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

1. Approval of Audit Committee Minutes:
   - Audit Committee Meeting September 10, 2015
     Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the Committee voted 4-0 to approve the September 10, 2015 Meeting Minutes with an additional clause on Page 2, “and input from Ms. Weissler and Ms. Kiernan”.

   - Audit Committee “Lessons Learned” Hamilton Avenue School Construction Meeting June 23, 2015
     The Committee deferred approval of the Audit Committee “Lessons Learned” Hamilton Avenue School Construction Meeting Minutes of June 23, 2015 till the November 23, 2015 meeting, to discuss input previously suggested by Mr. Blankley.

2. Risk Management Report
   - Insurance Recoveries, including Riverside School and Greenwich High School Updates
     Fiscal 2015 cash recoveries total $143,323 (one hundred forty three thousand, three hundred twenty three dollars) and fiscal 2016 currently at $10,295 (ten thousand, two hundred ninety five dollars).

     A property insurance claim for the damage caused by the tree that fell on the playground at the Riverside Elementary School has been settled. The objective of the cost recovery claim was to obtain full fair market replacement value for the playground with recovery of most labor cost. The total to repair the damage was $172,884 (one hundred seventy two thousand, eight hundred eighty four dollars). The recovery was subject to a $25,000 (twenty five thousand dollar) deductible and a $20,212.71 (twenty thousand, two hundred twelve dollars, seventy one cent) road repair not included under AIG’s property insurance contracts. Total net recovery anticipated to be $127,671 (one hundred twenty seven thousand, six hundred seventy one dollars). Without objection from any Committee member, Mr. Lalli will sign the statement of loss and finalize the claim. Another large claim is pending for water damage caused by a faulty water holding tank at Greenwich High School.
• Safety Inspection Updates
Progress achieved for the safety inspections conducted at three railroad stations: Greenwich, Cos Cob and Old Greenwich. The BCM Division of the Department of Public Works has completed all the short term objectives. The major open recommendations are with the State Department of Transportation, who will approve spending to rectify them. Alan Monelli, Superintendent of Building Construction and Maintenance, expects the State to approve funding to replace the wood stairs at Cos Cob and the installation of a new middle rail at Riverside. For the snow and ice observations made by the inspector, Mr. Lalli stated that it would be best if he observed the stations immediately after a snow storm and report back on conditions to the Committee. The Old Greenwich Station is subject to a major renovation. Overall, Mr. Lalli expressed satisfaction with progress made to date.

• Cos Cob Pump Station
Mr. Norton expressed concern to reduce this risk exposure in a timely manner. Mr. Lalli noted that he will be meeting with Rich Feminella, Waste Water Division Superintendent who has promised that he would be proposing a short and long term plan toward remediation. Mr Lalli will not wait for the next Committee meeting in November but will forward the plan to the Committee via email as soon as he has received it.

• FEMA Report Update
A possible total of $1,374,464 (one million, three hundred seventy four thousand, four hundred sixty four dollars) in FEMA receipts should be received by end of year. Ms. Maranan reviewed progress made since the September meeting, noting Marine Facilities anticipated completion by the beginning of the winter season.

• Fiscal 2015 Auto Accident Results and Budget Proposal
Mr. Lalli proposed that a portion of the Finance Department’s vehicle damage repair cost budget to be shifted to the major individual department budgets that incur these cost. The objective is to make the departments more responsible for the cost, creating increased accountability. Mr. Mynarski stated that most CT municipalities follow this recommendation. Mr. Lalli requested a pilot program with one department to receive an additional $50,000 (fifty thousand dollars) in their budget from Risk Management. This will encourage financial accountability to individual departments. Mr. Mynarski added that BET support will be needed and could be addressed in February 2016.

Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the Committee voted 4-0 to support Mr. Lalli’s recommendation to choose a pilot department for allocation of vehicle accident repair costs.

Snow plow driving courses will be offered in October.

3. Internal Audit Report
• Update on Internal Audit Report Entitled “Cash Handling Internal Controls for the Holly Hill Waste Disposal Transfer Station”
Carolina Software has been installed on computers to key individuals in DPW, the Environmental Supervisor at Holly Hill and Mr. Lalli. Transactions are now available to be reviewed on a daily basis.

Upon a motion by Ms. Tarkington, seconded by Mr. Blankley, the Committee voted 4-0 to accept the Internal Audit Report dated May 21,
2015 and entitled “Cash Handling Internal Controls for the Holly Hill Waste Disposal Transfer Station”.

- Update on progress toward Consolidating and Formatting Fixed Assets Files
Ms. Maranan has categorized all of the Town’s fixed assets and depreciation from 2000 to 2014 to satisfy a recurring comment on the Management Letter. Depreciation numbers cannot be forward to McGladrey until the numbers for 2015 are received from Mr. Gieger, Budget and Systems Director. Once completed, this database will enable Finance to communicate to the departments the type and value of the assets assigned to their departments.

4. New Business
- Date Change of November 12, 2015 BET Audit Meeting
A discussion occurred prior to the meeting to change the date of the November meeting to accommodate a review of a draft Fiscal Year 2015 Audit.

Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the Committee voted 4-0 to change the Thursday, November 12, 2015 meeting date to Monday, November 23, 2015.

- Fiscal Year 2015 Audit Update
Mr. Mynarski stated that a draft is expected in November. Payroll transactions were tested and this year no Tax Collector issues were found. A draft report of the CAPR on Nathaniel Witherell was reviewed with the auditor with a Management Comment Letter expected to be generated regarding their fund balance. Mr. Norton expressed his concerns: the high cost of facility operation (union employees and benefits), GASB (Governmental Accounting Standards Board) rules and the need to increase private pay patients. A group discussion followed regarding deficits going forward.

Mr. Brown and Mr. Alexander discussed the cost of Project Renew and the tax credit impact upon Nathaniel Witherell’s fund balance with the Committee.

Mr. Mynarski stated two other issues may generate comments. The School Lunch Fund balance is expecting an operating loss of approximately $1,000,000 (one million dollars) and a State funding cut of $900,000 (nine hundred thousand dollars) for Greenwich Hospital’s PILOT (Payment In Lieu Of Taxes).

5. Old Business
No discussion.

6. Items for Future BET Audit Committee Meetings
Mr. Norton expects John Wayne Fox’s litigation report for the November meeting. He stressed the importance of the Fiscal Year Audit approval at the BET December Meeting and its importance to investment and rating agencies.

7. Adjournment

Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the Committee voted 4-0 to adjourn the meeting at 9:35 A.M.