

BOARD OF ESTIMATE AND TAXATION
Audit Committee Minutes
Monday, June 5, 2018 – 8:30 A.M.
Mazza Conference Room

Present

Committee: David Weisbrod, Chairman; Andreas Duus, Debra Hess, Jill Oberlander

Attendees: Megan Damato, Esq., Risk Manager; Melinda Frame, Internal Auditor; Peter Mynarski, Comptroller; Howard Richman, Tax Collector

BET: Jeffrey Ramer, Leslie Tarkington

Guest: Jose Irizarry, Frenkel & Company

The regular meeting was called to order at 8:37 A.M.

1. Acceptance of Audit Committee Meeting Minutes of May 11, 2018

Upon a motion by Ms. Hess, seconded by Mr. Duus, the Committee voted 4-0-0 to accept the May 11, 2018 Meeting Minutes as amended.

2. Risk Management

- **Insurance Renewals Presentation – Jose Irizarry, EVP Global Services, Frenkel & Co.**

Mr. Irizarry provided an update of premiums negotiated to date and commented on major contract renewals under discussion. He proposed several options for various insurance policies. The Committee discussed the process of analysis and selection of coverage considering TOG's General Liability renewal deadline of June 30, 2018. The Risk Manager, Ms. Damato, and Mr. Mynarski were authorized to bind coverage for the TOG's annual renewal program and bring the results to the Committee.

- **Town IT Presentation – Tom Klein, Director of IT (TOG)**

Mr. Klein provided a presentation on TOG's cyber security defenses and disaster recovery plan. He commented that the State had recently updated their cyber security recommendations. The Committee asked that the Risk Manager follow-up with the IT Department to discuss this further. and in particular to assess consequences to the Town of a prolonged outage.

- **Glenville Fire House Claim – Oral Update**

Ms. Damato remarked that the insurance claim process was completed, and the insurance reimbursement had been received.

3. Internal Audit Report

- **Audits-in-Progress:**

4. Revenue Processing and Reporting in the Office of the Tax Collector - Ms. Frame provided the Committee with an update on the Tax Collector cash handling and payment processing audit. She commented that a meeting between her and the Tax Collector's Office was

scheduled for later in the week to review a few remaining, outstanding items and that she expected to have the audit report ready to present to the Committee at its July meeting.

- **State of Connecticut FOIA Request regarding previous Starr General Liability Insurance Policy**
Ms. Damato indicated that she will follow up with the Law Department.
- **Interim Six (6) Month Audit Plan**
Ms. Frame distributed the Finance Department's FY 2019 Internal Audit Plan covering the next six months. She stressed it was subject to change in both timing and topic as future events unfold or new information is discovered.
- Ms. Hess, Ms. Damato, and Ms. Frame made a brief presentation on Enterprise Risk Management, its process, and how a private sector best practice can also be useful when applied in the public sector.

5. New Business

Discussion of Harbor Management Commission Audit

Mr. Weisbrod commented that it was premature to schedule an HMC audit until the inventory of moorings is completed and collection of outstanding arrears payments are pursued. It was proposed that a placeholder date should be scheduled.

6. Items for Future BET Audit Committee Meetings

- Development of a plan to review RRR Accounts (Mynarski)
- Annual Calendar of TOG significant fiscal events to possibly align Internal Audit activity (Mynarski)
- Arrangement of meeting with TOG's primary and secondary insurance carriers (Finance Dept)
- Enterprise Risk Assessment (Damato, Frame)
- Invitation to the Police Department to discuss its IT System security (Risk Manager)
- Discussion of Committee response to local newspaper commentary on Parking Service policy; receipt of follow-up from the Law Department on Executive Session policy regarding matters under criminal investigation; and, availability of Executive Session information to External Auditor.

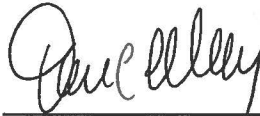
7. Adjournment

Ms. Hess made a motion, seconded by Mr. Duus, to adjourn the meeting at 11:28 A.M. The Committee voted 4-0-0 in favor of the motion. Motion carried.

The next Audit Committee Meeting is scheduled for July 12, 2018 at 8:30 A.M. in the Gisborne Room.



Catherine Sidor, Recording Secretary



David Weisbrod BET Audit Committee Chairman

Schedule of 2018 Audit Committee Meetings

July 12, 2018 (Thursday) at 8:30 A.M. Gisborne
August – no meeting
September 13, 2018 (Thursday) at 8:30 A.M. Gisborne
October 19, 2018 (Friday) at 8:30 A.M. Gisborne
November 9, 2018 (Friday) at 8:30 A.M. Gisborne
December 13, 2018 (Thursday) at 8:30 A.M. Gisborne