1. BET Audit Comm. Meeting Documents

   Documents:

   BET_AUDIT_COMM_MTG_AGENDA_11-23-15.PDF
   SUB_TO_APP_BET_AUDIT_COMM_MINUTES_11-23-15.PDF
   APPROVED_BET_AUDIT_COMM_MINUTES_11-23-15.PDF
AGENDA

1. Executive Session with Town Attorney, John Wayne Fox, Esq., pending litigation

2. Approval of the BET Audit Committee Minutes:
   - BET Audit Committee Meeting October 8, 2015
   - BET Audit Committee “Lessons Learned” Hamilton Avenue School Construction Meeting June 23, 2015

3. Fiscal Year 2015 Audit Draft

4. Risk Management Report
   - Safety Inspection Updates
   - Cos Cob Pump Station
   - FEMA Report Update
   - School Bus Accident 2015
   - Insurance Recovery Riverside School

5. Internal Audit Report
   - Fire Marshal Audit Update

6. New Business

7. Old Business

8. Items for Future BET Audit Committee Meetings

9. Adjournment
BOARD OF ESTIMATE AND TAXATION
Audit Committee Minutes
Monday, November 23, 2015
8:00 A.M.
Mazza Conference Room

Present
Committee: Arthur Norton, Chairman; William Finger, Leslie Tarkington
John Blankley (Absent)

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

Other: Nancy Weissler, BET Member; Jill Oberlander, 2016 BET Candidate (Regular
Meeting only)

The regular meeting was called to order at 8:03 A.M.

1. Executive Session with the Town Attorney, John Wayne Fox, Esq., Pending litigation

On a motion by Ms. Tarkington, seconded by Mr. Finger, the Committee
voted 3 to 0 to go into Executive Session at 8:05 A.M. to discuss Town of
Greenwich legal matters.

On a motion by Mr. Finger, seconded by Ms. Tarkington, the Committee
voted 3 to 0 to come out of Executive Session at 8:56 A.M.

2. Approval of Audit Committee Minutes:
   • Audit Committee Meeting October 8, 2015

   Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the
   Committee voted 3-0 to approve the October 8, 2015 Meeting Minutes.

   • Audit Committee Meeting “Lessons Learned” Hamilton Avenue School
     Construction Meeting June 23, 2015, 2015

   Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the
   Committee voted 3-0 to postpone discussion and approval of the Audit
   Committee Meeting “Lessons Learned” Hamilton Avenue School
   Construction Meeting of June 23, 2015 till the December 10, 2015
   Meeting.

3. Fiscal Year 2015 Audit Draft
Mr. Mynarski presented a draft of the CAFR (Comprehensive Annual Financial Report) noting
that additional corrections will be added before the Auditors’ presentation at the December 10,
2015 Committee Meeting. He explained data in the report such as: the General Fund Balance,
negative fund balances in the Sewer and Capital Project Funds, Enterprise Parking Fund, Risk
Fund, OPEB Trust Fund, long-term obligation bonds and the Pollution Remediation obligation.
Mr. Mynarski pointed out that there are two significant negative fund balances. They are
$4,118,000 (four million, one hundred eighteen thousand dollars) for Nathaniel Witherell and the
School Revolving Fund of $675,000 (six hundred and seventy five thousand dollars). The objective will be to eliminate these balances.

Mr. Mynarski reviewed a draft of the Management Letter and the 5 comments. They are:

- **Pension Benefit Payments** – there was a miscommunication issue regarding spreadsheets currently being resolved.
- A comment regarding **Capital Assets** was addressed by Mr. Lalli. He detailed the work completed by Ms. Maranan to satisfy this issue and how the request of a process for financial reporting is currently part of the Internal Audit Policy. Mr. Finger questioned the repeated posting of these two comments in previous Management Letters from McGladrey. Mr. Lalli will work with the external auditors to satisfy this comment.
- The **Sewer Assessments** comment is a result of the short comings of the MUNIS and Quality Data System software applications. Previous issues between the Tax Collector and Quality Data have been resolved.
- **Compensation Absences and Fund Deficits** were a result of data transfer issues last fall between MUNIS, the old payroll system, into ADP. This should not appear on next years’ letter.
- **Fund Deficits**, such as the School Lunch Fund and Nathaniel Witherell, will be addressed by the BET and the First Selectman’s Office with a recommendation expected to resolve the negative fund balances.

Mr. Mynarski added an additional comment which appears in the Single Audit regarding the authority of BOE payroll clerks to adjust individual payroll hours. This ability has been deactivated.

4. **Risk Management Report**
   - **School Bus Accident 2015**
     Mr. Norton requested that the North Mianus School Bus incident which occurred April 28, 2015 be addressed. As a precaution the BOE sent 37 (thirty seven) students to Middlesex Hospital for Emergency Room evaluations after a bus accident. The BOE initiated communications with Mr. Lalli as Risk Manager regarding the incident. A charge for hospital services of $23,450.00 (twenty three thousand, four hundred fifty dollars) was forwarded to the bus company who sent it to their insurance carrier GEICO. At this time, Mr. Lalli has volunteered his recovery services to assist with reimbursement from GEICO.

     Mr. Norton stated that a BOE policy is needed for such situations and the policy to include the immediate involvement of the Risk Manager. Mr. Lalli will continue to work for a third party reimbursement.

   - **Safety Inspection Updates**
     The Department of Public Works will complete all of the Cos Cob Pump Station recommendations by the insurance inspector. Sink holes have been filled and fences will be repaired in the near future. Mr. Lalli will report back at a future meeting.

   - **FEMA Report Update**
     A total of $1,374,464 (one million, three hundred seventy four thousand, four hundred sixty four dollars) is expected from FEMA for 2012 Superstorm Sandy. A check in the amount of $127,925 (one hundred twenty seven thousand, nine hundred twenty five dollars) was received for
reimbursement of a tree incident at Riverside School Playground. Additional safety inspections will be conducted.

5. Internal Audit Report
   • Fire Marshal Audit Update
   Mr. Lalli is waiting for a recently completed report subsequent to a Fire Marshal Internal Audit. The audit discovered that close to 300 (three hundred) commercial and multi-tenant properties have never been inspected. Also a semi-annual report is expected on inspection compliance required by the Fire Marshal. The process of cross referencing the missing 300 (three hundred) inspections with the Fire Marshal’s response and have updated the Fire Marshal’s data base with the Tax Assessor’s. A report will follow at the December meeting.

6. New Business
   No discussion.

7. Old Business
   No discussion.

8. Items for Future BET Audit Committee Meetings
   No discussion.

9. Adjournment
   Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the Committee voted 4-0 to adjourn the meeting at 10:21 A.M.

SUBJECT TO APPROVAL

__________________________________________________________________________
Arthur D. Norton, BET Audit Committee Chairman

__________________________________________________________________________
Elaine J.V. Brown, Recording Secretary
BOARD OF ESTIMATE AND TAXATION
Audit Committee Minutes
Monday, November 23, 2015
8:00 A.M.
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   [Signatures]

Arthur D. Norton, BET Audit Committee Chairman
Elaine J.V. Brown, Recording Secretary