

**BOARD OF ESTIMATE AND TAXATION**  
**Audit Committee Minutes**  
**Thursday, April 8, 2010**  
**Gisborne Conference Room**

Present:

Committee: Arthur Norton, Chairman  
William Kelly, Joseph Pellegrino, Jeff Ramer

Attendees: Peter Mynarski, Comptroller; Ron Lalli, Special Projects Coordinator; Joan Sullivan, Director of Purchasing and Administrative Services; John Crary, Town Administrator; Eileen Ingalls, Telecommunications Coordinator/Buyer; Roland Gieger, Budget Director; Mary Walczykowski, Chief Accountant

The meeting was called to order at 8:00 A.M.

**1. Approve Minutes for March 11, 2010 Audit Committee Meeting**

Upon a motion by Mr. Ramer, seconded by Mr. Kelly, the Committee voted 4 to 0 to approve the March 11, 2010 Minutes.

**5. Follow-Up Discussion Fiscal 2009 Independent Auditor Management Letter**

On the motion by Mr. Pellegrino, seconded by Mr. Ramer, the Committee voted 4 to 0 to take item # 5, out of order.

Mr. Gieger and Mrs. Walczykowski gave the Committee an update and report on the Blum Management Letter comment regarding the MUNIS system. It was reported that Mr. Gieger and Mrs. Walczykowski met with Blum and Shapiro personnel Vanessa Rossitto, Partner and Stacy Nobitz, Manager on April 5, 2010 to review the management comment regarding MUNIS's inability to produce GAAP financial statements. A number of options were posed and documented in a document delivered to the Committee members. Mr. Gieger stated that the establishment of a new fund capturing the audit adjustments would be acceptable to Blum and Shapiro. Mr. Gieger stated he felt confident that the issue would be resolved and would know more assuredly in May, 2010.

**2. Discussion with Purchasing Department, Voicemail/VOIP system**

Mrs. Sullivan, Mrs. Ingalls and Mr. Crary appeared before the Committee to discuss the Town of Greenwich voicemail capital request. Mrs. Sullivan provided the Committee with a written report and verbally communicated its contents.

Mr. Pellegrino thanked Mrs. Sullivan for the report and complimented her on the figures supplied. However, Mr. Pellegrino and others thought the costs were too high and questioned the number using 900 voice mail boxes. In addition, the members felt that further research should be done in the area of reviewing alternative state-of-the-art options.

Mr. Crary concurred with a majority of the comments, but countered by stating that personnel cuts adversely affect discontinuing voice mail. Finally, Mr. Crary and Mrs.

Sullivan agreed to provide an analysis of the specific use of the 900 voice mail boxes and to look at market state-of-the-art alternatives and report back at the June 10, 2010 BET Budget Committee meeting.

Pursuant to the voicemail discussions, there was a short discussion and update on the document imaging project. Mr. Norton questioned Mrs. Sullivan about reconciling the capital project request from Boris Hutorin with the figures provided by the consulting arm of Blum and Shapiro. Mrs. Sullivan provided Mr. Norton with her impressions of what the requested figures represented.

Mr. Pellegrino asked for a completion status update on the document imaging project and both Mr. Crary and Mrs. Sullivan stated the project should be up and running in six to eight months.

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

Mr. Lalli presented the Management Review of the Eastern Greenwich Civic Center report and answered a variety of questions from the Committee.

During the presentation by Mr. Lalli, the following highlighted comments were discussed:

- Paying unrepresented employees independent of the Town's payroll system.

Mr. Norton asked Mr. Lalli, who should be held accountable. Mr. Lalli answered, ultimately Mr. Joseph Siciliano, Parks and Recreation Director, is accountable if the abuse should continue and be detected as continuing a year from now.

- Using retired employees to perform services at the Center in violation of Town contracts.
  - A recommendation that the Human Resources set and approve hourly rates for unrepresented employees, not Parks and Recreation.
  - The reported methodology for paying Town of Greenwich Police personnel should be discontinued.
  - A no tipping clause should be implemented.
  - Insurance requirements for renters at the Center should be revisited.
  - Older past due accounts receivable balances should be addressed.

Mr. Lalli reported that the management of Parks and Recreation was in complete agreement with the report and the BET Audit Committee members highly complimented Mr. Lalli for the work he did on this review.

Mr. Lalli gave the Committee a quick update on the status of the unpaid balance for the 67 boats at Greenwich Point. Mr. Lalli stated 36 boats were "locked up" and 31 boats have paid.

Mr. Lalli gave the Committee a quick update on the status of the Department of Motor Vehicles (DMV) checks on employees with Commercial Driver's Licenses (CDL). Mr. Lalli reported all DMV checks were submitted to the State of Connecticut DMV and he was working with the State of New York, who requires a formal contract be drawn. In addition, Mr. Lalli reported that a check with the Federal Department of Transportation indicated that the Town of Greenwich should have been checking CDL licenses on a regular basis.

Mr. Lalli also gave the Committee an update on the Service Licensing Agreement for the Town operated marinas. He stated that, in consultation with Eugene McLaughlin, Law Department Attorney, there will need to be a public hearing on the matter.

#### **4. Risk Manager Report – RFP Status**

Mr. Mynarski gave the Committee an update on the open Finance Department position previously held by the Risk Manager. Mr. Norton informed Mr. Mynarski that Mr. Stephen Walko advised the Committee not to fill the position until a Request for Proposal was completed and a review of the organizations of the Finance, Human Resources and Retirement Administration Departments was completed.

Mr. Mynarski advised the Committee that the RFP and subsequent study would probably not be completed until the latter part of 2010, because funding would not be in place until July 1, 2010.

#### **6. Old Business**

Mr. Kelly had requested a follow up on information on vehicle accident procedures. Mr. Lalli complied with a short documented report that he handed out to the members and discussed its contents.

Mr. Mynarski reported that the small claims court process for old, outstanding false alarm receivable was still ongoing and there was nothing new to report.

Mr. Mynarski handed out a “Building Project Reimbursement Processing & Receipt Timeline”, prepared by Board of Education officials and reported to the Committee that the Town should be receiving school construction reimbursement funds from the State of Connecticut for Hamilton Avenue and Glenville schools prior to June 30, 2010.

#### **7. Items for Discussion future BET Audit Committee Meetings**

Mr. Mynarski confirmed that Mrs. Vanessa Rossitto, Blum and Shapiro Partner, would be available for the May 13, 2010 Audit Committee meeting.

#### **8. Adjournment**

Upon a motion by Mr. Kelly, seconded by Mr. Ramer, the Committee voted 4 to 0 to adjourn the meeting at 10:21A.M.

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Arthur Norton, BET Audit Committee Chairman

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Peter Mynarski, Recording Secretary