Present:
Committee: Arthur Norton, Chairman
Joseph Pellegrino, Jeffrey Ramer
Attendees: Peter Mynarski, Comptroller, Ron Lalli,

The meeting was called to order at 8:05 A.M.

1. Approve Bet Audit Committee Meeting Minutes:

   Minutes for December 9, 2010 Audit Committee Meeting
   There was no vote. Mr. Kelly was absent to vote and Mr. Ramer did not attend the December 9, 2010 meeting.

   Minutes for January 13, 2011 Audit Committee Meeting
   There was an extended discussion regarding the wording contained in the last paragraph in Section 7 regarding the debt and fund balance policies. Mr. Ramer felt the minutes did not capture the intent of discussions. Mr. Ramer suggested that the minutes should reflect the appropriateness of having a debt and fund balance policy. Mr. Ramer also suggested that the minutes should reflect that the discussions should state that topic was to be continued at a later meeting.

2. Risk Manager Report

   CIRMA Work Place Safety Assessment Study Update
   Mr. Mynarski stated that the CIRMA Safety Assessment was moving slowly but expected a draft report in February 2011 and a completed report for the March 10, 2011 Audit Committee meeting.

   Cost Allocation Model Report
   Mr. Mynarski also informed the Committee that the Cost Allocation Model Report was part of the aforementioned Work Place Safety Assessment Study and was progressing at the same pace.

   Fiscal 2012 Insurance Cost Projection
   Mr. Mynarski distributed the 2010 Renewal Schedule of Insurance with 2011 Renewal Projections prepared by Frenkel and Company, the Town’s insurance broker. The Committee questioned the amount of the increase for the Umbrella Liability Policy. Mr. Mynarski reported that he would contact Jose Irizarry, Frenkel and Company insurance broker, and ask for an explanation.

   Engineering Reports
   Mr. Mynarski informed the Committee that safety assessments had been performed for Hamilton Avenue, Glenville and Western Middle Schools. Mr. Mynarski also informed the Committee that Ms. Susan Chipouras, Board of Education, had not completed responses, but would have them completed and ready for the March 2011 Audit
Committee meeting. In addition, Mr. Frank D’Ambrosio of Frenkel and Company would attend the March 2011 meeting.

3. Internal Audit Report

Pending Audits
Mr. Lalli distributed the Operational Plans for the Fiscal Year 2011-2012 budget. Mr. Lalli informed the Committee that he had been spending a good deal of time preparing a report for the Office of the First Selectman in response to a report issued by a member of the Representative Town Meeting (RTM) District 7. The report and response deals basically with a cost comparison from 1970 to the current period.

Mr. Lalli gave the Committee a status report on the following items:

- The Greenwich Point Marina inventory had been performed on Wednesday, February 9, 2011. In addition, the Grass Island Marina had been performed the week before. Mr. Lalli stated that reports will be available at the March Audit Committee meeting.
- Mr. Lalli distributed the first ever produced “List of Authorized Drivers’ for the Town of Greenwich. The Committee members reviewed the listing.
- Mr. Lalli distributed the “Town of Greenwich Vehicle Use Policy” to the Committee members. The Committee members reviewed the document and recommended changes. The members requested that Mr. Lalli return the document to Maureen Kast, Human Resources Director, for her final approval with the suggested changes.

4. Debt Fund Balance Policy Discussion

- Moody’s Inclusion Unfunded Pension/OPEB Liabilities
There was an extended discussion on the Town implementing debt and fund balance policies. Mr. Norton stressed the fact that credit rating agencies strongly desire their existence for the financing of capital projects. Mr. Ramer stressed the importance of not locking the Town into a policy that can’t be complied with. Mr. Pellegrino suggested that a presentation be prepared at a current time to educate the Board of Estimate and Taxation on the meaning of debt and fund balance policies.

5. Fiscal 2010 Audit Management Letter
Mr. Mynarski explained that there are two current pending Management Letter items; the payroll comment and the Board of Education Chart of Accounts comment. Mr. Mynarski read an electronic mail (email) transmission from Benjamin Branyan of the Board of Education stating that they were still working out the details of the two items with Vanessa Rossitto, the partner for Blum and Shapiro.

6. Old Business Item Review
There was no discussion on this item.

7. Items for Discussion future BET Audit Committee Meetings
Mr. Lalli informed the Audit Committee that he would like to embark on an audit of the Assessor and Building Inspections areas, relative to the building permitting process and other related areas. Mr. Ramer reminded Mr. Lalli that copies of the contracts from builders should be reviewed, as part of the process. After a short discussion, Mr. Ramer made a motion for Mr. Lalli to start the building permit review as the next audit topic, seconded by Mr. Pellegrino. The motion passed 3 to 0.
8. Adjournment

Upon a motion by Mr. Ramer, seconded by Mr. Pellegrino, the Committee voted 3 to 0 to adjourn the meeting at 9:26 A.M.

[Signature]
Arthur D. Norton, BET Audit Committee Chairman

[Signature]
Peter Mynarski, Recording Secretary