TRUSTEES OF TRUST FUNDS

July 14, 2026 3:00 p.m.

Quarterly Meeting

TRUSTEES: Jim Dearden
Warren Mackensen, Chair
Joyce Skaperdas, Vice Chair
Karen Souney, Bookkeeper
Bruce Theriault
Julie Poplawski, Alternate Trustee

PUBLIC: None

ADVISORS: David T. Mayes, MA, EA, CFP, Three Bearings Fiduciary Advisors, Inc.
Zachary R. Zwick, CFP Three Bearings Fiduciary Advisors, Inc.

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

Minutes of April 21, 2026, were unanimously approved by email shortly after the meeting.

Quarterly Investment Review, 2nd Quarter 2026

Three Bearings provided the Market Trends as of June 30, 2026.

- Very strong performance in Q2 from domestic large and small cap, big reversal from Q1. Positive performance in International equities and real estate as well:
  - S&P 500 15.12%
  - Russell 2000 21.44%
  - MSCI EAFE Index 8.63%
  - Real Estate (Vanguard REIT ETF) 9.67%
  - S&P High-Yield Corporate Bond Index 2.48%
  - S&P Investment Grade Corporate Bond Index 1.44%
- Divergence between Growth and Value, Growth handedly outperformed Value, flipped from Q1:
  - iShares S&P Growth (IUSG) 21.41%
  - iShares S&P Value (IUSV) 8.16%
- Treasuries across the board saw selling pressure, war sparked inflation fears an uncertainty about fed cutting rates. Rates rose faster for shorter term notes:
  - 30-year Treasury: Increased from 4.88% to 4.91%
  - 10-year Treasury: Increased from 4.30% to 4.44%
  - 5-year Treasury: Increased from 3.92% to 4.19%
  - 2-year Treasury: Increased from 3.79% to 4.14%
  - 1-year Treasury: Increased from 3.68% to 3.98%

Three Bearings provided the sector results as of June 30, 2026.

Technology XLK 43.53%	Industrial XLI 14.81%	Financial Services XLF 8.97%	Real Estate XLRE 8.77%
Health Care XLV 8.69%	Consumer Discretionary XLY 7.83%	Materials XLB 2.10%	Consumer Staples XLP 2.04%
Utilities XLU -0.57%	Communication Services XLC -3.11%	Energy XLE -12.69%	

Real Estate Trust Fund

The Fund lagged its benchmark for the quarter at 4% versus 6.6% for the Conservative benchmark. The Month-end Market Values bar graph was reviewed. The line graph showed that the market value was in line with similar results this year. The Fund ended the quarter with a total market value of $24,837,757.69.

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

The allocation in this Fund is 0.5% Cash, 28% US Stocks, 10% Non-US Stocks, 56% Bonds, and 5.5% Other.

Common Trust Fund

The Fund lagged its benchmark for the quarter at 3.1% versus 4.4% for the Income benchmark. The Fund ended the quarter with a total market value of $53,467.87.

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

The allocation in this Fund is 7% Cash, 24.7% US Stocks, 7.2% Non-US Stocks, 53.6% Bonds, and 7.5% Other.

Common Capital Reserve Fund

The Fund performed similarly to its benchmark for the quarter at 2.6% versus 2.6% for the CRF Diversified benchmark. This Fund ended the quarter with a total market value of $6,242,919.28.

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

The allocation in this fund is 2.1% Cash, 17.4% US Stocks, 0.1% Non-US Stocks, and 80.4% Bonds.

Winnacunnet School District Common Capital Reserve Fund

The Fund slightly underperformed its benchmark for the quarter at 2.4% versus 2.6% for the CRF Diversified benchmark. The Fund ended the quarter with a total market value of $763,527.46. This Fund is similar to the Common Capital Reserve Fund.

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

The allocation in this fund is 2.4% Cash, 14.9% US Stocks, 0.1% Non-US Stocks, and 82.6% Bonds.

Cemetery Maintenance Trust Fund (Expendable)

The Fund slightly underperformed its benchmark for the quarter at 9% versus 9.2% for the CRF Diversified - Balanced benchmark. The Fund ended the quarter with a total market value of $1,152,278.01.

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

The allocation in this fund is 1.7% Cash, 60.5% US Stocks, 0.2% Non-US Stocks, and 37.6% Bonds.

MS-9 Report

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

Combined Transactions Listing

The TrustTrak Combined Transactions Listing was reviewed.

Trustee Documents Archiving

Three Bearings Fiduciary Advisors previously reported to the Chairman that the 2025 trustee records were copied to a thumb drive and delivered to the Town Clerk for safekeeping in the Town Vault. This fulfills the requirements of NH RSA 33-A:3-a.

Campbell Sports Scholarship Trust Fund

Income for the period 7/1/2025 through 6/30/2026 was $371.84.

MOVED by Mr. Dearden to:

- Distribute $185.92 from the Campbell Sports Scholarship Trust income to the Town for recreational purposes.
- Journal $185.92 from income to Principal, per the Trust indenture.

SECONDED by Ms. Skaperdas

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

Review of 2025 Town Warrant Results

The trustees were apprised that the Town Finance Director funded 2026 Town Meeting CRF articles passed in March:

- Hampton Article 15 – Added $750,000 to the Town Roads CRF
- Hampton Article 23 – Added $100,000 to the new Municipal Buildings Capital Reserve Fund
- Hampton Article 27 – Added $40,000 to the Firefighters Turn Out Gear/Personal Protective Equipment CRF
- Hampton Article 30 – Transferred quarterly receipts of $13,765 to the Municipal Transportation Improvement Fund on June 9, 2026

Capital Reserves Deposits and Distributions

MOVED by Ms. Skaperdas to reimburse the Town for Firefighters Turn Out Gear $4,428.16.

SECONDED by Mr. Theriault

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

Upcoming Capital Reserves Activity

The Trustees were apprised of near-term expenditures:

- $624,500 for an Exeter road culvert project
- $18,900.92 Town-wide municipal buildings assessment project

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Municipal Buildings Assessment Project

MOVED by Chair Mackensen to pre-approve the reimbursement to the Town for the Town-wide municipal buildings assessment project upon receipt of a paid invoice for $18,900.92. The funding shall come from the Municipal Buildings Capital Reserve Fund.

SECONDED by Mr. Theriault

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

Trustee Training Reimbursement

Ms. Souney and Mr. Theriault attended Trustee Training in person in Concord on June 10, 2026.

MOVED by Ms. Skaperdas to reimburse Ms. Souney and Mr. Theriault for expenses of $100 (each) under RSA 31:24, incidental Town charges:

SECONDED by Mr. Dearden.

VOTE: 3-0-2 **Motion Passed**

Public Comment

None

Next Meeting

The next meeting will be Tuesday, October 20, 2026, at 3:00 p.m. in the Select Board Meeting Room.

Adjournment

The meeting adjourned without objection at 3:45 p.m.

Respectfully submitted,

Warren J. Mackensen, Chair