

Minutes of Trustees of Trust Funds Meeting

May 28, 2024

Wheelwright Room, Exeter Town Offices, Exeter, NH, 9-9:15 AM

Attendees: Peter Lennon, Pat Curtis, Leone Atsalis, Trustees. David Mayes, President of Three Bearings (3B) Fiduciary Advisors of Hampton, NH. Clerk for the meeting: Mr. Lennon.

1. **Draft Meeting Minutes, May 17, 2024.** Mr. Lennon distributed Draft Minutes from the Trustees' previous meeting and asked for any feedback in a few days to facilitate their being posted soon on the Town Website. He said the Trustees could vote to make any further changes to the Draft Minutes and approve them at a meeting later next month.
2. **Town Attorney Review of Draft Municipal Investment Management Agreement (MA) (contract).** Mr. Lennon said the Town Attorney wanted to be sure the Trustees were comfortable signing the draft MA delegating trading authority to the Investment Advisor and allowing the Investment Advisor to withdraw its fees from the trust funds. The Trustees indicated they had this comfort level.
3. **Vote to Approve the MA.** Mr. Curtis moved, and Ms. Atsalis seconded, that the Trustees sign the MA as amended in draft form during the past three weeks. The motion passed unanimously (3-0), and the Trustees and Mr. Mayes signed the MA to begin the Trustees' formal relationship with 3B.
4. **Vote to Approve the Investment Policy (IP).** Mr. Curtis moved, and Ms. Atsalis seconded, that the Trustees sign the IP as amended in draft form during the past three weeks. The motion passed unanimously (3-0), and the Trustees and Mr. Mayes signed the IP. Mr. Lennon said he would formally submit the revised/updated IP to the Director of the NH Attorney General's Charitable Trust Unit as required by state law.
5. **Transition Tasks.** The Trustees and Mr. Mayes discussed the latest status of efforts to transition the 120 Trust Funds from M&T Bank to 3B's independent Custodian, Fidelity Investments, and to accomplish other transition tasks. No issues were identified during the meeting.

- a. Mr. Lennon said he would write the three checks needed to withdraw the trust funds from M&T Bank shortly after the Bank provided to the Trustees the end-of-May earnings status in early June, and 3B used the provided data to calculate the amount for each check. He said he would hand-carry the checks to 3B's Hampton office during the first full week in June.

Mr. Curtis reported that the Bank would provide the usual monthly account spreadsheet showing all the Trust Funds as of May 31, 2024, but with the account and sub-account numbers redacted to make it easier for 3B to use the data.

- b. The Trustees decided to retain their no-fee checking account with M&T Bank for the immediate future to facilitate the deposit/withdrawal/check writing processes for the funding requests expected this Summer and Fall from the two School Boards and the Town.

- c. Mr. Lennon reported that he had confirmed with the Town and School Boards finance departments that no funding requests were expected during the week that the trust funds transition out of M&T Bank to Fidelity Investments.
 - d. Ms. Atsalis and Mr. Curtis reported no issues associated with accessing the online portals being established by 3B and Fidelity for daily Trustee access to Trust Fund data.
- 6. First Quarterly Performance Review.** Mr. Lennon reported that the first in-person Quarterly Performance Review has been scheduled tentatively for Friday, September 20, 2024 in the Nowak Room, Town Offices. Mr. Lennon said he would invite representatives from the Trustees' five claimants (Town, two School Boards, Cemetery, and Library trustees). He said he intended to invite the Select Board Chair and two School Board Chairs along with staff representatives from all five claimants.
- 7. Thanks.** Mr. Lennon noted at the end of the meeting that the signing of the MA and IP was the culmination of a process that began more than a year ago when the Trustees began discussing prospects for hiring an investment advisor. He thanked Mr. Curtis and Ms. Atsalis for all their excellent work to bring the Trustees to this point, and he thanked Mr. Mayes and his team at 3B for their dedicated efforts to support the Trustees during the most critical parts of this process.
- 8. Adjournment.** Ms. Atsalis moved that the meeting be adjourned at 9:15 AM. Mr. Curtis seconded, and the motion passed unanimously (3-0).