Dietz, to go to Probate Court, the vehicle to be determined, to present the Feoffees Trust Administration Order, version #22. UNANIMOUS.

8. NORTH SHORE COALITION FOR SCHOOL FUNDING

Mrs. Dietz had met with Susan Beckman regarding the group which will be lobbying for legislation; Mr. Loeb asked her to come back with paperwork.

9. OPERATIONS SUBCOMMITTEE

10. POLICY SUBCOMMITTEE

Mr. Hopping moved, seconded by Mrs. Dietz, to accept the following policies:

- a. Administering Medication to Students, JHCD, Proposed Revisions, Second Reading
- b. Ipswich Middle School Assistant Principal Job Description, Proposed Adoption, First Reading
- c. Ipswich High School Assistant Principal Job Description, Proposed Adoption, First Reading. UNANIMOUS.

11. PUBLIC SAFETY FACILITY COMMITTEE

Mr. Loeb reported on the November 12 meeting where discussion took place to make the townspeople aware of the need for a new station and the decision to site it on the present spot. This move is essential to be ready to go forward with the project as funds become available.

12. WIND TURBINE SUBCOMMITTEE

Mr. Korb reported that there are presently no buyers for the CREBs. The bonding process has changed and Mr. Korb distributed a sheet of General Obligation Bonds for a \$1,600,000 turbine. There will be no payment necessary in '09 and the 2011 estimated payment of \$166,300 will be conducted through a credit process with the Electric Light Department without any additional expenses from the FY10 and FY11 budgets.

13. IPSWICH HIGH SCHOOL STUDENT REPRESENTATIVE

Abby Skelton reported one quarter of the school year is over, some classes have changed, and students are looking forward to the Thanksgiving holiday.

Mr. Hopping spoke of the death of Robin Silverman whose daughter Haley had been a Student Representative in the past and asked for a moment of silence in her memory.

14. OTHER

IV. SUPERINTENDENT'S REPORT

A. SUPERINTENDENT'S ADMINISTRATIVE REPORT

No report.

IV. CONSENT

A. CONSENT AGENDA

Mr. Hopping moved, seconded by Dr. O'Flynn, to approve the Consent Agenda as follows:

Acceptance of Minutes of September 23, 2009, of the Finance Committee, School Committee, and Board of Selectmen Open Session

Acceptance of Minutes of November 5, 2009, Open Session

Acceptance of Minutes of November 5, 2009, Executive Session

Appointment of Sue Markos as a member of the Athletic Subcommittee

Acceptance of the donation of weight equipment from Turner Hill to the Physical Education and Athletic Departments, valued at \$8,600.

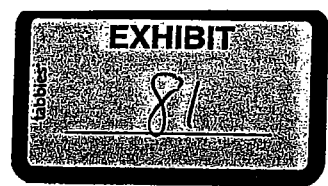
UNANIMOUS.

V. EXECUTIVE SESSION

Mr. Hopping moved, seconded by Mrs. Dietz, to adjourn to Executive Session at 9:50 p.m. for the purpose of strategy in collective bargaining, after which the meeting will adjourn. Roll call vote: IN FAVOR - Traverso, O'Flynn, Loeb, Hopping, Dietz.

Mr. Hopping moved, seconded by Mr. Traverso, to go into Executive Session for the purpose of strategy with respect to pending litigation, after which the meeting will adjourn. Roll call vote: IN FAVOR - Traverso, O'Flynn, Loeb, Hopping, Dietz.

Korb x 29



**SCHOOL COMMITTEE/FINANCE COMMITTEE/BOARD OF SELECTMEN
NOVEMBER 9, 2010
TOWN HALL MEETING ROOM A**

CALL TO ORDER

Dr. O'Flynn, Chair of the School Committee, called the meeting to order at 7:34 p.m. with the following members present:

School Committee: J. Loeb, E. Traverso, L. Dietz, H. O'Flynn, S. Gresh

Board/Selectmen: P. McNally, S. Berry, W. Craft, C. Surpitski

Finance Committee: R. White, J. Skelton, M. Swan, M. Feldman, M. Schaaf,
R. Howard, L. Seidler, T. Wilson

Richard Korb, Superintendent of Schools; Rita Negri, Town Accountant;
Town Manager Robert Markel; Attorney Richard Allen;
Town Counsel George Hall

CITIZENS' QUERIES

ANNOUNCEMENT

Dr. O'Flynn announced that there will be an Executive Session to discuss strategies with regard to litigation and the appraised value of real property with respect to the Little Neck property because discussing these matters in Open Session may have a detrimental effect on the Committee's litigating and negotiating positions and to obtain and discuss legal advice from its counsel.

ARTICLE 5/AMENDMENT

Dr. O'Flynn announced that the Open meeting would discuss Article 5 of Town Meeting (as it applies to the amendment) and the Working Group Statement to reach an understanding and agreement among the three Boards.

Mr. Seidler, speaking as the temporary Chair of the Finance Committee, asked for two items: (1) agreement on the requirement (of the amendment) of the full three Boards; and (2) the first step of the agreement which will be to call a meeting and, once called by the School Committee, to put together a strategy.

Mr. Korb expressed concern that bills have been presented to the Town Manager (\$99,000) which have occurred prior to the October Town Meeting, dating back to July 1, 2010. Board members discussed the issue of payment. Town Counsel offered the opinion that the amendment did not actually strike anything out of the original motion, and he doesn't believe that it precludes the Working Group Statement. At some point there must be a recorded vote of the recommendation by each Board. It was made pretty clear that the appropriation article was to be from the beginning of FY11. The amendment should be treated prospectively he said.

Dr. O'Flynn moved, seconded by Mrs. Berry, to approve the bills amounting to \$99,000 which had been incurred prior to Town Meeting in October and which have been submitted to the Town Manager.

Mr. Surpitski expressed the Board of Selectmen's sentiment of comfort with the Working Group Statement and the payment of the prior bills from the \$300,000 appropriation. However, Mr. Craft took issue with the expense of 1/3 of the appropriation (which he had made). Mr. McNally commented that you can't go back and apply a policy which didn't exist in July. Mr. Surpitski agreed with Dr. Gresh's statement that the other Boards should have enough trust vested in the School Committee to just pay the bills. Finance Committee members want to view all bills to determine strategy while the School Committee wishes to have the bills paid and move on to strategy.

To specific Finance Committee questions regarding no movement on strategy, Dr. O'Flynn and Mr. Loeb gave an example where, after meetings with counsel, the School Committee immediately was able to stop the Feoffees from mortgaging the property.

Mr. Fay joined the meeting at 8:20 p.m.

On the strength of Finance Committee disapproval of action without agreement from the three Boards, Dr. O'Flynn withdrew his motion as did Mrs. Berry, her second. Mr. Loeb moved, seconded by Dr. O'Flynn, that if either the Board of Selectmen or School Committee feels the need to make a payment for a bill incurred after July, 2010, that payment is eligible for reimbursement and not precluded by any amendment. Mr. Korb stated that he would have to make cuts at the beginning of the second semester of the SY10-11 to mitigate the loss of revenue because of the \$100,000 worth of incurred legal bills without reimbursement.

Mr. Seidler moved, seconded by Mr. Fay, that paying any bills by the Town or School Committee does not preclude requests being made to reimburse. While this is a second motion on the same topic, the Finance Committee wanted its own motion. Vote in total: IN FAVOR - Finance Committee - 7; School Committee - 5 (UNANIMOUS); Board of Selectmen - 4 (UNANIMOUS); OPPOSED - Finance Committee - 2.

The three Boards worked out a plan for Working Group and Tri Board meetings to begin with the Tri-Board Working Group meeting first - L. Dietz and E. Traverso plan to meet on Tuesday, November 23.

FOSTER APPRAISAL

Dr. O'Flynn set ground rules: because of litigation in the future, Open Session will include only the thorough presentation of the appraisal by Mr. Foster. Mr. Allen further requested that no questions would be asked of Mr. Foster until Executive Session.

Mr. Foster began by saying that he had been contacted but was unable to accept the appraisal position at the time Collier Meredith Grew was hired by the Finance Committee and that the same report he now has made would have been done at that time.

He put forth the following salient points:

1. As a sheep pasture, the Little Neck property is a \$10 million property.
2. The retail value of each individual lot, assuming that it is a legal entity by itself, is a total of \$42.5 million.
3. In reality, this situation is a bulk purchase, where a buyer sells at retail, covers his costs, and makes a profit.
4. Taking out the "bad" of the Tenants (that is, the threat of litigation), a developer would look at it as a \$20.5 million value who would then subdivide the lots.
5. Putting in some of the "good" of the Tenants, this is a highly motivated group of buyers who are paying rent (market value here).

He said that the \$42.6 million isn't the right value — it is the value to 167 cottage owners. That is not to be confused with market value. It is specific value to a specific owner. There aren't 167 legal lots.

The Tenants did not agree to talk with Mr. Foster, but he did have discussion with the other three appraisers.

Dr. O'Flynn moved, seconded by Mr. Loeb, to go into Executive Session at 9:18 p.m., not to return to Open Session, for the purpose of litigation and the appraised value of real property with respect to the Little Neck property because discussing these matters in Open Session may have a detrimental effect on the Committee's litigating and negotiating positions and to obtain and discuss legal advice from its counsel. Roll call IN FAVOR - O'Flynn, Loeb, Dietz, Gresh, Traverso, McNally, Surpitski, Berry, Craft, Fay, Seidler, Howard, Schaaf, Wilson, Feldman, Swan, Skelton, White.