



Town of Warner, NH  
Trustees of the Trust Funds

This investment Policy applies to all Capital Reserve Funds, Trust Funds, and Cemetery Trust Funds held by the Trustees of the Trust Funds in accordance with the New Hampshire RSA 35.9 and RSA 31.25.

The overall investment Portfolio shall be invested and managed in accordance with the **Prudent Investor Rule**. The definition of this rule is based on RSA 564-B:9-901 – RSA 564-B:0-906 as follows: “A Trustee shall invest and manage trust assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the trust. In satisfying this standard, the Trustee shall exercise reasonable care, skill, and caution. A Trustee’s investment and management decisions respecting individual assets must be evaluated not in isolation but in the context of the trust portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the trust.”

**Investment Objectives:**

The Investment Objectives are to preserve the principal of each Trust Fund, to generate sufficient cash to meet each Fund’s obligations, and to attempt to increase the value of each Fund through capital appreciation.

**Asset Allocation:**

The Asset Allocation decision is an extremely important factor in determining the performance of the portfolios held by the Trustees. The Asset Allocation guideline shall be reviewed by the Trustees at least annually. The current Asset Allocation guideline is as follows:

- Investment Grade Fixed Income Securities or Registered Investment Companies investing in Investment Grade Fixed Income securities: 80%
- Equities or Registered Investment Companies investing in Equities: 20%

The Trustees have decided that Asset Allocation within 3% - 4% of these guidelines is reasonable and acceptable. Adequate Cash and Cash Equivalents need to be kept available to meet current withdrawal needs.

**Fixed Income Securities:**

Fixed Income Securities should be Investment Grade, which means they should be at least “A” Rated by either Moody’s Investor Services or Standard and Poors Corporation. They may also be Direct Us Government obligations or Federal Agency obligations. Obligations may be held directly or may be in the form of securities of Registered

Investment Companies investing in such obligations. Trustees may also purchase shares of Registered Investment Companies which invest in Debt Securities of at least Investment Grade. Concentrations in any one issuer shall not exceed ten percent (10%) except in obligations of the US Government or Federal Agency obligations. Trustees may also invest in deposits of FDIC Insured Banks authorized to engage in a banking business in New Hampshire.

**Equities:**

Equity Investments should be either in securities of companies with a proven record of earnings growth, strong fundamentals, and reasonable valuations or, in shares of Registered Investment Companies with a proven record of successful investing and broad diversification of their holdings. Investment in an individual Equity Security should not exceed twenty percent (20%) of the Trustees Equity Investments because of price appreciation.

**Public Deposit Investment Pool:**


The Trustees shall be permitted to invest in Participation Units of the Public Deposit Investment Pool established pursuant to New Hampshire RSA 383.22.

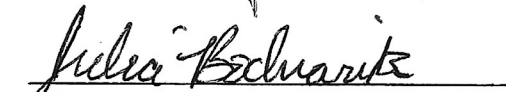
**Meeting to Review the Portfolio:**

Trustees shall meet at least semi-annually to review the Investment Portfolio. At least one of those meetings shall include representatives of any outside Portfolio Manager who is managing a portion of the portfolio. New Hampshire Law requires that the Trustees review the Investment Policy at least annually and, if necessary, make appropriate changes. Trustees should discuss Investment Objectives, Asset Allocation, Performance, Diversification, and general compliance with Guidelines in the Investment Policy. Performance results should also be reviewed at the meeting comparing the performance of the portfolio against applicable indices.

This Investment Policy was renewed on April 3, 2021 by the **Warner, NH Trustees of the Trust Funds:**

\_\_\_\_\_  
David Hartman

  
\_\_\_\_\_  
Kimberley Edelmann

  
\_\_\_\_\_  
Julia Bodnarik