

AGENDA
CHICHESTER BOARD OF SELECTMEN
April 21, 2020
6:30pm

IN LIGHT OF THE COVID 19 (CORONA VIRUS) SOCIAL DISTANCING ADVICE MADE BY THE GOVERNOR AND CDC, THE TOWN OF CHICHESTER FOLLOWING A DECLARATION OF EMERGENCY BY THE GOVERNOR, THE SELECTBOARD CHAIRPERSON, IS PROVIDING A *MEETING PARTICIPATION VIA TELEPHONE CONFERENCE* FOR YOUR SAFETY.

If you would like to participate in the telephone conference, please call this number from home: Dial **1 301 715 8592** and enter this code: **Meeting ID: 310 362 432** and **Password: 006413** Follow along using a digital copy from our website at: ChichesterNH.org. We will also be streaming the meeting as a webinar which you join by going to this link : <https://zoom.us/j/310362432?pwd=bThlck8wdmxtOGZaZ0dQRHAyeW9iQT09>

Appointments

Presentation of Tax Deeds

General Business/Board Discussion

Committee and Commission Appointments

Policies Review

Grange Hall Use Policy

Investment Policy

Fund Balance Policy

Outstanding Items:

ADJOURNMENT

Chichester Board of Selectmen

Minutes of Meeting
Tuesday April 7, 2020

Members Present on ZOOM: Richard Bouchard, Ed Millette, Jason Weir, and Jodi Pinard Town Administrator, Kristy Barnouski Administrative Assistant

Others Present on ZOOM: Chief Clarke, John Martell, Donna Chagnon, Alan Quimby, Zach Boyjijan, Allen Mayville, Tom Houle, Stan Brehm, Kathy Doutt, Evelyn Pike, David Jobin, Darlene Foss, Allison McIntosh.

Call to Order: Mr. Bouchard called the meeting to order at 6:30pm.

Chairman Bouchard read the following statement into the minutes:

As Chair of the Board of Selectmen, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Please note that there is no physical location to observe and listen contemporaneously to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:

a) Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means:

We are utilizing ZOOM for this electronic meeting.¹ All members of the Board have the ability to communicate contemporaneously during this meeting through this platform, and the public has access to contemporaneously listen and, if necessary, participate in this meeting through dialing the following phone #1 301 715 8592 and enter this code:

Meeting ID: 422 034 436 & Password: 018594 or by clicking this link :

<https://zoom.us/j/422034436?pwd=Wk5FWmRsL2k3WkxCYmcwT0w5eWlCZz09>

b) Providing public notice of the necessary information for accessing the meeting:

We previously gave notice to the public of the necessary information for accessing the meeting, including how to access the meeting using Zoom or telephonically. Instructions have also been provided on the website of the Board at: www.ChichesterNH.org.

c) Providing a mechanism for the public to alert the public body during the meeting if there are problems with access:

If anybody has a problem, please call 603-798-5350 ext 202 or email at: jpinard@ChichesterNH.org

d) Adjourning the meeting if the public is unable to access the meeting:

In the event the public is unable to access the meeting, the meeting will be adjourned and rescheduled.

Please note that **all votes** that are taken during this meeting shall be done by **roll call vote**.

Mrs. Pinard stated: I would like to thank all our employees for their hard work over these last three weeks. They continue to go above and beyond for our residents. There is not another group of people I would want to be in a pandemic with. I would like to personally Thank Evelyn Pike for all the extra work with the Food Pantry as well as her

normal Town Clerk/Tax Collector duties. She has gone out of her way to assist members of our community in any way she can possible can and I commend her on that.

The last three weeks have been quite an adjustment for the way all Town Departments function. They continue to give the amazing service they are known for while continuing to protect themselves as well as other in our community from getting sick. As of today, Chichester still does not have a diagnosed case of COVID-19 while all the communities around us do. The residents should be extremely proud of this. We thank you for your continued cooperation through this pandemic and look forward to an end sooner rather than later.

Department Heads-

Emergency Management-

Mr. Martell stated that Chichester still does not have a recorded case of Covid-19. He stated that the Town needs to keep track of spending related to Covid-19 and the Town could be reimbursed for some of the costs.

The Board had a discussion with Mr. Martell and Chief Clarke on whether the playground should be roped off and closed. The equipment could spread the virus through touching.

The consensus of the Board is that they would like to recommend not to use the playground until further notice.

Police Department-

Chief Clarke stated he has been listening into the emergency management calls. The department is still practicing safety protocols. He stated that when there is a spike in cases the officers will be wearing gloves and masks. He ordered personal protective equipment and is picking it up this week.

Fire Department-

Mr. Millette stated that there have been a handful of calls that meet the covid-19 criteria, but no tests have come back positive. He stated that they have been less busy since no one wants to go to the hospital.

Highway-

Mrs. Pinard stated that the Mr. Rowell has been checking in with her every morning going over things to be completed for the day.

Mr. Mayville stated that the door casing needs to be fixed at the shed. He is taking Mr. Rowell for his CDL test next week.

The Board decided not to make the current highway worker full time and wait for a new Road Agent to pick his own crew. The consensus of the Board was to compensate him fairly during this time he is working full time hours.

Mrs. Pinard will call for a dumpster to clean up the shed at the Highway Department.

Mr. Mayville stated that Short Falls Road was graded today, and it looks pretty good, but he stated it needs a gravel mix because the sand is too fine.

The Board discussed the standstill with hiring as they are not able to do background checks or obtain driving records.

Mrs. Pinard contacted a Town mechanic that unfortunately didn't have time to look at our machinery. She has another recommendation that she will try contacting.

Library-

Ms. Doust stated that the Library trustees had a Board meeting last week. She stated that the Library currently has no money coming in, so things are suspended. She stated that they had to let all the employees go and they are filing for unemployment.

Parks and Recreation-

Mr. Boyjijan stated that Parks and Rec are having a meeting tomorrow via ZOOM.

Planning Board-

Mr. Brehm stated that there are three public hearings this Thursday. He stated that DBU is coming in for a new site plan due to change of building plans. Mr. Millette stated that the fire suppression may need to be looked at due to the size of the building. Bobcat is also having a site plan to expand the site. Chichester Commons changed the apartment count and is coming back in to amend the site plan. They must meet the guidelines for financing and stay under the requirement for a public well. Mr. Brehm stated that a Cannabis medical marijuana dispensary may be coming soon. They will be making application to the Planning Board.

Draft Road Agent Job Description

Mrs. Pinard presented the draft Road Agent Job Description to the Board

There was some discussion on what hours the Highway crew should work, but they would like to leave that open for discussion

A motion was made by Mr. Millette and seconded by Mr. Weir to accept the Road Agent Job Description with the changes discussed.

Bouchard, aye, Millette aye, Weir, aye. **Motion passes.**

COVID-19 Emergency Policies

Mrs. Pinard presented the COVID-19 Emergency Procedures. These are all new orders that have come down from the Federal Care Act and would now be located in one place for easy access. The one thing the Board will need to distinguish is which employees they consider to be emergency personnel.

A motion was made by Mr. Millette and seconded by Mr. Bouchard to accept the COVID-19 Emergency Policies with the changes discussed.

Bouchard aye, Millette aye, Weir, aye. **Motion passes.**

Appointments-

Mr. Weir made a motion and Mr. Bouchard seconded to appoint the following people to the following:

Carolee Davison	Deputy Treasurer	April 1, 2021	expires
Donna Stockman	Welfare Director	April 1, 2023	expires
John Martell	Emergency Management Director	April 1, 2023	expires
Fred Shaw	Cemetery Trustees	March 17, 2022	expires

Carolee Davison	Cemetery Trustees	March 17, 2021	expires
Ewen MacKinnon	Parks & Rec Member	April 1, 2023	expires
John Healy	Planning Board Alt-Member	April 1, 2023	expires
Tara Blaney	Advisory Budget Committee	April 1, 2023	expires
Ansel Sanborn	Parks and Rec	April 1, 2023	expires

Millette, aye. Weir, aye. Bouchard, aye. **Motion passes.**

Notice of Intent to Cut - Approvals

20-089-01 – Map 2 Lot 72A

20-089-02 – Map 3 Lot 110

A motion was made by Mr. Weir and seconded by Mr. Millette to approve the following Intent to Cuts 02-089-01 and 02-089-02. Bouchard aye, Millette aye, Weir, aye. **Motion passes.**

BCEP-

The Board discussed an email received by the BCEP regarding an emergency plan to keep the facility running. In the email it is suggested by BCEP that towns send their emergency workers or laid off personnel to train to run the facility in the event that the current crews become sick with the virus.

The consensus of the Board was that this was not the best use of Town employees, especially first responders. The Board would like to see a plan to train replacements if needed that are BCEP employees.

Adjournment:

Being no further discussion, a motion was made by Mr. Millette and seconded by Mr. Bouchard to adjourn the meeting at 8:11pm. **Motion passes.**

Respectfully submitted,

Kristy Barnouski, Administrative Assistant

Not approved until signed

Richard Bouchard

Edward Millette

Jason Weir

Appointments for April 21, 2020

Lucille Noel	Heritage Commission	April 1, 2023	expires
Marianne DiTaranto	Conservation Commission	April 1, 2023	expires
Stephen MacCleery	Advisory Budget Committee	April 1, 2023	expires
Stephen MacCleery	Zoning Board of Adjustment	April 1, 2023	expires
Jonathan White	Parks and Rec Advisory Board	April 1, 2023	expires



Town of Chichester

Office of the Selectmen

54 Main Street
Chichester, New Hampshire 03258
(603) 798-5350 Fax (603) 798-3170
www.chichesternh.org

Selectmen

Richard Bouchard, Chairman
Edward Millette
Jason Weir

Administration

Jodi Pinard, Town Administrator
Kristy Willey, Administrative Asst.

Grange Hall Use Policy

Whereas, the Grange Hall is a very old building with historical value, and;

Whereas, it is requested that the building and its grounds be respected at all times;

Therefore, the following policy shall be in place for the use of the Grange Hall for non-governmental users:

1. Authorized Users

- The Board of Selectmen or their designee shall approve the use and users of the hall
- Only Chichester residents and property owners are authorized to rent the hall
- No events for profit shall be allowed

2. Rental Fee

- A rental fee of \$150.00 shall be charged for the use of the hall.
 - (\$100 – cost of custodian/\$50 – cost of utilities)

3. Security Deposit

- A security deposit in the amount of \$100.00 shall be required to insure no damage is caused to the building or grounds. Upon final inspection by the Custodian, the security deposit shall be returned to the renter.

4. Cancellations

- Reservations cancelled within 24 hours of the event - \$30.00 shall be retained by the Town.
- No show or reservations cancelled with less than a notice of 24 hours – forfeiture of all fees
- Under any circumstance of cancellation the security deposit shall be returned to the renter.

5. Application

- An application form shall be prescribed for the use of the hall and shall include the following information:
 - Name of Renter
 - Contact person, address, phone number

For Office Use Only

Date Received _____ Total Amount Received \$ _____ Check# _____

Optional Trash Disposal Requested: YES NO (Circle One)

- iii. Date and time requested
- iv. Acknowledgement of release and indemnification notice

6. Custodian

- a. A custodian shall be contracted by the Town and must be retained at the renter's expense, prior to the rental of the hall.
- b. The custodial fee shall be \$100.00 (included in rental fee) and shall include the following services:
 - i. Opening for the event.
 - ii. One-time check-in during the event.
 - iii. Closing for the event.
 - iv. Cleaning of the hall, lobby and restroom.
 - v. Seasonal snow removal of the ramp and front doors.
 - vi. Bagged trash disposal. *(An additional fee of \$10.00 shall apply if service requested.)*

7. Rules for Use of Hall

- a. **NO** event shall be held past 9:00PM.
- b. **NO** user shall leave the building unattended at any time.
- c. **NO** alcoholic beverages are permitted in the building or on the Town property.
- d. **NO** smoking is allowed within the building. (Cigarette debris shall be removed from the property.)
- e. **NO** items are to be affixed to the walls or ceilings. Decorations are allowed on the tables and chairs only.
- f. **NO** confetti or other similar items shall be strewn about.
- g. **NO** use of the stage shall be allowed. The curtain shall be left as is, no touching, please!
- h. **NO** candles or open flames shall be allowed. (The use of sterno under serving dishes is excluded.)
- i. **NO** access shall be allowed to the stairs leading to the stage or the upper floor.
- j. **NO** trash shall be left on the premises. Trash is carry in, carry out. You must bring your own trash bags.
- k. **Should any infraction of the above stated rules be found, the renter and all invitees will be asked to leave the premises immediately without refund.**

For Office Use Only

Date Received _____ Total Amount Received \$ _____ Check# _____

Optional Trash Disposal Requested: YES NO (Circle One)



Town of Chichester

Application for Use of the Grange Hall

Name of Applicant: _____

Applicant's Official: (If different than applicant) _____

Address: _____
Number Street City/Town State Zip Code

Date Hall Requested: _____ Time Requested: _____ am/pm to _____ am/pm
(circle one) (circle one)

Release/Indemnification

- In consideration for being permitted to use the facilities of the Town of Chichester, _____ [insert name of person/entity seeking permission to use facilities] (*hereinafter "Applicant"*) agrees to indemnify and hold harmless, the Town of Chichester, its officers, employees, insurers, and Primex of New Hampshire Insurance Programs, from and against all liability, claims, and demands, which are incurred, made, or brought by any person or entity, on account of damage, loss, or injury, including without limitation, claims arising from property loss or damage, bodily injury, personal injury, sickness, disease, death, or any other loss of any kind whatsoever, which arise out of or are in any manner connected with the use of the facilities, whether any such liability, claims, and demands result from the act, omission, negligence, or other fault on the part of the Town of Chichester, its officers, or its employees, or from any other cause whatsoever.
- By signing below, Applicant agrees that, in the event of any damage, loss, or injury to the facilities or tan any property or equipment therein, the Town of Chichester may deduct from the damage deposit the full amount of such damage, loss or injury. Applicant further agrees that, if such damage, loss, or injury exceeds the amount of the damage deposit, Applicant will within thirty (30) days of billing reimburse the Town of Chichester for all costs associated therewith upon billing by the Town of Chichester.
- In addition, in consideration for being permitted to use the facilities, Applicant, on behalf of itself, and its officers, employees, members, and invitees, hereby expressly exempts and releases the Town of Chichester, its officers, employees, insurers, and self-insurance pool, from and against all liability, claims and demands, on account of injury, loss, or damage, including without limitation claims, arising from the property loss or damage, bodily injury, personal injury, sickness, disease, or death, that Applicant may incur as a result of such use, whether any such liability, claims, and demands result from the act, omission, negligence, or other fault on the part of the Town of Chichester, its officers, or its employees, or from any other cause whatsoever.

Official's Signature: _____ Date: _____

For Office Use Only

Date Received _____ Total Amount Received \$ _____ Check# _____

Optional Trash Disposal Requested: YES NO (Circle One)

Town of Chichester, NH

INVESTMENT POLICY

ADOPTED

I) SCOPE

This investment policy applies to the investment of all funds of the Town and is the investment policy that applies to all transactions involving the financial assets and related activity of all the foregoing funds.

These funds are accounted for in the Town's annual financial report and include any new funds created by the Town Meeting or the Board of Selectmen, unless specifically exempted by the articles of its creation.

II) OBJECTIVES

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1) Safety

Safety of the principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

2) Credit Risk

The Town of Chichester will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- a) Limiting investments to the types of securities listed in Section VII of this Investment Policy
- b) Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the Town will do business in accordance with Section V
- c) Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

3) Interest Rate Risk

The Town will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- a) Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
- b) Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see section VIII).

4) Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in

money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

5) Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- a) A security with declining credit may be sold early to minimize loss of principal.
- b) A security swap would improve the quality, yield, or target duration in the portfolio.
- c) Liquidity needs of the portfolio require that the security be sold.

6) Local Considerations

When possible, funds may be invested for the betterment of the local economy or that of local entities within the State. The Town may accept a proposal from an eligible institution which provides for a reduced rate of interest provided that such institution documents the use of deposited funds for community development projects.

III) Standards of Care

1) Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

2) Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Town.

3) Delegation of Authority

Authority to manage the investment program is granted to the Town Treasurer [hereinafter referred to as investment officer] RSA 41-29. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with established written

procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. [Please refer to GFOA's Investment Procedures Manual, 2003.] No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

IV) **AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, BROKERS/DEALERS**

1) Authorized Financial Institutions, Depositories, and Broker/Dealers

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- a) Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
- b) Proof of National Association of Securities Dealers (NASD) certification (not applicable to Certificate of Deposit counterparties)
- c) Proof of state registration
- d) Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)
- e) Certification of having read and understood and agreeing to comply with the [entity's] Town's investment policy.
- f) Evidence of adequate insurance coverage.

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the investment officer. (See Appendix for the GFOA Recommended Practice on "Governmental Relationships with Securities Dealers.")

2) Minority and Community Financial Institutions

From time to time, the investment officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to certain parts of the criteria under Paragraph I may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state or local law. These types of investment purchases should be approved by the appropriate legislative or governing body in advance.

V) **Safekeeping and Custody**

1) Delivery vs. Payment

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

2) Safekeeping

Securities will be held by a [centralized] independent third-party custodian selected by the entity as evidenced by safekeeping receipts in the Town of Chichester's name. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).

3) Internal Controls

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town of Chichester are protected from loss, theft or misuse. Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed and updated annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls structure shall address the following points:

- a) Control of collusion
- b) Separation of transaction authority from accounting and recordkeeping
- c) Custodial safekeeping
- d) Avoidance of physical delivery securities
- e) Clear delegation of authority to subordinate staff members
- f) Written confirmation of transactions for investments and wire transfers
- g) Dual authorizations of wire transfers
- h) Development of a wire transfer agreement with the lead bank and third-party custodian

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures or alternatively, compliance should be assured through the Town of Chichester's annual independent audit.

VI) **AUTHORIZED INVESTMENTS:**

1) Investment Types

Consistent with the GFOA Policy Statement on State and Local Laws Concerning Investment Practices, the following investments will be permitted by this policy and are those defined by state and local law where applicable:

- a) U.S. Treasury obligations which carry the full faith and credit guarantee of the United States government and are considered to be the most secure instruments available;
- b) U.S. government agency and instrumentality obligations that have a liquid market with a readily determinable market value;
- c) Canadian government obligations (payable in local currency);
- d) Certificates of deposit and other evidences of deposit at financial institutions,
- e) Bankers' acceptances;
- f) Commercial paper, rated in the highest tier (e.g., A-1, P-1, F-1, or D-1 or higher) by a nationally recognized rating agency; Investment-grade obligations of state, provincial and local

governments and public authorities;

- g) Repurchase agreements whose underlying purchased securities consist of the aforementioned instruments;
- h) Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities; and
- i) Local government investment pools either state-administered or developed through joint powers statutes and other intergovernmental agreement legislation.

Investment in derivatives of the above instruments shall require authorization by the appropriate governing authority. (See the GFOA Recommended Practice on "Use of Derivatives by State and Local Governments," 2002.)

2) Collateralization

Where allowed by state law and in accordance with the GFOA Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit.

3) Repurchase Agreements

Repurchase agreements shall be consistent with GFOA Recommended Practices on Repurchase Agreements.

VII) Investment Parameters

1) Diversification

The investments shall be diversified by:

- a) limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- b) limiting investment in securities that have higher credit risks,
- c) investing in securities with varying maturities, and
- d) continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations. (See the GFOA Recommended Practice on "Diversification of Investments in a Portfolio" in Appendix.)

2) Maximum Maturities

To the extent possible, the Town of Chichester shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Town of Chichester will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. The Town of Chichester shall adopt weighted average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body. (See the GFOA Recommended Practice on

"Maturities of Investments in a Portfolio".)

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as local government investment pools, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

3) Competitive Bids

The investment officer shall obtain competitive bids from at least two brokers or financial institutions on all purchases of investment instruments purchased on the secondary market.

VIII) **Reporting**

1) Methods

The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last quarter. This management summary will be prepared in a manner which will allow the Town of Chichester to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the entity's chief administrative officer, the legislative body, the investment committee and any pool participants. The report will include the following:

- a) Listing of individual securities held at the end of the reporting period.
- b) Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements).
- c) Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- d) Listing of investment by maturity date.
- e) Percentage of the total portfolio which each type of investment represents.

Each quarterly report shall indicate any areas of policy concern and suggested or planned revision of investment strategies. Copies shall be transmitted to the independent auditor.

Within 40 days of the end of the fiscal year, the investment officer shall present a comprehensive annual report on the investment program and investment activity. The annual report shall include 12-month and separate quarterly comparisons of return and shall suggest policies and improvements that might be made in the investment program. Alternatively, this report may be included within the Town of Chichester's annual Comprehensive Annual Financial Report.

2) Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken, and

the benchmarks shall have a similar weighted average maturity as the portfolio.

3) Marking to Market

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools." In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

IX) Policy Considerations

1) Exemption

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

X) Amendments

This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individuals charged with maintaining internal controls.

XI) Approval of investment Policy

The investment policy shall be formally approved and adopted by the governing body of the Town of Chichester and reviewed annually.

Adopted by the Chichester Board of Selectmen this day of.

Richard Bouchard, Chairman

Edward Millette

Jason Weir



Town of Chichester

Office of the Selectmen

54 Main Street
Chichester, New Hampshire 03258
(603) 798-5350 Fax (603) 798-3170
www.chichesternh.org

FUND BALANCE POLICY

1. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, effective for the period ending December 31, 2020, the Board of Selectmen recognizes the following with regards to fund balance.
2. Fund Balance must be classified into one or more of the five following categories:
 - a. **Nonspendable Fund Balance** – permanent trust funds (nonexpendable portion) non-cash assets such as inventories or prepaid items.
 - b. **Restricted Fund Balance** – funds legally restricted for specific purposes, such as grant, library, income balance of permanent funds, and capital project funds that cannot change purpose.
 - c. **Committed Fund Balance** – amounts that can only be used for specific purposes pursuant to a formal vote at Town Meetings; such as expendable trust funds (capital reserve), nonlapsing appropriations, and other special revenue funds not listed under restricted and can change purpose via a vote at Town Meeting.
 - d. **Assigned Fund Balance** – amounts intended by the Board for specific purposes. The Board can choose to delegate this authority to the Town Administrator, depending on the situation. Items that would fall under this type of fund balance could be encumbrances.
 - e. **Unassigned Fund Balance** – residual spendable fund balance after subtracting all of the above amounts.
3. Restricted Fund Balance. Includes library, grants, and capital project funds, as well as income balances of permanent funds.
4. Committed Fund Balance. The Town Meeting, as the government's highest level of decision-making authority, may authorize special revenue funds in accordance with the provisions of the New Hampshire Revised Statutes Annotated (RSAs) and expendable trust (capital reserve funds).
5. Assigned Fund Balance – Lapse of Appropriations. All appropriations shall lapse at the end of the fiscal year unless authorized in accordance with the provision of RSA 32:7.

(Continued from previous page)

6. Spending Prioritizations:

- a. When an expenditure is incurred that would qualify for payment with either restricted or unrestricted funds, it will be paid first from restricted funds.
- b. When an expenditure is incurred that qualifies for payment from either of the three unrestricted fund balance categories, it will be applied in the following order:

1) Committed, 2) Assigned, and 3) Unassigned.

- 7. The Town will follow the provisions of the State Municipal Budget Law (RSA 32) in emergency situations with may cause an over expenditure of total appropriations.
- 8. The Board should maintain an appropriate level of unassigned fund balance considering the guidelines established by the NH Government Finance Officers Association (NHGFOA), which are as follows:
 - a. 5% to 15% of regular general fund operating revenues, or
 - b. 8% to 17% of regular general fund operating expenditures.
 - i. The sum of the Town's and School's revenue/expenditures in addition to the County Appropriation, shall be used for the purposes of calculating a) and b) above.
- 9. Annual Review. Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process.

This policy is hereby adopted on this day of 2020.

Richard Bouchard, Chairman

Edward Millette

Jason Weir