

TRUSTEE OF TRUST FUNDS

Peterborough, New Hampshire

QUARTERLY BOARD OF TRUSTEE MEETING

September 15, 2011

The Town of Peterborough Trustees of Trust Funds met on Thursday, September 15, 2011 pursuant to notice, at 8:00 A.M. at the offices of Charter Trust Company, Main St., Peterborough, New Hampshire. The Trustees were represented by Andrew N. Manns, Chairman of the Board of Trustees, J. Roderick Falby and Russell H. Picard. Russell Picard kept the records of the meeting. Also in attendance were John Griffiths and Faye Sargent of Charter Trust Company.

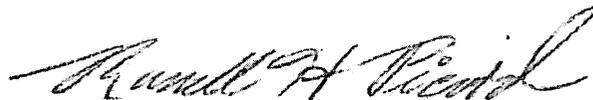
1. The minutes of the last quarterly meeting held on June 9, 2011 were accepted as drawn. (Falby/Manns)
2. Mr. Griffiths presented his commentary on the economy and market conditions. He noted the increase in housing foreclosures, slower employment growth, and the European debt issues are putting the economy increasingly at risk of recession. The equity markets reflect these concerns and remain inexpensive. Mr. Griffiths sees the market recovering with any earnings growth and noted corporate liquidity is higher than any point since 1964.
The Town portfolio return was 2.07% for the eight month period, a decrease of 3.55% since the 5 month period. The ^{eight} ~~five~~ month results of the top ten best and worst equity investments were reviewed. The Library Trust return was 1.60% for the 9 month period down 4.02% from the five month period.
3. The three recommended investment programs (Town of Peterborough-Principal, Town of Peterborough-Income, Town of Peterborough-Library) were discussed and accepted as advised. Please see the attached three sale and purchase recommendations as signed by the trustees.
4. Asset allocation for the three portfolios after the investment programs are as follow: **Principal Portfolio:** Cash 1.97%, Fixed Income Securities (including short-term investments) 38.02%, Equities 60.1%.

Invested Income Portfolio: Cash 14.92%, Fixed Income Securities 50.02%, Equities 35.06%. **Peterborough Library Portfolio** Cash 4.55%, Fixed Income Securities (including short-term investments) 38.28%, Equities 57.17%.

5. Receipts and disbursements since the last meeting were reviewed. Receipts totaled \$228,112.55 and disbursements \$67,648.79. Andrew Manns noted the receipts included a check for \$200,000 from Conval SAU pursuant to the 2010 warrant. The activity report since June 9, 2011 is attached.
6. The New Hampshire Forms MS-9 and MS-10 were signed by the trustees and delivered to the Town.
7. The next meeting of the Trustees of Trust Funds will be held Thursday, December 15, 2011, at 8 A.M. at the offices of Charter Trust Company in Peterborough, NH.

There being no further business to conduct, it was unanimously voted that the meeting be adjourned at 9:45.

For the Board of Trustees



Russell H. Picard, Trustee