

MINUTES
SELECT BOARD MEETING
TOWN OF COVENTRY

Tuesday October 25th, 2016 at 5:00 p.m.

Board Members Present:

Michael Marcotte / Chairman; Bradley Maxwell; Scott Morley

Town Officials Present:

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

Guests:

Jeff Graham; Israel Sanville; Deb Tanguay; Leo Piette; David Barlow; Jeanne Desrochers; Barbara DeVost; Sherry Bradley; Barry Allen; Melissa Gallup

Press:

Elizabeth Trail / Barton Chronicle; Chris Roy / Newport Daily Express

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

2. Approve the minutes of the October 17th, 2016 meeting.

- Brad Maxwell made the motion to approve the minutes as written. Seconded by Scott Morley. Minutes of the October 17th, 2016 meeting unanimously approved and signed by the Board.

3. Allow for public comment.

- No public comment.

4. Review of Select Board mail

- The Board received a copy of the certificate of insurance as requested from the wrestling group that will be using the gymnasium starting in November.

5. Fireworks contract for 2017.

- The Board reviewed the contract and requested that Amanda Carlson contact North Star Fireworks to confirm when the payment was due and verify if the \$1000.00 discount was applied as it had been done in the past.

- David Gallup had not yet arrived at the meeting. The Board agreed unanimously to table the Fireworks contract until his arrival to confirm if his property was still available to use for the fireworks display on July 8th, 2017.

6. Proposed community meeting with the Department of Health.

- Jeanne Desrochers notified the Board that the Coventry Fire District will be holding an informational meeting on Thursday November 3rd, 2016 at the Coventry Town Office. The Coventry Fire District is responsible for the spring that services the water supply to village residents. The meeting will inform residents about the increase in arsenic content in the water and will discuss forming a plan of action to fix the problem.
- The Department of Health Drinking and Groundwater Protection Division mandates a maximum of 10 parts per billion of arsenic in any water supply. The Fire District's spring is currently testing at 11 parts per billion. A plan of action is needed to treat the water and remove the arsenic.
- Residents supplied by the Fire District's water, including the Coventry Village School, have already been notified and were sent recommendations on how to protect themselves until a solution is found.
- Although the Fire District is a separate entity and not under the jurisdiction of the Town Government, Jeanne requested the presence of a Board member at the informational meeting. The Board agreed unanimously that at least one member of the Board will be in attendance.

7. Update on upstairs community center cleaning.

- Scott Morley reported that the custodian has completed the one-time cleaning of the upstairs community center.
- Mike Marcotte will notify Kathleen from the Coventry Village School so she can resume her sorting of the upstairs books for donation.

8. Bridge discussion update.

- Scott Morley reported that he spoke with Tim Ruggles the Engineer who will be providing the Board with options for replacing the Hi Acres Bridge.
- Tim will be visiting the site to conduct some ground work required for the permitting process.
- The Board agreed unanimously to allow Scott Morley to follow up on the project and report back to the Board.

9. Update on gym floor tiles.

- No update at this time. No action taken by the Board.

10. Update on Tech Patrol contracted services.

- Under the Boards unanimous decision to allow Scott Morley to proceed with the services, Tech Patrol is scheduled to be in the office the following morning, Wednesday October 26th, 2016 at 9:00 a.m.
- As this issue is concurrent with other agenda items the Board agreed unanimously to continue to the next agenda item for further discussion.

11. Update on cash receipts printer.

- Under the Board's previous unanimous authority to proceed with the ordering of a printer, Scott Morley reported that the printer will be brought to the office the following day to be installed by Tech Patrol as part of their contracted services.
- Scott Morley reported to the Board that Ernie Saunders from NEMRC Software also recommended the installation of the second computer system in the Town Office. He has provided a system he feels is adequate for the Town's needs and the computer can be installed the following day by Tech Patrol and a NEMRC Technician who will also be on site.
- The Board agreed unanimously to hold all further discussions on this topic until agenda item #15.

12. Update on conversations with Louise Evans from Hunt's Financial Services.

- Mike Marcotte provided the Board with a financial investment statement sent by Louise Evans from Hunt's Financial Services.
- He reported that Louise had been requesting a meeting with the Board to discuss the investment situation since July of this year.
- Mike stated that this request was in an email provided to the Board and was overlooked, but also that phone calls had been placed to the Town Treasurer to follow up and the Board had not been notified.
- Louise Evans will attend the next meeting on Monday October 31, 2016 to discuss the financial statements with the Board.

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

- The Board was provided with the delinquent tax statement in an excel based report from the Town Treasurer.
- Jeff Graham requested a copy of the report which will be compared to his findings to verify the information.
- Jeff Graham confirmed that he has evidence that the Treasurer has used the NEMRC Delinquent Tax software in the past and should be able to provide the Board with the reports in the format requested.
- Jeff Graham confirmed, after verifying with Ernie Saunders from NEMRC, that all work completed in this module by the Treasurer had been backed up on an external thumb drive which has not been provided to the Board or to Jeff as the Auditor.
- The Board granted Scott Morley unanimous authority to continue conversations with Ernie Saunders and Tech Patrol to try and understand what items can be backed up and how this can be restricted going forward so all information is available for the Board to review.

14. Review income report from town treasurer from 10/17 through 10/23, 2016 complete with copies of corresponding bank deposit slips.

- NEMRC based reports provided by the Treasurer for 10/18/16 through 10/25/16.
- The report showed a total of \$526,104.34 total checks received and \$132.00 total cash received. Total income \$526,104.34. \$187,839.74 has been posted to the General Ledger and \$338,396.60 is reported as not posted to the general ledger.

- The Board was not provided with deposit slips from Community National Bank. The Treasurer was not present for comment.
- Jeff Graham stated that he has contacted the Community National Bank for copies of all deposit slips and when received he will be able to confirm monies deposited to the Board.

15. General Counsel updated.

- Under the Boards unanimous authority for Scott Morley to continue discussions with Attorney Paul Gillies, Scott reported that he has been in contact over three separate phone conversations.
- Scott has provided Attorney Gillies with reports from Jeff Graham.
- Scott has requested from Mr. Gillies a formal list of what duties the Board has statutory authority to remove from the Treasurer and put under their control. Scott has not received the list but said he would follow up in the morning to request the information.
- The Board agreed unanimously that they will all need to meet with the Attorney soon and an appointment will be arranged.
- Scott Morley stated that in discussion with Attorney Paul Gillies, Auditor Jeff Graham and NEMRC Software Developer Ernie Saunders, it was recommended by all that a secondary computer system be installed in the office with the accounting software. Ernie Saunders can supply a computer and recommends that Tech Patrol, and a NEMRC representative install the computer and software on site the following day.
- As it is still not determined what duties can and should be removed from the Treasurer, the second computer will be installed with identical software as the Treasurers computer. Once the system is operational and the Board makes a decision for limiting duties, then software access can be changed.
- Mike Marcotte made the motion for the Board to purchase the secondary computer and have installed as recommended. Brad Maxwell seconded the motion. The Board agreed unanimously to purchase a secondary computer and have installed by Tech Patrol and NEMRC. Cost is not determined at this time.
- The Board will conduct further discussion on how this computer will be utilized after meeting with Attorney Paul Gillies and determining their authority to limit the duties of the Treasurer.
- Town resident Leo Piette provided the Board with copies of Vermont Statutes Title 24 Chapter 51, Subchapter 005 § 1686 which states:

(c) Any town officer who willfully refuses or neglects to submit his or her books, accounts, vouchers, or tax bills to the auditors or the public accountant upon request, or to furnish all necessary information in relation thereto, shall be ineligible to reelection for the year ensuing and be subject to the penalties otherwise prescribed by law.
- Leo stated that under this Statute the Treasurer was ineligible for reelection at the March Town Meeting and therefore should be removed from the office.
- Mike Marcotte stated that the Board was unaware of this statute at the time of reelection and that the Board is now trying to take a proactive stance and move forward but needs to move with caution to ensure they are taking all actions within their authority to do so.
- Scott Morley stated that the Title 24 statute has been brought to the Attorneys attention and will be considered.

- The Board agreed unanimously that they will need to meet with the Attorney to discuss all options and responsibilities before any action can be taken.
- Mike Marcotte stated that the Board cannot proceed without first obtaining evidence that there was any wrongdoing on the part of the Treasurer. The Auditing Firm Graham & Graham was hired to conduct a financial audit and report if there was any evidence to support wrongdoing. Jeff Graham has stated there is money missing from reports but until evidence can be produced that it was wrongfully disbursed then the Board cannot take action against anyone. The Board assured residents that they are doing everything they can to protect the Town financially, however, they must do their research to ensure they are acting appropriately and within the limits of the law governing them.

16. Graham update

- Jeff Graham reported that 113 letters to residents asking them to confirm property tax payments made to the Town for the 2013, 2014 and 2015 tax years. There will be approximately 50 additional letters sent out the following day.
- The hope is that all recipients will take the letter seriously and respond in a timely manner. The Board will be requested to follow up with anyone who does not return the information.
- There is currently no evidence of tax payments made for 86 residents for the 2015 year, and 110 for the 2014 year.
- Jeff Graham stated that the Board should expect to have a report of audit findings by Monday October 31, 2016. This report will also detail if delinquent tax penalties and interest were charged to residents.
- Jeff Graham reported that there are many items requested that have still not been provided by the Treasurer. High on the list of items required is the back-up thumb drive containing tax information that has not been made available to the Board. The entirety of the financial records is required for the audit firm to provide a full and complete report.
- Jeff stated that many of the mortgage company payments for taxes escrowed by tax payers has still not been provided, however, the Treasurer did provide one document the previous week that detailed some of these payments.

17. NEMRC update.

- The Board agreed unanimously that this item was discussed in previous agenda items and that no further discussion was required at this time.

18. Hayes Accounting update.

- Under the Boards unanimous authority for Scott Morley to continue discussions with the Accountant Eva Hayes; Scott reported that he discussed the current situation with Eva and explained that the Board is looking at hiring a bookkeeper to perform work under the Boards authority instead of moving forward with an accountant to oversee and review the work.
- Eva will wait for the Board's decision on how they will proceed and if her services are required.

19. Select Board Bookkeeper update.

- The Board agreed unanimously to speak with Attorney Paul Gillies to determine their authority to proceed with the hiring of a bookkeeper to work under their direction and determine what responsibilities can be delegated and removed from the Treasurer under Vermont State Statutes.
- The Board will discuss their options when they receive legal counsel.

20. Other business.

- Agenda item #5- Fireworks contract was discussed with David Gallup.
- Mr. Gallup confirmed that his property can be used for set up of the fireworks display at the 2017 Coventry Day on July 8th, 2017.
- The Board agreed unanimously to hold on signing the contact with North Star Fireworks until payment and discount questions can be answered as previously discussed.
- Mike Marcotte signed on behalf of the Board a confirmation to Pike Industries Inc. to grind and repave a section in front of the Town Garage. The total expense is \$450.00.
- Scott Morley presented the Board with a letter of resignation from his position on the Coventry Select Board with a two-month notice. Scott Morley will serve as a Board Member until January 1, 2017.
- The Board will consider a replacement to be appointed at that time. A new Select Board member will need to be elected by residents at the March 2017 Town meeting to complete the remaining one year of Mr. Morley’s three-year Board term.

21. Sign orders.

Payroll	Week ending 10/22/16	\$ 2,048.03
Accounts Payable	10/26/16	\$ 10,396.80
Signed by the Board for the Treasurer to draw checks totaling		\$12,444.83

22. Meeting adjourned at 7:02 p.m.

The next meeting is scheduled for Monday October 31st, 2016

Michael Marcotte / Chairman

Bradley Maxwell

Scott Morley

Amanda Carlson / Select Board Clerk