

MINUTES

SELECT BOARD MEETING TOWN OF COVENTRY

Monday November 21st, 2016 at 5:00 p.m.

Board Members Present:

Michael Marcotte / Chairman; Bradley Maxwell; Scott Morley

Town Officials Present:

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

Guests:

Jeff Graham; Leo Piette; Richard Lussier; Deb Tanguay; Lyell Reed; Jeanne Desrochers; Frank Charbonneau; Mark Mohrmann; David Barlow; Don Whipple; Israel Sanville

Press:

Elizabeth Trail / Barton Chronicle; Chris Roy / Newport Daily Express; Robin Smith/ Orleans Country Record

- 1. Meeting called to order at 5:03 p.m. by Michael Marcotte.**
- 2. Approve the minutes of the November 14th, 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.**
 - Representative from the Python Wrestling Group informed the Board that the weight scale they were storing in the Gymnasium has been removed. The Board confirmed that this was accidentally removed by the Town. The Python Wrestling Group provided the Board with a written quote to have the scale replaced.
 - The quote will be reviewed and discussed. No action taken by the Board at this time.
- 4. Facility Use Coordinator Richard Lussier.**
 - Richard Lussier reported to the Board that he had met with the Town Clerk, Cynthia Diaz to discuss the current commitments at the Community Center gymnasium.

- Anyone previously committed to using the facility will be contacted and asked to sign a new agreement with Richard as the new Facility Use Coordinator.
- The Board agreed unanimously that the Facility Use Coordinator should turn all rental fees collected over to the Treasurer immediately and a receipt obtained. The receipt and a copy of the contract will then be provided to the Select Board Clerk to keep as reference.
- All security deposit checks will be kept by Richard Lussier until after the inspection of the property and determination if the deposit will be returned or retained.
- The Board signed and adopted the amended Facility Use Policy. There was one amendment from the previous version changing the maximum capacity from 123 persons to 120 people.

5. Lyell Reed to discuss Listers Office and support staff.

- The Board unanimously expressed their concern of the continued employment of the Town Clerk & Treasurer as the Listers Assistant.
- Mike Marcotte spoke on behalf of the Board, stating that having a single person with access to all applications within the office is not a safe situation for the Town and there was concern of unusual activity within the computer software.
- Lyell Reed stated he is reluctant to find an alternate person as the Treasurer is currently aware of State deadlines, is trained on the computer system and is in the office already.
- The Board agreed that they will support training of a new person and will assist where possible; however, they will consider denying payroll warrants for this position if the current employee should continue, as well they will be consulting NEMRC Software to alter the password to deny access.
- Jeff Graham stated that the 2012 Grand List is still missing and requested Lyell Reed's assistance in recovering the file for the Town's permanent records.
- Jeff Graham stated that there should be a proper segregation of duties to limit access to the listers files and who has the ability to manipulate them.
- Lyell agreed to consult the other Elected Town Listers and consider replacements for the position as the listers assistant.

6. David Gallup regarding USDA Grant

- David Gallup stated that he is concerned about the potential start dates of the project and the cost. He requested the Board speak with the USDA representative to clarify the project and Town obligations.
- Representatives from the USDA will be asked to attend the next meeting to discuss.
- No further action taken at this time.

7. Upstairs Cleaning

- Scott Morley reported that there is one room in the upstairs of the Community Center that still needs to be cleaned out.

- The Board granted Scott Morley unanimous authority to work with David Gallup and clean out the upstairs room at their discretion.
- Jeff Graham stated that there is a locked closet in the upstairs that contains office records and he requires access to inspect.
- The Board granted Scott Morley unanimous authority to ask Cynthia Diaz to open the locked closet and allow Jeff Graham access to the records in order to determine if they are relevant to the Town's financial audit.

8. Gym floor tile update

- Scott Morley reported that in continued conversations with Catamount Environmental Services as per the Board's authority, they explained to him that the process of removing the tile and glue would be completed using a soy bean oil. The gymnasium would need to be sectioned off, however the rest of the building would not be affected. The exposed floor would need to sit for approximately one week before a replacement can be installed.
- Scott Morley has spoken with selected flooring installation companies and is awaiting quotes for Board review.

9. Select Board continued request of Delinquent tax collector to provide complete accounting of those issues. The reports should be from NEMRC software.

- The Board reviewed the reports provided by the treasurer from the NEMRC software.
- The reports only showed the delinquent property taxes owing for the 2016 tax year. No prior years were included. The Delinquent Tax Collector was not present to comment.
- The current years reports showed a total outstanding property tax owing of \$67,268.95; \$677.23 in interest and \$5,417.85 in penalties for a total of \$73,364.03.
- Jeff Graham reported that he should have a report of delinquent taxes shortly that can be compared to the Treasurers. Once cross referenced a final list can be reviewed by the Board and residents notified.
- Resident Leo Piette inquired about the last tax sale. The Board replied that there was one this summer, however, not all properties with delinquent taxes from the last three years were included.
- Mike Marcotte expressed his concern and stated that this does not help owners keep their properties by allowing taxes to accumulate without trying to assist them with payment plans and options to catch up.

10. Delinquent Tax Collector's compensation

- Delinquent Tax Collector, Cynthia Diaz, provided the board with a note instructing the Board to review statutes for compensation and to consult other Towns. Cynthia was not present at the meeting to discuss.
- Cynthia Diaz submitted a check to the Board for approval for the 8% penalties collected in the last two weeks for delinquent taxes paid in the amount of \$331.49.

- Mike Marcotte stated that since the previous Town Clerk, Treasurer and Delinquent Tax Collector was in office, the Town has always had an understanding with the Delinquent Tax Collector that the compensation was covered under the salary provided as Town Treasurer. The Delinquent Tax Collector has always performed the duties in the Town office, using the computer and supplies provided by the Town and during the salaried time in the office.
- The current year's budget was approved with no additional payments to be made to the Delinquent Tax Collector.
- Resident Frank Charbonneau stated that; The Delinquent Tax Collector took the Oath of Office with the understanding that no additional compensation was budgeted for the position.
- The Board agreed unanimously that they need to consult legal counsel to determine their obligations under State Statutes.
- The Board agreed unanimously that the current payment request on check #15920 in the amount of \$331.49 to Cynthia Diaz for delinquent taxes collected will not be approved at this time. Payment will be held until legal counsel can be consulted.

11. Review income report from Town Treasurer from 11/14 through 11/18, 2016 complete with copies of corresponding bank deposit slips.

- Report provided to the Board for 11/15 through 11/21. Total checks received \$6,270.51; cash \$11.00 for total income of \$6,281.51.
- Handwritten bank deposit slips were not provided by the treasurer as previously requested. Electronic deposit receipt was provided for checks deposited in the amount of \$6,132.62 on 11/18/16. No evidence of cash deposited.
- The Board agreed unanimously that reports should reflect a calendar week and all deposits made should match the report.
- The Board agreed unanimously for Scott Morley to speak with the Town Treasurer, requesting that receipts, reports and bank deposit slips all be provided to the Board reflecting each calendar week.

12. ACH Payment Process

- Mike Marcotte reported that Community National Bank had questioned electronic transfer payments made from the Town's account the previous week.
- As checks now require two signatures, the bank wanted clarification on authorization of electronic funds transfers made to the IRS, State of Vermont Tax Department and The Agency of Natural Resources Fish & Wildlife Department.
- The Board agreed unanimously that for all future ACH payments to the IRS and State of Vermont Tax Department, the Board will sign the warrant at the Board meeting and the Board Clerk will then immediately scan and email to the bank authorizing the payment for the following day.
- Prior to the ANR Fish & Wildlife department performing an account sweep of funds owed for license sales, an email is sent to the Treasurer notifying her of the forthcoming action. Mike

Marcotte will instruct the Treasurer to forward this email to himself, and he will forward to the bank for authorization.

13. Discussion/action of completing an RFP for Coventry financial investments.

- Scott Morley let the Board know there is no template to review at this time, however he is planning to have a copy for review within the next few weeks. When the investment RFP is reviewed, the Board will need to discuss investment policies for the town.
- No action taken by the Board at this time.

14. Discussion related to beginning the next budget.

- Amber Baker was able to produce a budget report for initial review by Scott Morley and the Board Clerk. Current year end report was requested and will be reviewed when received.
- Jeff Graham stated that adjusting entries had been completed with Amber Baker from NEMRC the previous week.
- It was noticed that voted monies had not been transferred into six accounts for a total of \$830,350.00.
- The Board agreed unanimously that this money needs to be transferred in the general ledger to the accounts as voted, and that the total dollar amount would need to be transferred into the corresponding bank accounts.
- New budget reports will be produced after these adjustments are completed and budget discussions will continue throughout the month of December.

15. Town Report Printing

- Amanda Carlson provided the Board with quotes for printing services.
- Based on 550 copies, 8.5" x 5.5" size, 80 pages prices quoted as follows: *Memphremagog Press* - \$2,550 (\$4.64 per book); *UPS Store Newport* \$1,842.50 (\$3.35 per book); *Repro Graphics* \$995 (\$1.81 per book)
- Brad Maxwell made the motion to enter into contract with Repro Graphics for printing of the 2016 Town Report; seconded by Scott Morley. Mike Marcotte signed the Repro Graphics contract on behalf of the Town.

16. Graham update.

- Jeff Graham reported that the audit report is close to completion.
- Letters returned from tax payers confirmed that over \$27,000 was paid in cash and was not deposited into the bank account. 40% of the letters sent have not yet been received and Jeff Graham will be requesting the Board's assistance in following up with unreturned letters until there is 100% response. The audit report will still be provided without all letters returned.
- Graham & Graham will be producing a list of 85 internal control points to discuss with the Board. The Town will be given the opportunity to work on all items and allowed to comment on how

they are working on adjusting practices and procedures in order to comply with recommendations.

- Jeff Graham & Scott Morley will be speaking with the Town Treasurer the next day to follow up on requested items to complete the audit process.
- Jeff Graham will be sending proposed account adjustments to the Board over the next few weeks. These adjustments may impact the budgeting process and will be need to be considered as they are received.
- Some mortgage company tax payments are still not received. Other year's payments are assisting with the process of elimination and matching up to verify.
- The Board agreed unanimously that legal counsel will need to be consulted to verify what steps the Board can take after the audit report is received.
- Residents questioned the over \$27,000 in missing funds from the Town. The Board clarified to residents that the Board cannot determine any wrongdoing or misappropriation of Town Funds. Investigations will be the responsibility of the insurance company once a claim is filed.

17. NEMRC update.

- Scott Morley reported no update on the cash receipts printer, and no further information on the NEMRC Software.
- No action taken by the Board at this time.

18. Discussion of signing authority on checking and investment accounts.

- The Board agreed unanimously to table the discussion on signing authority until legal counsel is consulted.

19. Other business.

- The Board discussed a second phone line in the Board room for use by the Board Clerk during office hours. The Board asked Amanda Carlson to contact FairPoint Communications to inquire about installation and services.
- Scott Morley reported that the Board Attorney Paul Gillies will be attending the next meeting on Monday November 28th, 2016 with an expected executive session of one hour.

20. Sign orders.

Payroll <i>Check # 15920 to Cynthia Diaz for Delinquent Taxes Collected in the amount of \$331.49 not approved by the Board as per decision made in agenda item #10.</i>	11/13 to 11/19	\$ 1,911.33
Accounts Payable – 2016 Appropriations	11/7 to 11/18	\$ 40,370.00
Accounts Payable <i>Only Check # 15929 approved by the Board payable to Israel Sanville for work completed for the Coventry Parents Club BINGO event. The Board will request from the Treasurer that all other checks be adjusted so they are paid by statement and not by invoice.</i>	11-19-16	\$ 247.50
Signed by the Board for the Treasurer to draw checks totaling		\$ 42,528.83

Meeting adjourned at 8:30 p.m.

Next Meeting Date: Monday November 28th, 2016 at 5:00 p.m.

Michael Marcotte / Chairman

Bradley Maxwell

Scott Morley

Amanda Carlson / Select Board Clerk