

Selectboard Regular Meeting • October 24, 2019
Approved Minutes

Selectboard Present: Herb Childress, Chris Fenton, Carl Haynes, Patty Kenyon, Terry Redfield

Town Officers Present: Auditor Juanita Burch-Clay (8:00 pm); Town Auditor Sarah Grimm; Town Treasurer Jenny Talke Munyak; Road Foreman Bill Reed

Public Present: George Gonda, Don Hemenway, Peter Stevenson

Called to order: 7:03 p.m.

Remember to register to vote!

Minutes: T. Redfield moved to approve the minutes of the meeting of October 10th meeting; P. Kenyon 2nd; [*C. Haynes abstained, all others in favor, motion carried*].

Public: George and Don came to discuss the site presentation visits on Saturday, November 2nd (rain day November 9th). Any documentation that the Fire Association would like to print should be sent to H. Childress by Monday at latest.

Peter Stevenson asked to see the documentation of the plans and specifications of the proposed town office. P. Kenyon said that the drawings are available on the town website, and haven't changed since they were developed in 2016; those drawings are the basis of the engineering report. The estimate is not a public document, because it may influence the bidding; P. Kenyon will review them individually with Peter, but no copies will be made.

Town Officers: J. Munyak has sent the Board and Auditors a proposed investment policy. The external audit has recommended that the town adopt an investment policy. We will discuss this at our next meeting. The Treasurer and Auditors have reviewed the audit recommendations and have developed a plan to address them. The Treasurer is working with the Library Board to coordinate accounting practices, and will have a report at our next meeting. (*See Auditors' Report* later in these minutes.)

She has also sent a first installment to Fuller Sand & Gravel for the RT140 paving project, and she has worked with the bank to check on cash flow; we will not need to take out a short-term loan in advance of the grant reimbursement, and can make the second half of the payment out of the town account.

We continue to receive claims of a late fee on the most recent installment on the JCB backhoe, and continue to dispute it.

Highway: Spruce Knob project is near completed, slowed by lack of trucking for materials.

The FEMA reporting is moving along, slowly but accurately. We will have a meeting with our FEMA case manager on Tuesday 10/29 at 10am. Josh Carvajal of VT ANR is advocating for FEMA to reimburse us for the upgrading of culverts (typically not covered), which typically is outside emergency reimbursement.

The most recent rain and wind storm caused no damage, aside from trees down. Thanks to community members who maintained their own driveway culverts during the storm.

There are still a few driveways on RT 140 that need to be leveled; Fuller Sand & Gravel has not responded to requests for a field inspection to check shouldering and driveway/road aprons.

Two large trees are threatening to fall in the Poultney River near the town line. Bill has asked Josh Carvajal for advice on managing them, to reduce the erosion behind the roots if they do fall.

Ryan Curtis from LifTech has made an offer of reduced cost on a replacement “heavy-duty” bucket; Bill thinks it’s still not going to be substantial enough to stand up to regular work. He has seen the actual JCB buckets (not the second-party ones that LifTech uses) and thinks those are fine. So we might investigate a replacement that won’t come from LifTech. C. Haynes moved that we hire our attorney to contact LifTech over the outstanding balance related to the JCB warranty work, and to pursue the issue of the bucket replacement with JCB if we are not satisfied by LifTech’s response; T. Redfield 2nd [*all in favor, motion carried*]. C. Fenton will call Gary Kupferer with our request.

Town Lands: The election for town facilities is set, as is the informational meeting (November 13, 7:00 pm) and the site visits (November 2, 9:00 am). VT ANR and VTRANS will offer their commentary on the West Street study within the next week to ten days.

Correspondence:

- Reports and annual requests from Rutland Mental Health Services (\$867); Green Up Vermont (\$50); and RSVP/Volunteer Center (\$200)
- JCB notice of overdue charge for most recent loan payment. P. Kenyon will contact JCB Finance to dispute the overdue charge.

Auditors’ Report: Juanita Burch-Clay presented the Auditors’ report on the external audit management letter from Sullivan, Powers (S/P). S/P noted two material weaknesses (presenting a reasonable possibility that errors or fraud could occur) and four significant deficiencies (presenting a minor possibility that errors or fraud could occur); no imminent problems were found.

The two material weaknesses—segregation of duties on cash handling, and management of transfer station payments—have already been under Auditor discussion, and new procedures are proposed by the Auditors and will be put in place soon. The Auditors are satisfied that the Town is not at meaningful risk in either case.

The four significant deficiencies:

1. netting revenues and expenditures—this has already been modified to best practices by the Treasurer, once S/P raised the concern back in the spring.
2. authorization of general ledger entries—this has been done by the Selectboard, but the Auditors recommend that the Board pass a policy requiring this practice.
3. re-establishing cost-based accounting for investments, primarily the Copeland Milk Fund—this will require work by the trustees of those various public funds.
4. developing an accounting manual—the Treasurer is at work on this, but it's an extensive process.

S/P also had a number of smaller recommendations, more in the line of tuning up rather than problems. The Auditors recommend:

- adopting a fraud policy and conduct a fraud risk assessment;
- adopting an investment policy;
- purchasing a cash register for the Town Office;
- updating the procurement policy;
- adopting the Federal “Uniform Guidance Policies” for receiving federal funding; and
- more thorough coordination of accounting with the Library.

The S/P audit and management letter can be reviewed at the Town Office. The Board expressed its gratitude to the Town Auditors for their thorough and careful attention to the work of the external audit.

Board Orders: H. Childress moved to approve the board orders; P. Kenyon 2nd; [*all in favor, motion carried*].

Other: The VT Secretary of State has updated the accessible voting machine and its associated printer; Terry and Laura worked with the Secretary of State representative.

Adjourn: H. Childress moved to adjourn; C. Haynes 2nd; [*all in favor, motion carried*]. Meeting adjourned 9:43 p.m.

Respectfully submitted,
Herb Childress, Selectboard Clerk