

**TOWN OF GILMANTON  
TRUSTEE OF TRUST FUNDS INVESTMENT POLICY**

It is the policy of the Trustees to invest monies deposited in their care in various vehicles, exercising prudent judgment in those investment decisions. All investment decisions require a majority vote in the affirmative.

With respect to those monies in their care which are related to activities with both a current and a long term horizon, the Trustees have two objectives:

- (1) to maintain the purchasing power of the entire portfolio by investing in securities which, in the judgment of a majority of the Trustees, will increase the total value at a rate sufficient to grow the entire portfolio at a rate no less than the current rate of inflation.
- (2) To earn income annually that increases at or above the rate of inflation. This income level will allow an appropriate and consistent level of maintenance and improvements by all units receiving this income.

Investment vehicles may be stocks or bonds (approved for Trust Funds by the Department of Banking), mutual funds, money markets, FDIC insured certificates of deposit or collateralized certificates of deposit as required by state statutes or in Federally insured banks. Mutual fund must have been in business at least one year, may be equity and/or bond funds, should have a Lipper one year rating of no less than "B" for the most recent twelve month period, should have a Morningstar three year rating of at least four stars (\*\*\*\*) and must be registered with the Federal Securities and Exchange Commission. Exceptions to this policy may be made if agreed to by a majority of the Trustees and noted in the minutes of the meeting.

This Investment Policy should be reviewed and approved annually by a majority of the Trustees at the January meeting and notes in the meeting minutes.

Adopted by the Trustees on May 20, 1996

Revised and/or Approved: 10/27/97, 03/16/98  
06/22/01, 01/21/02  
09/22/03, 08/30/04  
11/24/05, 09/25/06,  
Amended:09/24/07  
Amended:03/23/09