

**TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION**

AUDIT COMMITTEE MEETING MINUTES

Thursday, July 9, 2020
Virtual Webinar Meeting

Present

Committee: William Drake, Chairman; Andreas Duus, Laura Erickson, David Weisbrod

Staff: Peter Mynarski, Comptroller; Megan Zanesky, Esq., Risk Manager

BET: Michael Mason, BET Chairman; Miriam Kreuzer, Beth Krumeich, Leslie Moriarty, Jeffrey S. Ramer, Leslie Tarkington,

Selectmen: Jill K. Oberlander, Select-person

Gallagher

Insurance: Courtney M. Brewer, Property Specialist; Ronni Rausch, Client Executive; Luis Rodriquez, Casualty Specialist; Mark Stiles, Fiduciary and Crime Specialist

Public: Ken Borsuk, Reporter, *Greenwich Time*

The meeting was called to order at 8:32 A.M.

1. Acceptance of the BET Audit Committee Meeting Minutes

Upon a motion by Ms. Erickson, seconded by Mr. Duus, the Committee voted 4-0-0 to accept the Minutes of the BET Audit Committee Regular Meeting (Virtual) of June 4, 2020. Motion carried.

Mr. Duus made a motion to change the Order of Business to take Item 3, Risk Management, before Item 2, Internal Audit. The Committee voted unanimously in favor of the motion. Motion carried.

3. Risk Management

• Presentation by Ronni Rausch, Gallagher Ins. & Co., on Insurance Renewals

Ms. Rausch and a team of Gallagher Specialists representing Casualty, Property, Crime and Fiduciary renewal policies for the Town's insurance portfolio presented an overview of changes in premium costs and coverages from the most recent renewal of the insurance program for 7/1/2020. Characterizing price negotiations as a sellers' market, Ms. Rausch cited the pandemic and COVID-19 concerns, law enforcement upheaval, and instability of the economy as some reasons for increased premium costs.

The Committee asked for follow-up information on other municipality risk scenarios and whether the premium for the cost of Retirement Board and OPEB insurance was charged back to those departments' expenses. Mark Stiles of Gallagher promised to provide claims scenarios of the Fiduciary policy to the Committee to consider whether the coverage was necessary for the next renewal.

In further discussion, the Committee considered adding back a 5th layer of \$10 million umbrella coverage to the casualty tower at a premium of \$245,000. The Committee asked Gallagher to follow up with a presentation to explore a captive program and adding layers of retention alternatives prior to the Town's next renewals. A workshop for focused discussion of the Town's insurance coverage was proposed.

Upon a motion by Mr. Weisbrod, seconded by Mr. Duus, the Committee voted 3-1-0 (Opposed: Drake) to a 5th layer of casualty coverage of \$10 million for the premium cost of \$245,000 to the Town insurance program. Motion carried.

The Committee thanked Ms. Rausch and the Gallagher team for the thorough and informative presentation of the Town's insurance renewal options.

2. Internal Audit

- **Update on the Internal Audit Position**

Mr. Mynarski reported that after final interviews of three applicants for the Internal Audit position, an offer was extended to the candidate selected, who declined. Committee members who participated in the interview process suggested that an offer should be extended to the second candidate.

- **Update on blumshapiro Internal Audit Services in progress**

Mr. Mynarski reported that progress was being made. Completion of the Student Activity and Skating Rink audits are anticipated at the end of July with no major issues identified to date. The School Lunch audit will be underway once students are return to classrooms, so it is scheduled for September/October. The Transfer Station/Tipping Fee audit will occur after October, allowing for experience with the fee-collection process.

4. Old Business

None

5. Items for future BET Audit Committee Meetings

- September Agenda
 - Skating Rink Audit Report
 - Covid-19 Related Expense Update
 - Purchasing Department RFP Threshold
- October Agenda
 - School Lunch Audit Report
 - Tipping Fee Audit Report
 -
- November Agenda – RSM preliminary audit status report
- Later: analysis of captive insurance for casualty and property

6. Executive Session

- Discussion of Cyber Security Updates

Upon a motion by Mr. Drake, seconded by Mr. Duus, the Committee voted 4-0-0 to enter Executive Session to discuss Cyber Security Updates at 10:37 A.M. Motion carried.

Upon a motion by Ms. Erickson, seconded by Mr. Duus, the Committee voted 4-0-0 to exit Executive Session at 10:50 A.M. Motion carried.

7. Adjournment

The Committee unanimously voted to adjourn the Meeting at 10:52A.M. Motion carried.

Catherine Sidor, Recording Secretary

William Drake, Audit Committee Chairman

Schedule of 2020 Audit Committee Meetings

August (no meeting)

September 10, 2020 (Thursday) - Gisborne Conference Room, 1st Floor

October 9, 2020 (Friday) - Gisborne Conference Room, 1st Floor

November 5, 2020 (Thursday) – Gisborne Conference Room 3rd Floor

December 17, 2020 (Thursday) - Gisborne Conference Room, 1st Floor