From: Steve Robbins
To: Brigitte Codling

**Subject:** Fw: Haverhill: Surety Bond

**Date:** Saturday, February 18, 2023 6:16:55 PM

**From:** Fred Garofalo <fgarofalo@haverhill-nh.com>

Sent: Wednesday, June 8, 2022 1:39 PM

**To:** Steve Robbins <srobbins@haverhill-nh.com>

Subject: Re: Haverhill: Surety Bond

Surety bonds were brought up by Matt and Marie. I will tell you why I think so when I see you. It is not an issue. Woodsville will get their funds as soon as we sign the the final document at our next meeting.

I was able to speak with the Town's attorneys and can offer the following, which I will share with the Select Board.

The bond requirement from SB75 has no relevance to the settlement payment, and so the district does not need to provide proof of a bond to receive the settlement payment.

The bond requirement only really mattered pre-SB26/HB2, when the Town was actively raising and handing over money.

The Town should have required the bond prior to each payment being made, and if not received, filed for injunctive relief at the time it was looking to make those transfers.

However, with the passage of SB26/HB2, the bond requirement now really does not matter, as the town is no longer transferring money to the district for highways.

Further, to the extent any claim *could* exist for failing to be bonded in the past (doubtful, as really it is something the Town would have needed to catch at the time), the SB is releasing those claims as part of the settlement.

So, we should be all set.

Fred Garofalo Selectman Haverhill, NH considered confidential. Messages should not be forwarded, copied, or transferred in any way, to anyone, other than to the parties included in the original distribution.

**From:** Steve Robbins <srobbins@haverhill-nh.com>

Sent: Wednesday, June 8, 2022 1:29 PM

To: Fred Garofalo <fgarofalo@haverhill-nh.com>

Subject: Re: Haverhill: Surety Bond

Is that the question, or are they asking us to require the district to issue a bond to receive the money? I am afraid that we have not seen the last of this. Is it an monies collected by the town, does the school, and all districts have to? or only special articles?

Steve

From: Fred Garofalo <fgarofalo@haverhill-nh.com>

Sent: Wednesday, June 8, 2022 11:30 AM

**To:** Steve Robbins <srobbins@haverhill-nh.com>; Michael Graham <mgraham@haverhill-nh.com>;

Katie Williams <kwilliams@haverhill-nh.com>; Kevin Knapp <kknapp@haverhill-nh.com>

Subject: Fw: Haverhill: Surety Bond

Surety Bond Info attached for your information

Fred Garofalo Selectman Haverhill, NH

CONFIDENTIALITY NOTICE: This message and any accompanying documents contain information that could be considered confidential. Messages should not be forwarded, copied, or transferred in any way, to anyone, other than to the parties included in the original distribution.

**From:** Fred Garofalo <fgarofalo@haverhill-nh.com>

Sent: Wednesday, June 8, 2022 11:28 AM

To: Brigitte Codling <townmanager@haverhill-nh.com>; Jennifer Boucher <jboucher@haverhill-

nh.com>

Subject: Fw: Haverhill: Surety Bond

Surety Bond Info from NHMA

Fred Garofalo Selectman Haverhill, NH

CONFIDENTIALITY NOTICE: This message and any accompanying documents contain information that could be considered confidential. Messages should not be forwarded, copied, or transferred in any way, to anyone, other than to the parties included in the original distribution.

From: Legal Inquiries < legalinquiries@nhmunicipal.org>

**Sent:** Wednesday, June 8, 2022 10:43 AM

**To:** Fred Garofalo <fgarofalo@haverhill-nh.com>

Subject: Haverhill: Surety Bond

Good Morning Fred:

Only those municipal officials listed in RSA 41:6 and NH Admin Code Rev 1903.06 are required to be bonded, and the select board is not one of the listed municipal officials who must be bond. As stated in RSA 41:6, I, a surety bond indemnifies the municipality against losses through:

- (a) The failure of the officers covered to faithfully perform their duties or to account properly for all moneys or property received by virtue of their positions; or
- (b) Fraudulent or dishonest acts committed by the covered officers.

As stated in RSA 41:6 and NH Admin Code Rev 1903.06, the following municipal officials must be covered by a blanket surety in such amounts as specified by the NH Department of Revenue Administration:

Town treasurers
Trustees of Trust Funds
Library Trustees
Town Clerks, and their deputies
Tax Collectors, and their deputies
Persons delegated treasury functions under RSA 41:29
Boat Fee agents

Additional officials may be bonded at the discretion of the municipality. Your insurance carrier or risk pool provider (Primex?) could provide you more details about bonding of municipal officials.

Stephen C. Buckley Legal Services Counsel NH Municipal Association

25 Triangle Park Drive Concord, NH 03301 Tel: (603) 224-7447

Email: <u>legalinquiries@nhmunicipal.org</u>

https://www.nhmunicipal.org/american-rescue-plan-act-2021-information-page

**From:** NHMA Info < <a href="mainfo@nhmunicipal.org">nhmunicipal.org</a>>

Sent: Wednesday, June 8, 2022 9:39 AM

To: Legal Inquiries < legalinquiries@nhmunicipal.org>

**Subject:** FW: Surety Bond

**From:** Fred Garofalo < fgarofalo@haverhill-nh.com>

**Sent:** Tuesday, June 7, 2022 7:16 PM

**To:** NHMA Info < <a href="mainfo@nhmunicipal.org">nhmunicipal.org</a>>

Subject: Surety Bond

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe

Good Evening,

I have a question concerning Surety Bonds. It was brought up at a selectboard meeting that selectboard members must have a surety bond.

My questions are What is a surety Bond and who needs one? Also is it mandatory for a selectperson or any elected official to have a surety bond in NH?

Surety Bonds are a whole new concept to me and I really don't understand them. However I want to intelligently respond to the citizens who asked me and told me we needed to be bonded.

Thank You for your help

Fred Garofalo Selectman Haverhill, NH

CONFIDENTIALITY NOTICE: This message and any accompanying documents contain information that could be considered confidential. Messages should not be forwarded, copied, or transferred in any way, to anyone, other than to the parties included in the original distribution.