

Town of Hampton



TOWN OF HAMPTON BOARD OF SELECTMEN February 01, 2010 Minutes

PRESENT: Richard Griffin, Chairman
Richard Nichols, Vice Chairman
William Lally
Richard Bateman
Gerald Znoj
Frederick Welch, Town Manager

7:00 PM

SALUTE TO THE FLAG

I. Public Comment Period - None

II. Announcements and Community Calendar – None

III. Appointments

1. Trustees of the Trust Funds.

Mr. Mackensen announced the members of the Board as follows: Vic Lessard – Chairman, David Hamilton – Vice Chair, Warren Mackensen – Bookkeeper, Sandy Buck and Norman Silberdick.

Mr. Mackensen went on to give the following presentation to the Board. The Trustees are made up of 5 elected volunteer citizens serving rotating 3 year terms. The Trustees serve in a fiduciary capacity where the fiduciary responsibility is significant. Responsibilities of trustees are as follows: safeguard the money in the trust fund, comply with provisions of the documents establishing the trusts and capital reserve funds, approve an investment policy and capital reserve funds annually, invest the funds, pay out the income and principal and prepare and submit annual reports to the Town and the State. Trust Funds & Capital Reserves Overview as of 12/31/09: “Smaller” Trust Funds Non-expendable \$428,343 and Expendable \$102,817, Real Estate Trust Fund \$14,557,243 and Capital Reserve Funds \$141,180 for a total of \$15,229,583. He also gave some information about the “Smaller” Permanent Trust Funds including the balances and when the trust was each established. He provided information about the Poor Trust Funds, Library Trust Funds, Cemetery Trust Funds, Campbell Sports Scholarship Trust, Winnacunnet School District Special Education Expendable Trust Fund, Winnacunnet High School Building Maintenance Expendable Trust Fund and AED Expendable Trust Fund.

In 2009 moved smaller trust funds and capital reserve funds to the Vanguard Prime Money Market Fund. In early 2010 moved \$247,940 of the smaller trust funds and capital reserve funds to the Vanguard GNMA Admiral Shares Fund.

The Real Estate Trust Fund was established in 1983. Principal derived from sale of leased lots at Hampton Beach. Income reduces the tax rate. In 2009 income distributed to the Town was \$466,105. The market value at the end of 2009 was \$15,092,977. The portfolio is managed by TD Wealth Management Group, Concord, NH. He explained the Real Estate Trust investment policy. Summary for Real Estate Trust 2009 results: Income to Town \$466,105, principal balance at year end \$14,557,244, market value at year end \$15,092,977, 2009 market value increase \$931,362 and no leased land sales in 2009. He went through the Real Estate Trust asset allocation. In 2009 they established quarterly disbursements from the Real Estate Trust Fund to the Town and maintained a 3% yield in an adverse economic environment. In 2010 they will change the accounting method from accrual basis to cash basis to simplify bookkeeping and will establish monthly distributions to the Town in lieu of quarterly distributions.

Mr. Mackensen went on to share information on the following Capital Reserve Funds Hampton Beach Village District, Management Information Systems, Town Roads and DPW equipment.

There overall assessment is that all the smaller trust funds and capital reserve funds are positioned well considering the very low interest rate environment that we are in and generating income is an ongoing challenge. The Real Estate Trust Fund is positioned well for future growth, income will improve in 2010 possibly \$550,000 and current yield is 3.73%.

Mr. Mackensen and the other members of the Trustees would like to bid a fond farewell to Vic Lessard who has decided to not run for another term.

Anyone who would like further information about the Trustees or the Trust Funds can visit the website www.HamptonTrustFunds.org.

Discussion

Mr. Lessard wonders how much the Town saved from not having to borrow by the Trust making quarterly distributions. Mr. Nichols commented that Mr. Schwotzer has to borrow more in the early months but does agree that distributing more frequently is good for the Town.

Chairman Griffin thanked them for coming in tonight.

Mr. Lally thanks them for a job well done.

IV. Minutes of January 25, 2010 - Postponed to February 8, 2010

V. Town Manager's Report

If the number of warrants printed and taken is an indication of the attendance at the deliberate session it would appear that 181 individuals attended the session on this past Saturday.

The Provident Bank will hold its official opening on Monday, February 8th at 10 AM at 321 Lafayette Road.

Patrolman Joseph Jones was sworn in as a Police Sergeant at 10 AM this morning.

A revised copy of the Warrant will be posted tomorrow as required by law.

There was a request made to Public Works for the Penguin Plunge which we will be doing and charging for the work.

VI. Old Business:

Mr. Nichols wanted to make sure that Mr. Welch was going to share the report from Steve Tilton, the engineer at Public Works, on the tide gate installation with the citizen who had expressed concern. Mr. Nichols was very impressed with the report and happy to hear that Mr. Welch would forward the report.

Mr. Nichols would like to get a financially oriented report on the sick bank.

Mr. Znoj shared with the Board that a few weeks ago he went to the Coalition meeting in Concord. He learned about the house bills that will affect the Town and there was talk about the donor Town's. He would recommend inviting Pat Remick in to discuss the critical items about donor Town's that might come in front of the Board. He explained to the Board that Pat Remick works for Portsmouth and is paid by Portsmouth to represent them on this donor Town business. He thinks that she would be able to educate the Board on this topic. The Board agreed that it would be a good idea to have her visit and Mr. Znoj will set up a time for her to come. Mr. Nichols thinks that once a date is set we should invite the State Reps and members of some of the other Boards in Town.

The Board discussed the Deliberative Session on Saturday. Each Selectman commented on the tone of the Deliberative Session, and that many articles became personal.

Mr. Lally shared some history of Town Meetings and special interest groups. How times have changed in the last year and a half and the state of the economic times we have faced. He spoke about how employees understand that we want to negotiate with them. The Board has worked very hard to stabilize the tax rate.

Chairman Griffin agrees that it was a very different Deliberative Session than he has seen. He also spoke on how the Board has worked hard to keep the tax rate level and still provide excellent services to the residents.

Mr. Nichols was very unhappy with the use of a couple of superlatives; the first one being "squirreled away" and the second one being "shell game." He believes everything has been out in the open over the past several years. He spoke about how all the financials are available on the website.

Mr. Bateman said very little on Saturday because to him Saturday is a day for the citizens to have a chance to say their peace. Sometimes democracy itself can be used to corrupt democracy.

Mr. Znoj was bothered mostly by the budget. He spoke about the number of hours that the Board spent putting the budget together. He brought up what the Budget Committee did to the budget by reinstating overtime and removing money from accounts like drainage and road improvements. He feels that the budget the Board submitted was a balanced budget however that is no longer true. He was also bothered by the article about the Town Attorney and does not believe that a lot of the numbers and dollars thrown around were correct.

Mr. Bateman shared a letter received from the Allard family thanking Captain Dave Mattson, and firefighters Cray, Newton and Lavigne for attention they gave in a certain situation.

Mr. Bateman spoke about Article 29 and how it will help to address the noise issues that arise on a regular basis. In fact, the Board has just received a letter from a concerned citizen asking for their help on this exact type of problem.

Chairman Griffin brought up a concern from a resident on Island Path whose trash was not picked up. It was tagged but the rubbish collector failed to check any of the boxes in regards to what was wrong with the trash.

Mr. Welch explained that we are enforcing the mandatory recycling. If it is visible that the resident did not recycle then a note is being left saying that the garbage was not picked up because they did not recycle. There are no fines or penalties being issued at this time. There was an additional discussion on recycling. Mr. Welch also brought the Board up to date on the status of the Concord Coop.

VII. New Business

Mr. Bateman would like to see the Board with the help of Mr. Welch create a Town Ordinance reflecting graffiti, tagging and certain other artificial paintings. These are cropping up a little more frequently throughout Town. Mr. Welch stated that we do not have an ordinance for this but there was a Supreme Court Case that was tried in the 1970's stating that this type of activity is illegal and it is legal to require that property owners remove it. Mr. Welch said that sometimes it can be put into a sign ordinance. Mr. Welch will look into what needs to be done to get this done.

Mr. Nichols brought up the noise complaint down at the beach and how Article 29 will give us the authority to enforce noise levels. There was an additional discussion about the current entertainment license and how it does not have to be renewed annually. However this new ordinance will place all entertainment type items under one ordinance and will allow the Board to have authority to enforce the ordinance.

Mr. Lally thinks that the letter that they did receive in regards to the noise complaint at the beach was very well written by the resident.

Mr. Welch gave some further information about the ordinances on the ballot and how they will improve and clean the community up.

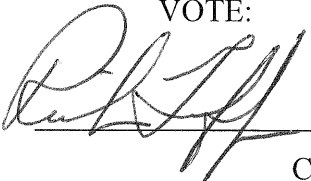
VIII. Consent Agenda – No items

IX. Closing Comments - None

X. Adjournment

Mr. Znoj MOTIONED to adjourn the meeting, Mr. Lally SECONDED.

Meeting Adjourned at 8:24

VOTE: 5-0-0

Chairman