

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

**Monday December 12<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:**

David Barlow; Jeff Graham; Jessica Mott; Don Whipple; Leo Piette; Israel Sanville; Richard Roberts

**Press:**

Elizabeth Trail / Barton Chronicle; Robin Smith / Orleans County Record; Laura Carpenter / Newport Daily Express

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**1. Mike Marcotte called the meeting to order at 5:00 p.m.**

**2. Approve the minutes of the December 5<sup>th</sup>, 2016 meeting**

- Bradley Maxwell made the motion to approve the minutes of the December 5<sup>th</sup>, 2016 meeting.
- Seconded by Scott Morley. The Board signed and approved the minutes as written.

**3. Allow for public comment**

- Python Wrestling Group representative Richard Roberts questioned the Board on the rumors he heard that the Board was not impressed with the group and requested clarification.
- Scott Morley explained that they had no issue replacing the discarded scale however; he felt that it was not appropriate for the Board to have received an invoice for the minor items that had been stored at the Community Center. The Board was unaware that additional items were being stored and that storing items for individual groups can become a liability for the Town. The building has been given to the wrestling group free of charge and a bill for paper goods was paid, but not appreciated, by the Board.

- With a new Community Center Use Policy in place and new contracts to sign, the Board stated that the rules and expectations will need to be clarified before the next season when contracts are renewed.
- The Python Wrestling Group was questioned on the advertised charge to participants. It was understood by the Board that the class was offered for free which is why the space was approved for complimentary use. Richard Roberts explained that this was the first-year participants were charged a nominal fee and it was due to the increase in insurance rates.

#### **4. Community center rental policy**

- Scott Morley made the motion to approve the amended policy as written. Seconded by Brad Maxwell.
- The Board unanimously approved and signed the amended Community Center Use Policy.

#### **5. Christmas gift cards discussion**

- Brad Maxwell stated that although the gift cards have been given in the past, he questioned the rest of the Board as to whether this was a good year to discontinue the practice.
- The Board agreed unanimously not to purchase Christmas gift cards for town officials and volunteers this year.

#### **6. Listers Update**

- *\*\*Scott Morley reported to the Board on behalf of Lister Lyell Reed who was not present.*
- Lyell Reed had requested the Listers lap top from the Treasurer and was told that all computers belonged to the Clerk's Office. Scott Morley confirmed through the NEMRC accounting software that two of the lap top computers were purchased by the Select Board and one was for the Clerk's Office.
- The Board will be ensuring that two of the lap tops are immediately brought to the Select Board Office. Tech Patrol will be coming to the office to inspect all three computers to secure and to ensure that all NEMRC software is removed from each computer. The Board is concerned that some of the reports presented by the Treasurer resemble that from NEMRC and if the software is being used on one of the lap top computers then it could create licensing issues with NEMRC.
- The Board received a formal resignation from Larry Broe from the position of Lister with the Town of Coventry. The Board unanimously accepted the resignation and will consider a replacement to appoint until elections at the March Town Meeting.
- Lyell Reed received a copy of the 2012 grand list from the Town Treasurer, Cynthia Diaz. A copy was given to Jeff Graham and Ernie Saunders who will be comparing to the copy received from the State to check for discrepancies.

## **7. Financial Policies**

- Scott Morley stated that the policies presented were adapted from templates the VLCT provides and were appropriate and are what the Town needs to implement.
- Mike Marcotte stated that he had spoken with the Treasurer, Cynthia Diaz, in the past regarding the policies and she refused to sign and had no interest in discussing the policies and issues they addressed.
- The Board feels the policies are straightforward and reasonable and are unclear on why the Treasurer would refuse to sign. The Treasurer was not present to comment.
- Brad Maxwell made the motion to accept the following five policies as written: *Cash Receipts, Petty Cash & Returned Checks Policy; Purchasing Policy; Accounting, Auditing & Financial Reporting Policy; Fraud Prevention Policy; Investment Policy.*
- Scott Morley seconded the motion for the Board to approve the five policies with the amendment that the Select Board Chairman note on each that the Treasurer Refused to Sign.
- The Board agreed unanimously to adopt the five financial Policies as written. Policies signed by the Select Board and the Select Board Clerk. Each policy was noted that the Treasurer refused to sign.

## **8. Delinquent tax report requested from Delinquent Tax Collector. Report to include outstanding delinquent taxes due for all prior fiscal years.**

- Delinquent tax report provided for the 2016 tax year only.
- Total owing for the 2016 tax year including penalties and interest: \$70,010.77.
- No further action from the Board.

## **9. Request Treasurer's report to include detailed list of Town revenue for preceding calendar week**

- Report provided to the Board by the Treasurer with the following income listed for the week of 12/05 to 12/09: Checks \$2,975.85; Cash \$83.27; Total income \$3,059.12.
- No bank receipt was provided showing the cash was deposited.
- Jeff Graham stated that the reports look like they have been produced in the NEMRC software and exported to an excel file. As the software was removed from the Treasurers computer, the use of NEMRC could be in violation of licensing agreements.
- The Board indicated that as mentioned in agenda item #6, Tech Patrol will be visiting the office to secure the computers and locate unlicensed software.

## **10. Graham update**

- Jeff Graham provided the Board with the Report on Forensic Engagement Topics.
- Jeff stated that the report on delinquent tax penalties and interest not confirmed as collected had been provided to be used in the insurance claim.

- The Forensic Report is considered final with the understanding that some of the numbers can change if more confirmations from tax payers are received.
- The forensic audit was conducted on the 2014/2015 and 2015/16 tax years and states that there is \$30,856.66 in cash payments that were confirmed as being made to the Town for property tax payments with no evidence of the Town receiving. Jeff estimates that with further confirmation letters, and delinquent tax penalties and interest owing, the missing monies total could exceed over \$100,000.
- It is unclear why there are almost 60 outstanding letters to residents and why they chose not to respond. Jeff stated that some may be sympathetic to the Treasurer while some may not have paid the taxes. The Board agreed unanimously that they will follow up on all requests and ensure 100% response from tax payers questioned.
- The Forensic Report will be used to file an insurance claim and will be submitted to law enforcement.
- Jeff states that the audit report will be completed this week for the Board's review at the next meeting. The audit report was explained as being complicated, however; this will be the first time the Town has received an audit report since the year 2000.
- Scott Morley stated that any and all responsibilities not required by State Statute to be the responsibility of the Treasurer, will now be taken under the Board's authority. He assured residents that the Board is working to set up practices for future success of the office.
- The Board has reviewed and altered that process for which bill payments will be made. The Select Board Office will be producing the warrant, the Treasurer will receive and process checks based on the warrant, the Board will review and sign at Monday meetings. Warrants are the responsibility of the Select Board and will be assumed by the office.

#### **11. NEMRC update**

- Scott Morley stated that Amber Baker from NEMRC is continuing to work in the office weekly to assist the Board.
- Amber has provided reports that will assist the Board to start the budgeting process for next year.

#### **12. Signing authority on bank accounts**

- Scott Morley reported that he had not spoken with Attorney Paul Gillies on the topic as discussed at last week's meeting for him to proceed with the conversation under authority from the Board.
- The Board gave unanimous consent for Mike Marcotte to proceed with requesting signing authority paperwork from the Community National Bank.
- Brad Maxwell will be added as an additional signing officer in case Mike Marcotte is unavailable.
- Situations and circumstances of signing authority with two Board members will be verified with the attorney.

### **13. Sign Orders**

- The Board agreed unanimously to continue with agenda item #14 – *Other Business* prior to signing orders.

### **14. Other business**

- Scott Morley restated that the responsibility of the warrants will be assumed by the Board. Warrants will be drafted by the Select Board Office and given to the treasurer to draw checks.
- The Board Clerk will begin contacting vendors to request electronic invoices be sent directly to the Select Board Office.
- The Board will consider opening another PO Box just for Board use, but agreed unanimously to allow some transition time and see if the Treasurer cooperates with the new system and provides the Select Board Office with all invoices.
- The Town Clerk/Treasurer, Cynthia Diaz, informed the Board that in the past she has shoveled the front walkway of the Town Office but will no longer perform that task.
- The Board granted David Gallup unanimous authority to hire someone to shovel the front walkway of the office as needed.
- Amanda Carlson reported that she met with Joe Gay from Casella to review information needed to complete the yearly solid waste reporting to the State of Vermont.
- Amanda contacted Cynthia Diaz to request the reporting site log in information and had not yet received a response.
- Mike Marcotte stated that if a response was not received later in the week then he would contact ANR to request an additional log in for the Town.
- Amanda Carlson requested permission from the Board to confirm printing timelines with Repro Graphics for the 2016 Annual Town Report. The PDF version of the report is due no later the February 1<sup>st</sup> with guaranteed delivery of reports to the Town by February 17<sup>th</sup>. The Board agreed unanimously to the timelines and asked Amanda to confirm with the printers.
- The Board agreed that the production of the Town Report was the responsibility of the Select Board. Mike Marcotte will speak with Cynthia Diaz regarding her involvement in the Town report and the changes being implemented this coming year.
- Resident Leo Piette questioned the Board on billing the Town insurance for fire department invoices relating to cars off the road.
- The Board stated that only incidents related to hazmat clean up can be claimed, however; they were unclear when questioned on property damage such as broken guardrails.

- Attorney Paul Gillies will be consulted to see what the municipal standard is for situations like this.
- Under unanimous authority of the Board, Mike Marcotte will contact VLCT to request a representative be present at the next meeting to discuss claim submittal.

**Sign Orders**

Accounts Payable	ACH Transfer to IRS	\$2,458.40
Accounts Payable	12/16/2016	\$6,303.51
Payroll	Week Ending 12/10/16	\$1,575.53
<b>Signed by the Board for the Treasurer to draw checks totaling</b>		<b>\$ 10,337.44</b>

**Meeting adjourned at 7:36 p.m.**

**The next meeting is scheduled for Monday December 19<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**