

MINUTES
SELECT BOARD MEETING
TOWN OF COVENTRY

Wednesday February 22th, 2017 at 6:30 p.m.

Board Members Present:

Mike Marcotte / Chairman; Bradley Maxwell; Scott Morley

Town Officials Present:

Amanda Carlson/Select Board Clerk

1. Mike Marcotte called the meeting to order at 6:30 p.m.

2. General Audit Discussion.

- Mike Marcotte opened the meeting by welcoming the 38 residents in attendance.
- Scott Morley stated that copies of audits performed since 2004 were available on the table at the back of the room. He explained that the meeting was an open forum for questions, discussions and concerns of the Town.
- A statement was made by a resident who would like to see the current Town Clerk and Treasurer resign from her position.
- Residents are upset about the cost and process of the most recent audits and that they were necessary.
- Scott Morley stated that the Audit is about the Town and not an individual. The Board pursued the audit making it clear that all financial issues would be resolved no matter what. The Board feels it is taking measures along the way to resolve these issues and permanently correct.
- The Board addressed the recommendations made by the auditor that outline the steps necessary for corrective action. These include such things as the hiring of an attorney, contacting law enforcement, and assuming responsibility for daily tasks. All have been addressed and pursued.
- The Board explained the need for an employee to complete the necessary daily functions that are under the Boards authority. They have hired Amanda Carlson as the new Town Administrator who will be starting full time the following week.
- The Board stated that they cannot discuss anything relating to the pending civil litigation.

- Any criminal investigation is out of the hands of the Board and they have no control.
- Clarification was requested on the recent letters that were sent out from Graham & Graham to tax payers and why this was necessary.
- The Board explained the process and referenced the section of the audit detailing the results received. The process verified that many tax payers reported making the payment in cash, the Town records showed the bill paid; however, funds had not been deposited to the bank account.
- The Auditor, Jeff Graham, stated in his reports that no cash had been deposited into the Town bank account for almost four years.
- The Board was questioned on why they did not bring the situation to the voters' attention sooner. Mike Marcotte stated that last year's Town Report contained a letter from the auditor as well as a letter from the Select Board detailing the situation.
- The Board was questioned if the Treasurer was ever offered adequate training for the office. The Board has supported any training available and the current Clerk/Treasurer has attended trainings over the last twelve years of office. No additional training was ever requested.
- The Board stated that they are required to, and will continue to, have a yearly audit performed. If they do not receive better cooperation from the Treasurer then this will cost the Town more than necessary.
- Residents questioned and discussed Article 3 of the Annual Town & School Meeting Warning asking the voters to allow the Board to appoint a Collector of Delinquent Taxes. The Board stated they feel this is necessary as a short term situation so records can be corrected.
- The Board was questioned on the safety of the investment funds. Residents were assured that investment monies were safe and required both Board and Treasurers approval to move any funds in those accounts. All checks for general expenses now also needed two signatures.
- Residents questioned the Cemetery fund and if the financials had been audited. Residents stated they had previous problems with financial reporting when Cynthia Diaz was working as the School Board Treasurer.
- The Board reported that money is also missing from daily office sales in addition to the tax revenue. The Auditor reported a yearly estimate of approximately \$5000 but the total had not been investigated further as the amount was small in comparison to the tax revenue.
- The Board was questioned on the insurance coverage and claim. Scott Morley reported that the claim for missing monies was in the process. Audit and legal costs would not be considered by the insurance company.
- When questioned on raising the bonding coverage premiums for the Treasurer, Mike Marcotte replied that the Board was leaving this decision to the insurance carrier.
- The Board stated that they are cautious to ensure that all actions they are taking, and considering, are legal.

- *The Treasurer was not present to offer comment during discussions.*

3. Meeting was adjourned at 8:06 p.m.

The next Select Board meeting will be held on Monday February 27th, 2017 at 5:00p.m.

The next informational meeting will be held on Saturday March 4th, 2017 at 3:00 p.m.

Michael Marcotte / Chairman

Bradley Maxwell

Scott Morley

Amanda Carlson / Select Board Clerk