



TRUSTEES OF TRUST FUNDS TOWN OF GILMANTON, NEW HAMPSHIRE

February 25, 2019

APPROVED ON 04-29-19

Members Present: Fred Buchholz-Chairman, Neil Roberts-Treasurer and Stephen Hopkins

Absent with notice: Bob Burdett & John Dickey

Also Present: Heather Carpenter-Recording

Meeting Opened – approximately 8:30 A.M.

First Order of Business

- Land Trust Bill- The Chairman noted that the bill usually comes out by January and the Trustee's have not seen at this point and requested an update on the matter.
- Kraft- On Friday Kraft announced that they were going to write down some of their product line and cut the dividend, the stock plummeted.
- Spread Sheet- Looking at the December spreadsheet, we ended the year nicely. The total portfolio value was \$623,888.00, positive cash flow of \$13,950 and total income balanced of, almost, \$203,000.
- October spreadsheet- In October, the total portfolio value was \$622,000, remarkably stable.
- S & P 500- All stock holdings are in the S & P 500 Index, and stocks labeled King are also Aristocrats but have had 50 years or more of the annual dividend increases.

The Chairman explains, that even though not a policy, what the Trustees have always gravitated towards dividend growth companies.

Discussion on Kraft- Heinz, mergers and dividends.

Stephen Hopkins- What do you think the portfolio did in 2018, what was the rate of return? I think it would be really interesting to see how we ended the year with the portfolio, its stability given the volatility and given what we saw in the fourth quarter.

Chairman Buchholz- Reinvesting dividends keeps the growth rate lower. I will pull out the spreadsheet and email it to you.

Principal Value- \$423,000.00 as of Jan. 31, 2019

Pfizer is only a little above the 10%. -Chairman Buchholz states, it's so close to it, my feeling is to wait a little while before we sell any of it off.

Stephen Hopkins- How far over are we?

Chairman Buchholz- Our total principal is \$423,000 and Pfizer is \$43,000, so slightly over ten percent.

Stephen Hopkins- You can get that movement in a day's market, without transaction cost.

35 Chairman Buchholz asked if there is anyone seeing anything that they would want to change or
36 investigate further.

37 Stephen Hopkins- Would like to see how they did in the last year and having that noted in the minutes.

38 **Minutes-**

39 Minutes and investment policy have been received by the Board members that are present.

40 Amendments to the minutes of 11-05-18 are as follows;

- 41 ▪ Line 39- It states "indication and the goal "would be better stated as "investment
42 objective"
- 43 ▪ Line 56- (Line changed to 57 because of a margin issue with printing). The word "Town"
44 needs to be replaced with the Attorney General Office/ State policy.

45 The Board went over the changes of the investment policy that had been requested at the last
46 meeting. The Chairman would also like to know if any modification had been made to the Cap/Non-Cap
47 reserve investment policy?

48 At this point in time, the only modification made have been to the Investment Policy. *The Capital/Non-*
49 *Capital Reserve Investment Policy will be sent out to Board members for review.*

50 **Board consensus-** The minutes of 11-05-18 are approved as amended. *Reference the amendments*
51 *above.*

52 **New Business-**

53 Treasurer- Neil Roberts- One thing that will be coming up this year is the CD rates, they come up in
54 July. I have been monitoring the NHPDIP, as of February 8th, they are at 2.43.

55 The Treasurer will look at the rates of 2-3 more banks, the last time he compared a total of four.

56 Further discussion on interest rates on a steady path to rising, the economy, and when to lock in.

57 Stephen Hopkins- What could be interesting is the CD roll-off curve and just see what CD's are rolling-
58 off when. Think a little bit on how to work that into the curve.

59 Board discussion- Currently, there are only two CD's that are different dates then the original because
60 they were all done at once. Anything that came in subsequence to that might have been a change in
61 dates, they wouldn't be quite the same, but they are close. If we renew again, that is up to the Board if
62 they want to stagger them somehow or put them all in the same. With Meredith Village, the Board had
63 the option to changing these over to higher rate, if the rate jumped up enough and it was worthwhile
64 to do that.

65 The Treasurer will start working on that project right after April 15th.

66 Stephen Hopkins requests that the Treasurer look at the amounts and the maturity dates/roll-over
67 dates.

68 The option of switching to a higher rate is an option but it is not automatic and would need to be
69 requested.

70 Most everything comes up in July, negotiation with Meredith Village again and see if they would give
71 the same deal with a higher rate, it should be very lucrative. If NHPDIP is up there too, it might make
72 sense to put half the money in there, they are both equally as safe.

73 The other thing to consider is how the bank would perceive splitting amounts and they might not give
74 as good of a rate.

75 Meredith Village is very enthusiastic about continuing the account, it's a great account and very stable
76 and low activity.

77 **Conclusion-**

78 Next meeting will be Monday, April 29, 2019 at 8:30 a.m.-Academy Building.

79 **Motion to Adjourn:** Fred Buchholz

80 **Seconded:** Neil Roberts

81 Board votes unanimously to Adjourn at approximately 8:53 A.M. (3-0)

82

83 Respectfully submitted,

84 Heather Carpenter

85

86 Amendments made to draft minutes as follows;

87 *Line 19- originally the sentence read as follows; "Anything labeled dividend aristocrats is an S&P 500, so Kimberly-Clark,*
88 *Abbott Labs, Abb., Johnson and Johnson is, although they are a king because they are way over the twenty-five year.*
89 *Chevron, Exxon-Mobil, Clorox, Proctor and Gamble and AT &T, they are the only ones that are not in the S &P 500 would be*
90 *Kraft-Heinz, and Pfizer may not be."*

91 Line 29- added the following; "as of Jan. 31, 2019"

92 Line 33- originally the sentence read as follows; "Chairman Buchholz- Our total principal is \$ 423,000 and we are \$433,00, so
93 slightly over the ten percent."