TRUSTEES OF TRUST FUNDS

October 21, 2025 3:00 p.m.

Quarterly Meeting

TRUSTEES: Warren Mackensen
Christopher Nevins
Corey O'Neil
Joyce Skaperdas
James Dearden

PUBLIC:

ADVISOR: Zachary Zwick, Three Bearings Fiduciary Advisors

The meeting was called to order at 3:00 p.m. by Chairman Mackensen.

The Pledge of Allegiance was recited.

Quorum Determination

Chairman Mackensen noted that five trustees were present. There was a quorum.

Approval of Minutes

The July meeting minutes were approved by email in July.

3rd Quarter 2025

Mr. Zwick provided the Market Trends as of September 30:

- Strong domestic performance in Q3, especially small caps & strong performance in International equities:
  - S&P 500 8.12%
  - Russell 2000 12.45%
  - MSCI EAFE Index 4.45%
  - Real Estate (Vanguard REIT ETF) 3.64%
  - S&P High-Yield Corporate Bond Index 2.4%
  - S&P Investment Grade Corporate Bond Index 2.48%
- Divergence between Growth and Value, Growth outperformed Value, unchanged from Q2:
  - iShares S&P Growth (IUSG) 9.57%
  - iShares S&P Value (IUSV) 6.13%
- Money flowed into short, intermediate and long term Treasuries reducing their yield slightly:
  - 30-year Treasury: Increased from 4.78% to 4.73%
  - 10-year Treasury: Increased from 4.24% to 4.16%
  - 5-year Treasury: Decreased from 3.79% to 3.74%
  - 2-year Treasury: Decreased from 3.72% to 3.60%

Mr. Zwick provided the Sector Results as of September 30:

Technology XLK 11.45%	Consumer Discretionary XLY 10.46%	Communication Services XLC 9.45%	Utilities XLU 7.51%
Energy XLE 6.24%	Industrial XLI 4.98%	Health Care XLV 3.72%	Financial Services XLF 3.20%
Materials XLB 2.55%	Real Estate XLRE 2.49%	Consumer Staples XLP -2.54%	

Real Estate Trust Fund

The Fund gained 3.9% during the third quarter. The Month-end Market Values bar graph and line graph were reviewed.

The Fund ended the quarter with a total market value of $23,895,350.

The Real Estate Trust Fund performance was 7% during the last 12 months. The Conservative Benchmark performance was 8.4%.

The Fidelity Account Custody Statement, Quarterly Performance Report, the Morningstar Portfolio X-Ray and TrustTrak Fund Snapshot Report were reviewed.

The allocation in this Fund is 1.4% Cash, 26.7% US Stocks, 10.1% Non-US Stocks, 56% Bonds, and 5.8% Other.

The Fund Snapshot showing all transactions year-to-date for the Real Estate Trust Fund was reviewed.

Real Estate Trust Fund Projected Income

The investment report dated September 30, 2025, showed Real Estate Trust Fund projected portfolio income for the next 12 months as $1,066,174, before fees of approximately $28,000. The trustees unanimously concurred that a reasonable income for planning purposes in calendar year 2026 is $1,000,000, net after fees.

Common Trust Fund

The Fund gained 3.6% during the third quarter. The Fund ended the quarter with a total market value of $52,152.

The Common Trust Fund performance was 6.5% during the last 12 months. The Income Benchmark performance was 6.2%.

The Fidelity Account Custody Statement, Quarterly Performance Report Package, and Morningstar Portfolio X-Ray were reviewed.

The allocation in this Fund is 4.5% Cash, 24% US Stocks, 6.6% Non-US Stocks, 59.4% Bonds, and 5.5% Other.

Common Capital Reserve Fund

The Fund gained 2.3% during the third quarter. The Fund ended the quarter with a total market value of $6,084,221.

The Common Capital Reserve Fund performance was 5.94% during the last 12 months. The CRF Diversified Benchmark was 5.95%.

The Fidelity Account Custody Statement, Quarterly Performance Report Package, and the Morningstar Portfolio X-Ray were reviewed.

The allocation in this Fund is 1.6% Cash, 15.9% US Stocks, 0.1% Non-US Stocks, 82.4% Bonds, and 0% Other.

Winnacunnet School District Common Capital Reserve Fund

The Fund gained 2.3% during the third quarter. The Fund ended the quarter with a total market value of $759,196. This Fund is similar to the Common Capital Reserve Fund.

The WSD Common Capital Reserve Fund performance was 6.1% during the last 12 months. The CRF Diversified Benchmark was 6%.

The Fidelity Account Custody Statement, Quarterly Performance Report Package, and the Morningstar Portfolio X-Ray were reviewed.

The allocation in this Fund is 1.3% Cash, 15.3% US Stocks, 0.1% Non-US Stocks, 83.3% Bonds, and 0% Other.

Cemetery Maintenance Expendable Trust Fund

The fund gained 5.4% during the third quarter. This fund ended the quarter with a total market value of $1,063,148.

The Cemetery Maintenance Trust Fund performance was 12.1% during the last 12 months. The CRF Diversified Benchmark – Balanced was 11.7%.

The Fidelity Account Custody Statement, Quarterly Performance Report Package, and the Morningstar Portfolio X-Ray were reviewed.

The allocation in this Fund is 0.7% Cash, 60.1% US Stocks, 0.3% Non-US Stocks, 38.9% Bonds, and 0% Other.

MS-9 Report

The TrustTrak MS-9 Report for the third quarter was reviewed.

Combined Transactions Listing

The TrustTrak Combined Transactions Listing was reviewed.

Trustees Meeting Schedule for 2026

The Trustees reviewed the proposed meeting schedule.

MOVED by Ms. Skaperdas to approve the 2026 Trustees Meeting Schedule.

SECONDED by Mr. Dearden

VOTE: 5-0-0 **Motion Passed**

Cemetery Maintenance Expendable Trust Fund Disbursement

MOVED by Mr. O'Neil to disburse $12,000 for the removal of seven huge pine trees in the Pine Grove Cemeery. Grind one stump for access.

SECONDED by Mr. Nevins

VOTE: 5-0-0 **Motion Passed**

Firefighters Turn Out Gear CRF Disbursement

MOVED by Ms. Skaperdas to reimburse the Town for $18,494.18 for four sets of gear.

SECONDED by Mr. Dearden

VOTE: 5-0-0 **Motion Passed**

Pedestrian & Traffic Safety CRF Disbursement

MOVED by Mr. Nevins to reimburse the Town for $198.00 for a yield sign.

SECONDED by Mr. O'Neil

VOTE: 5-0-0 **Motion Passed**

Winnacunnet School District Special Education Expendable Trust Fund

MOVED by Mr. Mackensen to disburse $19,965 from the Winnacunnet High School Building Maintenance Expendable Trust Fund to reimburse SAU 21 for sprinkler repairs.

SECONDED by Mr. Nevins

VOTE: 5-0-0 **Motion Passed**

Public Comment

There were no members of the public attending the meeting.

Next Meeting

The next meeting will be Tuesday, January 13, 2026, at 3:00 p.m. in the Selectmen's Meeting Room.

Adjournment

The meeting adjourned without objection at 3:59 p.m.

Respectfully submitted,

Warren J. Mackensen, Chairman