

**MINUTES**  
**SELECT BOARD MEETING**  
**TOWN OF COVENTRY**

**Monday November 7<sup>th</sup>, 2016 at 5:00 p.m.**

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**Board Members Present:**

Michael Marcotte / Chairman; Bradley Maxwell; Scott Morley

**Town Officials Present:**

David Gallup/ Road Commissioner; Amanda Carlson/Select Board Clerk

**Guests:**

Louise Evans; Mike Paradis; Sherry Bradley; Jeff Graham; Deb Tanguay; Leo Piette; Israel Sanville; Don Whipple; Donald Hunt; Jacqui Rupert; Jeanne Desrochers; Melissa Gallup

**Press:**

Elizabeth Trail / Barton Chronicle; Chris Roy / Newport Daily Express;

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- 1. Meeting called to order at 5:00 p.m. by Michael Marcotte.**
  
- 2. Approve the minutes of the October 31, 2016 meeting.**
  - Bradley Maxwell made the motion to approve the minutes as written. Seconded by Scott Morley. The Board signed and approved the minutes as written.
  
- 3. Allow for public comment.**
  - Michael Marcotte reminded all in attendance to please raise their hand when they would like to comment on a topic to keep order in the meeting and to give everyone a chance to voice questions and concerns.
  
- 4. Michael Paradis from Newport Ambulance Service to review 2017 contract to be signed by the Board.**
  - Michael Paradis provided the Board with the final copy of the 2017 Newport Ambulance Service contract.
  - Bradley Maxwell made the motion to accept the contract as written. Seconded by Scott Morley.

- Mike Marcotte as Select Board Chairman signed the contract on behalf of the Board.

**5. Louise Evans from Hunt's Financial Services.**

- Louise Evans was not yet in attendance. The Board agreed unanimously to table agenda item #5 until Louise's arrival.

**6. Select Board request to see Town Treasurer's delinquent tax report to Delinquent Tax Collector for tax year 2016.**

- The Town Treasurer and Delinquent Tax Collector, Cynthia Diaz, was not in attendance at the meeting. She provided a written note to the Board stating that by Statute the requested report was not required until 15 days after the property tax due date. With the General Election the following day Cynthia was occupied and had not yet had time to create the document for record.
- The Board agreed unanimously that they will request the Town Treasurer's delinquent tax report to Delinquent Tax Collector for tax year 2016 for review at the next meeting.

**7. Select Board continued request of Delinquent Tax Collector to provide complete accounting of those issues. The reports should be from NEMRC software.**

- The Delinquent Tax Collector provided the Board with a NEMRC Software based report showing delinquent property taxes due for the 2016 tax year.
- Interest and penalties were listed for the 67 properties and the total reported delinquent taxes due to the Town is \$78,122.53.
- The Board was satisfied with the current report. They agreed unanimously that the current year NEMRC report was as requested; however, they would like to see this include prior years to give an accurate account of all outstanding delinquent taxes.

**8. Review income report from Town Treasurer from 10/30 through 11/5, 2016 complete with corresponding bank deposit slips.**

- The Board reviewed the NEMRC based report provided by the Treasurer.
- Total income received from 11/01/2016-11/05/2016 was \$428,439.44: \$424,099.70 received by check and \$4,339.74 received in cash.
- A deposit listing was provided but the Board was unclear on where the report was generated from. The Board gave a copy of the deposit report to Jeff Graham for further review.
- The Board did not receive deposit slips as requested. The Treasurer was not in attendance to comment.

**9. Graham update.**

- Jeff Graham reported that many of the letters sent out to taxpayers asking for confirmation of property tax payments made had been returned to his firm. Approximately 50-60 were returned with about 9-10 listing cash payments had been made.

- Jeff Graham told the Board that he still requires 21 items, and about 10 office hours to complete his audit report. The 21 items are all required from the Treasurer and he would appreciate the Boards help in trying to obtain to speed up the process of audit completion.
- Under the Boards unanimous authority to allow Scott Morley to assist with audit proceedings, Jeff Graham will send Scott Morley an email listing all the items he requires. Scott and Jeff will then coordinate a time to complete the in-office work.

#### **10. NEMRC update.**

- Jeff Graham reported that he and Amber Baker from NEMRC worked together on Friday November 4<sup>th</sup>, 2016 in the Coventry Town Office to assist her in understanding the current financial situation of the Town.
- Scott Morley reported that Amber is scheduled to be in the office on a weekly basis until a Select Board Bookkeeper is hired and trained to continue her work. Amber requested that she have until December 1<sup>st</sup>, 2016 to work on her own so she can understand the current situation before training of a replacement begins.

#### **11. Select Board Bookkeeper update.**

- The Board agreed unanimously to table this discussion until the next meeting.

#### ***Agenda Item #5 – Louise Evens from Hunts Financial Services.***

The Board agreed unanimously to address agenda Item #5 and hear from the representatives from Hunts Financial Services.

- Donald Hunt spoke to the Board about his history and experience with the company and his role in setting up the investments for the Town of Coventry.
- Louise Evans addressed the concerns from the previous meeting as to the appropriateness of annuity investments made by Municipal Entities. She explained how these accounts are set up, the purpose and benefits of the long term conservative investments the Town currently has.
- Although Louise expressed her confidence in the validity of the investments made in the past, she questioned the Board on what the goals of the Town were long term and if these types of investments were cohesive with what the Towns intentions for the funds were and suggested the Board examine these factors moving forward.
- Louise's immediate recommendation is:  
*With the current political environment and state of the market, I recommend moving all the accounts into the most conservative positions within the funds themselves.*  
*Move 100% of the funds in the Hartford Annuity into Hartford's US Government securities HLS Fund.*  
*Move 100 % of the Jackson Funds into JNL/Thrower Price Short Term Bond Fund or JNL/WMC Prime. No charges would be incurred on either of these accounts for these transfers.*  
*Move 100% of the Managed General and Cemetery Funds into cash.*

- There would be no fees involved with moving the money within the umbrella of funds and money could be moved back into the annuity funds after the Board made decisions on the long term goals of the Town and access to the monies.
- Louise reiterated that in Annuity funds, the principal amount was guaranteed, however, during the term of the investment the balance can fluctuate.
- Residents in attendance questioned Louise on the various funds asking for clarification and looking for explanations to educate themselves of what is involved.
- Resident Don Whipple stated that with the current volatility of the market he feels that the money should be moved, at least temporarily, to a most secure place. He urged the Board to not wait on this decision but rather to act immediately as the General Election the following day could have a tremendous impact on the market. He expressed his concern that waiting could greatly impact the amount of money the Town has and recommended they address the recommendation by Louise Hunt before the end of the meeting.
- The Board unanimously expressed their gratitude to Louise for the information and patience in explaining the process.
- Scott Morley requested on behalf of the Board that in the future all recommendations and summaries be provided in a written format for the Board to review before decisions are made.
- Mike Marcotte made the motion to allow Louise Evans to move all assets within their respective structures to more conservative accounts as recommended by Louise. Motion moved by Bradley Maxwell; seconded by Scott Morley.
- The Board agreed unanimously to move all assets as recommended by Louise. The Board will review and discuss the long term goals of the Town and meet with Louise at a future meeting to determine where funds should be allocated.

## **12. Discussion of signing authority on checking and investment accounts.**

- The Board agreed unanimously to table this discussion. No decision made at this time.

## **13. Other business.**

- Mike Marcotte informed the Board that he had spoken with VLCT – PACIF insurance provider to notify them that the Town could potentially be filing a claim for monies missing. VLCT representative indicated that they were aware of a potential claim and would await the Board's direction.

**14. Sign orders.**

Payroll	Week Ending 11/5/16	\$ 1,933.48
<b>Signed by the Board for the Treasurer to draw checks totaling</b>		<b>\$ 1,933.48</b>

**15. Adjourn.**

Meeting adjourned at 7:53 p.m.

**Next Meeting Date:** Monday November 14<sup>th</sup>, 2016 at 5:00 p.m.

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**Michael Marcotte / Chairman**

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**Bradley Maxwell**

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**Scott Morley**

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**Amanda Carlson / Select Board Clerk**