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

1. Approval of Minutes:
   - Audit Committee Meeting February 12, 2015
   
   Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the Committee voted 4-0 to approve the February 12, 2015 Meeting Minutes, with two text adjustments.

2. Risk Management Report
   - Insurance Market Preview presented by Frenkel & Company

   Mr. Irizarry predicted a flat to 10% (ten percent) rate reduction on Town property liability insurance rates for FY 2016, a result of a favorable property insurance marketplace. He cautioned that possible rate decreases for property insurance could be offset by increasing property values. Mr. Lalli noted that total property insurance coverage limits for the Town are less than before Hurricane Sandy, that the Town has higher property insurance deductibles with lower coverage limits. The Builder's Risk coverage for MISA was discussed. Ms. Tarkington questioned the 19.4% (nineteen point four percent) increase in property insurance coverage in the Town Budget for fiscal 2016. The increase in the budgeted number for the property insurance line is based on a strategy to buying back some of the coverage limits lost as a result of Hurricane Sandy, and he noted that the approximate $250,000 (two hundred fifty thousand dollars) savings on the budgeted line for general liability insurance is not guaranteed. If the general liability premium cost were to escalate, the portion of the budget allocated to buy back property insurance coverage limits would have to be reduced. The overall insurance budget is within the budget guidelines.

   Mr. Irizarry advised that the Town has increased its safety engineering inspections, improved its claim support process and increased its loss control measures. He stated that these have created a positive environment to the carriers. Ms. Tarkington asked Mr. Irizarry to prepare a short summary on the recent activities that generated this.

   Separately, Mr. Irizarry noted that the insurance market for casualty liability coverage will be more difficult than the property insurance market. The liability market is very dependent on loss history and that made it more difficult to predict the Town's renewal liability premium. It is becoming more difficult to obtain liability coverage with a $1,000,000 (one million dollars)
deductible, which has been the historical strategy for the Town. It was noted that if the Town wanted to hold this deductible this may result in increased in premiums for liability insurance.

Mr. Mynarski and Mr. Lalli will review liability coverage in conjunction with property to ascertain if the Budget increase for property can be reduced.

Ms. Tarkington questioned the impact the Byram Pool $12,000,000 (twelve million dollars) project would have on liability insurance cost. Mr. Irizarry recommended that this project could be subject to a review by Frenkel’s loss control engineers before the project commenced. Mr. Lalli stated that he would look into coordinating this effort with Frenkel.

- **Frenkel & Company – MISA Safety Inspections performed March 26, 2015**
  Frenkel & Company continues to conduct safety inspections every 4 to 6 weeks. Only “standard” safety issues were discovered during the February 26th visit. Next inspection is scheduled for March 26, 2015. Before the end of March 2015 AIG Insurance Company has requested that Risk Management assist coordinating safety inspections of Greenwich High School, the GPD Headquarters Building and Nathaniel Witherell.

- **Applied Risk Control Corporation – Safety Inspections at Greenwich Rail Road Stations scheduled for March 9, 2015**
  The Cos Cob, Riverside and Old Greenwich Rail Road Station findings will be presented as inspections are completed. The hope is that Mr. Monelli, Superintendent Building Construction and Maintenance will utilize these reports to help him secure future State rail road station funding, a process he is continually conducts.

- **FEMA Report Update**
  FEMA has obligated the funds for Project Worksheet 00452 for $1,329,858 (one million, three hundred twenty nine thousand, eight hundred fifty eight dollars) which should be received in FY 2016. Ms. Maranan filed all the necessary forms that led to the commitment by FEMA. The funds are now formally set aside for the Town of Greenwich

3. **Internal Audit Report**
   - **Limited Scope Review of the Tax Collector Internal Controls for Cash Receipts**
     Mr. Lalli reviewed the report’s observations and recommendations regarding internal controls such as cash controls, segregation of cash activity and protocols for deposits. The Tax Collector receives approximately $337,540,784 (three hundred thirty seven million, five hundred forty thousand, seven hundred eighty four dollars) in revenue from business real estate, personal property, sewer, motor vehicle, delinquent taxes as well as sewer assessment taxes.

     The tax payment process was reviewed using Quality Data System (QDS). Six recommendations were presented: (1.) Daily deposit picks ups to eliminate risk, (2.) Reconciliation reports should be signed by all cashiers, (3.) Reconciliation reports should be signed by Supervisor after review, (4.) Deposits should be made daily in accordance with the Finance Department’s Accounting Manual Policy, (5.) Each cashier maintain their own cash draw, (6.) Ensure that all funds are secured in a locked draw during the business day.

     The Tax Collector agreed to all the recommendations and he will either immediately implement or investigate avenues of compliance and return at the June 2015 BET Audit Committee Meeting.
Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the Committee voted 4-0 to accept the "Internal Audit Report: Limited Scope Review of the Tax Collector's Internal Controls for Cash Receipts" subject to a text change on Page 3.

- Tools for Schools Walk Through at Glenville and New Lebanon performed during March 2015.
- A sample from New Lebanon School's Tools for Schools Occupancy Survey was distributed along with the March 2015 Inspection Schedule. The survey, created by the BOE's Director of Building Facility Mr. Ron Matten, is completed prior to all walk-throughs, creating historical data for each school.

4. New Business
   - The Nathaniel Witherell Historic Tax Credit Audit Update
     Mr. Mynarski read an email between Mr. William Marr, Building Inspection Official and Scott Tompkins, Turner Construction regarding four items needed for Nathaniel Witherell Project Renew sale of tax credits. When Mr. Mynarski receives the McGiadrey Certification of Cost, it will be forwarded to the Committee. This item will remain on the agenda till resolved.

5. Old Business
   - Fiscal 2014 CAFR/Management Letter
     Ms. Walczykowski and Ms. Curcio stated that as of January 2015 reconciliation with the Tax Collector was completed successfully. Reconciliation problems remain concerning February 2015 with 2 refunds totaling approximately $3,300 (three thousand, three hundred dollars). The issue appears to corrections, therefore having to rely on QDS's assistance. Ms. Curcio is waiting to hear back from QDS to resolve interaction complications with MUNIS.

Due to Ms. Curcio's recent health issues, Mr. Norton questioned coverage in her absence. Mr. Laudonia stated that in the past 5 years his department has lost 2 full time employees, limiting his resources. More funding is needed for the department staffing. Mr. Lalli recommended that a Desk Manual be created by Ms. Curcio.

Pension benefit payment documentation in individual employee files was the second item in the letter. It was agreed that this issue needs to be discussed with Mr. Bassett at McGiadrey to resolve for the future.

6. Items for Future BET Audit Committee Meetings
   May and June Committee meeting dates have to be changed. An email will follow with possible suggestions.

   Mr. Finger and Mr. Norton each expressed their interpretations of governance of the External Audit Policy described in the BET Reference Book regarding Parsonage Cottage. They agreed to continue their discussion as members of the Policy & Procedures Committee.

7. Adjournment
   Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the Committee voted 4-0 to adjourn the meeting at 10:10 A.M.
The next meeting of the Committee is scheduled for April 9, 2015 at 8:00 A.M. in the Gisborne Conference Room.

Arthur D. Norton, BET Audit Committee Chairman

Elaine JV Brown, Recording Secretary