

**Town of Jaffrey
Trustees of Trust Funds
10 Goodnow Street
Jaffrey, NH 03452**

Minutes to the Meeting of July 18, 2013

Present: Gary P. Arceci, Trustee
Frank Mieso, Trustee
Robert Stephenson, Trustee
Jack Griffiths, Charter Trust
Kim Franklin, Charter Trust

Location: Charter Trust (Peterborough)

The meeting began with Mr. Mieso moving the minutes of the May 21st meeting be approved as written. Mr. Stephenson seconded the motion. The minutes were approved as written.

Mr. Griffiths presented the Trustees with a review of news on the economic environment and market conditions since the last meeting.

Mr. Griffiths then lead a discussion concerning two \$100,000 Certificates of Deposit due to mature on August 13th and September 10th. At maturity, Mr. Griffiths advised the Trustees that the August maturity would be reinvested into a like Certificate of Deposit with a December 2013 maturity and the September maturity would be reinvested in a like Certificate of Deposit with a January 2014 maturity.

Mr. Griffiths then presented Investment Programs for the Principal and Income Portfolios. The Trustees discussed the two programs and approved them without change.

The next meeting is scheduled for 4:00pm on October 17, 2013 at the Peterborough office of Charter Trust.

Respectfully Submitted,

Gary P. Arceci,
Secretary

CHARTER TRUST COMPANY
Investment Program
0910910 - Town Of Jaffrey Inv. Adv.
ManagerID: JACKG

Investment Goal: 00022 growth preferr Manager Investment Goal: 22
Taxable: YES Discretionary: YES Tactical Weighting: 22 - Growth Preferred

7/2/2013

Pending Purchases

Order ID	Units	Symbol	Description	Units Resulting	Price	Approx. Cost Including AI	Approx. Income	Approx. Yield	Status
78054	100,000	1yrcorp	CORP BOND 1 YR MTY	100,000.00	\$100.000000	\$100,888.89	\$5,000.00	5.00	Unapp.
78055	100,000	2yrcorp	CORP BOND 2 YR MTY	100,000.00	\$100.000000	\$100,888.89	\$5,000.00	5.00	Unapp.
78056	100,000	3yrcorp	CORP BOND 3 YR MTY	100,000.00	\$100.000000	\$100,888.89	\$5,000.00	5.00	Unapp.
78057	100,000	4yrcorp	CORP BOND 4 YR MTY	100,000.00	\$100.000000	\$100,888.89	\$5,000.00	5.00	Unapp.
78058	100,000	5yrcorp	CORP BOND 5 YR MTY	100,000.00	\$100.000000	\$100,888.89	\$5,000.00	5.00	Unapp.
78065	200	abbv	ABBVIE INC	1,100.00	\$41.6100	\$8,322.00	\$320.00	3.85	Unapp.
78064	400	abt	ABBOTT LABS	1,300.00	\$35.0300	\$14,012.00	\$224.00	1.60	Unapp.
78063	400	krft	KRAFT FOODS GROUP INC	900.00	\$54.9800	\$21,992.00	\$800.00	3.64	Unapp.
78067	100	qcom	QUALCOMM INC	1,100.00	\$60.9600	\$6,096.00	\$140.00	2.30	Unapp.

Total Pending Purchases(System Currency): \$554,866.44 \$26,484.00

Pending Sales

Order ID	Units	Symbol	Description	Units Resulting	Price	Approx. Proceeds Including AI	Approx. Income	Approx. Yield	Approx. Cost Basis	Approx. Short Term Gain/Loss	Approx. Long Term Gain/Loss	Approx. Total Gain	Status
78066	75	aapl	APPLE INC	175.00	\$409.2200	\$30,691.50	\$915.00	2.98	\$13,345.00	\$0.00	\$17,346.50	\$17,346.50	Unapp.
78068	725	blp	BHP BILLITON LTD	0.00	\$57.8600	\$41,948.50	\$1,653.00	3.94	\$55,122.17	\$0.00	\$-13,173.67	\$-13,173.67	Unapp.
78062	9,000,000	vbtstx	VANGUARD TL BD MKT IDX SIGNAL #1351	5,052.88	\$10.6800	\$96,120.00	\$2,430.00	2.53	\$96,936.08	\$-1,932.78	\$1,116.70	\$-816.08	Unapp.
78060	20,000,000	vfdx	VANGUARD I - T INVEST GRADE ADM #571	18,055.71	\$9.7900	\$195,800.00	\$6,820.00	3.48	\$201,362.97	\$-7,775.99	\$2,213.02	\$-5,562.97	Unapp.
78059	5,236,036	vfiix	VANGUARD GNMA FD ADM #536	0.00	\$10.5000	\$54,978.38	\$1,377.08	2.50	\$53,960.36	\$-70.06	\$1,088.08	\$1,018.02	Unapp.
78061	6,000,000	vipsx	VANGUARD INF. PROT. SEC. FD #119	5,631.48	\$13.4000	\$80,400.00	\$1,908.00	2.37	\$84,710.27	\$0.00	\$-4,310.27	\$-4,310.27	Unapp.

Total Pending Sales(System Currency): \$499,938.38 \$15,103.08 \$-9,778.83 \$4,280.35 \$-5,498.48

Net Change(System Currency): \$-54,928.07 \$11,380.92

Fiscal Year-To-Date Gain/Loss Summary (System Currency):	Short Term	Long Term	Total
Program Gain/Loss Proposal:	\$-9,778.83	\$4,280.35	\$-5,498.48
Current Fiscal YTD Gain/Loss:	\$5,972.16	\$77,921.02	\$83,893.18
Net YTD Gain/Loss:	\$-3,806.67	\$82,201.37	\$78,394.70

APPROVED

[Handwritten signatures]

DATE: 7-18-13

CHARTER TRUST COMPANY
Investment Program
i0910910 - Town Of Jaffrey Inv. Adv.
ManagerID: JACKG

Investment Goal: 00022 growth preferr Manager Investment Goal: 22

Taxable: YES Discretionary: YES

Userdef 1: 3

7/2/2013

Pending Purchases

Order ID	Units	Symbol	Description	Units Resulting	Price	Approx. Cost Including AI	Approx. Income	Approx. Yield	Status
78069	10,000	1yrcorp	CORP BOND 1 YR MTY	10,000.00	\$100.000000	\$10,088.89	\$500.00	5.00	Unapp.
78070	10,000	2yrcorp	CORP BOND 2 YR MTY	10,000.00	\$100.000000	\$10,088.89	\$500.00	5.00	Unapp.
78071	10,000	3yrcorp	CORP BOND 3 YR MTY	10,000.00	\$100.000000	\$10,088.89	\$500.00	5.00	Unapp.
78075	1,200.000	vfsux	VANGUARD S - T INVEST GRADE ADM #539	3,725.23	\$10.6600	\$12,792.00	\$256.80	2.01	Unapp.

Total Pending Purchases(System Currency): \$43,058.67 \$1,756.80

Pending Sales

Order ID	Units	Symbol	Description	Units Resulting	Price	Approx. Proceeds Including AI	Approx. Income	Approx. Yield	Approx. Cost Basis	Approx. Short Term Gain/Loss	Approx. Long Term Gain/Loss	Approx. Total Gain	Status
78076	1,118.122	vbtbx	VANGUARD TL BD MKT IDX SIGNAL #1351	0.00	\$10.6800	\$11,941.54	\$301.89	2.53	\$11,706.61	\$-44.09	\$279.02	\$234.93	Unapp.
78073	1,000.000	vfdx	VANGUARD I - T INVEST GRADE ADM #571	589.08	\$9.7900	\$9,790.00	\$341.00	3.48	\$10,260.00	\$-470.00	\$0.00	\$-470.00	Unapp.
78072	240.844	vfiyx	VANGUARD GNMA FD ADM #536	0.00	\$10.5000	\$2,528.86	\$63.34	2.50	\$2,483.83	\$0.00	\$45.03	\$45.03	Unapp.
78074	1,000.000	vipsx	VANGUARD INF. PROT. SEC. FD #119	171.88	\$13.4000	\$13,400.00	\$318.00	2.37	\$13,597.81	\$0.00	\$-197.81	\$-197.81	Unapp.

Total Pending Sales(System Currency): \$37,660.40 \$1,024.23 \$-514.09 \$126.24 \$-387.85

Net Change(System Currency): \$-5,398.26 \$732.57

Fiscal Year-To-Date Gain/Loss Summary (System Currency):	Short Term	Long Term	Total
Program Gain/Loss Proposal:	\$-514.09	\$126.24	\$-387.85
Current Fiscal YTD Gain/Loss:	\$0.00	\$0.00	\$0.00
Net YTD Gain/Loss:	\$-514.09	\$126.24	\$-387.85

APPROVED:

DATE: 7-18-13

Trustees of Trust Funds
Town of Jaffrey, New Hampshire
Investment Policy Statement
Dated: July, 2013

1. Investment Purpose:

The Trustees of Trust Funds shall administer the funds placed under their supervision as authorized by RSA 31:19. Currently these funds consist of the following types:

- A. Trust Funds for the Town of Jaffrey
- B. Town of Jaffrey Capital Reserve Funds
- C. Jaffrey Other Trust Funds

2. Investment Objective:

The monies shall be invested for the current and future benefit of the beneficiaries named in the governing instruments.

3. Investment Authority:

The Trustees of Trust Funds are charged with the fiduciary responsibility for managing funds placed under their control.

4. Investment Responsibilities:

Asset classifications are currently limited to domestic and international common and preferred stocks, equity mutual funds, equity exchange traded funds, U.S. Treasury and U.S. Agency bonds and notes, corporate bonds and notes, fixed income mutual funds, fixed income exchange traded funds, money market mutual funds and cash equivalents. The Trustees shall select an investment manager who will maximize the long-term total return of the portfolio consistent with the level of risk defined herein and the current needs of the beneficiaries.

A. In accordance with the previous statement, the Trustees shall periodically:

- Review the various asset categories
- Set guidelines for the share of various asset categories
- Monitor investment manager performance
- Establish appropriate goals

B. The investment manager will recommend the purchase and sale of securities subject to the Prudent Investor Rule and shall invest in accordance with the applicable federal and state regulations. The investment manager will carry out recommended transactions with a simple majority of the Trustees. The investment manager shall use his or her best judgment in the selection of brokers/dealers and in the commissions paid. In the case of immediate need

for an investment decision, the investment manager may rely upon the decision of two Trustees.

5. Guidelines:

A. Equities:

1. The percentage of the portfolio held in common and convertible stock shall not exceed 70 % nor fall below 30 % of the total market value of the portfolio at the time of review.
2. For the purpose of diversification, no single equity holding should exceed 10% of the account's total equity market value.
3. The total holdings (equity and fixed income) in any single company should not exceed 10% of the entire portfolio.
4. The equity portfolio shall be diversified across industry groups as defined by Standard and Poors and as is considered prudent by the Trustees.

B. Fixed Income and Cash Equivalents:

1. The percentage of the portfolio held in fixed income investments and cash equivalents shall not exceed 70% nor fall below 30% of the total market value of the portfolio at the time of review.
2. Bonds will be restricted to investments rated "A" or better by a nationally recognized rating agency at the time of purchase. An un-rated bond must carry a statement of equivalent rating.
3. Bond maturities shall be generally laddered with an average maturity of five to seven years.

C. Capital Reserve Funds:

These monies will generally be invested solely in bonds, money market or cash equivalent investments to ensure that the funds are readily available. Other investments are permitted by special request from the Trustees. Therefore, the investment objective for the capital reserve funds will be Stable Value with Income.

D. Town of Jaffrey Other Funds

This portfolio is a cash equivalent fund. Currently, the Trustees have allocated approximately 50% of this fund towards Certificates of Deposit to enhance income versus the Money Market Fund. These Certificates of Deposits are to be laddered with a maximum maturity of one year and limited to maximum FDIC insurance at any single institution. The investment manager has full discretion to select, invest in, and roll-over these Certificates of Deposit in accordance with Trustee guidelines.

6. Restrictions:

Unless otherwise approved by the Trustees, the following investments are not permitted:

Warrants, commodities, options and future contracts
Margin purchase or short sales
Private placements or limited partnerships

7. Reporting:

The investment manager shall render quarterly reports to the Trustees of the various funds, showing appropriate agreed upon information for each investment. The manager shall also generate periodic reports for the Trustees to review and sign, including the MS-9 and MS-10 reports.

Approved:


Trustee: Frank Mieso
Date: 7-18-13


Trustee: Gary Arceci
Date: 7-18-13


Trustee: Robert B. Stephenson
Date: 7/18/13


Charter Trust Company
Date: 7/18/13