City of Concord
Trustees of Trust Fund Meeting

Minutes of July 16, 2026 Meeting

Meeting was convened at 8:33 AM at City Hall, 41 Green Street, Concord.

In attendance: Trustee Susan Dunton, Trustee Sabrina Beavens (virtually), Trustee Travis Craig, Corey Boucher of Citizens Bank Wealth Management Group; Chelsey Michalski and Sarah Gerlack from the City of Concord

Excused: Laurie Leduc of Citizens Bank

Minutes from the April 16, 2026 meeting were distributed for review, no comments or discussion. All in favor, minutes approved.

Presentation by Corey Boucher:

- Market optimism and resurgence of the AI investment theme led equity markets to post a healthy rebound in Q2. This was seen across US and International markets, particularly in small cap US stocks and emerging market stocks. Throughout the quarter, the narrative around the Iran War shifted, and to the surprise of many, the wheels didn't fall off the global economy and oil prices remained rangebound between $80 and $120 per barrel (WTI). Towards the end of Q2, there was a ceasefire put in place that sent oil prices lower, to roughly similar prices as before the conflict began.
- Higher oil prices during Q2 were largely responsible for higher inflation, which moved up to 4.2% year over year. Higher oil prices tend to have knock-on effects which ripple through the economy. Even as oil prices have somewhat come down, it will still take time for inflation to return to the 2%-3% range the Federal Reserve is more comfortable with. Robust business spending and the sturdy customer retail spending also prevent a fast inflation decline.
- Year to date, the total portfolio is now up by 4.6%, net of fees, after having a Q2 where the portfolio grew 5.6%. Despite this incredible growth, the portfolio's bias towards quality lagged equity markets, where speculative stocks (often unprofitable ones) rebounded the most. This was mostly seen in the small cap sector, but many large cap tech stocks mirrored this behavior as well.
- Fixed income returns have largely been flat for the year. Higher inflation and structural debt issues have caused intermediate and long-term rates to rise, and bond values to decline. This has been offset by bond interest payments, so bond returns are not negative for the year, but returns are around 1%, a lower figure than we would have expected when the year began.
- Looking ahead, the outlook is largely dependent on how the Iran War evolves. Continued conflict and closure of the Strait of Hormuz will drive oil prices higher and extend the period of higher inflation, likely leading to increased interest rates by the Federal Reserve. This could be exacerbated if global governments, including the US, stop releasing strategic petroleum reserves.
- Company earnings for Q2 are expected to be quite high, similar to Q1. Companies will be releasing this information starting in mid July. Markets are forward looking, so even strong earnings may have a muted effect on markets if the Iran conflict continues.

- The Concord Trust Funds slightly lagged Q2 versus benchmarks even while posting solid numbers on an absolute basis. Citizens Private Wealth and trustees discussed how to improve the investment performance going forward. Corey pointed out several companies which investments were either increased or decreased to the prediction of the upcoming market performance. Travis Craig had a particular interest in the upcoming trends of the quantum computing companies which.

The trustees were provided with a final revised copy of the Investment Policy for signature. Susan Dunton signed in person. Chelsey will distribute to Sabrina Beavens for signature. Travis Craig did not object, but was not part of the initial discussions regarding policy changes so he chose to abstain from approving the policy.

City resolutions related to trust fund and capital reserve account transfers for FY26 since the last trustee were given to the trustees. Trustee Sabrina Beavens requested a copy of resolution 6922 from the City Clerk which was the original establishment of the Urban Tree trust in order to accurately affirm that City Council's approval to withdraw funds from this account is in line with the intended use. Chelsey will retrieve this resolution and also continue to research all of the other original trust resolutions to put together for all trustees. Although many trusts seem self-explanatory, Sabrina stated that she does not want to assume the intended use based on the name.

A special meeting was set for September 29, 2026 at 8:30am to review year end documents. Chelsey stated that this would be helpful to have a separate meeting from the normal quarterly meetings with Citizens to review the year end trust reports, including the MS-9. Chelsey should have the documents to send out ahead of time to the trustees. It will be a lot of information at once, which is why it will be helpful to have on this separate meeting day.

The next quarterly meeting date was set for October 22, 2026 at 8:30am at Concord City Hall.

Meeting adjourned at 9:32am.

Respectfully Submitted,

Chelsey Michalski – Trustee Secretary