Finance/Audit Committee
26th Annual Meeting
Talking Points

The Finance/Audit Committee primary responsibilities are to:

(1) Provide oversight of LGIT's investment portfolio and annual financial audit and the preparation of the Comprehensive Annual Financial Report (CAFR).

In carrying out these responsibilities, the Committee:

(1) Met quarterly with the investment advisor to review investment holdings and investment activities to ensure that they are consistent with the investment policy.

(2) Evaluated investment returns, investment strategies, and individual manager performance by comparing them to policy benchmarks and peer groups.

(3) Reviewed with management certain financial policies and procedures.

(4) Met with management and the auditor to review LGIT's Comprehensive Annual Financial Report (CAFR).

(5) Obtained a written report from the independent auditor addressing any significant or non-routine findings and observations occurring during the audit and specifically addressing those matters.

(6) Reviewed and discussed with management their response to the independent auditor's management letter.

Committee made the following Recommendations to the Board of Trustees:

1. To accept the Comprehensive Annual Financial Report (CAFR), which includes the Combined Financial Statements as of June 30, 2012 and 2011.

The Committee was satisfied that the independent audit examination was consistent with generally accepted auditing standards and that the financial statements conform with generally accepted accounting principles.

The Committee is comprised of 11 members. In addition to myself, Board of Trustees Chair David J. Deutsch and the 2 ex-officio member, Scott Hancock and Michael Sanderson, the following individuals served on the Committee during fiscal year 2013:

Ernie Crofoot – Kent County
Terry Shannon – Calvert County
Steve Gindes – MML
Opiriobo Jack – City of Aberdeen
Elaine Kramer – St. Mary's County
Tari Moore -   Cecil County
Barbara Mathews – City of Rockville