

Wentworth Town Trustees of the Trust Fund

Meeting Minutes – for meeting held on Thurs., 6/16/22

Location: meeting held via Zoom

Present at the meeting: Jen Meade (Chair), Linda Franz (Treasurer), Adam Sylvain (Secretary), Frank Anderson and Charlie Matthews (Bank of New Hampshire)

Agenda:

1. The main purpose of this meeting was to review and discuss the current status of the two funds managed by the trustees: The Capital Reserve Fund and the Trust Funds Account
 - a. Charles P. Mathews, CFA®, SVP, PRIVATE BANKING INVESTMENT OFFICER and Frank H. Anderson, SVP, PRIVATE BANKING OFFICER were present to discuss current market conditions relative to the investments of each fund.
2. Charlie and Frank shared that it has been a volatile start to the year in the markets, which was expected to a degree
 - a. Historic amount of market liquidity during the COVID-19 pandemic (ie. stimulus payments, business loans, etc.) was likely to lead to shifts in inflation and corresponding rises in interest rates
 - b. Supply chain bottlenecks and the war in Ukraine have created additional inflationary pressure
 - c. The response to these pressures has significantly impacted the bond market, which makes up 76.4% of Capital Reserve Fund portfolio
3. Capital Reserve Fund
 - a. Despite current setback in the bond market, Charlie and Frank shared their opinion that the capital reserve fund remains in good position moving forward.
 - i. As bonds move closer to maturity during the next 3-5 years, they will reach their promised value. When bonds are held to maturity, there is no chance they will lose value
 - ii. Bond maturity dates are staggered so that we will not need to sell off a low value bond to pay for a short-term expense
 - iii. The good news of the current bond market is that the yield that can be earned on new bond investments has gone higher as rates continue to rise
4. Trust Funds
 - a. Charlie and Frank reminded the group that the investment profile and goals of the Trust Funds Account are substantially different than the Capital Reserve Fund
 - i. The Trust Funds Account is invested in more diversified and longer-term assets with the goal of growing the fund and its purchasing power at a rate higher than inflation in the coming years and decades.

- ii. 53% of the Trust Funds Account is comprised of equities, meaning the account principal is subject to short-term setbacks in the stock market.
 - iii. Importantly, the trust funds continue to earn income which Linda continues to monitor and disperse to the trust fund recipients (library, cemetery fund, etc.).
 - iv. Like the Capital Reserve Fund, Charlie and Frank shared their opinion that the trust fund remains well positioned to meet its goals with the current stock market setbacks likely to rebound with time and some patience.
- 5. Trustees agreed to the following next steps following the meeting
 - a. Set another meeting for the next quarter with Charlie and Frank to review and assess the fund accounts
 - b. Review previous account statements to determine amount of earned income to be distributed to trust fund recipients (library, cemetery fund, etc.).
 - c. Review original directives given when Plummer Trust was created to ensure continued compliance

Next Meeting: Next Trustees of the Trust Funds meeting will be held in-person or via Zoom in late summer 2022. Quarterly meetings will continue throughout the upcoming fiscal year.