

1. BET Audit Comm. Meeting Documents

Documents:

[APPROVED_BET_AUDIT_COMM_MEETING_MINUTES_10-08-09.PDF](#)
[BET_AUDIT_COMM_MEETING_AGENDA_10-08-09.PDF](#)
[SUB_TO_APP_BET_AUDIT_COMM_MEETING_MINUTES_10-08-09.PDF](#)

BOARD OF ESTIMATE AND TAXATION
Audit Committee Minutes
Thursday, October 8, 2009
Hayton Meeting Room

Attending:

Committee: Arthur Norton, Chairman
James Campbell, William Finger and Jeffrey Ramer

Attendees: Peter Mynarski, Comptroller; Ron Lalli, Special Projects Manager; Chris DeMeo, Risk Management Director/Internal Auditor; James Lavin, Retirement Plans Administrator; John Wayne Fox, Town Attorney; Al Cava, Director of Labor Relations; Joseph Pellegrino; Greg Hannigan, Director General Services – Police Department

Meeting was called to order at 8:03 A.M.

The following items were discussed:

1. Approval of Minutes for September 14, 2009 Audit Committee Meetings:

Upon a motion by Mr. Finger, seconded by Mr. Campbell, the Committee voted 3 to 0 to approve the September 14, 2009 Minutes. Mr. Ramer abstained due to absence at the September 14, 2009 meeting.

2. Discussion of Limited Scope Review of Pension Distributions

Mr. Lavin explained that Wachovia currently provides semi annual audits included in their current monthly fee. If the Committee requests them quarterly, there would be an additional cost of \$5,000 (five thousand dollars). Currently Wachovia's fee for the TOG payroll is \$3,000 (three thousand dollars) monthly, Mr. Lavin stated. Mr. Finger inquired about possible fee negotiation.

Mr. Lavin spoke about death audits, stating that over 90 (ninety) people receive annual reports. Mr. Norton requested Mr. Lavin to report back to the Committee regarding incorporating this distribution with the 1099's, as discussed in the Committee's September meeting.

3. Risk Managers Report

The Risk Manager, Mr. DeMeo, declared that there had been no disbursements this month from the Risk Fund. He also stated that the broker has assured him that any change in the fiscal year 2011 insurance costs will be held to 5%. Mr. DeMeo confirmed that he will report monthly to the Committee concerning these issues.

Mr. Cava provided an update on Managed Care. He stated that his interpretation is the program is required to be negotiated through the Town's bargaining units, contract by contract. Currently three have been completed: LIUNA (Town of Greenwich and BOE) and Teamsters, while negotiations with the Fire and Police Departments continue. He informed the Committee that Managed Care can not be implemented till all bargaining units have approved contracts, per statute. Mr. Ramer requested Mr. DeMeo to review this with CIRMA and report back to the Committee. Mr. Mynarski estimated an approximate medical cost savings of between \$100,000 (one hundred thousand dollars) to \$300,000 (three hundred thousand dollars).

Mr. Cava left the meeting at 8:24 A.M.

Mr. Norton questioned Mr. DeMeo regarding insurance company engineering inspection reports, as a cost cutting device. Mr. DeMeo stated that he was unaware of any reports. Mr. Norton explained that these reports would show where possible risks exist, potentially impacting the Town's rating and possibly discount credits. Mr. Ramer asked Mr. DeMeo to research these reports, achieve access and review for relevancy. Mr. DeMeo stated he would report back to the Committee.

Due to a court appearance for Mr. Fox, topic 5 was taken out of order.

5. False Alarm Ordinance and Outstanding Delinquencies

Mr. Fox explained punitive costs and regulations for penalty per General Statutes 7-148 sub paragraph XIII. He recommended instituting a formal demand and see response or to institute small claims actions. He stated that currently there is \$38,000 (thirty eight thousand dollars) to \$39,000 (thirty nine thousand dollars) in outstanding delinquencies.

Mr. Cava initiated a discussing regarding a possible 1.5% interest charge for outstanding balances past 30 (thirty) days.

Two separate issues were discussed: outstanding balances for false alarms and failure to register fees. Mr. Cava added that the Town is entitled to interest currently, but should amend the regulation to go to the RTM.

Mr. Hannigan joined the meeting at 9:42 A.M.

Mr. Pellegrino questioned why the alarm provider, as opposed to the resident, is not billed for false alarms. Mr. Fox responded that the service is provided to the individual, not the provider, hence the Town's contractual responsibility is to the individual. Mr. Pellegrino continued the discussion questioning the use of an electronic payment mechanism. Mr. Fox stated that currently the ordinance does not allow the town to use this method but will research the topic to see if it can be done statutorily.

The abuse of false alarms was discussed, noting that the Town has the obligation to respond regardless.

The Committee discussed recommendations.

Upon a motion by Mr. Campbell, seconded by Mr. Finger, the Committee voted 4 to 0 to ask the Law Department to institute small claims actions on all outstanding delinquencies, false alarms and registrations.

Upon a motion by Mr. Ramer, seconded by Mr. Finger, the Committee voted 4 to 0 to amend the TOG regulation to allow the charging of interest on delinquencies of registration and fines at 1.5% per month.

Mr. Norton recommended to Mr. Hannigan that the Alarms Appeal Board be made aware of these recommendations. A further discussion continued regarding unpaid alarm registrations.

Upon a motion by Mr. Ramer, seconded by Mr. Finger, the Committee voted 4 to 0 to amend the previous motion regarding small claims actions,

and urge the Law Department to take up outstanding registration fees at another time.

4. Internal Audit Report

Mr. Lalli presented the two marina internal audit reports Cos Cob and Byram. He expressed his appreciation for the excellent assistance from Patricia Maranan, of the Finance Department, whose efficient help enabled a timely completion of the reports. Mr. Lalli reviewed the reports and explained his recommendations to Parks and Recreation.

The Committee discussed the recommendation of an internal audit follow up during winter storage at all the marinas. Mr. Norton agreed that these physical inventories should be done two times per year creating the greater likelihood for compliance.

Mr. Lalli noted that Parks and Recreation's cooperation was commendable and enhanced his ability to make significant recommendations.

Upon a motion by Mr. Ramer, seconded by Mr. Campbell, the Committee voted 4 to 0 to request that Internal Audit review the results of the scheduled semi annual storage physical inventory of all marinas performed by Parks & Recreation.

Mr. Lalli then continued to explain the Marina Vendor Service License Agreement and the Insurance Requirement Sheet, within his reports.

To conclude Mr. Lalli stated that he is temporarily filling the position of Fleet Director, created by Ms. B. Linck's retirement. Since he is currently auditing that same department, he asked for approval to name his current audit project a Performance/Management Report. All Committee members agreed.

6. Progress Report of the Fiscal 2009 Blum Shapiro Annual Audit

Mr. Mynarski informed the Committee that the auditors have completed their field work and will not be returning. He stated that the audit is ahead of schedule and will be ready to present in draft form, early in December 2009. He concluded by stating that the Legal Letter is also ahead of schedule, and that Mr. Fox, the Town Attorney, will receive it this month.

7. Discussion of topics for future Audit Committee meetings.

Mr. Norton discussed the release of a \$50,000 (fifty thousand dollars) allocation for the Audit Committee, to the BET for the hiring of an outside consultant for shared services. He noted that the Committee has sufficient funds currently to complete the Blum Shapiro Audit.

Upon a motion by Mr. Ramer, seconded by Mr. Campbell, the Committee voted 4 to 0 to release the \$50,000 (fifty thousand dollars) funds conditionally on the funds being used for the study of shared services.

Mr. Norton then requested the Committee to review the 2010 BET Audit Committee Meeting Schedule for comments.

Upon a motion by Mr. Campbell, seconded by Mr. Ramer, the Committee voted 4 to 0 to accept the BET Audit Committee's 2010 Meeting Schedule.

Mr. Norton requested a date change for the December 2009 meeting.

Upon a motion by Mr. Campbell, seconded by Mr. Ramer, the Committee voted 4 to 0 to change the date of the December 2009 BET Audit Committee's Meeting from Thursday, December 10, 2009 to Wednesday, December 9, 2009.

8. Adjournment

Upon a motion by Mr. Ramer, seconded by Mr. Campbell, the Committee voted 4 to 0 to adjourn the meeting at 10:29 A.M.

The next Audit Committee meeting is scheduled for November 12, 2009.


Elaine JV Brown, Secretary


Arthur D. Norton, Chairman



AUDIT COMMITTEE MEETING
Thursday, October 8, 2009
Hayton Room, 8:00 a.m.

AGENDA

1. Approval of the Minutes for September 14, 2009 Audit Committee Meeting.
2. Discussion of Limited Scope Review of Pension Distributions.
3. Risk Manager Report.
4. Internal Auditor Report.
5. False Alarm Ordinance and Outstanding Delinquencies.
6. Progress Report of the Fiscal 2009 Blum Shapiro Annual Audit.
7. Discussion of topics for future Audit Committee Meetings.
8. Adjournment.

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SUBJECT TO APPROVAL