

Town of Moultonborough
Trustees of the Trust Funds
Minutes of Open Meeting
January 21, 2026

The meeting was called to order at 9:08 AM.

Attending - Trustees - Chair, Paul Daisy, Richard Merkle, Robert Watts
Alternate Trustees - Frederick Van Magness, Robert Waldren

The minutes of the previous meeting were approved.

The Trustees discussed and approved requests for funds for the Library Children's Holiday Fund, \$9057.16 and \$1000 from the Adele Taylor Scholarship Fund.

Chair Daisy reported the State has still not responded to our request for guidance on the Cemetery Trust Fund TF 102.

Mr. Merkle will update the Trustee's Investment Policy for 2026 and get it to the Trustees for signature. The Trustees started discussion on the Internal Controls and Procedures Policy drafted by Mr. Van Magness.

At 9:35 AM Frank Anderson, SVP Bank of New Hampshire, and Stephen Smith, SVP Bank of New Hampshire entered the meeting to discuss the previous calendar quarter's investment performance. Frank Anderson, distributed the BNH quarterly report.

The following results are before the cost of fees. Total Capital Reserve Funds portfolio performance for the most recent 3 month period was 1.25% and for the latest year 7.97% versus the benchmark of 1.37% and 8.06%. The performance of the equity portion was 2.22% for the latest 3 months versus the benchmark of 2.91%. The latest year performance for equities is 18.77% versus the benchmark of 18.85%. The fixed income performance for the Capital Reserve Funds for the latest 3 months was 1.00% and 5.60% for one year compared to the benchmarks of 1.13% and 5.92%.

The total Trust Funds portfolio total performance for the latest 3 months was 1.90% and 12.66% for one year versus the benchmark of 2.11% and 13.08%. The equity performance was 2.65% for the last 3 months and 18.77% for the year compared to the benchmark of 2.91% and 18.85%. The fixed income portion of the Trust Funds performance was 1.04% for the last 3 months and 6.94% for the year. The benchmarks were 1.20% and 6.97% respectively.

Performance results after fees. The Capital Reserve Funds total performance for the most recent 3 month period was 1.16% and for the latest year 7.61% versus the benchmark of 1.37% and 8.06%. The performance of the equity portion was 2.14% for the last 3 months versus the benchmark 2.91%. The most recent year's performance of equities was 18.37% versus the benchmark of 18.85%. The fixed income performance for the Capital Reserve Funds for the last 3 months was 0.91% and 5.25% versus the benchmarks of 1.13% and 5.92%.

The total Trust Funds total performance for the last 3 months was 1.67% and 11.64% for one year versus the benchmark of 2.11% and 13.08%. The equity performance was 2.42% for the last 3 months and 17.81% for the year compared to the benchmark of 2.91% and 18.85%. The fixed income portion of the Trust Funds performance was 0.81% for the last quarter and 5.98 for the year. The benchmarks were 1.20% and 6.97% respectively.

In answer to the Trustee's request for a review of BNH fees considering the bank acquired the town's account in addition to the Trustee's account, Mr. Anderson stated the Town account received a lower fee than normal. Overall by combining the 2 accounts the Town was paying a lower fee than it would have if the accounts were not combined . No further reduction of the Trustee's fees was possible.

Mr. Daisy and Mr. Waldren exited the meeting at 10:30 AM. Discussions regarding the investment process of the bank vis-a-vis the Town's accounts when significant paper/unrealized gains exist continued with the BNH representatives. The BNH representatives left the meeting at 11:12 AM. The Trustees agreed to readdress the draft Internal Controls and Procedures Policy at the February meeting.

The meeting was adjourned at 11:16 AM.

Respectfully submitted

Richard Merkle, Trustee