

Trustees of the Trust Funds

Town of Meredith

Minutes of October 29, 2024, Meeting

Trustees present: Jim Gregoire, Anita Springer, and Mark Weston.

Guests present: Paul Zepf and Cynthia Day, both from Bank of New Hampshire (BNH)

The meeting was called to order at 9:30 AM.

Paul Zepf has replaced Michael St. Onge as the portfolio manager on the Town's Trust Funds and the Trustees and representatives from BNH shared their backgrounds with each other. The Trustees next reviewed a report package provided by BNH at the meeting. Assets currently under management by BNH total \$3.89 million as of 10/24/2024. Of that, 50.5% is invested in fixed income securities and funds, 45.8% in cash, and 3.7% in equities. Much of the cash was recently received and will be invested in the near term to bring it more in line with the investment objectives. Expendable Trust Funds balances total \$3.55 million. In the Non-Expendable Trust Funds, it is expected that some of the present cash will be invested in equities to bring the amount invested in equities to approximately 55%.

The present Investment Policy and Guidelines adopted by the Trustees on March 29, 2022, were discussed and, after some discussion, the Trustees approved to extend the permitted duration of Expendable Trust Fund investments being purchased to having maturity dates no longer than 5 years (versus 3 years) from the purchase date.

The discussion then turned to accumulated income in both the Expendable and Non-Expendable accounts, where presently, accumulated income is kept segregated from principal cash and is not invested. BNH had contacted Amy Nichols at the NH DOJ who confirmed to BNH that income can be invested in something other than a money market instrument as long as the investment policy statement allows for that and, if the investment policy statement is silent on that issue, then it is allowed under the rules for trust funds (note: the present Investment Policy Statement does not prohibit the investment of income cash). Also, Ms. Nichols stated that the income must be tracked separately from the principal. The BNH representatives noted that BNH prepares separate sub accounting that properly allocates income and principal and will continue to prepare such sub accounting. Accordingly, BNH recommended, and the Trustees agreed, to combine the cash for investment purposes and invest all but the 5%-10% as outlined in the present Investment Policy Statement.

The BNH representatives then presented their Client Objective Evaluation forms for the Expendable and Non-Expendable accounts for the Trustees' review and signature. The Trustees reviewed and signed both forms affirming the investment objectives.

The meeting with the BNH representatives concluded at 10:30 AM and they left the meeting.

The Trustees reviewed the minutes of the August 20, 2024, meeting and the minutes were unanimously approved without change.

The Investment Policy and Guidelines adopted by the Trustees on March 29, 2022, are expected to be reviewed at the next meeting, which is scheduled for January 28, 2025, and is expected to be conducted via ZOOM.

There being no further business, the meeting was adjourned at 10:35 AM.

Note: These minutes were approved by the Trustees at their January 28, 2025, meeting.