

## **Town of Stratham, NH**

### **Trustees of Trust Funds**

#### **Investment Policy**

It is the policy of the Trustees to manage both types of funds using certain principals commonly known as the "prudent investor" rules. They are as follows:

1. Safety of principal is the first priority. We look first of all to minimize risk.
2. Minimize expenses – for example, try to keep a smaller number of accounts with higher balances to minimize or eliminate account fees.
3. Maximize returns – if an instrument passes the first two tests, it can be considered for investment.

Because of the different purposes of expendable and non-expendable trusts, they are generally held in different types of accounts. Accounts are managed by Cambridge Trust Company to best take advantage of secondary markets not available to the trustees.

#### Capital Reserve and other Expendable Trusts

Capital and other reserve funds shall be invested to maintain principal and provide liquidity due to the expendable nature of the funds. Depending on the time frame for the use of these funds, they may be placed in any of the following: savings accounts, savings certificates, money markets, CDs, obligations with principal and interest fully guaranteed by the United States Government or the PDIP (public deposit investment pool). CDs and other bank investments must be subject to FDIC limits. The trustees are aware that meeting these objectives may restrict the level of yield attainable.

#### Non-Expendable Trusts – Cemetery, Library, Park and Park Association

Assets held in Trust for the long term are invested in a diversified and conservative portfolio of individual stocks and bonds.

All such non-expendable funds shall be invested on a total return basis; that is the aggregate return from capital appreciation and dividend and interest income. The goal of the fund's Equity component is to meet or exceed a blended benchmark consisting of 80% of the Nasdaq US Broad Dividend Achievers Index and 20% S&P Global Ex-US Dividend Growers Index total return over a full market cycle. The goal of the fund's Fixed Income component is to meet or exceed the return of the Barclays Intermediate Government Credit Bond Fund over a full market cycle.

The portfolio will be invested in accordance with the maximum and minimum ranges for each asset category as described below. The total portfolio is expected to be diversified with respect to asset classes:

Asset Class	Minimum	Maximum
Equities	60.0%	80.0%
Other*	0.0%	10.0%
Fixed Income	15.0%	40.0%
Cash and Equivalents	0.0%	20.0%

\*Other assets may include commodities or real estate investment trusts (REITs) within the guidelines provided by this policy.

Risk – the portfolio shall display an overall level of risk which is consistent with the risk associated with their benchmarks.

Time Horizon – the fund has a perpetual time horizon. Every effort will be made to forecast future cash needs for the next 12-18 months and communicate this in a timely manner to the Investment Advisor.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Mikki Deschaine

Mikki Deschaine, Trustee

Aug. 4, 2025

Date

Eileen Herrington

Eileen Herrington, Trustee

Aug. 4, 2025

Date

Mark T. RA

Mark Ralabate, Trustee

4-Aug.-2025

Date

Lindsay Down

Cambridge Trust Company Representative

8/4/2025

Date

Lin Lrag

8/4/25