

# Penacook Boscawen Water Precinct

9 Woodbury Lane  
Boscawen, N.H. 03303  
[boscawenwater.com](http://boscawenwater.com)

## Investment Policy for PBWP Water Investment Fund (WIF)

### Purpose:

The purpose of this policy is to comply with RSA 41:9 VII.

### Policy:

It is the policy of the Penacook Boscawen Water Precinct to invest public funds in a manner which will provide the highest investment return with the maximum security of principal. While conforming to all State and local statutes governing the investment of PBWP funds. RSA 35:9

### Scope:

This investment policy applies to financial assets of the PBWP that have been or will be deposited into the Water Investment Fund or similar funds, for the future maintenance or expansion of the water supply and related upgrades to the water system. RSA 35:1-c, RSA 35:7

### Objective:

The primary objectives shall be:

Safety - preservation of capital and protection of investment principal.

Liquidity - maintenance of sufficient liquidity to meet medium to long term PBWP needs.

Yield - balancing potential rates of return against the primary goal of preservation of principal.

Legality – conformance with Federal and State laws and other legal requirements.

### Prudence:

Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as probable income to be derived. RSA 31:25-b and RSA 31:25-d

### Delegation of Authority:

Authority to manage the investment program is granted to the PBWP Treasurer and derived from the following: RSA 41:29. Responsibility for the operation of the investment program is delegated to the PBWP Treasurer, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy and under the supervision of the PBWP Commissioners.

### Ethics and Conflicts of Interest:

The Treasurer or Commissioners involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

### Investment of Assets:

Assets of the PBWP may be invested in the following:

RSA 35-A:19

- I. Obligations of the U.S. Government such as U.S. Treasury securities.
- II. Participation accounts established with the N.H. Public Deposit Investment Pool (PDIP) established pursuant to RSA 383:22.
- III. All accounts including money market accounts, certificates of deposit, repurchase agreements as well as all other types of interest-bearing accounts of Federally insured banks chartered under the laws of New Hampshire or the Federal Government, with a branch within the state.

It is the policy of the PBWP to diversify its investment portfolio. Investment of assets held in the common cash fund and any other investments shall be diversified to eliminate risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer of a specific class of securities. Diversification strategies shall be determined and revised periodically by the Treasurer and reviewed by the PBWP Commissioners.

**Professional Assistance:**

The PBWP may, at the discretion of the Commissioners, utilize the assistance of Banking and Brokerage Professionals to advise and assist with the investments of the PBWP, consistent with: RSA 31:38-a, RSA 35:9-a.

**Internal Control:**

The Treasurer is responsible for establishing and maintaining an internal control structure designed to insure that the assets of the PBWP are protected from loss, theft or misuse. The internal controls shall address the following points:

- I. Control of collusion
- II. Separation of transaction authority from accounting
- III. Custodial safekeeping
- IV. Written confirmation of telephone transactions for investments and wire transfers

**Approval:**

This policy was approved at a regularly scheduled and duly-noticed public meeting of the Penacook Boscawen Water Precinct on February 23, 2022

Penacook Boscawen Water Precinct Commissioners

William Murphy

Nathan Young

RSAs are available @ [www.gencourt.state.nh/rsa/html/nhtoc.htm](http://www.gencourt.state.nh/rsa/html/nhtoc.htm)