Town of Swanzey, New Hampshire

TRUSTEES OF TRUST FUNDS

Meeting Minutes – October 20, 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 Bittel at 9:30 am. Present were Trustees Richard Scaramelli, Cynthia Kordys and Steven Bittel as well as Alternate Mark Scalera. Also present was Recording Secretary Beverly Bernard.

OTHERS PRESENT: Janelle Sartorio, VP & Wealth Advisor with NH Trust, Michael St. Onge, SVP & Wealth Advisor with NH Trust.

MINUTES: Motion was made by Scaramelli to approve the Minutes of August 7, 2025. The motion was seconded by Kordys with some change to add "George" to Whitcomb identifying the fund. All were in favor. **Motion passed.**

REVIEW OF INVESTMENTS AND RELATED STATEMENTS (NHT)

Discussion was held about moving an account, to be done at year end. Review of statements was done by Sartorio. She said the performance report was done as of Friday's date, but she said the report can be customized if desired. She noted some market statistics in the report. Bittel and Bernard stated that one account with September date could not be download. Sartorio said she would look into that. Kordys said she could not get into the account at all and Sartorio said she would look into that as well.

Capital Reserves

91% income and 8% in cash, with target at 10% as stated in investment policy. There was a question about a low percentage purchase when money market fund would deliver higher return. Bittel said that is the last one the Trustees did. Bittel asked about account allocation. St. Onge said it is simply an overview for total market value. Sartorio noted a CD with $500K in cash and she discussed a reinvestment unless you have a cash need. Bittel said there is a cash need in December. St. Onge said we are fine by leaving cash in for now since we have a target of 10% that hasn't been reached and additionally, cash will be replenished in January ($300,000) when another CD matures.

Sartorio spoke about cash and taxable bonds. Top ten holdings were noted. All are US Treasuries in Cap Reserves. She noted bond ladder and 1 million maturing within the year. Sartorio spoke about the conservative nature of the portfolio. Account has gained $84,000 since July (establishment of the account) to date.

List of holdings was discussed. Performance information 1.4% since July. MS 9 was noted. Sartorio noted the highway equipment fund was overdrawn. Bittel said the Trustees will be discussing that. Bittel provided reasons for why the equipment purchased came in higher than expected. Another item was a

dump truck purchased which contributed to the over withdrawal. Sartorio asked for questions for the Cap Reserve account. How to report on the MS 9 when an account is overdrawn was discussed briefly.

7818 – income Only - Common Fund
8% in cash and 40% in fixed income 50% in equities. Projected income is $300,00+ per year. 3.52% is projected yield for the year. Alternatives are real estate investments.

Allocations were discussed – bonds are taxable bonds. S&P overweight or underweight sectors were discussed. Healthcare and energy are among overweight holdings. St. Onge noted the name of the individual who manages this product at Midwest Trust. He noted regulations required certain paperwork, which required who handled the account. Therefore, Midwest Trust is managing this account.

Fixed income characteristics for Income Only fund. Majority maturing in 3-5 years. Credit quality is noted for all of the bonds. Scaramelli noted triple B (BBB) rated purchases. St. Onge said anything BBB or higher is considered to be investment grade. Scaramelli said he thought purchases should have a higher rating. The Trustees will discuss it further. Scaramelli said it is surprising that 50% of the fund would be BBB rated. Bittel noted a substantial credit difference between BBB and A. He said BBB in a vulnerable sector would be a problem for him. He said 50% fund with BBB would not be something he would choose. Scaramelli said he can go with this for now and at year end we can review Trustee policy. Sartorio said they can provide a list of the bonds that are BBB. Kordys said that report would be helpful. Sartorio noted market value versus withdrawals.

List of holdings were referred to. Cash and corporate bonds. Equities were broken down as to sector. Projected income for the year, and yield. Verizon current yield was noted at 6.8%. Accumulated yield was referred to by Scaramelli at 3.5%. Kordys asked about callable bonds. Sartorio said they could report on that. It was noted accounts were mis-labeled by Sartorio and she said she did fix them and will add references such as “NRF” for non-restricted fund in the future.

Performance information was not accurate as presented in the report. The report said 37.2%, which is not accurate. St. Onge said the numbers do not make sense and they will check on it. Sidewalk fund had a distribution during the month of September. Scaramelli noted an error in who paid the distribution which will need to be taken care of.

Non-Restricted Fund (NRF)
This account is built more for growth, said Sartorio. The cash target is 10% and yield is 2.6%. Sartorio said they can send out a fiscal report quarterly and the Trustees agreed that would be welcomed. In January, the report would cover the transactions for the end of December, i.e. end of 4th Quarter. Kordys asked for current value as well. St. Onge said there are challenges acquiring information. Kordys suggested ADP could provide payroll information. Withdrawals versus market value was noted. List of holdings – return was 3.7% return since July when account was established. MS9 and MS10 were noted. Bittel stated the Peter Johnson Memorial fund is not a scholarship fund. Currently, bonds are 60% BBB in the NRF. Kordys said that is too high.

Bittel thanked St. Onge and Sartorio for the reports and said the reports are providing good information. Kordys asked about ten days to settle, for purchase on September 7th, so it was a new issue. St. Onge said delayed settlement is not uncommon.

DISCUSSION and OTHER BUSINESS
Bittel said the Town will be moving files and therefore we need to empty out the old bank statements. Kordys said she could help with it. Bittel noted some accounts with pennies in them to close out those accounts. Will be transferred to NRF from the Common Fund and from the Capital Reserve Fund.

He said the over-draft involves the Highway and Cemetery Equipment fund which now has a deficit of $14,000+.

APPROVAL OF COMMON FUND SMALL ACCOUNT CONSOLIDATION
Kordys reported on the NONJUDICIAL SETTLEMENT AGREEMENTPURSUANT TO RSA 564-B:1-111(b) to combine J Edward Bouvier Carpenter Home Fund into the George E. Whitcomb, Jr. Carpenter Home Fund. Kordys reported the amounts as $2,324.41 in the Bouvier Fund and $203,719.25 in the George Whitcomb Fund. The Trustees signed the Settlement Agreement. Effective as of October 20, 2025.

Charles E. Carlton Community House Fund with $6,255.16 and Samuel E. Read Fund with $424,010.09 are combined based on the NONJUDICIAL SETTLEMENT AGREEMENTPURSUANT TO RSA 564-B:1-111(b). The Trustees signed the agreement. Effective as of October 20, 2025.

APPROVAL OF COMMON FUND ACCOUNT TO ALLOW EXPENDITURE OF PRINCIPAL AND INCOME
Nettie M. Stone Swanzey Lake Pavilion (Richardson Park) Fund to be placed into the Town of Swanzey Non-Restricted Fund based on the NONJUDICIAL SETTLEMENT AGREEMENTPURSUANT TO RSA 564-B:1-111(b). The Stone Fund has $8,339.07 in the Fund. Effective as of October 20, 2025.

Kordys noted that Town Counsel Cordell Johnston wants a copy of the signed agreements sent to him. Bittel said he would ask the Town Administrator to return a copy to Town Counsel once the consolidation of the funds is voted on by the Selectmen and signed by the Selectmen Chair.

Statement for the Public
Scaramelli said the Trustees should prepare a statement about the need to merge funds or make them non-restricted so that the public is aware of the change. He said he will draft the statement and Bittel will see that it gets published.

Trustees agreed by **consensus** to draft a memorial statement in regard to the merger of the J Edward Bouvier Fund for the Carpenter Home with the George E. Whitcomb, Jr. Fund for the Carpenter Home and the moving of the Nettie M. Stone Swanzey Lake Pavilion Fund to a Non-Restricted status. Scaramelli will write the draft.

Next Meeting: January 2026

ADJOURNMENT:
Motion to adjourn by Scaramelli, second by Kordys. All were in favor. ***Motion passed.***
Adjournment occurred at 11:00 a.m.

Respectfully Submitted,



Beverly Bernard
Recording Secretary

DRAFT