

BOARD OF ESTIMATE AND TAXATION
Audit Committee Minutes
Thursday, July 17, 2008

Attending:

Audit Committee: Arthur Norton, Chairman; James Campbell, William Finger, Jeffrey Ramer.

Staff: Finance Department, Peter Mynarski, Chris DeMeo, and Reinie Lange. DPW Building Superintendent, Alan Monelli. BOE Staff: Susan Wallerstein and Richard Calcavecchi. BOE Board Member: Leslie Moriarty.

Meeting was called to order at 8:00 A.M.

The following items were discussed:

1. Approval of minutes:

Motion to approve minutes of the Audit Committee Meeting June 12, 2008.

Moved by Mr. Finger, seconded by Mr. Campbell. Approved 4-0

2. Discussion on the Board of Education Reimbursement for the Hamilton Avenue School Project.

The Committee has been concerned for many months with the status of the State Reimbursements for the Hamilton Avenue School. The original projection was \$4,100,000, and the Town has only received \$2,705,499, last payment received in November 2007. The BOE advised the Committee that the Connecticut Department of Education has determined that the Hamilton Avenue Project is an alteration, and that the amount of reimbursement is a function of that classification. This classification implies that The Town's reimbursement will be approximately \$3,000,000, thus an additional \$300,000 is expected. The BOE has appealed the Alteration Construction Status by the Connecticut Department of Education, and it has given Pinnacle One a July 28, 2008 deadline for final clarification.

3. Review of the flow charts, and verify the process of work done by the Department of Public Works (DPW), Alan Monelli, Superintendent of Building Construction and Maintenance.

Alan Monell, presented a revised Building and Construction and Maintenance Record Keeping and Work Flow Chart. The Committee reviewed the process of notification and response to maintenance requests and reviewed the inventory control procedures. The Town implements a Just-In-Time methodology, and the Town utilizes both service and commodity contracts to receive supplies. The department is continuing to reduce the number of SKUs to improve inventory control and costs.

4. Update on Blum Shapiro Fiscal 2007 Management Letter.

Reinie Lange, the internal auditor reported that the Town had two outstanding items. One was in the Finance Department with the implementation of a new MUNIS program to record costs; this will be started after the year-end audit. Second in the Human Resource Department completing the testing of the current payroll rates and classification has not been finalized.

5. Internal Auditor's Report.

Reinie Lange, Internal Auditor, reported on the status of overtime boat storage at the Town's Marine and their billings. The Committee was advised that the Holly Hill facility is planning to accept credit cards, no procedures are in place and that fines for violation at Holly Hill will be sent in August.

6. Risk Manager's Report.

Chris DeMeo, the Risk Manager, updated the Committee on the placement of policies for the current fiscal year, and that that the Town has a savings of \$140,000 over the previous years policies. Mr. DeMeo stated that the insurance companies are worried about the number of pending lawsuits that the Town of Greenwich has, and this could affect the insurance rates in future.

Discussion on the insurance requirement for Sub Contractors for all Town Facilities. An example used was the Glenville School Building project, which has 20 Sub Contractors, and their requirements to provide Insurance certificates and Performances Bonds.

7. Town Gift Policy—Discussion and Review

The Committee has received a copy of the August 5, 1996 opinion by the Town's Attorney, John Meerbergen, "Procedure for Acceptance of Gifts," The Committee will review this opinion at the September 2008 Audit Committee meeting.

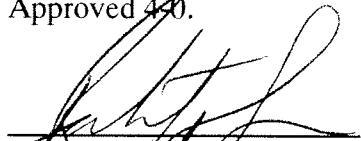
8. Discussion of topics for future BET Audit Committee Meetings.


The Committee will continue to review the State of Connecticut reimbursement for the Town's Hamilton Ave School Project. The Committee will also examine the insurance renewal policies.

9. Adjournment.

The next Audit Committee meeting is scheduled for September 11, 2008.

The meeting adjourned at 10:02 AM motion by Mr. Campbell, seconded by Mr. Ramer.
Approved 4-0.


Reinhardt Lange, Secretary


Arthur D. Norton, Chairman