

FEBRUARY 28, 2006 MINUTES  
WARREN SELECT BOARD  
WARREN TOWN HALL  
7:00 PM

**MEMBERS PRESENT:** Barry Simpson, Mac Rood, Burt Bauchner.

**MEMBERS ABSENT:** Steve Butcher, Mike Brodeur

**OTHERS PRESENT:** Fred Duplessis, Paul Giuliani, Bob Messner, Elaine Fuller, Priscilla Robinson, Susan Simpson, Susan Roy, Tim Piper, Cindi Jones.

**7:00 PM** – Meeting called to order by Mr. Simpson.

**7:02 PM** – APPROVAL OF MINUTES FROM FEBRUARY 14, 2006 – Motion by Mr. Rood to approve the minutes of February 14, 2006, seconded by Mr. Bauchner. All in Favor: 3-0.

**7:05 PM** – SULLIVAN & POWERS CPA, FRED DUPLESSIS. – Mr. Bauchner inquired about how long Sullivan & Powers have been in business and to what experience that Mr. Duplessis has. Mr. Duplessis is a senior partner in the firm and audits about 40-50 municipalities a year. His firm has audited about a 100+ municipalities over the past 30 years. Mr. Duplessis explained that the town is on a cash basis, (GAP) General accepted accounting principals) and that 1/3-1/2 of the municipalities are still utilizing cash basis. Mr. Duplessis explained that his services are expanded more because the risk is higher when you have a lot of reportable conditions.

Mr. Bauchner asked a question regarding the letter of schedule of findings and reportable conditions from the single audits of why the letter was dated January, and that the board did not get it until July. Mr. Duplessis and Mr. Giuliani explained that we were required to have a single audit These audits were required by the EPA, and that the town had spent over \$500,000.00 in federal funds. These audits were long and tedious due to the fact that much of that money was spent for the wastewater project and that the Town was given 4 grants – The Demonstration Grant (1<sup>st</sup> of its kind) revolving loan fund, state money and Stag money. In working with the state accountant (Mark Smith) at ANR, Don Phillips (Forcier and Aldrich) a lot of time and percentages went into taking piece by piece and applying it to the correct grant. There was a lot of turn over in processing the grants at the Warren office hence the reportable conditions concerning grants. This had now been corrected. These audits included the federal compliance issues, and it was not anticipated that it would take as long together the information together. This had to go all the way back to the beginning of the project and it was one of the most difficult audits done from a financial standpoint to deal with. Mr. Duplessis explained that most of the reportable conditions can be taken care in house with discipline.

Mr. Giuliani explained the duties of the Treasurer under the state statues. The Treasurer is responsible for signing checks, doing board warrants, investing funds with the direction of the Selectboard, deposits, paying invoices, paying money to the school system. They

are not required to other bookkeeper functions. The general journal entries are not the responsibility of the treasurer. In many towns the treasurer has two roles; elected as treasurer by statues, when they work as a bookkeeper they work for the selectboard as per job description. Warren is not alone many towns the treasurer acts in two roles.

Mr. Simpson inquired about changing the fiscal year. Mr. Duplessis explained the pros and cons of changing the fiscal year. One it is very difficult to do an accrual basis and have an ending year of December 31. It makes it very difficult in timing to get the information done for the town report and off to the printers. Mr. Duplessis recommended that the board do a fraud risk assessment and meet as a group to minimize risks and how to accept the risks. Mr. Giuliani suggested contacting the City of Montpelier did this last year. The board could follow up with Montpelier on how they did this. The downside of changing the year is that you are ½ way through the year; you have to make your projections of budgets longer, and estimate projections for 18 months instead of 12 months. The way it is currently done is that it is a 12 month year and the numbers are more accurate. Also being a sending town, Warren is more volatile in the tax cycle. A good number to keep in the General Fund is between 5%-10%. At the end of December there was an amount of \$962,000 in the general fund balance. The excess in the general fund can be used to stabilize tax rate over the years. In other wards, if the current system works, leave it as it is.

Motion by Mr. Rood to authorize Mr. Simpson to sign the engagement letter from Sullivan & Powers, seconded by Mr. Bauchner. All in Favor: VOTE: 3-0.

**8:10 PM.** – BOB MESSNER – TOWN MODERATOR – CHECK IN VISIT FOR TOWN MEETING DAY – Mr. Messner suggested that the board highlight the points of the budget. It was suggested by Mr. Simpson that Mr. Rood would highlight points on pages 20, 21 and answers questions on those pages. Mr. Brodeur would highlight points on pages 22, 23 and answer any questions. Mr. Bauchner would highlight points on pages 24, 25 and answer any questions. Mr. Simpson would address highlights on page 19 and answer any questions. Ms. Jones would answer questions on the wastewater budget.

**8:30 PM** – MAD RIVER CHAMBER OF COMMERCE – SUSAN ROY, TIM PIPER - Ms. Roy came before the board to explain about the Mad River Valley Wedding Professionals Group. She explained that it is a cooperative collaboration effort of Valley Competitors” based on mutual trust and respect. They have existed since 2004 and that the wedding business brings in and average revenue of \$500 per guest. Over the years from 2002 to 2005 it has increased from \$2.6 million in revenue to \$4.4 million in Valley revenue.

Ms. Roy also presented a plan on what the new top gas information site would look like after renovations are made as indicated in the proposed plan. Ms. Roy has been in contact with the owner several times and he is interested in the project, but is not sure what he wants to do with land as it could be used to access the back part of his property across the river land. Ms. Roy also indicated that the Chamber could get funding in the

“New By Ways” Grant Program to renovate the existing structure. Ms. Roy explained that the project cost would be some where around \$12,000. She will keep us informed as to the progress on this.

**OTHER BUSINESS:** Mr. Rood presented information from a meeting that he attended about the “VT RT 100 Byway Designation”. Moretown has already approved their part of RT 100 as a VT Byway Designation. He explained that the project gives towns access to money, towns could collaborate on signage, traffic calming, Mad River Path, and that the VT Byway Designation doesn’t affect the permitting process.

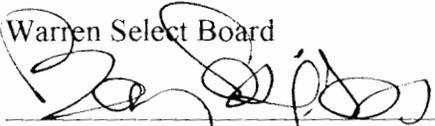
Mad River Valley Planning District: Mr. Rood explained that the district has come up with some short term and long term goals. That they want to focus on projects and get them done. Short Term – Focus on finishing the Path, bolster the bus system, and affordable housing (assist Warren, collaborate with Sugarbush). Long term/Visionary goals: Sustainable agriculture, energy dependency, promote more citizen involvement in the planning process. The intermediate goals are: Irasville planning, 3 town collaboration, MOU/Sugarbush data/economic impacts. The district is moving forward in finalizing a job description and they want a person that is good with people, public relations, promote projects and open the communications. It would start as an entry level position and move up gradually.

Ms. Jones informed the board that Bob Tracy is resigning as dog catcher and that she will be working with Waitsfield in a team effort to recruit someone.

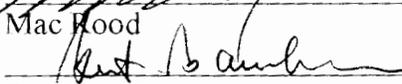
**9:30 PM** – Meeting Adjourned.

Respectfully Submitted by,  
Cindi Hartshorn-Jones, Warren Town Administrator

Warren Select Board

  
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Barry Simpson, Chair

  
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Mac Rood

  
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Burt Bauchner

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