

1. BET Audit Comm. Meeting Documents

Documents:

[APPROVED_BET_AUDIT_COMM_MEETING_MINUTES_09-08-11.PDF](#)
[BET_AUDIT_COMM_MEETING_AGENDA_09-08-11.PDF](#)
[SUB_TO_APP_BET_AUDIT_COMM_MEETING_MINUTES_09-08-11.PDF](#)

BOARD OF ESTIMATE AND TAXATION
Audit Committee Minutes
Thursday, September 8, 2011 – 8:00 A.M.
Gisborne Conference Room

Present:

Committee: Arthur Norton, Chairman
William Kelly, Jeffrey Ramer

Attendees: Peter Mynarski, Comptroller; Ron Lalli, Special Projects
Coordinator; Aamina Ahmad, Town Attorney

Others: Robert Brady, 2012 BET Candidate

The meeting was called to order at 8:06 A.M.

1. Approve Minutes of Audit Committee Meeting

Upon a motion by Mr. Ramer, seconded by Mr. Kelly, the Committee voted 3 - 0 to approve the July 14, 2011 Minutes.

2. Internal Audit Report

TOG Marina Winter Storage Physical Inventories

Mr. Lalli updated the Committee as to the current inventory status. He noted that Parks and Recreation has made significant progress since the issue was first raised by the Internal Audit Department in 2005. He noted, without comment, that the Dock Master at Greenwich Point is no longer employed by the Town. Mr. Kelly noted that he is not satisfied with an undetermined period for how long past due accounts are to be with the collection agency before the paperwork to start the sale or disposal of a past due position is to be started.

Upon a motion by Mr. Kelly, seconded by Mr. Ramer, the Committee voted 3 - 0 to recommend after 90 (ninety) days with the collection agency, uncollected delinquent past due positions are to be subject to the start of the legal process for the physical sale or disposal of vessels.

After discussion, it was decided that a physical inventory of 2012 winter storage positions should be conducted. Mr. Lalli agreed that he would perform such an audit as directed.

Fleet Telematics Application Software/GPS

Mr. Lalli displayed the extensive capabilities of the GPS system, currently installed as four demonstration units on two Parks & Recreation and two Public Works vehicles. The application, once installed, has the ability to monitor vehicle location, engine idle time,, miles per gallon (MPG) usage, vehicle speed, as well as a whole myriad of diagnostic conditions . The program even has the means of creating geo-fences to enable location monitoring for breaches by vehicles. Mr. Lalli explained that a geo-fence could be put around the Town of Greenwich. Any vehicles leaving the Town would automatically be monitored and reported to management. Mr. Lalli noted that many departments could use the location finders to reallocate assets for more efficient deployment. He specifically noted DPW, Parks and Recreation and the Building Department. For DPW, he noted that GPS could be a significant aid in the snow removal effort. Mr. Lalli noted the cost elements for the proposed program. He noted that first year cost will be significantly higher than the following years due to the purchase cost of the hardware. Subsequent years would be almost entirely monitoring cost.

Mr. Kelly agreed that this GPS software offers useful information but that a policy/procedure “macro-picture” needs to be created first. He continued that the success of this application requires a collaborative effort between the Town and its employees and that employees need to be aware of the application’s monitoring abilities.

Mr. Lalli agreed that he would do his best, to return to the November BET Audit Committee meeting with an outline policy on usage and parameters, as requested by Mr. Norton.

Mr. Norton moved that the Committee skip to third agenda item under Risk Manager’s Report, Mr. Ramer agreed.

3. Risk Manager Report

Hold Harmless / Indemnification Agreements

Ms. Ahmad confirmed that the Law Department has reviewed and discussed the draft of the Indemnification Agreement for the Town which she presented to the Committee. Since the agreement will be the first time the Town has initiated this process, Ms. Ahmad requested to present it to the First Selectman for review within the next two weeks.

A group discussion followed initiated by Mr. Kelly to edit the second and third paragraphs of the agreement as follows:

“The Undersigned, (here in after including myself, my minor children or charges, my heirs and assigns) do forever discharge the Town of Greenwich, its agents, representatives, servants, officers and employees from any and all claims including claims of negligence or carelessness, alleging damages and any and all causes of such action which the Undersigned may have or may hereafter have, arising out of, related to, or in any manner connected with injuries or damages the Undersigned may sustain by reason of my participation in the above-described program or use of the Town of Greenwich property, facilities, apparatus or equipment.

The Undersigned, the participant or parent/guardian of the above named child, who participates in programs organized by the Town of Greenwich department of Parks and Recreation, assume all risks and hazard incidental to the conduct of the activity and transportation to and from the activity. I am aware that participating in any recreational program can be a dangerous activity involving risks of injury. I further understand there is inherent risk associated with the (se) activity (ies) and authorize emergency medical treatment and transportation in my absence.”

The Committee agreed the First Selectman should decide which department/activity will require this agreement to be completed.

Upon a motion by Mr. Kelly, seconded by Mr. Ramer, the Committee voted 3 - 0 to recommend to the full BET for its approval the Hold Harmless/Indemnification Agreement, as amended.

2. Internal Audit Report

Payments to TOG Volunteer Firefighters Draft Audit Report

Mr. Lalli stated that the account overview of volunteers was a challenge taking almost a month to complete. He noted the assistance of Ms. Maranan, Financial Analyst in the Finance Department. Mr. Lalli noted that GFD Administration and the Audit Department agreed that due to the emergency conditions forced upon the Town’s Fire Department that a general statement from the Fire Department would suffice with this initial report. Mr. Lalli explained that GFD Administration was very cooperative and that he feels that they do substantially agree with the

major observations made in the report. Mr. Lalli explained that the most substantial issues raised in the report were already known by GFD Administration. Mr. Lalli continued that he has been in contact with Mr. Kick, Assistant Fire Chief and was informed that one of his recommendations has already been automated.

Mr. Lalli's highlighted several areas of the report. He spoke in most detail about his concern with the number of callout payments denied as a result of individual volunteers not having the proper certifications up to date when responding to incidents. He expressed his opinion that the potential financial risk the Town incurs from these events probably far exceeds the financial cost of the program payments made to the Volunteers. He noted that 79 volunteers had their credentials up to date and he would like to think that they could be used as an example to all of the fact that all should be current. He noted the potential of OSHA fines that the Town could incur if these occurrences are monitored by this Agency. He noted that without expending many hours of forensic accounting that he was not comfortable with explaining who was at fault but he felt very strongly that it had to be reported that it did happen. He suggested that there be a more direct communication line between the Training Captain and the individual volunteers. He suggested that the best person to assist the Training Captain with this effort would be the Volunteer Coordinator. He noted this as an adjunct with his conversation on the limited administrative support currently in place at the GFD.

The GFD Volunteer Health Care Program was briefly discussed noting its relatively relaxed requirements for coverage. He noted that this is addressed in the report. Mr. Kelly recommended a cap on benefits. Mr. Norton requested a response from the Greenwich Fire Department (GFD) by the next BET Audit Committee meeting in October. Mr. Lalli expressed that a November reply would be more reasonable, but Mr. Norton reiterated his preference for October while thanking Mr. Lalli for his outstanding report.

Assessor/Building Permit Update

Mr. Lalli stated that currently he is in the middle of this audit and may be able to report back to the Committee at the October meeting. Mr. Ramer expressed his concern with several issues he wanted covered during this audit. Mr. Lalli agreed to address the issues raised by Mr. Ramer.

3. Risk Manager Report

Fiscal 2012 Insurance Schedule

Mr. Mynarski reviewed his 2011 Renewal Schedule of Insurance. He explained the additional premium for St. Catherine's of Siena is because the basement is used by BOE. Mr. Mynarski noted that next year he will be asking Mr. Irizarry, Senior Vice President, Frenkel & Co., Inc. to combine four policies (Volunteers, Police/Fire Dept. Volunteers, Volunteer Fire Dept. – Accident and Volunteer Fire Dept. – Sports Accident) since they are redundant.

CIRMA – Contract and Cost Allocation Discussion

Mr. Mynarski stated that Mr. Fox, Town Attorney has expressed his concerns with auto and liability but that the contract was allowed to be extended till June 30, 201, with options to review next year. He added that CIRMA is familiar with the Town's current claims, making it a plus.

Mr. Mynarski then highlighted individual claims and dollar amounts in the Workers' Compensation Loss Analysis from CIRMA. He stated that currently there is a cost allocation in place and added that 30% (thirty percent) to 33% (thirty three percent) of the Town's cost are for people not working for the Town any longer. Mr. Kelly, after reviewing the analysis, requested that CIRMA include benchmarks between departments and other towns in Connecticut, similar to Greenwich for comparison. Mr. Mynarski said he will forward the request to CIRMA.

CIRMA – OPEB Workers’ Compensation Cost Discussion

Mr. Mynarski stated that he had reviewed the workers’ compensation costs for individuals who are in-active and found that many had heart and/or hypertension issues. He also detailed some of the current survival payments being issued.

Mr. Mynarski recommended that survival benefits should be paid from the Town’s Trust Fund and will be having the Actuarial review this option. He reminded the Committee that these costs will have an impact on the Town’s Budget next February.

Mr. Norton moved that the BET Audit Committee Meeting set for Thursday, October 13, 2011 be changed to Tuesday, October 11, 2011. Mr. Ramer and Mr. Kelly agreed.

4. GHS/MISA Phase 1 Testing Expenditures Audit Report

Item not discussed.

5. Fiscal 2012 Audit

Item not discussed.

6. Old Business Item Review

Item not discussed.

7. Items for Discussion future BET Audit Committee Meetings

Item not discussed.

8. Adjournment

Upon a motion by Mr. Kelly, seconded by Mr. Norton, the Committee voted 3 - 0 to adjourn the meeting at 9:40 A.M.



Arthur D. Norton, BET Audit Committee Chairman



Elaine JV Brown, Recording Secretary



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

AUDIT COMMITTEE MEETING

**Thursday, September 8, 2011 - 8:00 A.M.
Gisborne Conference Room**

AGENDA

1. Approve Minutes of July 14, 2011 BET Audit Committee Meeting
2. Internal Audit Report
 - Payments to TOG Volunteer Firefighters Draft Audit Report
 - TOG Marina Winter Storage Physical Inventories
 - Fleet Telematics Application Software/GPS
 - Assessor/Building Permit Update
3. Risk Management Report
 - CIRMA – Contract and Cost Allocation Discussion
 - CIRMA – OPEB Workers' Compensation Cost Discussion
 - Hold Harmless/Indemnification Agreements
 - Fiscal 2012 Insurance Schedules – September Renewals
4. GHS/MISA Phase 1 Testing Expenditure Audit Report
5. Fiscal 2011 Audit
6. Old Business Item Review
7. Items for future BET Audit Committee Meetings
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