



TOWN COUNCIL – AGENDA REQUEST FORM

THIS FORM WILL BECOME PART OF THE BACKGROUND INFORMATION USED BY THE COUNCIL AND PUBLIC

Please submit Agenda Request Form, **including back up information**, 8 days prior to the requested meeting date. **Public Hearing requests must be submitted 20 days prior to requested meeting date to meet publication deadlines** (exceptions may be authorized by the Town Manager, Chairman/Vice Chair).

MEETING INFORMATION

| | |
|--|--|
| Date Submitted: September 16, 2022 | Date of Meeting: September 22, 2022 |
| Submitted by: Finance Director Thomas Boland | |
| Department: Finance | Time Required: 15 minutes |
| Speakers: | Background Info. Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/> |
| | Supplied: |

CATEGORY OF BUSINESS (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

| | | | |
|------------------------|-------------------------------------|-------------------------------------|--------------------------|
| Appointment: | <input type="checkbox"/> | Recognition/Resignation/Retirement: | <input type="checkbox"/> |
| Public Hearing: | <input type="checkbox"/> | Old Business: | <input type="checkbox"/> |
| New Business: | <input checked="" type="checkbox"/> | Consent Agenda: | <input type="checkbox"/> |
| Nonpublic: | <input type="checkbox"/> | Other: | <input type="checkbox"/> |

TITLE OF ITEM

Investment Policy

DESCRIPTION OF ITEM

The Town Council to review and consider the approval of the Town's Investment Policy, for the investment of public funds held by the Town Treasurer, in accordance with RSA 35:9 and RSA 41:29 for FY 2022-23.

REFERENCE (IF KNOWN)

| | | | |
|------------------|--------------|------------------|--|
| RSA: | 35:9 & 41:29 | Warrant Article: | |
| Charter Article: | | Town Meeting: | |
| Other: | | N/A | |

EQUIPMENT REQUIRED (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

| | | | |
|------------------|--------------------------|---------------------|--------------------------|
| Projector: | <input type="checkbox"/> | Grant Requirements: | <input type="checkbox"/> |
| Easel: | <input type="checkbox"/> | Joint Meeting: | <input type="checkbox"/> |
| Special Seating: | <input type="checkbox"/> | Other: | <input type="checkbox"/> |
| Laptop: | <input type="checkbox"/> | None: | <input type="checkbox"/> |

CONTACT INFORMATION

| | | | |
|---------------|--------------------|----------------|--------------------------------|
| Name: | Paul Micali | Address: | 6 Baboosic Lake Road |
| Phone Number: | | Email Address: | pmicali@merrimacknh.gov |

APPROVAL

| | | | | | |
|---------------|------------------------------|------------------------------|-------------------|------------------------------|------------------------------|
| Town Manager: | Yes <input type="checkbox"/> | No: <input type="checkbox"/> | Chair/Vice Chair: | Yes <input type="checkbox"/> | No: <input type="checkbox"/> |
|---------------|------------------------------|------------------------------|-------------------|------------------------------|------------------------------|

To: Town Manager, Paul Micali
From: Finance Director, Tom Boland
Subject: Investment Policy
Date: September 19, 2022

RSA 35:9 and 41:29 require the Town Council to annually reconsider its policy for the investment of public funds held by the Town Treasurer. In my opinion, the investment policy that was reaffirmed by the Town Council last year is still a viable document. The creditworthiness ratios incorporated therein reflect input from the State Banking Commissioner, the FDIC, and a national bank rating agency. Therefore, your formal renewal of our current investment policy, as presented on the attachment, is respectfully requested.

Please be advised that all monies that are presently held by the Town Treasurer are invested in strict compliance with this investment policy and are earning interest at the most attractive rates available. Furthermore, these investments are fully collateralized or insured. For added safety, investments of the Town Treasurer are diversified and extremely liquid, i.e. they consist of deposits in the New Hampshire Public Deposit Investment Pool and in several New Hampshire banks that may be withdrawn at any time without penalty.

Town of Merrimack
INVESTMENT POLICY

This investment policy applies to all public funds held by the Town Treasurer in accordance with RSA 41:29 and to capital reserve funds held by the Trustees of Trust Funds in accordance with RSA 35:9.

Deposits and investments shall be made only in obligations of the United States, in the New Hampshire Public Deposit Investment Pool, and in New Hampshire banks that are FDIC-insured. The following restrictions shall apply to deposits and investments in banks.

No more than \$2,000,000 shall be deposited or invested, without perfected collateral, in any one bank.

Unsecured deposits and investments of more than \$100,000 in banks that do not meet at least six of the following creditworthiness ratios are prohibited.

Unsecured deposits and investments of more than \$1,000,000 may be made only in banks that meet at least seven of the following creditworthiness ratios.

| | |
|----------------------------|--------------|
| <u>Cash and Securities</u> | |
| Deposits | 25% minimum |
| <u>Capital</u> | |
| Deposits | 5% minimum |
| <u>Capital</u> | |
| Loans | 7% minimum |
| <u>Capital</u> | |
| Assets | 5% minimum |
| <u>Loans</u> | |
| Deposits | 80% maximum |
| <u>Net Charge-Offs</u> | |
| Loans | .75% maximum |
| <u>Net Income</u> | |
| Assets | .70% minimum |
| <u>Net Income</u> | |
| Capital | 13% minimum |

Capital + Allowance for Loan Losses

Average Assets + Allowance For Loan Losses 6% minimum*

** Subject to change per FDIC Part 235 minimum equity standards.*

Adopted by Town Council on September 22, 2022.
