

Approved: February 19, 2021



**Trustees of Trust Funds
Meeting Minutes
Friday January 22, 2021
Matthew Thornton Room, Merrimack Town Hall**



The meeting was called to order at 9:00 am. Trustees present were Balcom, Wilkes (by phone) and Christensen. Also present: Tom Boland Merrimack Town Treasurer. Present by conference call from Cambridge Trust Co: Judy Noel, Eric Jussaume, Lindsey Donovan, and David Lynch. Matt Shevenell, SAU 26 Business Manager also attended.

The minutes of November 20, 2020, were approved as distributed. Motion by Balcom, second by Wilkes. Motion passed 3-0-0.

Judith Noel reported that conversations with Paul Micali regarding DRA reporting had yielded no need for immediate changes. We may consider reporting changes after July 1, pending further direction from DRA.

Christensen described some additional issues with reporting, some of which would be lessened if we adjust our permeant fund portfolio to generate more income/higher yields. The Trustees would like to move in this direction at a faster pace.

Eric Jussaume discussed portfolio redirection and stated that they were reluctant to make wholesale changes all at one time. David Lynch, Chief Investment Officer for Cambridge Trust, agreed that many small holdings, would be appropriate to consolidate into fewer, larger holdings. Some of this will be accomplished by adding to existing positions that have met CTC's levels of research and approval.

Christensen noted that the goals of the Trustees revolved around equity income. We have been using the S & P 500 Index as a performance benchmark, but the goals of the S & P 500 do not match our goals. Based on this topic at the November meeting, Jussaume suggested a NASDAQ /yield index. The Trustees will consider this and likely will modify the investment policy accordingly at the annual review of the policy. General discussion followed regarding various potential holdings and sector weighting.

Skipping ahead on the agenda, Christensen stated that he had written to the Watson Foundation, Gary Greenleaf and Tom Gibson about increasing the scholarship awards that they were involved with. Gibson was content at the current \$3500 level. No other responses were received.

Matt Shevenell presented information on school district capital improvement plans. Three issues in particular were presented: new bleachers (est \$65,000) and new floor (est \$140,000) for the JMUES All Purpose Room and \$110,000 for new bleachers in the Smith Gym. Shevenell pointed out that the existing bleachers are original to the construction of these buildings, and are not ADA compliant. Wilkes brought up questions about whether a layout that old really met existing needs and might there be better floor plans, such as having bleachers on only one side of the APR. Noting that we had spent ~\$38,000 for audio/visual improvements to the Smith Gym, should similar improvements be made to the APR and should bleachers be on a swivel instead of hard mounted to the wall?

Approved: February 19, 2021

Shevenell stated that the A/V additions to the Smith Gym were a strength and that similar improvements in the APR would be very strongly supported. He will bring our comments back to the school Planning and Building Committee for their consideration. Research by Tom Boland revealed that every time we hold a Town event in the APR we spend ~\$2000 to hire sound systems. Christensen moved, second by Balcom, to approve a sum not to exceed \$350,000 to be set aside in the Watkins Fund for improvements to the Smith Gym and the JMUES All Purpose Room. As of June 30, 2020 there was \$797,276.14 accumulated income in this fund available for grades 1-8. Motion carried 3-0-0.

Correspondence

An invoice for \$22,202.90 for Chromebooks and power adapters was brought forward. It was confirmed that these are used by Grades 1-8. Balcom moved, second by Wilkes that this be paid using moneys in the Watkins Fund. Motion carried 3-0-0.

Payment on three Watson and the Gibson Scholarships from June 2020 awards have been received and are being paid.

A check from the Town for \$2,305,000.00 was received adding to a variety of Capital Reserve Funds.

The Watson Foundation donated \$1000 for the LEGO League and \$5000 for five \$1,000.00 scholarships to be awarded in June 2021.

The Trustees will next meet on February 19, and March 19, 2021.

Motion to adjourn at 10:05 by Balcom second by Wilkes passed 3-0-0.

Respectfully submitted

Chris Christensen, Trustee