

**Rose Fitzgerald Kennedy Greenway Conservancy  
Finance Audit Risk Management Committee  
Tuesday, April 15, 2014 185 Kneeland Street, 2<sup>nd</sup> Floor  
Meeting Minutes**

FARMC present: Bob Gore, Chris Manfredi (via phone), Susanne Lavoie (via phone), Chris Fincham, Vivien Wu, Martin W. Lynn, John Pregmon, Maggie Hunt

RKGC: Jesse Brackenbury, Renee Wood, Bob Gordon, Bart Thompson

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Welcome and approval of January and March minutes

Co-Chair Bob Gore called the meeting to order at 8.00 a.m. and welcomed members of the FARMC to the meeting.

Upon motions made and duly seconded, it was separately voted to unanimously approve the minutes of the January 28, 2014 and March 18, 2014 meetings.

Insurance update

Finance Manager Renee Wood advised the board that insurance rates for the policy year beginning April 1, 2014, have increased. William Gallagher worked with the Conservancy to help reduce the rates from their originally quoted prices. However, overall property rates have risen due to increased exposure from the Greenway Carousel. Regarding the recent lease extension with MassDOT, the only policy the Greenway will seek to establish with MassDOT is catastrophic flood insurance given that flood mitigation would affect the Greenway if repair was necessary for underlying tunnels.

Health and benefit policy renewals

To maintain the current plan, Health and Benefits administrators estimate a health rate increase of 9%, mostly due to market changes. Research is underway to compare rates for this and other plan options. The new health plan year begins June 1<sup>st</sup>. Regarding the Conservancy's dental policy, last year's rates were locked in for two years.

Executive Director Jesse Brackenbury informed the Committee that the Greenway changed health insurance plans within the last 3 years. The Greenway has avoided significant health care costs by selecting plans with high deductibles and fully reimbursing employees for eligible deductible costs. Laws have changed since the

Greenway selected its deductible reimbursement program, but our current automated full deductible reimbursement plan has been grandfathered in. Any change in our current health plan would result in a new health reimbursement plan that would not support automated full deductible reimbursement.

#### Auditor procurement

The Committee reviewed the RFP process, the interviews conducted with each firm and the quality of the final bids submitted by AAF, CR, FD and KAF.

Upon motion made and duly seconded, it was unanimously voted not to re-engage the firm of Feely & Driscoll.

The Committee then evaluated each bid of the remaining firms with the focus on several factors – local reputation, quality of interviews and comments made by each firm, awareness of public meeting laws, the IT audit component of each bid, and price including future increases, if any.

Upon motion made and duly seconded, it was unanimously voted to retain the firm of Alexander, Aronson, Finning, CPAs to audit the books and records of the Greenway Conservancy as auditor for fiscal year ending June 30, 2014 and to authorize management to further negotiate the pricing of the bid.

#### FY14 actual vs. budget review, FY15 budget process

As the spring season began, FY14 budgets in most departments reflected the normal trend of spending increases. A small increase in Planning and Design expenses included costs for a Public Art consultant. Greenway Gala costs were estimated to come in close to budget. Snow removal costs were unexpectedly high this year due to severe weather.

By the end of April, FY15 budget spending guidelines will be formulated based on anticipated baseline revenue sources. Final budget recommendations for FY15 will be presented at the next FARMC meeting in June.

The Finance Audit Risk Management Committee concluded at 9:24 AM.