

MINUTES

Trustees of the Trust Funds Meeting
April 22, 2022
Council Chambers, Town Hall
8:30 AM

Members Present: Mike Everngam, Chair; Craig Seymour; Thomas Bebbington,
Alternate. Bill Cote - absent
Chris Lucas and Wil Fleming, Cambridge Trust

Others Present: None

- I. The Chair called the meeting to order at 8:30 AM.
- II. There was no public input.
- III. Approval of Agenda. Craig Seymour moved approval as posted, Mike Everngam seconded. Passed
- IV. Mike Everngam moved approval of the minutes of the March 25, 2022 meeting, Craig Seymour seconded. Minutes were approved. Minutes are posted on the webpage.
- V. Old Business:
 - A. Update on Doe Farm/Land Stewardship Sub-Committee (LSC).
 - Chair reported that the last LSC meeting did not have a quorum so was informational only.
 - Steve Eisenhower, UNH Woodlands Manager was introduced to the LSCC.
 - The UNH Arctic study leader talked about research efforts on-going at the Spruce Hole Bog relating to Arctic ecology. The work includes extensive use of sensors and other techniques for analyzing climate change.
 - Tom Brightman provided updates on various activities involving Durham's woodlands and trails.
 - B. Update on Cemetery Committee.
 - Craig Seymour stated that the season has started off slowly with no current burial requests. However, at least two are believed to be pending.
 - He noted that a few monuments had tipped over during the winter and that he will be contacting the funeral homes to inform them that repairs are needed.

- Kent & Pelczar will be installing a foundation and monument for Don and Marney Sumner, with burial anticipated next month.
- The Town's DPW has added some gravel to the interior roads, but it was still too wet to complete the work.
- DPW has cut one old tree as approved by the Cemetery Committee and trimmed some of the others.
- DPW anticipates using an outside contractor again this year for mowing.
- A proposal has been made to plant a horse chestnut tree in honor of Durham veterans. The left rear corner (closest to the Cottages) is recommended as the best location due to best visibility and that the nuts that fall from the tree will not impact any of the plots. The Cemetery Committee has approved and the proponent, Lee Alexander, was in contact with the Town's Tree Warden, Rich Reine to coordinate the process.

VI. New Business

A. Expenditure Requests.

There were no expenditure requests

B. Monthly MS-9 Spreadsheet

Chair Everngam indicated receipt of the latest spreadsheet prepared by Deb Ahlstrom in the Business Office, a task which will hopefully be taken over by the new investment advisor, Cambridge Trust.

C. Investment Advisory On-Boarding

Chair Everngam indicated that a record of the selection process has been completed and it was approved by consensus of the Trustees.

D. Annual Organizational Process

Nominations were opened for Chair and Secretary and appointment of the Accountant for the Trustees for the period April 2022 through March 2023.. Craig Seymour nominated Mike Everngam to continue as Chair, approved unanimously. Mike Everngam nominated Bill Cote to continue to serve as Secretary, approved unanimously. Mike Everngam was appointed to continue serving as Accountant.

E. 1st Quarter Update from Investment Advisor

Chris Lucas and Wil Fleming from Cambridge Trust explained that the transfer of assets from the previous investment advisor, Peoples United, was proceeding but slower than anticipated due to the inability to get approvals within Peoples for the various actions required. They indicated that the process should be completed in the next 5 to 7 days. A discussion was held regarding the impact of the delay on the investment values in the current

declining market. Chair Everngam commended Wil on all the hard work he's been doing to try and make the transition as smooth as possible.

Chris and Will provided an in-depth look at current market conditions, noting the continued volatility in asset prices due to the war in Ukraine, inflation fears and the on-going uncertainty across all markets. Chris pointed out his concern with the economy in China, with slowdowns due to Covid-19 lockdowns and back-ups at major shipping hubs – noting that China is the world's largest manufacturer and that the current impacts will affect trade and consumer spending over the next several months.

The instability in Russia was noted, and the positive impact of the Federal Reserve finally taking action to try and navigate a "soft landing" for US economy.

It is a "stock pickers world" with focus on large cap, value-oriented companies that provide reasonable dividend yields and exhibit positive cash flow. The selloff in the tech sector has indicated a reduction in forward earnings potential.

The US job market remains very tight and the economy needs more people coming back into the labor market (increase labor productivity rate). He reminded us that the American consumer remains resilient – continuing to purchase goods and services despite the concerns. He believes that if a recession comes, it won't be until 2023 or 2024.

A discussion on the impact of India was held, with the recognition that it walks a fine line between dependence on Russia for weapons and it's relationship with the west.

The re-balancing of the portfolio – allowing for a larger proportion of equities across all fund categories – will allow CT to take advantage of opportunities to maintain returns, with a focus on energy, defense and consumer staples which tend to do better in times of inflation and uncertainty.

- F. Reports or Issues brought forward by Trustees
none

- VII. There being no other business, the meeting adjourned at 9:35 AM. The next meeting is scheduled for May 27, 2021.

Approved: /s/ Michael H. Everngam
Michael H. Everngam

Date