

1. Meeting Agenda - June 9

Documents:

[MEETING AGENDA - JUNE 9.PDF](#)

2. Minutes Subject To Approval - June 9

Documents:

[MINUTES SUBJECT TO APPROVAL - JUNE 9.PDF](#)

3. Approved Minutes - June 9

Documents:

[APPROVED MINUTES - JUNE 9.PDF](#)



**TOWN OF GREENWICH
BOARD OF ESTIMATE & TAXATION**

AUDIT COMMITTEE MEETING

Thursday, June 9, 2016

8:00 A.M.

Gisborne Room

AGENDA

1. Approval of the BET Audit Committee Meeting Minutes of May 16, 2016
2. Risk Management Report
 - Update on Insurance Contract Renewals
 - Quarterly Review of Claims versus the Town of Greenwich
 - Safety Inspection Update: Review of Safety Inspection Reports
 - Greenwich High School Cardinal Stadium
 - North Street School
 - Eastern Middle School
 - Hamilton Avenue
 - FEMA Update
3. Internal Audit Report
 - Update on Draft Internal Audit Limited Scope Report on Town Leases
4. New Business
 - Search for New Internal Auditor
5. Old Business
6. Items for Future BET Audit Committee Meetings
 - July Audit Committee Meeting
7. Adjournment

BOARD OF ESTIMATE AND TAXATION
Audit Committee Minutes
Thursday, June 9, 2016 – 8:00 A.M.
Gisborne Conference Room

Present

Committee: Arthur D. Norton, Chairman; John Blankley, Michael Mason, Jill Oberlander

Attendees:

Peter Mynarski, Comptroller; Ron Lalli, Director Risk Management; Laura Erickson, Chair, BOE; Ron Matten, Director of Facilities, BOE; Mary Lee A. Kiernan, BET Member; Ben Branyan, Town Administrator

The regular meeting was called to order at 8:09 A.M.

1. Approval of Audit Committee Minutes:

- **Audit Committee Meeting May 16, 2015**

Upon a motion by Mr. Blankley, seconded by Ms. Oberlander, the Committee voted 4 - 0 to approve the May 16, 2016 Meeting Minutes, with Ms. Oberlander's copy changes.

2. Risk Management Report

- **Update on Insurance Contract Renewals**

Quotes are expected the end of June.

General Liability: The final quotes for liability coverage have not been received. The Town's primary liability carrier, Starr Indemnity, will no longer provide coverage for municipalities for the U.S. market. Mr. Lalli will inform the Committee when the quotes are received from Frenkel & Co.

Property: The final quotes for property coverage have not been received. Frenkel & Co reported that the property market is relatively positive this year and rate hikes should be minimal. Mr. Lalli cautioned that there will be an increase in the premium due to additions to the statement of values.

Cyber Liability: The current coverage is capped at \$1,000,000 (one million dollars). Frenkel & Co is pricing increases to this coverage mostly at the \$2,000,000 (two million dollars) level.

Bruce Museum: Since there were no claims against this policy a credit of \$3,600 (three thousand, six hundred dollars) has been received. Ms. Oberlander questioned the effect of a possible expansion project. Mr. Lalli replied that coverage is included under the Town's property insurance contract that allows for \$30,000,000 (thirty million dollars) in construction in progress, no need for a separate builder's risk policy.

Workers' Compensation & Employers Liability Coverage: A quote has been received that is less than the current year's premium, a positive versus recent history.

School Sports Accident: Renews in August. Hopeful for a stable premium based on Fiscal 2016 claims history versus the policy.

Risk Retention: As part of the FY 2017 budgeting process, Risk Management transferred \$25,000 (twenty five thousand dollars) to support a pilot program for departmental accountability for at fault accidents with Town vehicles. With the RTM budget cuts, P&R has eliminated this transfer from their budget. Risk Management would like to eventually expand this program town wide but there will probably be no progress in this area for Fiscal 2017, due to the budget cuts.

Mr. Lalli stated that for FY 2016 the 908 budget is trending positive \$462,000 (four hundred sixty two thousand dollars) on a \$3,300,000 (three million, three hundred thousand dollars) base. Mr. Mynarski stated that the Town will encumber approximately \$200,000 (two hundred thousand dollars), and the remaining surplus credited to the General Fund.

- **Quarterly Review of Claims versus the Town of Greenwich**

A dramatic reduction of auto accident third party claims noted, helping reduce overall third party claims versus the Town.

- **Safety Inspection Update: Review of safety Inspection Reports
Greenwich High School Cardinal Stadium**

With the June 21st GHS Graduation Ceremony to be held in Cardinal Stadium, a stress test was set to begin June 8. Mr. Matten is expecting a verbal report, any restrictions on occupancy, today. An action plan of remediation efforts was presented. The Press Box is scheduled for repair this summer. Temporary screening in the Press Box area will be in place prior to the graduation ceremony.

Applied Risk assigned an overall rating of average, based on a May 10th limited inspection of the stadium grounds, bleachers and access roads. Recommendations were:

- Stress testing by structural engineer of home stand bleachers and Press Box
- Bleachers need to be ADA compliant
- Replacement of concrete steps with nonskid abrasive strips
- Installation of mid rails and hand railings on entrance steps
- Inspection and replacement of seating end caps and railings
- Extension of fencing along bridge access walkway
- Replacement of wood table and bench

Mr. Mason expressed that the Town might focus on new projects and sometimes overlook existing facilities. Mr. Madden replied that the BOE has a four-year review cycle of all facilities with assistance from Risk Management. Ms. Oberlander questioned the revenue from field rentals. Ms. Erickson replied that a reservation schedule for openings is sent to P&R, who manages field reservations outside of BOE. Mr. Mynarski will review the revenue stream.

Repairs to the Hamilton Avenue School garage are scheduled for summer. Mr. Matten will have draft responses to the inspections of North Street and Eastern Middle schools in July.

The Committee suspended the current agenda and went to Item 6 on the agenda due to the arrival of Mr. Branyan.

Upon a motion by Mr. Mason, seconded by Ms. Oberlander, the Committee voted 4-0 to address agenda item #6.

At the previous day's BET Nathaniel Witherell Strategic Planning Committee Meeting Mr. Larry Simon, Chairman, Nathaniel Witherell Board of Directors, stated that the facilities' pavilion is currently housing five residents and needs remodeling. Mr. Norton stated that Chapter 57 of the Town Chart does not address this issue. He asked Mr. Branyan for guidance from the First Selectman's Office for clarification and proper governance.

Ms. Oberlander posed questions: does this use comply with use restriction in the deed, who owns, operates and maintains and leases this facility, selection of tenants? Is this authority split between the Town, the Board of Nathaniel Witherell or the Affordable Housing Authority?

Referring back to the topic of revenue from school field rentals, Ms. Oberlander asked Mr. Branyan for the procedure currently in place for the collection of revenue from field rentals. Mr. Branyan replied that BOE has the first usage then P&R fills in the gaps with rentals. This income then goes into the Town Budget. Mr. Norton stressed the importance of this governance issue, which will be placed on the July agenda.

North Street School

Applied Risk assigned an overall rating of average, based on a May 10th limited inspection of general liability exposures limited to the exterior conditions at the school, parking lot, playground and activity fields.

Recommendations:

- Entrance yellow curbing needs repainting, tripping exposure
- Northeast Adventure apparatus not supervised on weekends, needs prohibitive signage
- North side drainage basin needs prohibitive signage to deter small children, south side basin needs unclogging - *Ms. Oberlander questioned whether the sign language of "Danger" could be toned down.*
- Activity field perimeter dead tree removal
- Swing cushion mats need replacement and additional wood chip cushioning - *P&R will address this recommendation with deeper wood chips going above the recommended certified depth.*
- South side runoff basin in poor conditions. Fencing and gate need repair
- Port-a-john in field should be locked during off hours

Eastern Middle School

Applied Risk assigned an overall rating of average, based on a May 10th limited inspection of general liability exposures limited to the front entrance, exterior building perimeter, activity field and parking areas.

Recommendations:

- Front step landing lips cause tripping exposure, flaking and pitting from rock salt and mid rail installation needed
- Rusted front entrance fencing needs replacement
- Railing installation along southern edge of front south concrete walkway
- Unprotected electrical outlets on building perimeter need G.F.I. protection and weatherproof covers
- Universal warning signs needed posting near sculptures throughout the campus
- Debris removal from gas main into building
- Entrance yellow curbing needs repainting, tripping exposure
- Decorative seating and benches need repair and/or replacement
- Exterior walkway concrete patching needed

- Water ponding on northwest section of sidewalk
- Removal of dead trees and branches throughout the property
- Removal and replacement of bleachers
- Surrounding residents have installed fencing and gates for access to property need to be removed or secured at all times - *Mr. Mason recommended fence replacement to limit accessibility by residents and their pets.*
- Access steps and rails need repair or replacement at various locations
- Port-a-john in field should be locked during off hours

- **FEMA Update**

Two remaining worksheets will be closed and sent to the State by the end of the week. Mr. Lalli is expecting possibly another \$1,500,000 (one million, five hundred thousand dollars) in receivables.

Mr. Lalli does not expect any problem between these receivables and the Green Point Conservatory's \$25,000 (twenty five thousand dollars) grant for reinforcement of the Old Barn, which Ms. Leslie Tarkington, BET Member had previously brought to his attention.

3. Internal Audit Report

- **Update on Draft Internal Audit Limited Scope Report on Town Leases**

Mr. Lalli submitted a revised draft incorporating Ms. Oberlander's suggestion to simplify the summary findings and observations. He will meet with Mr. Branyan to discuss First Selectman Mr. Tesei's recommendations regarding sewer tax collection and will report at a future meeting

4. New Business

- **Search for New Internal Auditor**

Mr. Lalli distributed nine candidate resumes to Mr. Blankly and Mr. Norton for review.

5. Old Business

Two large and old insurance settlements have been finalized. Total due will be approximately an additional \$45,000 (forty five thousand dollars).

6. Items for Future BET Audit Committee Meetings

The Committee decided to reschedule the July meeting to Friday, July 29 due to Mr. Lalli's absence on the original date of July 18th.

7. Adjournment

Upon a motion by Mr. Mason, seconded by Ms. Oberlander, the Committee voted 4-0 to adjourn the meeting at 10:17 A.M.

The next meeting of the Committee was rescheduled for Friday, July 29, 2016 at 8:00 A.M. in the Gisborne Conference Room.

Arthur D. Norton, BET Audit Committee Chairman

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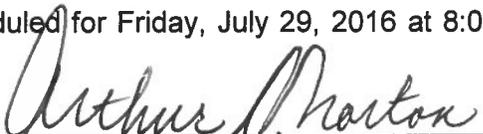
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