

# **TOWN OF GOFFSTOWN INVESTMENT POLICY**

## **I. Scope**

This investment policy applies to all financial assets of the Town. These financial assets are accounted for in various funds that are within the annual financial statements for the Town and may include the following:

- General Fund
- Special Revenue Fund
- Capital Project Fund
- Sewer Enterprise Fund
- Planning & Agency Funds
- Debt Service Funds

## **II. Delegation of Authority and Management**

Authority to manage the Town's investment program is derived from RSA Chapter 41:29 and is approved by the Board of Selectmen. The Treasurer (hereinafter referred to as the investment officer) may invest town funds in accordance with RSA 41:29.

## **III. Authorized /Unauthorized Investments**

Assets of the Town may be invested in the following:

1. Obligations of the U.S. Government such as U.S. Treasury securities maturing in less than one year and short term obligations of U.S. Government agencies approved for investment purposes by the Treasurer of the State of New Hampshire;
2. Participation accounts established with the New Hampshire Public Deposit Investment Pool established pursuant to RSA 383:22;
3. Savings accounts in solvent banks in New Hampshire and solvent investment entities;
4. Certificates of deposit at banks incorporated under New Hampshire law, and
5. Certificates of deposit at national banks located in New Hampshire.

Any and all foreign investments are unauthorized by the Town.

## **IV. Prudence**

Investment decisions should be made by applying the Standard of Prudence. Investments shall be made with judgement and care that persons of prudence, discretion, and intelligence, under circumstance then prevailing, exercise in the management of their own affairs, not for speculation, but for investment, considering:

1. Safety
2. Maintenance of liquidity
3. Income

The Standard of Prudence shall be applied in the context of managing an overall portfolio of the Town. Investment officials, acting in accordance with internal control procedures and this investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market fluctuations, provided deviations are reported in a timely manner and appropriate action is taken to control adverse developments.

## **V. Diversification**

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the Town's portfolio should be continuously invested in readily available funds such as

money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

It is the policy of the Town to diversify its investment portfolio. Investment of assets held in the common cash fund and any other investments shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities.

**VI. Ethics and Conflicts of Interest**

Investment officers involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials shall disclose to the Selectmen any material financial interests in financial institutions that conduct business within the town, and they shall further disclose any large personal financial investment positions that could be related to the performance of the town portfolio.

**VII. Policy Review**

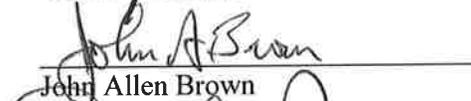
This policy shall be reviewed on an annual basis by the Selectmen and Treasurer. Any modifications made to this policy must be approved by the Board of Selectmen. Review of this policy shall be in conformance with the provisions of applicable statutes.

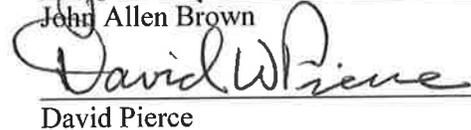
Reviewed and **re-adopted** by the Goffstown Board of Selectmen this 27<sup>st</sup> day of June, 2016.

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Peter Georgantas, Chairman

  
Mark T. Lemay, Vice Chairman

  
Collis G. Adams

  
John Allen Brown

  
David Pierce