Town of Swanzey, New Hampshire

TRUSTEES OF TRUST FUNDS

Meeting Minutes – April 18, 2025

Town Hall, 620 Old Homestead Highway

Swanzey, NH

Note: Draft Minutes are subject to review, correction and approval by the Trustees. Review and approval of Minutes generally takes place at the next regularly scheduled meeting of the Trustees.

CALL TO ORDER: The meeting was called to order by Chair Scaramelli at 10:00 am. Present were Trustees Richard Scaramelli, Cynthia Kordys, and Steven Bittel as well as Alternate Mark Scalera and Recording Secretary/Bookkeeper Beverly Bernard.

Minutes:

- Minutes for February 7, 2025 were considered. There was a motion by Kordys to approve the Minutes for February 7, 2025 and Scaramelli seconded the motion. All were in favor. ***Motion passed***.
- Minutes for March 21, 2025 were considered. There was a motion by Bittel to approve the Minutes for March 21, 2025 and Kordys seconded the motion. All were in favor. ***Motion passed.***

REVIEW of Q1 2025 ACCOUNTS

- CR/ETs – high number of redemptions this quarter. Two 2024 postings were corrected.
- NRF – Cash yield is 3.11
- Common Fund – Capital gains issue was discussed. Transfers needed from Mascoma Bank to Vanguard cash reserves.

> **Motion** to transfer to $2,949.51 from VG FMMF to VGCRMMF for 1099 adjustments by Bittel, second by Kordys, all were in favor. ***Motion passed.***

There was a brief discussion about the Trustees needed for any town, Trustees of Trust Funds, Cemetery Trustees and Library Trustees.

> **Motion** was made by Kordys to accept the statements and notes for Q1 2025, seconded by Scaramelli. All were in favor. ***Motion passed.***

Change in Cemetery Trusts

Elimination of New Perpetual Care Trust for Cemetery Fund was discussed. Bittel will draft a memo for the Selectmen.

Short Term Position Analysis

Heavy cash in Capital Reserves. – the yields for T-Bill and CDs are not compelling.
Ultra ST Bond Fund is doing well. Yield is 4.71%. Bittel recommended buying more of this bond fund.
Bittel noted the income fund balance is quite high, now over $1,000,000. He said the income fund has grown over the years.

Town Reserves – PDIP has a better yield right now. PDIP yield is 4.47%. Bittle noted Ginnie Mae may be an option.

> **Motion** was made by Bittel to exchange Common Fund $1,000,000 Cash Reserve FMMF to Ultra Short-Term Bond Fund shares. Second by Scaramelli. All were in favor. ***Motion passed.***

NRF – recommendation to invest in USTBF.

> **Motion** by Bittel to expend $150,000 of cash reserves (FMMF) from the Non-Restricted Fund to buy shares in Ultra Short-Term Bond Fund. Second by Kordys. All were in favor. ***Motion passed.***

Town & MRSD Cr/ETs – recommendation to invest in USTBF.

> **Motion** was made by Bittel to transfer $1.5 million from Vanguard FMMF to Mascoma Savings Bank to be followed by purchase of PDIP from Mascoma. Second by Scaramelli. All were in favor. ***Motion passed.***

VG CDs were briefly noted. Next maturation date is June 2025.

INVESTMENT Snapshot – Q1
Scaramelli reviewed his snapshot of investments as of April 11, 2025. He said the total value is $4,618,392 which was down from $4,812,386 reviewed on February 3, 2025, which was not as down as he had feared. Communication Services and Utilities were strongest sectors during this time of volatility. Sectors which did poorly were Technology and Finance.
- Communications – 4.4% vs. 8.5% (S&P 500) – this sector is up in value.
- Consumer – 19% vs 17% - showing fairly stable results
- Industrial – 17% vs 8%
- Energy – In every quarter, Devon stock value goes down.

It was noted that is it difficult to plan given the volatility of the market, but the Town's portfolio is well balanced given the stocks with dividends.

Kordys said she uses a risk analysis software tool. She said she can create a report for the Trustees. She said the uncertainty is so high that cash is important, and we are in a good position there.

NEW BUSINESS
Bittel invoice for Q1 – will be processed by Selectmen

Draft Letter to Board of Selectmen – re: new uses for Lucy Carpenter Trust income – A draft letter was discussed by the Trustees. Changes were made to the draft document to meet the agreed upon conditions from the March meeting. Scaramelli will pass the finalized draft to Town Counsel for review.

Update on possible outside accounting services – Kordys spoke about her conversation with New Hampshire Trust Vice President and Wealth Advisor Janelle Sartorio, CTFA. They will do MS-9 as part of investment management. No extra charge for doing the MS-10. Accounting - non-profit fee schedule would apply. They are willing to come to a meeting for a presentation to the Trustees. Sartorio is based in Concord. Bittel noted going with a firm like NH Trust would mean terminating the relationship with Vanguard. He noted a similar situation in the past that involved a great deal of work. He also noted the cost is expensive. Kordys spoke about breaking out the services such that a transition to full management would be less difficult.

Update on possible outside trust management
Kordys brought up the possibility of using Bar Harbor as trust manager. Bar Harbor provided references from small towns in the Monadnock region. Kordys said Bar Harbor representatives are willing to meet with the Trustees. Their physical address is in Peterborough. Scaramelli volunteered to speak to one of the Trustees from Marlborough. Bittel suggested scheduling a meeting with Bar Harbor and NH Trust. Kordys will attempt to schedule a meeting with Bar Harbor.

ELECTION OF OFFICERS
Scaramelli noted the Trustees have engaged in the practice of rotating the Chairmanship and said Bittel is next in line to preside.

> Scaramelli **nominated** Bittel to serve as Chair of the Trustees. There was a second by Kordys. All were in favor except Bittel who abstained. **Motion passed.**

Next Meeting: TBD

ADJOURNMENT:
Bittel moved to adjourn the meeting. There was a second by Kordys. All were in favor. Adjournment occurred at 11.55 a.m.

Respectfully Submitted,

Beverly Bernard, Recording Secretary and Bookkeeper

DRAFT