

TOWN OF CANTERBURY, NH
TRUSTEES OF TRUST FUNDS
INVESTMENT POLICY STATEMENT

PURPOSE

This investment policy statement sets forth the process that the Trustees of Trust Funds for the Town of Canterbury has adopted to make investment related decisions with respect to the Capital Reserve Accounts and Expendable Trust Funds (taxpayer funds) and Non-expendable Trust funds (private funds). Taxpayer funds and private funds shall not be comingled.

This policy identifies the investment objectives, sets out decision-making processes for selecting investments, and specifies the procedures and relevant measurement indexes to be used in assessing ongoing investment performance, in accordance with the stated investment objectives. The investment policy statement will be used as the basis for measuring and evaluating future investment performance and will itself be reviewed, at least annually, by the trustees.

Trust Funds shall be invested in accordance with the Prudent Man Rule as defined in RSA 31:25-b which states "a prudent investment is one which a prudent man would purchase for his own investment having primarily in view the preservation of the principal and the amount and regularity of the income to be derived therefrom."

INVESTMENT OBJECTIVE

The primary investment objective shall be safety, liquidity and yield.

Safety: Safety of principal is the foremost objective of the investment policy. Investments shall be undertaken in a manner that seeks to ensure preservation of capital.

Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

Yield: The investment portfolio shall be designed with the objective to attain a competitive market rate of return. However, return on investment is of secondary importance compared with the safety and liquidity objectives.

INVESTMENT AUTHORITY

The authority to invest the funds lies with the Trustees. The Trustees have opted to invest through the NH Public Deposit Investment Pool (NHPDIP, pursuant to RSA

383:22) who selects the investment manager, who then actually invests the funds in accordance with this Investment Policy Statement.

RESPONSIBILITIES

A review of the investment performance shall be made quarterly. This Investment Policy Statement shall be reviewed and submitted annually to the Charitable Trust Unit of the NH Attorney General's office.

APPROVED INVESTMENTS

The objective dictates an asset allocation of 100% cash equivalents, and no equities or bonds. Cash Equivalent investments include investments of such high liquidity and safety that they are virtually as good as cash, such as money market funds and US Treasury Bills among others.

PERFORMANCE MANAGEMENT

The performance of the investments shall be compared to the S & P US Treasury Bill 0-3 Month Index.

TRUSTEE REVIEW AND REVISION OF THIS POLICY


The Trustees of the Trust Funds reserve the right to amend this policy statement at any time, from time to time, as it deems necessary or appropriate.

Approved 11-14-2024

Greg Heath, Chairman



Tiffany Brown, Secretary



Silvia Styles