



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

AUDIT COMMITTEE MEETING MINUTES

Wednesday, February 17, 2021
Virtual Webinar

Present

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

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

BET: Michael Mason, BET Chairman; Karen Fassuliotis, Miriam Kreuzer, Elizabeth K. Krumeich, Leslie Moriarty, Jeffrey S. Ramer

Selectmen: Jill Oberlander, Select-person

RTM: Lucia Jansen, (D-7), Chair, Budget Overview Committee

The meeting was called to order at 10:30 A.M.

1. Approval of the BET Audit Committee Meeting Minutes

Upon a motion by Ms. Erickson, seconded by Mr. Duus, to approve the Minutes of the BET Audit Committee Regular Meeting of January 22, 2021. The Committee voted 4-0-0. Motion carried.

2. Internal Audit

- **Transfer Station and Tipping Fees Audit Update - Clifton Larson Allen LLP** (blumshapiro name change)

Drafts of the Transfer Station and Tipping Fee Audit and the School Lunch Audit will be sent within two weeks for pre-meeting review before discussion at the Committee's March 10, 2021 meeting.

3. Risk Management

- **FEMA Update (Super Storm Sandy PW452 – Island Beach)**

Ms. Zanesky reported that FEMA had recently requested additional documentation to confirm that the Island Beach dock had been rebuilt in compliance with all applicable state and federal laws and regulations. The Risk Manager indicated that all requests had been responded to so FEMA's 75% reimbursement (approximately \$1.5 million) of the Town's \$1.9 million claim should be completed.

- **Insurance Inspections**

Insurance Inspections deferred due to COVID-19 pandemic concern are beginning to recommence. Inspectors for the insurance carrier are requesting visits to 8 locations, all Greenwich schools. The Town could also add locations it would like inspected. Tools for Schools walk-throughs were in the process of being conducted to the best of the Risk Manager's knowledge. She will check in with the BOE Facilities Department and report back to the Committee on the status.

An adjuster has been requested to review the recent water damage at North Mianus School. Cleanup has been under way to mitigate mold potential since the incident was discovered. The sprinkler system alarm alerted the fire department, Mr. Watson, BOE Facilities Director, and Mr. Monelli, TOG Superintendent of Buildings & Construction. Mr. Watson and his staff as well as third party vendors have been on site to inspect the damage. The damages exceed the \$100,000 insurance deductible.

4. Old Business

- **Audit Plan Update**

Mr. Mynarski reported that he would have an update on the Audit Plan when the Transfer Station and School Lunch audits are presented at the next meeting.

- **Clifton Larson Allen LLP (CLA) Engagement Letter**

The Committee reviewed the CLA Engagement Letter for the next 6 internal audits that was circulated by Mr. Mynarski prior to the meeting.

Upon a motion by Ms. Erickson, seconded by Mr. Duus for the Audit Committee to approve the CLA Engagement Letter, the Committee voted 4-0-0. Motion carried.

- **Consideration of establishing a captive insurance subsidiary**

Members of the Committee reviewed their October discussion and Mr. Mynarski added that he had consulted with Mr. Lindsay, the Town's municipal financial consultant, and a Robinson Cole attorney on their familiarity with the structure and knowledge of any municipal government employing a captive insurance subsidiary. To continue looking into this option, it was suggested to resubmit the query to ARTEX, a Gallagher subsidiary, with additional financial information about the Town. Ms. Zanesky will set up a phone conference with David Weisbrod to discuss the captive program option in more detail with Gallagher and ARTEX.

5. New Business

Upon a motion by Ms. Erickson seconded by Mr. Duus, the Committee voted 4-0 to add two topics to today's meeting: retaining the Internal Auditor function in the Town's Table of Organization (TOO) but keeping the position unfunded; and, developing policy for tax delinquencies. The experience with outsourcing the Internal Auditor function had proved to be more productive, and less expensive. In addition, the Town has terminated 3 of 7 of its past Internal Auditors.

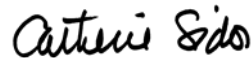
It was noted that the BET previously requested a policy for tax delinquencies, a task which is underway by the Tax Collector, liaisons and others.

6. Items for future BET Audit Committee Meetings

Timing of Insurance Premiums/Coverage quotes in advance of renewal deadlines, and whether the highest levels of excess coverage are indeed needed Development of Protocols for tax delinquencies

7. Adjournment

Upon a motion by Mr. Duus, seconded by Mr. Drake, the Committee voted 4-0-0 to adjourn the Meeting at 11:55 A.M. Motion carried.



Catherine Sidor, Recording Secretary



William Drake, Audit Committee Chairman

Next Audit Committee Meeting scheduled for March 10, 2021 at 10:30 A.M. Virtual Meeting.