

**PAUPACK TOWNSHIP
BOARD OF SUPERVISORS**

**MEETING MINUTES
February 10, 2011**

The Paupack Township Board of Supervisors conducted their monthly meeting on Thursday, February 10, 2011 at the Paupack Township Municipal Building. The meeting was called to order at 7:30 p.m. by Mr. Bruce Chandler, Chairperson Board of Supervisors.

The following Township officials were present at the meeting:

Mr. Bruce Chandler, Chairperson	Mr. Thomas Oakley, Supervisor
Mr. Leigh Gilbert, Supervisor	Mr. Ronald Bugaj, Solicitor
Mr. James Martin, Planning Consultant	

The following members of the public were present at the meeting:

Mr. Glenn Hoffmann	Mr. Dave Chicoski
Mrs. Maryann Chicoski	Mr. Rich Chicoski
Mr. A. Cimino	Mr. Charlie Schiffmacker
Mr. Walter Burgin	Mrs. Sara Burgin
Mr. John Barnett	Mr. Robert Rozema
Mr. Justin Hoffmann	Mrs. Alice Marz
Mrs. Ruth Herman	Mr. Jack Gourley
Mrs. Nancy Duff	Mr. Ken Kestel
Mr. Barry Novack	Mr. Peter Becker
Mr. Robert Kiley	Mrs. Kathy Smyth

Mr. Chandler opened the meeting by asking all present to participate in the Pledge of Allegiance. The Pledge of Allegiance was followed by the reading of a written statement by Mr. Chandler on behalf of the Board of Supervisors. The statement presented is attached to the meeting minutes.

Following the public statement, Mr. Chandler requested that Attorney Bugaj provide any additional comments and address any questions that the general public has regarding the status of the investigation.

Attorney Bugaj thanked the Board of Supervisors and commended them for taking a leadership role in initiating the investigation once they suspected irregularities in the fiscal operations of the Township. Attorney Bugaj commented that at this point in time there is a formal investigation underway which will limit his ability as well as the Board of Supervisors in providing specific details related to the investigation. Attorney Bugaj offered the following comments about the investigation:

- The Township Board of Supervisors initiated an internal audit through and independent auditor of Township finances in September, 2010 based upon a concern about financial irregularities.
- Independent auditors identified financial irregularities and brought them to the attention to the Board of Supervisors who in turn alerted legal counsel.
- The Paupack Township Secretary / Treasurer was terminated by Mr. Bruce Chandler, the Secretary / Treasurers direct supervisor and Chairperson of the Township Board of Supervisors on January 31, 2011.
- The Board of Supervisors in conjunction with legal counsel contacted the Wayne County District Attorney and the Pennsylvania State Police about their findings and concerns.
- At this point in time the investigation is focusing solely on the Paupack Township Secretary / Treasurer.
- Once the determination is made concerning the exact amount of funds which are missing the Board of Supervisors are committed to seeking full restitution through whatever means are available to them.
- The Paupack Township Secretary / Treasurer position in the Township is a bonded position. The Board of Supervisors has notified their insurance carrier concerning the investigation.

Attorney Bugaj concluded his comments by stressing that there is an active and on-going investigation underway and that the Board of Supervisors are working closely with local law enforcement and the independent auditors to make sure all information which is available is provided. As the Board of Supervisors indicated within their opening statement, the Township is committed to full transparency and they assured you that as information becomes available that can be shared with you and it does not jeopardize the investigation they will share that information with you at a public meeting. The floor is now open for any questions you may have.

1. What is the statute of limitations?

Answer: It is at least four years. It could be more but at this point we are not absolutely sure.

2. Who determines the scope of the investigation – the number of years back in time the auditors will review the Township records?

Answer: The Board of Supervisors

3. What is the Township's exposure?

Answer: We are not sure at this point in time. As the investigation continues we will get a better idea as to the total amount of money involved. The Board of Supervisors will be completing a Victims Impact Statement which will provide the Township with the opportunity to quantify the loss to the Township. This statement will include all cost including the auditors cost and any legal cost.

4. Who is the auditor?

Answer: Brian Kelly, no relationship to the former Secretary / Treasurer.

5. Who pays the Township restitution?

Answer: Restitution will likely be ordered by the Judge in a criminal case where there is a finding of guilt or a guilty plea. The Township will submit any claim for loss to its bonding company, and may pursue a civil action to recover monies owned the Township.

6. What will the steps be from this point forward?

Answer:

- State police and D/A will complete their investigation.
- Decision will be made on criminal charges.
- Arraignment
- Preliminary hearing
- Hearing

By the end of this calendar year the process should be complete.

7. What safe guards will the Township put in place?

Answer: The Board of Supervisors has requested that the auditor provide recommendations to them identifying changes in policies or protocols related to the fiscal operations within the Township. Once the Board of Supervisors receives the recommendations from the auditor, they will review them and determine next steps.

8. Is there going to be a shortfall in the Township budget in 2010? 2011?

Answer: The Township does not anticipate a budget shortfall in calendar year 2010 but maybe 2011 depending on the outcome of the investigation. The Supervisors emphasized that there will be no impact of services.

9. How long was Mrs. Kelley employed within the Township?

Answer: twenty-two (22) years.

Attorney Bugaj thanked those in attendance for their questions and once again assured them that when the Board of Supervisors have any additional information that can be shared without jeopardizing the investigation they will share that information at a public meeting.

Approval of the Thursday, January 13, 2011 Board of Supervisors Meeting Minutes – After reviewing the minutes, Mr. Thomas Oakley made a motion to accept the minutes as presented. Mr. Bruce Chandler seconded the motion. All voted yes to accept the minutes as presented.

Treasurers Report – A motion was made by Mr. Bruce Chandler to accept the report as presented and Mr. Leigh Gilbert seconded the motion. All voted yes to accept the report as presented.

Appointment of Temporary Office Administrator – The Board of Supervisors described this position as a position that would permit Mr. Oakley the opportunity to work in the office supporting the work of the independent auditors, gathering information for their review. In addition, Mr. Oakley will be performing various administrative functions within the office. Mr. Oakley will distribute his time between his work on Township roads and the Township office. The Township auditors will meet to establish the hourly rate for this position. A motion was made by Bruce Chandler to approve this position and Mr. Leigh Gilbert seconded the motion. All voted yes to create the position.

The Board of Supervisors will be reviewing job descriptions and determining next steps within the hiring process related to a new Secretary / Treasurer for Paupack Township.

Big Bear Campgrounds – Attorney Bugaj reported that efforts are moving forward to the construction phase of the project. More information should be available at the next meeting.

Code Enforcement Office Report – It was reported that during the month of January, 2011 two permits were issued, one permit for a deck and one permit for a shed.

Subdivisions:

- 1) **Subdivision Number:** 2011 # 02
Owner: Alan Weinstock
Tax Map / Lot Number: 19-0-0032 Parcels 105 and 106
Development: Wallenpaupack Lake Estates
Request: Consolidate two (2) existing lots into one (1) lot

This lot consolidation was reviewed by the Wayne County Planning Commission which had no comments. The Paupack Township Planning Commission had no further comments.

Recommendation:

The Planning Commission reviewed this request at their monthly meeting conducted on Thursday, February 3, 2011 and recommends final approval for this lot consolidation.

After reviewing this request and the recommendation from the Planning Commission Mr. Thomas Oakley made a motion to approve this lot consolidation request. Mr. Bruce Chandler seconded the motion. All voted yes for this lot consolidation.

- 1) **Subdivision Number:** 2011 # 03
Owner: Ruth Schuchart
Tax Map / Lot Number: 19-0-008- parcels 87 and 88
Development: Lakeland Colony
Request: Consolidate two (2) existing lots into one (1) lot

The applicant provided a revised map at the Paupack Township Planning Commission Meeting. This lot consolidation was reviewed by the Wayne County Planning Commission which had no comments. The Paupack Township Planning Commission recommended that the property deed be revised for presentation this evening at the Board of Supervisors meeting.

Recommendation:

The Planning Commission reviewed this request at their monthly meeting conducted on Thursday, February 3, 2011 and recommends final approval for this lot consolidation.

After reviewing this request and the recommendation from the Planning Commission Mr. Bruce Chandler made a motion to approve this lot consolidation request. Mr. Thomas Oakley seconded the motion. All voted yes for this lot consolidation.

Announcements – The Food Pantry will be open on February 24, 2011 from 11:00 a.m. to 2:00 p.m.

Correspondence

The Wayne County Conservation District sent correspondence to the Township indicating that a dock permit was approved for a dock located on Lake Wallenpaupack.

A letter was received from the Department of Environmental Protection (DEP) informing the Township that their application submitted to repair a water retention basin on the property owned by Bakker Marina was denied. The Township is reviewing options with the property owner to include the property owner completing the repair or the Township resubmitting the grant application in the fall.

Road Masters Report – The Road Masters report was presented. After review Mr. Thomas Oakley made a motion to accept the report as presented. Mr. Bruce Chandler seconded the motion. All voted yes to accept the report.

No New Business

No Old Business

Adjournment – 8:25 p.m.