

1. BET Audit Comm. Meeting Document

Documents:

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[BET\\_AUDIT\\_COMM\\_MEETING\\_AGENDA\\_06-12-14.PDF](#)  
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**BOARD OF ESTIMATE AND TAXATION**  
**Audit Committee Minutes**  
**Thursday, June 12, 2014 – 8:00 A.M.**  
**Gisborne Conference Room**

Present:

Committee: Arthur Norton, Chairman  
John Blankley, William Finger, Leslie Tarkington

Attendees: Peter Mynarski, Comptroller; Ron Lalli, Director of Risk Management;  
Pat Maranan, Internal Auditor  
Sean Goldrick, BET Member joined the meeting at 8:50 A.M.

The regular meeting was called to order at 8:02 A.M.

**1. Approval of Minutes: Audit Committee Meeting May 8, 2013.**

Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the  
Committee voted 3-0 to approve the May 8, 2014 Meeting Minutes.

**2. Risk Management Report**

• **Insurance Renewals Update for Fiscal Year 2015**

Mr. Lalli presented preliminary quotes for contract renewals June 30, 2014. Property premiums should be stable however experience a moderate increase from the additions to the schedule of property values for Project Renew, MISA and the new Central Fire Station. Premium for the general liability contract should decrease in rate because of competition between carriers. The Self Insured Retention limits should remain at \$1,000,000 (one million dollars). Excess Workers Compensation premiums will increase because of unfavorable long term history. Overall insurance premiums should be within the Fiscal 2015 budget guidelines. As of June 2014 Fiscal 2014 actuals total \$3,054,138 (three million, fifty four thousand, one hundred thirty eight dollars). Mr. Norton stated that the approved Fiscal 2015 Budget will be adequate.

Mr. Lalli was very impressed with the risk control services offered by the Travellers Insurance Company. A bid for the Town's liability contract should be shortly forthcoming from Travellers. Mr. Norton recommended Mr. Lalli to review Travelers for Risk Control Services on General Liability. Mr. Finger and Ms. Tarkington asked to be notified of this quote since the policy will expire prior to the Committee's July 10, 2014 Meeting.

Mr. Mynarski reported that Mr. Ramer, BET Member, had requested that Finance, in conjunction with the Health and Law Departments, to investigate a possible insurance policy to cover the medical care providers who participate as volunteers with the Medical Reserve Corps (MRC). Mr. Lalli explained that the Law Department opined that these volunteers are afforded protection under State Statute and that he would research a quote. Non-medical care providers of the MRC are automatically covered under our existing contract as the volunteers are under control of a Town employee, the current operating principle.

• **Quarterly Update on Automobile Accidents, Third-Party Automobile Accidents  
Claims and Summary GPS Vehicle Safety Violations Data**

The quarterly report reflected a continued decrease since the implementation of the GPS monitoring system in 2012. The system oversees 175 (one hundred seventy five) vehicles for speeding, hard braking, hard acceleration and seat belt usage. Although speeding violations have shown a substantial improvement, Ms. Tarkington expressed her concern over speeds

recorded in residential/school areas. Mr. Norton noted the distance at excessive speeds data. This information is sent to department heads and the Selectmen's Office. Ms. Tarkington recommended for the Town Administrator to attend the September meeting, when the next quarterly update will be presented.

- **Safety Inspection Reports – Conducted and Scheduled**

Inspections were not conducted in June but will resume in August. Mr. Lalli said that some issues were found at the five Fire Department facilities visited. The Fire Department will be discussing resolutions with the Selectmen's Office which will be presented to the Committee.

### **3. Internal Audit Report**

- **Marina Winter Storage Audit**

Ms. Maranan distributed "The Internal Audit Report: Results of Town of Greenwich's Winter Storage Physical Inventories at the Marinas". The report reviewed all four Town marinas (Byram, Cos Cob, Grass Island and Greenwich Point). Internal Audit concluded that P&R has continued to make significant progress in establishing strong internal controls (physical inventories, investigation of unknown positions, pursuit of uncollected positions, removal of vessels through legal protocols and auctioning unclaimed vessels) while implementing recommendations and observations made from prior audits.

Ms. Maranan noted a decrease of unpaid boats from 76 (seventy six) in 2010, to 2 and a reduction in unknown positions from 52 (fifty two) in 2006, to 0. The decrease in revenue, starting in Fiscal 2013, was due to residual effects of Super Storm Sandy.

- **Update on Review of Parking Violations and Meter Collections Audit**

Mr. Lalli and Ms. Maranan provided an update on this audit and expressed the opinion that internal controls in certain areas of the process for collections and fine administration are not adequate. They expressed concerns over the nonuse of the automated features in coin collection as well as a lack of reporting on key attributes. A recommendation will also be forthcoming addressing the need for a Parking Enforcement Officers' rotation schedule.

Mr. Lalli has requested that the automated parking meters to be reset so a reasonable test of the system could be made to ascertain if the automated features, that controls and monitors the coin revenue collected, can be utilized. He noted that they still have audit work to perform in this area. Ms. Tarkington suggested expansion of meter usage to other areas of the Town.

A completed audit will be presented at the July Committee meeting.

### **4. Old Business**

- **Perrot Memorial Library Funding Policy Guideline Draft**

Kevin McCarthy, Perrot Library Director emailed the Perrot Library Board's guideline revisions to Mr. Eugene McLaughlin, Assistant Town Attorney the previous day. Mr. McLaughlin is currently on trial and will review upon return. The Committee will consider his comments at the July meeting.

### **5. Items for Future BET Audit Committee Meetings**

No items were discussed.

### **6. Adjournment**

Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the Committee voted 4 to 0 to add Executive Session to the Agenda.

Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the Committee voted 4 to 0 to move to Executive Session at 9:34 A.M. and requested Mr. Mynarski's attendance.

Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the Committee voted 4 to 0 to move out of Executive Session at 10:04 A.M.

Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the Committee voted 4 to 0 to adjourn the meeting at 10:04 A.M.

  
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Arthur D. Norton, BET Audit Committee Chairman

  
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Elaine JV Brown, Recording Secretary



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

**AUDIT COMMITTEE MEETING**

**Thursday, June 12, 2014**

**8:00 A.M.**

**Gisborne Room**

**AGENDA**

1. Approval of BET Audit Committee Meeting Minutes of May 8, 2014
2. Risk Management Report
  - Insurance Renewals Update for Fiscal Year 2015
  - Quarterly Update on Automobile Accidents, Third-Party Automobile Accident Claims and Summary GPS Vehicle Safety Violations Data
  - Safety Inspection Reports – Conducted and Scheduled
3. Internal Audit Report
  - Marina Winter Storage Audit
  - Update on Review of Parking Violations and Meter Collections Audit
4. Old Business
  - Perrot Memorial Library Funding Policy Guideline Draft
5. Items for Future BET Audit Committee Meetings
6. Adjournment

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Arthur D. Norton, BET Audit Committee Chairman

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Elaine JV Brown, Recording Secretary

SUBJECT TO APPROVAL