



TOWN OF NORTH HAMPTON, NEW HAMPSHIRE  
SELECT BOARD  
MINUTES APPROVED 03/22/2010

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REGULAR MEETING – MONDAY, MARCH 8, 2010 –7PM  
MARY B. HERBERT CONFERENCE ROOM

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*These minutes were prepared as a reasonable summary of the essential content of this meeting, not as a transcription.*

**1. Call to Order & Call of the Roll**

Chair Salomon called the meeting to order at 7:00 PM. Those present were Chair Salomon, Selectman Coutu, Selectman Rineman and Town Administrator Steve Fournier.

Chair Salomon invited those in the audience to join the Select Board in the Pledge of Allegiance.

Chair Salomon confirmed with Town Administrator Fournier that the meeting had been properly posted.

**2. Non-Public Session – 6:30 PM in the Executive Conference Room 2<sup>nd</sup> Floor, pursuant to RSA 91-A:3 II (a, b, c)**

There was no Non-Public Session held.

**3. Consent Calendar<sup>1</sup>**

**Motion by Selectman Coutu to approve the Consent Calendar. Seconded by Selectman Rineman. Motion carries 3-0.**

**4. New Business**

**4.1. Town Treasurer Quarterly Report**

Doug Smith, Interim Finance Director presented the Select Board with the quarterly report for the period ending December 31, 2009. Mr. Smith pointed out a change in information flow for this quarter.

Mr. Smith stated that through an arrangement with TD Bank, the Town has gained some flexibility with the investments, that being the ability to move money in and out of the CD's without penalty. The other point of information was that the tax bills ended up going out a little bit sooner than projected, so as an example the prior report for January 2010 projections had been estimated around \$5 million to be collected on taxes in January, but

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**THIS LOCATION IS HANDICAPPED ACCESSIBLE. THOSE WISHING TO ATTEND WHO ARE HEARING OR VISION IMPAIRED MAY MAKE THEIR NEEDS KNOWN BY CONTACTING THE AT TOWN HALL 964-8087**

<sup>1</sup> These items are routine in nature and are approved without discussion. Should a member of the Board request to have an item removed, it shall be placed on the agenda under new business. The consent format is to expedite the business of the Board when adequate backup material has been provided.

because the tax bills went out at the end of November, tax revenues were collected a lot sooner than anticipated.

Selectman Coutu asked about the ability to break a CD when needed, and if it was limited to a maturity date that doesn't exceed a certain amount of days.

Town Treasurer Penny Holbert stated that there was not a limitation on when the funds could be withdrawn. She further explained that TD Bank did not want to give a letter of credit to the Town for more than six months when it was extended for a year. TD Bank has agreed to now put a letter of credit up to a year, but the Town has not chosen to take the opportunity to take a year

Selectman Coutu suggested that perhaps \$250,000 could be put into a year CD as long as the bank allows the CD to be broken if the cash is needed, and why wouldn't the Town lengthen the CD's to get additional income for the Town. He further stated that he felt there is a large enough cushion between the operating cash and the CD to make a judgment call to put into a longer term CD and have a reasonably good expectation that the Town wouldn't have to break it.

Tom McCormick, Town Accountant added that communication had been received from TD Bank regarding a change regarding letters of credit, and that they are no longer going to be issuing longer term letters of credit.

Selectman Coutu stated that he found that to be troublesome and thought the bank should be asked why. He stated that it is not so much TD Bank, but the issuing bank of the letter of credit is the Federal Home Loan Bank. , and if the real problem is that the Federal Home Loan Bank doesn't want to take TD Bank's credit risk beyond six months that's telling.

Penny Holbert addressed the Select Board with her quarterly report. A copy of that report is attached to these minutes.

Selectman Coutu suggested some changes to Ms. Holbert's report.

#### 4.2. Proclamation of Red Cross Month

Chair Salomon read the following proclamation for the record:

"Today, the mission of the American Red Cross is more relevant than ever as we confront a changing America full of unique challenges.

Through a collaborative effort with local governments and other members of the emergency planning community, the Great Bay Chapter of the American Red Cross and its partners are better able to serve the community. The Red Cross continues to lead the way in empowering individuals and families to protect themselves through CPR, First Aid and disaster preparedness training.

For more than 91 years the American Red Cross has honored its mission to provide relief to victims of disasters while helping people prevent, prepare for, and respond to emergencies. Every day volunteers from across the region help our neighbors by responding to disasters such as house fires or flooding; by becoming instructors in CPR and First Aid and encouraging friends and family to get trained; by giving blood every 52 days; and by assisting

in the Red Cross Service to the Armed Forces program, which keeps military families connected in times of great personal sorrow and joy.

On behalf of a grateful town, I applaud and recognize the selfless dedication of generations of Red Crossers. Now, therefore, I Craig Salomon, Chair of the North Hampton Select Board, by virtue of the authority vested in me by North Hampton, NH of Rockingham County, do hereby proclaim March 2010 as American Red Cross Month. As we celebrate American Red Cross Month, I call upon all our citizens of North Hampton, NH to become partners in preparedness with their local Red Cross chapter and to become active participants in advancing the noble mission of the Red Cross.”

#### 4.3. 2010 Summer Recreation Camp Registration Fees

**Motion by Selectman Coutu to raise the fee for Part Time Summer Recreation Camp to \$185 for six weeks, Part Time Summer Recreation Camp with one field trip to \$85 per week, and Full Time Summer Recreation Camp with two field trips to \$125 per week. Seconded by Selectman Rineman. Motion carries 3-0.**

#### 4.4. Warrant Articles – Non-Financial

**Motion by Selectman Coutu to recommend the CIP Committee Warrant Article as drafted. Seconded by Selectman Rineman. Motion carries 3-0.**

#### 4.5. Forms of Government

**Motion by Selectman Coutu (having voted in the majority) to reconsider an earlier vote to place the Charter Commission on the warrant. Seconded by Selectman Rineman. Motion carries 3-0.**

Chair Salomon stated that the issue before the Select Board is whether or not to put a Charter Commission on the Warrant.

**Motion by Selectman Coutu to defer the issue of a Charter Commission to a later point in time. Seconded by Selectman Rineman. Motion carries 3-0.**

### 5. Items Laid on the Table<sup>2</sup>

#### 5.1. Code of Ethics

Chair Salomon recommended having a workshop session on this item.

Town Administrator Fournier stated that the Code of Ethics needs to be done before the date the Warrant Articles are posted on March 29, 2010.

#### 5.2. Select Board Rules and Procedures

Chair Salomon stated that the Town Administrator has completed a draft and that he needed to review it.

### 6. Report of the Town Administrator

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<sup>2</sup> Items laid on the table shall remain on the table until a member of the Select Board makes a motion to remove such item from the table.

Town Administrator Fournier updated the Select Board on the status of the storm on February 25, 2010. He further publicly commended the Public Works, Fire, and Police Departments for their work during this time. In addition to the normal emergency calls that the Fire Department had to face, they responded to the serious fire on Hampton Beach.

Governor Lynch has requested that towns and cities submit their storm damage information in order to determine if the State will qualify for assistance. A preliminary damage assessment has been submitted with a total cost of \$51,981.01. This is preliminary since it does not include debris removal.

The Public Works Department has opened the Brush Dump one month early in order to allow residents to dispose of debris from the storm. Starting the first week of April, starting at Ocean Boulevard the Public Works Department will be chipping branches that residents leave on the side of their property.

The House killed the bill that would have extended the transition formula for the Coalition Communities which prevents donors for another two years.

Bids were received from architectural firms for the reuse of the Town Hall. The cost of the designs were determined to be much higher than anticipated and the Director of Public Works and the Building Inspector are looking at other options. The project will be done in house as much as possible, and subcontract a large amount of the work out. The plan is to have the project finished by August.

The Agricultural Commission is looking to create a community garden in Town, and is asking for anyone with land available that would be interested in allowing the gardens to contact them.

Town Administrator Fournier announced that the Fire Chief Pinning Ceremony will be held on Wednesday, March 10, 2010 at 7PM, and the Budget Public Hearing will be held on Thursday, March 11, 2010 at 7PM.

## 7. Minutes

### 7.1. Regular minutes of November 23, 2009

Chair Salomon stated that these minutes would be taken up at a further meeting.

### 7.2. Regular minutes of February 22, 2010

**Motion by Selectman Coutu to approve the minutes of February 22, 2010 as amended. Seconded by Selectman Rineman. Motion carries 3-0.**

Selectman Coutu asked and received the Chair's permission to read a prepared statement.

Selectman Coutu read the following prepared statement:

"My journey, as a member of the Select Board, has come to an end. I will be resigning from the board effective tomorrow, March 9<sup>th</sup> and, in so doing, the voters will be able to select the candidate of their choice at the May election to fulfill the remainder of my term.

Until a month ago, I have been able to balance my professional endeavors while serving as a member of the Select Board and the other town committees and boards I have been appointed to. However, recent events and change in circumstances now impair my ability to fully discharge my obligations and responsibilities as an elected representative of our town.

While I am greatly disappointed with the necessity of this decision, I am pleased to report that all of my campaign promises and pledges have been fulfilled.

The accounting and financial reporting concerns and irregularities have been corrected and the town's financial statements and records are now compliant with all applicable generally accepted government accounting standards together with the collateral benefit of reducing the towns outside auditing fees.

The widely-held view that our town's public funds were fully protected in the event of a depository bank insolvency or failure, proved inaccurate. This avoidable risk was eliminated and new policies and procedures have been put in place to fully protect our town's money at a time when bank failures are at the highest levels since the Great Depression.

The town's prior investment policy, cobbled together from investment policies of other larger towns and cities, was dysfunctional and void of any substantive guidelines or procedures to assure that our public funds were indeed properly secured as provided under New Hampshire statutes. The investment policy was completely rewritten together with sensible guidelines and procedures for our town Treasurer to implement placing utmost importance on safeguarding our public funds. The Trustees of the Library and the Trustees of the town's Trust Funds have adopted similar procedures and guidelines to the benefit of protecting all of the town's public funds.

My promise of bringing budgetary and fiscal discipline to the town directly lead to a reduction in property taxes for two consecutive years from a peak of \$16.82 in 2007 to \$15.16 in 2008 and \$14.48 in 2009. The substantial budgetary effort in 2009 including a fundamental change in budget protocol, lead to the first ever zero increase in the year to year operating budget for our current fiscal year.

With respect to collective bargaining agreements, successful negotiations resulted in one-year contracts for both the Police and Fire Departments at a time when great economic uncertainty existed for both the town and its employees.

Such achievements exceed the capabilities of any one person and I want to publicly acknowledge and thank my colleagues on the Select Board, Craig and Jon, past Select Board member Emily Creighton, members of other boards or committees with whom I have had the pleasure to work with and to Steve Fournier, our town administrator and his capable staff, for the collective support and assistance in the aforementioned accomplishments.

I extend my best wishes to all and, in particular, to the people of North Hampton, for whom it has been an honor and the privilege to serve.

With regrets,"

Chair Salomon and Selectman Rineman stated that they were shocked with Selectman Coutu's resignation and thanked him for all of his hard work and dedication to the Town.

## 8. Adjournment

**Motion by Selectman Coutu to adjourn the meeting at 8:17 PM. Seconded by  
Selectman Rineman. Motion carries 3-0.**

Respectfully submitted,

Janet L. Facella