

TITLE III TOWNS, CITIES, VILLAGE DISTRICTS, AND UNINCORPORATED PLACES

CHAPTER 34 CAPITAL RESERVE FUNDS FOR CITIES

Section 34:5

34:5 Investment. – The moneys in such fund shall be kept in a separate account and not intermingled with the other funds of the city. Said capital reserve fund shall be invested only by deposit in a federally insured bank authorized to accept deposits under RSA 6:8, I and I-a, in such stocks and bonds as are legal for investment by New Hampshire savings banks, or in participation units in the public deposit investment pool established pursuant to RSA 6:45, or in obligations with principal and interest fully guaranteed by the United States government. The obligations may be held directly or in the form of securities of or other interests in any open-end or closed-end management-type investment company or investment trust registered under 15 U.S.C. section 80a-1 et seq., if the portfolio of the investment company or investment trust is limited to such obligations and repurchase agreements fully collateralized by such obligations. When so invested in good faith the trustees hereinafter named shall not be liable for the loss of such moneys. Any interest earned or capital gains realized on the moneys so invested shall accrue to and become a part of the fund. Deposits in banks shall be made in the name of the city, and it shall appear upon the book thereof that the same is a capital reserve fund. Any person who directly or indirectly receives any such funds or moneys for deposit or for investment in securities of any kind shall, prior to acceptance of such funds, make available at the time of such deposit or investment, an option to have such funds secured by collateral having a value at least equal to the amount of such funds. Such collateral shall be segregated for the exclusive benefit of the city. Only securities defined by the bank commissioner in rules adopted pursuant to RSA 383-B:3-301(e) shall be eligible to be pledged as collateral. The trustees shall formally adopt an investment policy for all investments made by them or by their agents for any trust funds in their custody in conformance with the provisions of applicable statutes. The trustees shall review and confirm the investment policy at least annually. A copy of the investment policy shall be filed with the attorney general.

Source. 1949, 181:5. RSA 34:5. 1965, 174:1. 1991, 268:6; 383:3. 1995, 20:5, eff. June 11, 1995. 1996, 209:8, eff. Aug. 9, 1996. 2007, 164:2, eff. Aug. 17, 2007. 2015, 272:41, eff. Oct. 1, 2015. 2021, 65:12, eff. Aug. 3, 2021. 2023, 36:2, eff. July 16, 2023.