



City of Keene, Trustee of Trust Funds Capital Reserve Investment Policy as of November 15, 2023

Trustees will review the objectives and constraints at least annually.

Investment Objectives:

The specific investment objectives for the Capital Reserve Fund's assets are:

- Safety- the safety of principal is the foremost objective
- Liquidity- investments shall remain sufficiently liquid to meet the operational cash needs of the City of Keene
- Yield- taking into account the priority objectives of safety of principal and liquidity, a market rate of return and administrative efficiency

Authorized Investments:

The Trustees use the professional services provided by an Investment Advisor to best take advantage of secondary markets not available to the Trustees. They include but are not limited to T-Bills, T-Notes, other U.S. Government obligations and Certificates of Deposit.

Constraints:

- Capital and other reserve funds appropriated pursuant to the provisions of Chapters 34, 35 RSA shall be invested to maintain principal and provide liquidity, due to the expendable nature and short term horizon of the funds. The Trustees are aware that meeting these objectives may restrict the level of yield attainable.
- Capital reserve funds shall be kept in a separate account or sub-account and shall be invested only in:
 1. Deposits in any federally or state chartered bank or association authorized to engage in a banking business in the United States;
 2. Participation units in the public deposit investment pool established pursuant to RSA 383:22; and
 3. Obligations with principal and interest fully guaranteed by the United States government or a federal agency of the United States government.
- The Investment Advisor shall provide the Trustees with monthly statements and periodic reports. A minimum of two (2) semi-annual reports will be in-person or by remote participation (e.g. ZOOM). Additional periodic reports, as deemed necessary by the Trustees, may be in-person, via conference call, remote participation or written only at the discretion of the Trustees.
- The investment policy is reviewed annually at a posted meeting of the Trustees with recommendations from the Investment Advisor.

Performance Measurement:

- Performance will be measured against the Bloomberg Barclays 1-3 year US Government Index.

Reviewed: 2/17/2010, 3/16/2011, 2/15/2012, 2/20/2013, 6/17/2015, 6/15/2016, 11/16/16, 10/18/17, 10/17/18, 10/16/19; 10/20/21; 10/19/22; 11/15/23
Revised: 4/16/2014, 10/21/20