

1. BET Audit Comm. Meeting Documents

Documents:

[APPROVED_BET_AUDIT_COMM_MEETING_MINUTES_10-18-13.PDF](#)
[BET_AUDIT_COMM_MEETING_AGENDA_10-18-13.PDF](#)
[SUB_TO_APP_BET_AUDIT_COMM_MEETING_MINUTES_10-18-13.PDF](#)

BOARD OF ESTIMATE AND TAXATION
Audit Committee Minutes
Friday, October 18, 2013 – 10:30 A.M.
Gisborne Conference Room

Present:

Committee: Arthur Norton, Chairman
Gregory Bedrosian, Robert Brady, Sean Goldrick

Board: Michael Mason, BET Chairman

Attendees: Peter Mynarski, Comptroller; Ron Lalli, Director of Risk Management;
Pat Maranan, Internal Auditor

The meeting was called to order at 11:19 A.M.

1. Approve Minutes of Audit Committee Meeting September 12, 2013.

Upon a motion by Mr. Brady, seconded by Mr. Goldrick, the Committee voted 4-0 to approve the September 12, 2013 Meeting Minutes.

Upon a motion by Mr. Brady, seconded by Mr. Bedrosian, the Committee voted 4-0 to suspend rules and take agenda items out of order.

3. Internal Audit Report

• **Selectman's Harbor Management Advisory Committee Audit Update**

Mr. Lalli stated that he had met with the Harbor Master and the First Selectman's Office. Progress on the mooring permit was interrupted by a request from the AIG Insurance Company adjusters concerning Hurricane Sandy claim made by the Town of Greenwich. The request was a twenty eight page document asking for copies of all invoices in excess of three hundred dollars. He stated that this has delayed audit field work for the Harbor Management audit. The Finance Department should complete the request for the data by the week ended October 25, 2013. Internal Audit will return to normal field work during the same week.

4. Greenwich Library Funding Policy

Mr. Norton distributed a revised "*Greenwich Library Funding Budget Guidelines*" which he had received from Eugene McLaughlin, Assistant Town Attorney. Mr. Norton stated that he had forwarded this version to Chip Haslin, Greenwich Library Board Member the previous day for review. Mr. Haslin requested that the Committee not proceed or consider this version till he meets again with Mr. McLaughlin, for clarification of "*General Budget Presentation, Paragraph C*" regarding unfunded liabilities. Mr. Norton is hopeful that Mr. McLaughlin and the Library Board will meet to resolve this agreement prior to the November 14th Committee Meeting.

Mr. Goldrick voiced his objection to the process and alleged transparency issues. Mr. Mason reported that Town Counsel has informed that such talks have occurred. Mr. Brady then explained the RTM's concern regarding the Library's ability to obtain Town funds and capital assets without RTM approval. Mr. Mason stated that the Town is going to move forward with the process.

Mr. Norton called the Committee to move to Item #2 on the agenda.

2. Risk Management Report

Mr. Lalli explained to the Committee that he has been asked to participate in a preliminary investigation concerning Quality Data and the Tax Assessor. He was informed that John Wayne Fox, Town Attorney will be spearheading counsel.

- **Hurricane Sandy Update – Expenditure/Reimbursement Update**

Mr. Lalli presented an updated list of requests and inquiries relative to the review by Magnan Graizzaro & Associates CPAs, LLC, Forensic Accountants regarding the insurance claims to AIG. The inquiries included questions and request for additional detailed documentation for the following claim categories:

- I. Debris Cleanup by Town Personnel - \$1,221,304
- II. Town Employee Labor: Emergency Operations Participation - \$161,542
- III. Contract Labor & Materials - \$1,416,842
- IV. Equipment Rental, Supplies & other Expendables - \$74,129
- V. Real Property Damage - \$3,748,982
- VI. Business Interruption - \$399,412
- VII. Administrative Claim Preparation - \$50,000
- VIII. Trees Replacement Values - \$830,000

The update also included a schedule of anticipated FEMA reimbursements to the claim.

Mr. Lalli reminded the Committee that the Town's claim was the largest in the State of Connecticut. Mr. Goldrick discussed property insurance deductibles and the potential increases in premiums due to widespread damages from Hurricane Sandy.

- **Vehicle Safety Results**

Mr. Lalli presented the "*September Quarter Review – Vehicle Safety*" which evaluated vehicle accident trends, GPS data for the September Quarter and introduced the defense driving course, offered to Town employees. He noted dramatic drops in accidents, speeding violations and hard braking incidents since the GPS monitoring inception. Two DDC, NSC Driver Training Course were conducted with 60 (sixty) employees in attendance. . He voiced great satisfaction with the impressive results

- **Engineering Studies**

Mr. Lalli stated that a safety liability review was conducted at the Glenville School. The major point of recommendation made by the inspector was a request for signage to be installed at all school and park fields prohibiting the use of alcoholic beverages.

Mr. Lalli stated that the next safety engineering examinations will be in the area of pedestrian bridges on the Town right of way. He noted that further inspections may involve an entire area, like a marina location.

- **Tools for Schools**

Ms. Maranan distributed the School Walk Through October 2013 Schedule. She will be participating in the October 21 inspection at Greenwich High School. Mr. Brady questioned the possible impact of MISA on the evaluation.

5. Fiscal 2013 Audit Update

Mr. Mynarski stated that the external auditors are on schedule, with no major audit issues. The Legal Letter is expected on October 31. Hopefully a draft of the audit will be received prior to the Committee's November 2013 Meeting, which he will forward to the Committee Members.

6. Old Business

No items were discussed.

Mr. Bedrosian excused himself from the meeting at 12:00 Noon.

7. Audit Committee Meeting Schedule – 2014

Upon a motion by Mr. Brady, seconded by Mr. Goldrick, the Committee voted 3 to 0 to approve the 2014 BET Audit Committee Meeting Schedule.

8. Items for Future BET Audit Committee Meetings

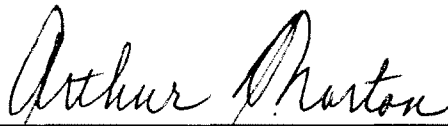
Mr. Norton suggested a future audit of the Retirement Board regarding periodic verification of retired employees receiving pension payments. Mr. Mynarski stated that the Board does periodic death reviews and will report back to Committee as to current process utilized.

Mr. Lalli stated that he has been requested by Ben Branyan, BOE Manager of Operations to conduct an Internal Audit of Best Practices of the residency requirement verification process being used by BOE. No vote on this request was taken by the Audit Committee.

Mr. Lalli continued that Social Services will be visited in the future to make sure prior recommendations made were in fact being practiced.

9. Adjournment

Upon a motion by Mr. Brady, seconded by Mr. Goldrick, the Committee voted 3 to 0 to adjourn the meeting at 1:14P.M.



Arthur D. Norton, BET Audit Committee Chairman



Elaine JV Brown, Recording Secretary



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

AUDIT COMMITTEE MEETING

Friday, October 18, 2013

10:30 A.M.

Gisborne Conference Room

AGENDA

1. Approve BET Audit Committee Meeting Minutes of September 12, 2013
2. Risk Management Report
 - Hurricane Sandy Update – Expenditure/Reimbursement Update
 - Vehicle Safety Results
 - Engineering Studies
3. Internal Audit Report
 - Selectman's Harbor Management Advisory Committee Audit Update
4. Greenwich Library Funding Policy
5. Fiscal 2013 Audit Update
6. Old Business
7. Audit Committee Meeting Schedule – 2014
8. Items for Future BET Audit Committee Meetings
9. Adjournment

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SUBJECT TO APPROVAL

Arthur D. Norton, BET Audit Committee Chairman

Elaine JV Brown, Recording Secretary