

City of Laconia, NH
Trustees of the Trust Fund
July 16, 2018

Meeting called to order at 2:00 PM. Present were Peggy Selig and Jon Nivus, Trustees; Charlie Nason, and Laurie Leduc, Citizens Bank.

Investment Review

Charlie noted that the market correction remains at 10%. The global economy is strong and domestic economy is also good and the unemployment rate is stable at 4%. The FOMC increased rates in June and it is expected that there might be one or two more increases. The equity market will continue to be monitored for any changes in the fundamentals, although at present they are in good shape. Tax cuts and a stronger dollar helped the economy. The Total Return was 7.22% with the Bench Mark at 6.29%.

On the fixed income side, bonds were again the primary beneficiary of the volatile equity market. The yield curve has continued to flatten, causing some concern for the equity market. In our portfolio agencies have been decreased with the funds being invested in mortgage backed mutual funds. Bond yields trended higher in June due to the Fed increasing short-term bond rates.

Because of the change in fixed income index, in July the investment policy was reviewed. The Bond Portfolio is high quality and is showing a return of 2.9%.

It was decided to leave the Investment Income Account funds in the sweep account so as to not incur additional fees or costs.

The Investment Policy was discussed and will be presented at the October meeting.

The goal is to increase the dividend yield in the portfolio and manage risk.

Future Meetings

The next meeting will be October 15, 2018 at 2:00 PM in the Mayor's office.

Charlie and Laurie left the meeting.

Minutes

Minutes of the April 17, 2018 meeting was approved.

2018 Scholarships and Awards:

Demark Scholarship:

Approved \$1,000 scholarship: Thomas Bastis

Beatrice Priest Scholarship:

Approved up to 5 \$1,500 scholarships, consisting of both new and repeat scholarships:
Joshua Morel (Repeat), Michael O'Brien (Repeat), Nemanja Boskovic, Daniel Engelsen,
and Danielle Friend

Perkins Awards:

Approved 2 \$750 awards: Isabella Lovering and Benjamin Beliveau

Thank you notes were received from: Daniel Engelsen and Benjamin Beliveau.

Communications

Election of Officers

.

Adjournment

Meeting was adjourned at 2:55 PM.

Respectfully submitted,

Peggy Selig.

DRAFT