1. BET Audit Comm. Webinar Agenda
   Documents:
   BET AUDIT COMMITTEE WEBINAR AGENDA_1-22-2021.PDF

2. BET Audit Comm. Webinar Packet
   Documents:
   BET AUDIT COMMITTEE PACKET_1-22-2021.PDF

3. SUB_TO_APP_BET Audit Comm. Meeting Minutes 1-22-2021
   Documents:
   SUB_TO_APP_BET AUDIT COMMITTEE MEETING MINUTES_1-22-2021.PDF

4. APPROVED_BET Audit Comm. Meeting Minutes 1-22-2021
   Documents:
   APPROVED_BET AUDIT COMMITTEE MEETING MINUTES_1-22-2021.PDF
TOWN OF GREENWICH
BOARD OF ESTIMATE & TAXATION
AUDIT COMMITTEE WEBINAR

Friday, January 22, 2021 – 8:30 A.M

Please click the link below to join the webinar:
https://greenwichct.zoom.us/j/84562570561?pwd=Q245K2pNZWVZazU4b1pWRjBicm0rUT09

Webinar ID: 845 6257 0561
Password: 1795309

Or Telephone:
Dial: (888) 475 4499 (Toll Free)

AGENDA

1. Approval of the BET Audit Committee Meeting Minutes of December 2, 2020

2. Internal Audit
   • Review and Approval of the Marina Fees Audit – Clifton Larson Allen LLP (blumshapiro name change)
   • Transfer Station and Tipping Fees Audit Update – Clifton Larson Allen LLP (blumshapiro name change)

3. Risk Management
   • Discussion of new GPS system, GeoTab, Inc. – Safety Notifications
   • Timeline for FY2022 Insurance Program Renewals (renewals for 7/1/21)

4. Old Business
   • Audit Plan Update

5. New Business
   • None

6. Items for future BET Audit Committee Meetings
   • None

7. Adjournment
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BOARD OF ESTIMATE & TAXATION
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Town of Greenwich

Findings and Recommendations

Internal Audit of Greenwich Marinas

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II. **Town of Greenwich – Marina Audit - Project Overview**

**Project Overview**

A. **Background**

The Town of Greenwich (hereinafter referred to as the “Town”) engaged blumshapiro to provide internal audit services related to the operations of the Greenwich Marinas and Boat Yard. blumshapiro performed a review of the revenue streams and collection processes, automated systems, account reconciliations, and policies/procedures/controls in place as it pertains to managing marina operations.

B. **Project Approach & Tasks**

This review included the following project tasks:

1. Reviewing the documented processes and controls for the three marinas and one boat yard
2. Identifying revenue streams of the various marina fees for the marinas and boat yard
3. Mapping the current process flows for any revenue/fee collections for marina services at the marinas and boat yard
4. Reviewing current automated systems used to support the marinas and boat yard
5. Confirming regulations and procedures used to validate residency for marina use
6. Testing monthly financial transactions for various services
7. Documenting findings and operational/control gaps observed
8. Providing management with a report of our findings and recommendations
9. Meeting with management (virtually if required) to review the results of the report

C. **Acknowledgements**

blumshapiro would like to thank the Parks and Recreation/Marina staff for their participation, support, ongoing dialogue, and feedback during this project.
III. Town of Greenwich – Marina Audit – Marina Overview

Greenwich Marina Overview
Below is a description of the Marina operations within the Town of Greenwich:

1. Greenwich Marinas and Boat Yard
   a. Byram Marina
      i. Approximately 170 slips
      ii. Limited year-round rack storage
      iii. Dry winter storage
   b. Cos Cob Marina
      i. Approximately 175 slips
      ii. Year-round rack storage
      iii. Dry winter storage
   c. Grass Island Marina
      i. Approximately 150 slips
      ii. Transient dock
      iii. Limited year-round rack storage
      iv. Dry winter storage
   d. Greenwich Point Boat Yard
      i. Landing floats
      ii. Year-round rack storage
      iii. Dry winter storage
   e. Each marina and the boat yard is managed and supervised by a Dockmaster. In total, there are four (4) Dockmasters; two (2) fulltime Dockmasters and two (2) seasonal Dockmasters.
III. Town of Greenwich – Marina Audit – Marina Overview

f. The marinas are generally open from April 15th through November 15th of each year for the “summer season” with a Dockmaster on site at least five (5) days per week from 9AM-5PM.

g. Winter storage season typically runs from September 1st through June 15th of each year.

2. Revenue streams and services associated with the marinas and boat yards include the following:

   a. Per interview with the Parks and Recreation/marina staff, the Town charges and collects fees for the following services at the marinas and boat yard:

      i. Facility space/slip rentals for boats
      ii. Winter storage for vessels
      iii. Transient storage/ “tie-up” fees for boaters who temporarily dock at the Grass Island Marina
      iv. Facility use permits
         1. These are required for boat owners to launch their vessels and have general access to the marina
      v. Rack storage for kayaks, paddleboards and canoes
      vi. Stand storage for boat stands after vessels have been moved out of storage and into the water
      vii. Dry sail usage
         1. For small powerboats that are launched each time into the water, Greenwich marinas offer the use of an on-premise trailer to drop the boat into the water/remove the boat when done (charged by boat length in feet)
      viii. Trailer storage
         1. For boats that reside in the water for the marina season, owners may keep their boat trailer on marina property for a fee
      ix. Locker rentals for the storage of lifejackets, paddles and other small boating equipment/supplies
         1. Available at two (2) of the marinas
      x. Power-washing service
III. **Town of Greenwich – Marina Audit – Marina Overview**

1. Greenwich marinas offer a power-washing/boat cleaning service that many boaters opt to use prior to storing their vessels for winter (charged by boat length in feet)

   xi. Non-resident boat launch permit

   1. Each marina season, Greenwich allows 30 non-residents to apply and purchase boat launch permits

b. Greenwich marinas do not provide any maintenance, boat repair, or hauling services

   i. Greenwich utilizes permitted marine vendors for boat repairs and services

   1. Vendors apply for permits from the Town
   2. These vendors operate entirely separately from the Town/Marinas

c. Greenwich marinas also do not offer mooring space/fees; this is outsourced to a different organization

d. The marinas do not sell boating supplies

3. Collection types

   a. All revenues for marina services are collected at the Town Hall Parks and Recreation Office, online (processed through the Parks and Recreation Office), or mailed into the Parks and Recreation Office; no money is exchanged or handled directly at the Greenwich marinas

   b. The Parks and Recreation Office will accept the following forms of payment for marina services

      i. Cash
      ii. Check
      iii. Credit/debit cards
      iv. Online Payments

   c. All fees are processed through the RecTrac Parks and Recreation software

4. Software Systems for managing Marina operations
III. Town of Greenwich – Marina Audit – Marina Overview

a. RecTrac Parks and Recreation software is used as the primary system for managing all revenues, boaters, residents and marina accounts
   i. The Parks and Recreation office within Town Hall is also integrated with the RecTrac software
   ii. RecTrac is also used to create an invoice for transient boater storage (tie-up) which is sent out via mail or email to the boat owner
      1. Note: Transient storage is the only marina fee/service that is not collected “up front” prior to the boater utilizing the service/storage/rental
b. The recording of finances/revenues collected by the marina division are maintained in the Town’s financial management system, MUNIS
c. At this time, there is no automated integration/interface between RecTrac and MUNIS
   i. This capability does exist and the Town is aware/has plans to automate the two (2) systems in the future
   ii. Currently, as part of regular reconciliation, the Parks and Recreation office runs a report out of RecTrac for Town Treasury that identifies the journal entry “upload” for pulling marina revenues into MUNIS (the data is manually entered/keyed-in at this time)
   iii. Account numbers for the various revenue streams (e.g. winter storage, slip rentals) are identical between MUNIS and RecTrac
   iv. MUNIS and RecTrac are reconciled weekly by the Parks and Recreation and Town Finance/Treasury staff
d. Microsoft Excel
   i. To manage waitlists, dock slips, marina assignments and other marina data, Microsoft Excel is used by Parks and Recreation marina staff

5. Resident Validation Process
   a. The Town’s Park and Recreation Department has a thorough process that is performed annually (every 3 years for Seniors) to confirm residency before customers can access/register for any recreational programs
III. Town of Greenwich – Marina Audit – Marina Overview

i. Approximately 45,000 user accounts exist in RecTrac. Parks and Recreation staff set these accounts to “nonresident” each year and then activate them one by one, as account holders validate their Greenwich residency.

ii. Residents can upload their identification (2 forms required for the primary account holder, 1 form required for all additional family members) directly to RecTrac online and can present forms of ID in person to the Town, or the mail forms in.

b. Greenwich residency is required for all marina services aside from transient storage and the 30 non-resident boat launch permits distributed annually.

c. The process workflow for residency validation is included in the Appendix of this report.

6. Reconciliation Processes & Bank Deposit

a. At the end of each business day, the Parks and Recreation Office performs a final count of all money collected and then staff formally sign off. The money (cash/checks) are picked up by Brinks for bank deposit the next day.

i. Money is kept in a safe within the Office until pickup.

ii. The bank mails a deposit slip/receipt directly back to the Parks and Recreation office.

b. Staff run a daily GL Distribution report out of RecTrac which captures all the revenue activity that occurred for the marinas (including a summary of credit cards, checks, and cash activities).

i. This report is later provided to Treasury along with the bank deposit slip(s).

ii. The Revenue Clerk, within the Treasury Department, later uses this report to manually enter the marina revenues into MUNIS, on a weekly basis.

iii. The Treasury Clerk then reconciles the Parks and Recreation bank account/cash account and MUNIS, on a monthly basis.

1. The Treasurer reviews and signs off on the monthly reconciliation.

2. Reconciliations are expected to be completed, reviewed, signed off by the 25th of the subsequent month but no later than the last day of the month.
III. Town of Greenwich – Marina Audit – Marina Overview

c. For credit cards, the Treasury Department runs a daily report from JP Morgan Chase to view all Greenwich credit card activity Town-wide. The pages showing activity pertaining to Parks and Recreation are extracted and provided to the Parks and Recreation Customer Service Supervisor for review and confirmation of activity

   i. Marina Parks and Recreation staff confirm their JP Morgan credit card activity against RecTrac daily revenue reports and notifies their approval to the Customer Service Supervisor

   ii. The Customer Service Supervisor relays the confirmation to Treasury by signing and returning all credit card/revenue reports

d. The reconciliation process workflows are included in the Appendix of this report
IV. Town of Greenwich – Marina Audit – Findings & Recommendations

Control Findings and Recommendations

blumshapiro identified and reviewed financial and operational controls regarding Marina operations. The below findings and recommendations were noted in conjunction with our analysis.

1. **Finding** – MUNIS user access rights were reviewed. Two (2) user access rights were deemed inappropriate, as they are employees of the Golf course. These employees are Robert Morel, Assistant Operations Manager – Golf and Steve Pyo, Operations Manager – Golf.

   a. blum performed a review of user access rights and permissions within MUNIS as it relates to the marina accounts. The following users were identified:

      i. Director - Parks and Recreation
      ii. Assistant Director of Parks and Recreation
      iii. Executive Assistant to Director of Parks & Recreation
      iv. Business Operations Supervisor – Parks and Recreation
      v. Marine & Facilities Operations (MFO) Operations Manager – Parks and Recreation
      vi. MFO Superintendent – Parks and Recreation
      vii. Customer Service Supervisor – Parks and Recreation
      viii. Recreation Supervisor – Parks and Recreation
      ix. Recreation Supervisor – Parks and Recreation
      x. Account Clerk/Accounts Receivables – Parks and Recreation (also handles payroll issues for Parks and Recreation)
      xi. Account Clerk/Accounts Payable – Parks and Recreation
      xii. Account Clerk – Parks and Recreation
      xiii. Assistant Operations Manager – Golf
      xiv. Operations Manager – Golf
b. GL rights and abilities within the Marina accounts for the staff above appear reasonable with the exceptions of the two employees from the golf course, Robert Morel, Assistant Operations Manager and Steve Pyo, Operations Manager

1. **Recommendation** – Perform an Annual Review of User Roles and Access Within MUNIS

   a. We recommend that the Finance department work with IT in reviewing users’ access on MUNIS at least on an annual basis. As a part of this review, the findings and results should be documented to ensure that action is taken if exceptions are found during the review. Performing an annual user access review will allow the Town of Greenwich to ensure that each user has appropriate MUNIS access as well as give Town of Greenwich an opportunity to find users that should be removed from MUNIS.

2. **Finding** – Lack of formal documented policy and procedures

   a. During the process walkthroughs, blumshapiro noted the marina did not have detailed documented policy and procedures manual related to the revenue collections process or daily operations. Various forms do exist and are used to process and track financial transactions. However, no formal policy and procedures manual was available that identifies all the policies, procedures, protocols and controls that should be followed.

2. **Recommendation** – Develop and document a comprehensive policy and procedures manual

   a. We recommend that a documented policy and procedure manual be developed to provide a roadmap of processes, responsibilities and key controls to be adhered to by the Marina personnel for the purposes of accountability and training of employees. Although existing staff may have a reasonable idea of what is required in the daily operations of the marina, it will be difficult to ensure consistency and accuracy of responsibilities and key controls if they are not documented. A documented, comprehensive manual will provide both the marina and Parks and Recreation management team with the policy and procedures necessary to ensure all key control activities are adhered to and task responsibilities assigned to appropriate key personnel.
Marina Controls Testing

As part of this audit, blumshapiro tested the activities within marina operations for the 2018-2019 and 2019-2020 fiscal years. For each control, blum assessed the control for effectiveness and provided an audit conclusion of “Satisfactory,” “Needs Improvement,” “Unsatisfactory,” “Inconclusive,” or “Not Applicable.”

### Audit Conclusion Key

<table>
<thead>
<tr>
<th>Conclusion Rating</th>
<th>Rating Calculation/Logic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfactory</td>
<td>75-100% of the samples selected for testing passed the test criteria with no exceptions</td>
</tr>
<tr>
<td>Needs Improvement</td>
<td>50% or more of the samples selected for testing passed the test criteria with exceptions</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>50% or more of the samples selected for testing did not pass test criteria; exceptions were noted</td>
</tr>
<tr>
<td>Inconclusive</td>
<td>Audit test files and/or supporting documents were not available during testing; unable to conclude on testing results</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>Testing was not applicable for the selected control</td>
</tr>
</tbody>
</table>

Summary test results are on the following pages. Tests include:

1. Revenue Collection
2. Revenue Reconciliation
3. Credit Card Reconciliation
4. Monthly Reconciliations
## 1. REVENUE COLLECTION

### Summary findings for 2018-2019 Revenue Collection

Approximately twenty-five-hundred (2,500) receipts were identified and one hundred (100) receipts were tested across the eleven (11) Marina revenue streams identified. Of the one hundred (100) receipts tested:

a. One hundred were completely and accurately recorded in RecTrac. (REC.1 and REC.2). However, it was noted three (3) receipts were charged partial amounts that did not agree to the Marina Fee Schedule. Upon further review it was noted these charges were related to partial use of the Marina services. Revenue calculated and recorded appropriately and therefore did not warrant a finding.

<table>
<thead>
<tr>
<th>Control Test</th>
<th>Dock Space &amp; Slip Rentals</th>
<th>Facility Use Permits</th>
<th>Non Resident Permits</th>
<th>Winter Storage</th>
<th>Transient Slip</th>
<th>Rack Storage</th>
<th>Trailer Storage</th>
<th>Power washing</th>
<th>Stand Storage</th>
<th>Dry Sail</th>
<th>Locker Rentals</th>
</tr>
</thead>
<tbody>
<tr>
<td>REC.1</td>
<td>Payment processing occurs by P&amp;R Office; a receipt is provided to the resident (mail or email).</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>REC.2</td>
<td>Receipt agreed to Marina Fee Schedule</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>REC.1</td>
<td>Payment processing occurs by P&amp;R Office; a receipt is provided to the resident (mail or email).</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>REC.2</td>
<td>Receipt agreed to Marina Fee Schedule</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
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<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
</tbody>
</table>
Summary findings for 2019-2020 Revenue Collection

Approximately twenty-five-hundred (2,500) receipts were identified and one hundred (100) receipts were tested across the eleven (11) Marina revenue streams identified. Of the one hundred (100) receipts tested:

a. One hundred were completely and accurately recorded in RecTrac. (REC.1 and REC.2)
### 2. REVENUE RECONCILIATION

<table>
<thead>
<tr>
<th>WRR.1</th>
<th>At the end of each business day, final count of money collected each day is performed by P&amp;R Office; signoff occurs. P&amp;R office runs a GL Distribution report out of RecTrac.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Satisfactory</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WRR.2</th>
<th>The next business day, the marina money (cash/checks collected at P&amp;R Office) is picked up by Brinks for bank deposit.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Satisfactory</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WRR.3</th>
<th>P&amp;R Office provides Treasury with a copy of GL Report and bank deposit receipt. Note: Additionally, P&amp;R provides Treasury the GL report showing the intended interface entry for RecTrac to MUNIS.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Satisfactory</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WRR.4</th>
<th>Revenue Clerk/Treasury enters the data/revenues into MUNIS by collection type/account.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Satisfactory</td>
</tr>
</tbody>
</table>
V. Town of Greenwich – Marina Audit – Audit Testing

Summary findings for 2018-2019 Revenue Reconciliation

Eight (8) weeks were selected for testing and included the following: April 15, 2018; May 13, 2018; June 10, 2018; July 1, 2018; August 5, 2018; September 9, 2018; January 27, 2019 and March 31, 2019. Of the eight (8) weeks:

a. Eight (8) weekly revenue cash/check deposits agreed to the RecTrac GL Distribution Report, without exceptions (WRR.1)

b. Eight (8) weekly revenue cash/check deposits were posted timely to the bank, without exception (WRR.2)

c. Eight (8) weekly revenue cash/check deposits agreed to the total deposit per the JP Morgan Chase Bank, without exception (WRR.3)

d. Eight (8) weekly revenue cash/check deposits agreed to the total deposit per MUNIS (WRR.4)

Summary findings for 2019-2020 Revenue Reconciliation

Eight (8) weeks were selected for testing and included the following: April 21, 2019; June 30, 2019; July 7, 2019; August 11, 2019; September 29, 2019; November 10, 2019; January 26, 2020 and February 23, 2020. Of the eight (8) weeks:

a. Eight (8) weekly revenue cash/check deposits agreed to the RecTrac GL Distribution Report, without exceptions (WRR.1)

b. Eight (8) weekly revenue cash/check deposits were deposited timely to the bank, without exception (WRR.2)

c. Eight (8) weekly revenue cash/check deposits agreed to the total deposit per the JP Morgan Chase Bank, without exception (WRR.3)

d. Eight (8) weekly revenue cash/check deposits agreed to the total deposit per MUNIS (WRR.4). However, of the eight (8) revenue cash/check deposits tested it was noted that two (2) revenue cash/check deposits were posted more than one (1) month after the revenue was recorded in RecTrac.

i. Total Marina deposit of $593.25 was recorded in RecTrac on 10/31/2019 and deposited on 11/1/2019. The revenue was then recognized in Munis on 12/13/2019 as part of batch 252. Revenue was posted approximately one and a half months in MUNIS after revenue was posted in RecTrac and not recognized in the month revenue was earned.
V. Town of Greenwich – Marina Audit – Audit Testing

ii. Total Marina deposit of $630 was recorded in RecTrac on 3/23/2020 and deposited on 3/24/2020. The revenue was then recognized in Munis on 5/15/2020 as part of batch 277. Revenue was posted approximately one and a half months in MUNIS after revenue was posted in RecTrac and not recognized in the month revenue was earned.
V. Town of Greenwich – Marina Audit – Audit Testing

3. CREDIT CARD RECONCILIATION

<table>
<thead>
<tr>
<th>#</th>
<th>Control Test</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCR.1</td>
<td>Each Division reviews their JP Morgan activity against RecTrac GL Distribution Report credit card activity and verify the balance agrees prior to Treasury for inputting into MUNIS.</td>
<td>2018-2019: Satisfactory</td>
</tr>
<tr>
<td>CCR.2</td>
<td>Revenue Clerk enters the marina revenues into MUNIS by collection type/account.</td>
<td>2018-2019: Satisfactory</td>
</tr>
</tbody>
</table>

Summary findings for 2018-2019 Credit Card Reconciliation

Eight (8) weeks were selected for testing and included the following: April 15, 2018; May 13, 2018; June 10, 2018; July 1, 2018; August 5, 2018; September 9, 2018; January 27, 2019 and March 31, 2019. Of the eight (8) weeks we tested a total of fifteen (15) daily deposits and noted the following:

a. Eight (8) weekly credit card deposit balances identified on the JP Morgan Chase bank statement as a Marina transaction agreed to the RecTrac GL Distribution Report credit card activity, without exception (CCR.1)

b. Eight (8) weekly credit card deposits were entered into MUNIS completely and accurately (CCR.2)
V. Town of Greenwich – Marina Audit – Audit Testing

Summary findings for 2019-2020 Credit Card Reconciliation

Eight (8) weeks were selected for testing and included the following: April 21, 2019; June 30, 2019; July 7, 2019; August 11, 2019; September 29, 2019; November 10, 2019; January 26, 2020 and February 23, 2020. Of the eight (8) weeks we tested a total of fifteen (15) daily deposits and noted the following:

a. Eight (8) weekly credit card deposit balances identified on the JP Morgan Chase bank statement as a Marina transaction agreed to the RecTrac GL Distribution Report credit card activity, without exception (CCR.1)

b. Eight (8) weekly credit card deposits were entered into MUNIS completely and accurately (CCR.2)
V. Town of Greenwich – Marina Audit – Audit Testing

4. MONTHLY RECONCILIATION

<table>
<thead>
<tr>
<th>#</th>
<th>Control Test</th>
<th>Results</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2018-2019</td>
<td>2020-2019</td>
</tr>
<tr>
<td>MRR.1</td>
<td>Treasury Clerk reconciles the Parks and Recreation bank account (cash account) and MUNIS</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>MRR.2</td>
<td>Treasurer reviews the reconciliation and signs off.</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td></td>
<td>Note: Reconciliations are expected to be completed, reviewed and signed off by the 25th but no later than the last day of the subsequent month</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Summary findings for 2018-2019 Monthly Reconciliation

Four (4) months were selected for testing and included the following: May 2018, June 2018, July 2018; and March 2018. Of the four (4) months:

a. Four (4) bank reconciliations were complete and accurate and agreed to MUNIS, without exception (MRR.1)

b. Four (4) bank reconciliations were signed timely, no later than the last business day of the subsequent month, as evidence of review (MRR.2)
V. Town of Greenwich – Marina Audit – Audit Testing

Summary findings for 2019-2020 Monthly Reconciliation

Four (4) months were selected for testing and included the following: April 2019, June 2019, August 2019; and January 2020. Of the four (4) months:

a. Four (4) bank reconciliations were complete and accurate and agreed to MUNIS, without exception (MRR.1)

b. Four (4) bank reconciliations were signed timely, no later than the last business day of the subsequent month, as evidence of review (MRR.2)
Management Comments

The following responses were provided by Blaize Levitan, Assistant Director, Parks and Recreation, Town of Greenwich, after review of this audit report.

1. Finding #1 – Two (2) user access rights were deemed inappropriate, as they are employees of the Golf course.
   a. *Management Response*: Parks and Recreation has reviewed the MUNIS access and is working with Finance to change access for the Golf personnel. We will review MUNIS access for all divisions going forward, on a regular basis, to ensure only the appropriate staff have access to only those accounts needed.

2. Finding #2 – Lack of formal documented policy and procedures
   a. *Management Response*: The Parks and Recreation Department acknowledges finding #2 in the Marina Audit. Per the recommendation, we will collect and review existing forms and policies, and develop a single comprehensive Policy and Procedure Manual for the marinas that identifies all policies, protocols, and controls related to the revenue collections process and daily operations.

3. Summary findings for 2019-2020 Revenue Reconciliation – Two (2) revenue cash/check deposits were posted more than one (1) month after the revenue was recorded in RecTrac.
   a. *Management Response*: In reference to the extended MUNIS posting referenced in Section V.d.i. of the Marina Audit, totaling $593.25, the delay in MUNIS posting was due to a delay in the receipt from the bank, which was not returned until 11/26/19. A copy was sent as the original was never received by Parks and Rec. Treasury won’t have the details to post the revenue in MUNIS until we provide them with the GL accounts. We can’t send the GL accounts without the cash receipts from the bank.

   In reference to the extended MUNIS posting referenced in Section V.d.ii of the Marina Audit, totaling $630.00, the delay in MUNIS posting was due to the COVID-19 pandemic and its impact on Town Hall operations.
Appendix A – Interview List

The following staff was directly involved in providing information for the Marina Audit. The blumshapiro team thanks all who participated for their time, knowledge and efforts. The individuals that participated included:

Town of Greenwich Interview List

<table>
<thead>
<tr>
<th>Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tom Greco – Parks and Recreation Assistant Director</td>
</tr>
<tr>
<td>Kim Ambrosecchia – Parks and Recreation Business Operations Supervisor</td>
</tr>
</tbody>
</table>

Appendix B – Process Workflows

blumshapiro mapped a number of operational/process workflows relating to operations of the Greenwich marinas. The following workflows are mapped on the continuing pages:

- Resident Validation process
- Revenue Collection – Dock Space/Slip Rentals process
- Revenue Collection – Winter Storage process
- Revenue Collection – Transient Storage process
- Revenue Collection – Rack Storage process
- Revenue Collection – Stand Storage process
- Revenue Collection – Dry Sail process
- Revenue Collection – Trailer Storage process
- Revenue Collection – Locker Rentals process
- Revenue Collection – Power-washing Service process
- Revenue Collection – Non-resident Boat Launch Permits process
- Reconciliations
Parks & Recreation Department resets all Greenwich resident accounts as “non-residents” within RecTrac.

At the beginning of each calendar year (non seniors)

Every 3 years (Senior Citizens)

Prior to successfully registering for any program/obtaining Park/Beach pass/marina service

Residents must provide proof of residency to Parks and Recreation Department

Mail in to Parks and Recreation

Provide in person at Parks and Recreation

Upload to RecTrac account online

Email Parks and Recreation Office

Residents and Recreation validate identification and re-activate accounts by setting to “resident”

Residents may now obtain beach pass/signup for programs/utilize marina rentals and services

Note: New cards sent to new residents and others as needed

Note: Renewal requires 2 forms of ID for the primary account holder of the household and 1 form of ID for all other members of household over 25 years of age (including children). For children, birth certificates or passports are now required to be added to an account.

Each resident (who has participated in programs/Rec services previously) has an account within RecTrac with an associated account number and card (approximately 45K accounts)

Note:

**Icons**

- **= Standard office form**
- **= Control Present**
- **= Control Lacking**
- **= RecTrac software used**
- **= Munis software used**
- **= Microsoft Excel used**
Marina use/season begins April 15 of each year; renewal process can occur between January and April; residents can apply to waitlist at any time. Renewal process for repeat customers begins in January.

Resident completes a waitlist application at Town Hall Parks & Recreation (P&R) Office (manual Excel waitlist)

Note: Only residents are allowed on the waitlist. Various waitlists are maintained based on vessel size. Slip costs correspond to slip size.

Once a slip becomes available, Dockmaster notifies resident that they have a slip; slip is assigned

Note: Resident must provide P&R with proof of vessel registration, vessel insurance, and proofs of residency (which may already be in RecTrac; see Residency validation workflow).

Resident works with Town Hall P&R Office to validate needed documents

Resident is set up for payment processing (Slip fee/Facility Use Permit fee)

Note: Slip fee is a one-time payment for the season to P&R Office (can be made in person via cash/check/credit card, online via RecTrac or a mailed check. Facility Use Permit is a flat fee charged along with all marina services (aside from Transient storage) for use of launch ramp. Senior Facility Use Permit is free.

Payment processing occurs by P&R Office; a receipt is provided to the resident

P&R Office mails resident a vessel sticker and facility use card

Resident places sticker on the vessel and can now contact the Dockmaster to schedule date for placing vessel in water

Note: Vessel is not allowed on Town property until entire payment process is complete.

Note: The term “Vessel Sticker” is a broad term used throughout the workflow to indicate a sticker that the Town of Greenwich provides to indicate the type of storage. The names of the stickers vary depending on what type of service is used, i.e. “dock slip sticker,” “dry sail sticker,” etc.

Note: Once a resident obtains a slip and is off the waitlist, they only need to renew the following year. Town P&R Office will send out renewal forms based on the services rendered in the year prior (maintained in RecTrac) Documentation/validation is required annually.
V. Town of Greenwich – Marina Audit – Appendix

Greenwich Marina

Revenue Collection – Winter Storage

Returning Customers

Winter storage sign-up/set up process typically begins in mid-August

Town Hall P&R Office sends out renewal applications to residents who used marina services in the prior year

Note: Renewal packets are customized to include a list of services the resident had previously used to allow for easy renewal/opt in to repeat service

Resident completes packet (with verification of residency, vessel registration & insurance), & makes payment for services

Note: If any information is incorrect or not up to date, it must be resubmitted

Payment processing occurs by P&R Office; a receipt is provided to the resident (mail or email)

Note: The term “Vessel Sticker” is a broad term used throughout the work flows to indicate a sticker that the Town of Greenwich provides to indicate the type of storage. The names of the stickers vary depending on what type of service is used, i.e. “dock slip sticker,” “dry sail sticker,” etc.

P&R Office provides a winter storage vessel sticker to the Dockmaster

Dockmaster adheres sticker appropriately to trailer/stands and winter storage begins; resident provided with Facility Use permit

Note: The resident will be provided their Facility Use permit if they have not already submitted for one earlier in the season

New Customers

Winter storage for returning customers starts on September 1 and runs through June 15

Resident contacts (phone or in person) Town Hall P&R Office requesting winter storage service

If storage space is available (data in spreadsheet), P&R Office will notify the customer of where storage is available (which location)

Note: Resident must provide P&R with proof of residency (which may already be in RecTrac (see Residency validation workflow), vessel registration, and vessel insurance

Resident works with Town Hall P&R Office to validate proof of residency

Once necessary documents are verified

Resident is set up for payment processing (Winter Storage fee & Facility Use Permit fee)

Note: Storage fee is based on size of vessel and must be paid in full up front. (can be made in person via cash/check/credit card, online via RecTrac or a mailed check

Icons

= Standard office form

= Control Present

= Control Lacking

= RecTrac software used

= Munis software used

= Microsoft Excel used
**Greenwich Marina**

**Revenue Collection – Transient Storage**
(Dock at Grass Island Marina)

1. **Transient boater (or resident) arrives with boat for “tie-up” at marina dock**

2. **Dockmaster obtains boater name, contact information, boat length and information (inputs into spreadsheet)**

3. **Dockmaster logs length of stay in spreadsheet; spreadsheet is provided to P&R Office for input into RecTrac and billing**

4. **P&R Office generates an invoice out of RecTrac for the tie-up and mails or emails to boater**

**Boater pays for usage and payment processing occurs by P&R Office**

**Note:** Fees vary based on vessel size and length of stay

- No fee for < 2 hrs.
- Day tie up: 2+ hrs. but not overnight
- Overnight: boater billed based on size of vessel

**Note:** Residents have the option to pay online via credit card on RecTrac; all boaters can pay via mailed in check or in person at Town Hall P&R Office with cash/check/credit card.

**Icons**
- = Standard office form
- = Control Present
- = Control Lacking
- = RecTrac software used
- = Munis software used
- = Microsoft Excel used

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**V. Town of Greenwich – Marina Audit – Appendix**
V. Town of Greenwich – Marina Audit – Appendix

Marina use/season begins April 15 of each year; renewal process can occur between January and April; residents can apply to waitlist at any time. Renewal process for repeat customers begins in January. Rack storage is a year-long service from April 15th to April 14th the following year.

Resident completes a waitlist application at Town Hall Parks & Recreation (P&R) Office (manual Excel waitlist)

Once a rack space becomes available, Dockmaster notifies resident that they have a rack storage space

Resident works with Town Hall P&R Office to validate proof of residency

Resident is set up for payment processing (Rack Storage fee/Facility Use Permit fee)

Once necessary documents are verified

Payment processing occurs by P&R Office; a receipt is provided to the resident

P&R Office mails resident a vessel rack storage sticker and facility use card

Resident places sticker on the vessel and can now use marina rack storage space and launch ramp

Note: Only residents are allowed on the waitlist.

Note: Resident must provide P&R with proof of residency (which may already be in RecTrac (see Residency validation workflow)

Note: Rack Storage fee is a one-time payment for the year to P&R Office (can be made in person via cash/check/credit card, online via RecTrac or a mailed check. Facility Use Permit is a flat fee charged along with all marina services (aside from Transient storage) for use of launch ramp. Senior Facility Use Permit is free

Note: Vessel not allowed on Town property until entire payment process is complete

Note: The term “Vessel Sticker” is a broad term used throughout the work flows to indicate a sticker that the Town of Greenwich provides to indicate the type of storage. The names of the stickers vary depending on what type of service is used, i.e. “dock-slip sticker,” “dry sail stickers,” etc.

Note: Once a resident obtains a storage space and is off the waitlist, they only need to renew the following year. Town P&R Office will send out renewal forms based on the services rendered in the year prior. Documentation/validation is required annually.

Icons:
- = Control Present
- = Control Lacking
- = RecTrac software used
- = Munis software used
- = Microsoft Excel used

Revenue Collection – Rack Storage
V. Town of Greenwich – Marina Audit – Appendix

Greenwich Marina
Revenue Collection – Stand Storage

Returning Customers

Town Hall P&R Office sends out renewal applications to residents who used marina services in the prior year

Resident completes the packet and makes payment for services

Payment processing occurs by P&R Office; a receipt is provided to the resident (mail or email)

Resident can now leave boat stands on Town property while not in use (while vessel is in water)

Dockmaster maintains a list of those using stand storage services in Excel spreadsheet

Note: Renewal packets are customized to include a list of services the resident had previously used to allow for easy renewal/option to repeat service; History of services resides in RecTrac

New Customers

Resident contacts (phone or in person) Town Hall P&R Office requesting stand storage

If stand storage space is available (storage tracked in Excel), P&R Office will notify the customer

Resident works with Town Hall P&R Office to validate proof of residency

Resident is set up for payment processing (Stand fee/Facility Use Permit fee)

Dockmaster maintains a list of those using stand storage services in Excel spreadsheet

Note: Resident must provide P&R with proof of residency (which may already be in RecTrac (see Residency validation workflow)

Note: Stand storage fee must be paid in full up front. (can be made in person via cash/check/credit card, online via RecTrac or a mailed check

Icons
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= Munis software used
= Microsoft Excel used
V. Town of Greenwich – Marina Audit – Appendix

Revenue Collection – Dry Sail

Dry Sail is for the use on a Greenwich Marina on-premise trailer to launch small boats. There is no dry sail service at the Byram marina.

Returning Customers

1. Town Hall P&R Office sends out renewal applications to residents who used marina services in the prior year
   - Note: Renewal packets are customized to include a list of services the resident had previously used to allow for easy renewal/opt in to repeat service

2. Resident completes the packet and makes payment for services including dry sail
   - Note: Dry sail must be paid in full up front. (can be made in person via cash/check/credit card, online via RecTrac or a mailed check)

3. Payment processing occurs by P&R Office; a receipt is provided to the resident (mail or email)
   - Note: If resident prefers another marina, they coordinate with P&R Office and Dockmaster
   - Note: The term “Vessel Sticker” is a broad term used throughout the work flows to indicate a sticker that the Town of Greenwich provides to indicate the type of storage. The names of the stickers vary depending on what type of service is used, i.e. “dock slip sticker,” “dry sail sticker,” etc.

4. P&R Office assigns a marina to the resident and provides vessel launch sticker, dry sail sticker, and facility use permit

5. Dockmaster maintains listing of all those with dry sail access in Excel; boaters can launch at will once on the list

New Customers

1. Resident contacts (phone or in person) Town Hall P&R Office requesting dry sail ability/access

2. Resident works with Town Hall P&R Office to validate needed documents and residency
   - Note: Resident must provide P&R with proof of vessel registration, vessel insurance, and proofs of residency (which may already be in RecTrac (see Residency validation workflow)

3. Resident is set up for payment processing (Dry Sail fee/Facility Use Permit fee)
   - Note: Fees must be paid in full up front. (can be made in person via cash/check/credit card, online via RecTrac or a mailed check

4. RecTrac maintains listing of all those with dry sail access in Excel; boaters can launch at will once on the list

Icons:
- = Standard office form
- = Control Present
- = Control Lacking
- = RecTrac software used
- = Munis software used
- = Microsoft Excel used
V. Town of Greenwich – Marina Audit – Appendix

Greenwich Marina
Revenue Collection – Trailer Storage

Returning Customers

Town Hall P&R Office sends out renewal applications to residents who used marina services in the prior year

Resident completes the packet and makes payment for services

Payment processing occurs by P&R Office; a receipt is provided to the resident (mail or email)

P&R Office provides (via mail) a trailer storage sticker and Facility Use permit

Resident adheres sticker appropriately to trailer and may now leave trailer at marina; Dockmaster maintains list in Excel

Note: Renewal packets are customized to include a list of services the resident had previously used to allow for easy renewal/opt in to repeat service

Note: Trailer storage fee must be paid in full up front. (can be made in person via cash/check/credit card, online via RecTrac or a mailed check

New Customers

Resident contacts (phone or in person) Town Hall P&R Office requesting trailer storage service

If trailer space is available (data in spreadsheet), P&R Office will notify the customer

Resident works with Town Hall P&R Office to validate proof of residency

Resident is set up for payment processing (Trailer Storage fee and Facility Use permit)

Once necessary documents are verified

Note: The term “Vessel Sticker” is a broad term used throughout the work flows to indicate a sticker that the Town of Greenwich provides to indicate the type of storage. The names of the stickers vary depending on what type of service is used, i.e. “dock slip sticker,” “dry sail sticker,” etc.

Note: Resident must provide P&R with proof of residency (which may already be in RecTrac (see Residency validation workflow)

Note: Storage fee is based on size of trailer and must be paid in full up front. (can be made in person via cash/check/credit card, online via RecTrac or a mailed check

Icons:
- = Standard office form
- = Control Present
- = Control Lacking
VSI = RecTrac software used
Munis = Munis software used
MS Excel = Microsoft Excel used

Returning Customers: Trailer storage allows residents to leave their boat trailers on Town property at the Greenwich marinas
V. Town of Greenwich – Marina Audit – Appendix

Greenwich Marina
Revenue Collection – Locker Rentals

Returning Customers

- Town Hall P&R Office sends out renewal applications to residents who used marina services in the prior year.
- Resident completes the packet and makes payment for services including locker rentals.
- Payment processing occurs by P&R Office; a receipt is provided to the resident (mail or email).
- P&R Office assigns a locker number in RecTrac to the resident. P&R Office provides assignment to Dockmaster.
- Dockmaster notifies resident of their locker number and monitors locker usage during season.

New Customers

- Resident contacts (phone or in person) Town Hall P&R Office requesting locker rental.
- Resident works with Town Hall P&R Office to validate residency.
- Resident is set up for payment processing (Locker Rental fee and Facility Use permit).
- Once necessary documents are verified.

Note:
- Locker rentals are only for Greenwich residents and only for the duration of the marina season.
- Fees must be paid in full up front. (can be made in person via cash/check/credit card, online via RecTrac or a mailed check)
- Note: Residents are responsible for obtaining their own locks for the lockers. Dockmaster handles and ensures removal at season end.

Note:
- Renewal packets are customized to include a list of services the resident had previously used to allow for easy renewal/opt in to repeat service.
- Note: Fees must be paid in full up front. (can be made in person via cash/check/credit card, online via RecTrac or a mailed check. Facility Use permits are required for locker rentals.

Icons:

- Standard office form
- Control Present
- Control Lacking
- RecTrac software used
- Munis software used
- Microsoft Excel used
V. Town of Greenwich – Marina Audit – Appendix

Greenwich Marina
Revenue Collection – Power-washing Service

Power-washing/boat cleaning service typically occurs once per season, generally prior to winter storage for the end of season. The Marinas have power-washing staff/crews and one bay/power-wash pad at three of the marinas: Grass Island, Cos Cob, and Greenwich Point.

Returning Customers

- **Town Hall P&R Office** sends out renewal applications to residents who used marina services in the prior year.
- **Resident** completes the packet and makes payment for services.
- **Payment processing** occurs by P&R Office; a receipt is provided to the resident (mail or email).
- **Resident can now schedule use of boat wash facility with the Dockmaster**.
- **Dockmaster handles all scheduling and washings in Excel spreadsheet**.

New Customers

- **Boater contacts (phone or in person) Town Hall P&R Office or Dockmaster requesting power-washing service**.
- **Resident makes payment for services**.

Note: Renewal packets are customized to include a list of services the resident had previously used to allow for easy renewal/opt in to repeat service; History of services resides in RecTrac.

Note: Power-washing fee is based on size of vessel and must be paid in full up front. (can be made in person via cash/check/credit card, online via RecTrac or a mailed check.)

Note: Typically Friday-Mondays are busy during hauling season.

Note: Dockmaster maintains within listing all those who have paid and ensures all washings are recorded in case there is an instance of someone who hasn’t paid up front.

Icons
- = Standard office form
- = Control Present
- = Control Lacking
- = RecTrac software used
- = Munis software used
- = Microsoft Excel used

Payment processing occurs by P&R Office; receipt is provided to the resident (mail or email)
Greenwich Parks and Recreation Office typically holds one “non-resident permit day” around April 15th of each year. 15 permits are allotted to non-Greenwich residents to Grass Island Marina and 15 permits are allotted to non-Greenwich residents at Cos Cob Marina for permits to launch their boats. Launch season typically closed by Nov. 15th.

Greenwich Marina
Revenue Collection – Non-resident Boat Launch Permits

Non-residents go to Town Hall P&R Office with documentation for permit application
Payment processing occurs by P&R Office; a receipt is provided to the applicant
P&R Office will provide a paper permit to the applicant during the same visit
Applicant must show paper permit to Dockmaster before launching their vessel at each visit
Permit allows boater to launch all season at whichever marina they were signed up for; vessel cannot be stored on site

On "non-resident permit day," on a first-come first-serve basis
If all documents and provided and complete
Note: Non-residents must provide ID, vessel registration, vessel insurance, and towing vehicle paperwork along with completed application
Note: Facility use cards/permits are not necessary for the non-residents. Launch permits for non-residents are flat fee, $85 per vessel.

Icons:
- = Standard office form
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- = RecTrac software used
- = Munis software used
- = Microsoft Excel used
**V. Town of Greenwich – Marina Audit – Appendix**

### RecTrac/MUNIS Reconciliation

**At the end of each business day**
- Final count of money collected each day is performed by P&R Office; signoff occurs. P&R office runs a GL Distribution report out of RecTrac.

**The next day**
- The marina money (cash checks collected at P&R Office) is picked up by Brinks for bank deposit.

**Bank mails a deposit slip/receipt back to the P&R Office**

**Upon receipt of deposit slip**
- P&R Office provides Treasury with a copy of GL Report and bank deposit receipt.
- Note: Additionally, P&R provides Treasury the GL report showing the intended interface entry for RecTrac to MUNIS.

**Monthly**
- GL report provides Treasury with evidence of all transactions processed and in what form (credit card, cash, check).

**Revenue Clerk/Treasury enters the data/revenues into MUNIS by collection type/account**

**Treasury Clerk reconciles the Parks and Recreation bank account (cash account) and MUNIS**

**Treasurer reviews the reconciliation and signs off**

### Credit Card Reconciliation

**Daily**
- Treasury Dept. runs a daily report from JP Morgan Chase to view all credit card activity for Town Departments.

**Treasury Dept. extracts pages relevant to Parks & Rec., loads them in network folder for review; notifies Parks & Rec. Customer Service Supervisor**

**Customer Service Supervisor forwards the JP Morgan reports to the appropriate division within Parks and Recreation for review/confirmation**

**Customer Service Supervisor confirms the accuracy with Treasury by signing/returning all reports; resolves any discrepancies as needed**

**Each Division reviews their JP Morgan activity against RecTrac daily revenue reports credit card activity; confirms with Supervisor**

**Greenwich Marina Reconciliations**

- Treasury verifies that deposit amount on bank slip matches GL report.

**Icons**
- = Standard office form
- = Control Present
- = Control Lacking
- = RecTrac software used
- = Muni software used
- = Microsoft Excel used
The meeting was called to order at 8:30 A.M.

1. Approval of the BET Audit Committee Meeting Minutes

Upon a motion by Ms. Erickson, seconded by Mr. Duus, to approve the Minutes of the BET Audit Committee Regular Meeting of November 5, 2020 as amended. The Committee voted 4-0-0. Motion carried.


Mr. Mynarski introduced the RSM guests, who discussed aspects of their 22-page report to the Audit Committee. A draft version of the CAFR will be updated to final form prior to the BET December 17 Meeting. After reviewing the formal auditors’ responsibilities in the Management Letter, Ms. Katz commented that there were no audit adjustments required to be made to the Trial Balance provided; and RSM anticipated issuing an “unmodified” opinion. Due to the pandemic environment, the CT Office of Policy Management (OPM) extended the Single Audit filing deadline until January 31, 2021; and the Supplementary COVID-19 CARES Act Federal funding Compliance Addendum deadline until March 31, 2021. New accounting procedures nation-wide (necessitated by the CARES Act) have not yet been promulgated.

In selected highlights of the CAFR, Ms. Katz noted that the Town was in a strong cash position. Assets of Primary Governmental exceeded $1 billion; total liabilities of $500 million consist mainly of pension liabilities and bonded debt. The Town’s net position increased by over $20 million during FY 2020.

Ms. Katz drew attention to the scope of this year’s audit including extensive testing of The Nathaniel Witherell and its classification as a major fund. Discussion ensued.

Upon a motion by Mr. Drake, seconded by Mr. Duus, to approve the CAFR
subject to final revisions made by RSM before the full BET considers the CAFR at its December 17 BET Meeting. The Committee voted 4-0-0. Motion carried.

3. Internal Audit

- **Update on the Marina Fees Audit – blumshapiro**

  A draft of the Marina Fee audit has been sent to the audited departments for management response. Although blumshapiro found nothing unusual in their audit it added that there would be recommendations in the audit to be circulated to the Committee, after the auditee had responded.

- **Status of other audits**

  Mr. Mynarski commented that the Transfer Station/Tipping Fee Audit is in progress. blumshapiro has met with the Department of Public Works and a draft should be ready for January’s meeting. School Lunch Audit will be taken up next.

4. Risk Management

- **Cyber Liability Insurance Renewal Update**

  Ms. Zanesky described the premium of the renewed Cyber Liability policy as having an increase of approximately $20,000 in premium to $77,558, and an increase of $50,000 in retention to $100,000. She commented that the cyber security initiatives implemented by the Town made the cost of the renewal less than it would have otherwise been. In addition, Ms. Zanesky spoke with ten different underwriters, all of whom signed Non-Disclosure Agreements, in order to give specifics and a better understanding of Town cyber security. Chubb added enhancements to the policy after these discussions. Gallagher has indicated that the cyber liability carriers in general have voiced that cyber liability policies have been underpriced and they are now working on catching up with the risks. Gallagher will fully market the cyber liability coverage next renewal in order to get more competitive pricing in what will hopefully be a better market.

5. Old Business

- **Audit Plan Update**

  Mr. Mynarski commented that because the December Agenda was crowded, the annual Audit Plan was moved into January for discussion. He then described his process of prioritizing all the audits to identify the top five that he would recommend to the Committee. Thereafter, in coordination with Mr. Ziplow of blumshapiro, the scope of the Committee’s selected audits will be expanded for the next Engagement Letters. Mr. Ziplow also recommend two additional audits be added: The Police Special Duty Payroll and a Grant accounting audit to review internal controls. A member of the Committee suggested adding a Purchasing Department Audit to the list. The Committee requested a schedule of Audits done in past years for comparison to the new Audit Plan for January discussion.
6. **Executive Session – Legal Claims**

   Mr. Drake called for an Executive Session to discuss Pending Litigation and Legal Claims which affect the CAFR.

Upon a motion by Mr. Drake, seconded by Mr. Duus, the Committee voted 4-0-0 to enter Executive Session at 10:18 A.M. Motion carried.

Upon a motion by Mr. Weisbrod, seconded by Mr. Duus, the Committee voted 4-0-0 to exit Executive Session at 11:27 A.M. Motion carried.

The Committee exited Executive Session at 11:27 A.M.

7. **Executive Session – Cyber Security**

   Mr. Drake called for an Executive Session to discuss Cyber Security.

Upon a motion by Mr. Drake, seconded by Ms. Erickson, the Committee voted 4-0-0 to enter Executive Session at 11:35 A.M. Motion carried.

Upon a motion by Mr. Weisbrod, seconded by Mr. Duus, the Committee voted 4-0-0 to exit Executive Session at 12:04 P.M. Motion carried.

The Committee exited Executive Session at 12:04 P.M.

8. **Adjournment**

   The Committee unanimously voted to adjourn at 12:04 p.m. Motion carried.

____________________________________________________________________________________

Catherine Sidor, Recording Secretary

____________________________________________________________________________________

William Drake, Audit Committee Chairman

Next Audit Committee Meeting:

Friday, January 22, 2021 8:30 A.M.
The meeting was called to order at 8:30 A.M.

1. **Approval of the BET Audit Committee Meeting Minutes**

   Upon a motion by Mr. Weisbrod, seconded by Ms. Erickson, to approve the Minutes of the BET Audit Committee Regular Meeting of December 2, 2020. The Committee voted 4-0-0. Motion carried.

2. **Internal Audit**

   Mr. Ziplow remarked that blumshapiro, the original auditing firmed contracted by the Town for the Marina Fees Audit had recently merged into Clifton Larson Allen LLP, a 3,500-employee firm with broader resources.

   a. **Review and Approval of the Marinas Audit – Clifton Larson Allen LLP**

   Mr. Ziplow and Ms. Martinez presented an overview of the draft audit of the Town’s four marinas. The testing results were satisfactory. Two recommendations were made: 1) development of a Polices & Procedures Manual, and 2) review and update of list of employees with access to Marina Rec Trac system. The Committee requested several minor modifications to the draft audit report including setting a target date for the integration of MUNIS and Rectrac. The Committee concluded that this Audit was satisfactory overall. The Committee agreed with the proposal of Mr. Ziplow to establish a document listing agreed action steps in each Audit and tracking progress toward completion. A Committee member suggested that the Harbor Management Commission
should receive a copy of the Marina Fees Audit Report.

Upon a motion by Ms. Erickson, seconded by Mr. Weisbrod, to accept the Marina Fees Audit with the minor modifications as discussed, the Committee voted 4-0-0. Motion carried.

- **Transfer Station and Tipping Fees Audit Update – Clifton Larson Allen LLP**

  Mr. Ziplow reported that all research interviews had been completed. Transaction activity testing covering July 1 through December 31, 2020 is ready to begin. Additionally, a 2-year historical review of haulers will also be undertaken. A draft of the Transfer Station and Tipping Fees Audit is anticipated in February or March.

- **School Lunch Fund Update**

  This audit has not begun because interviews must take place on site.

  Upon a motion by Mr. Duus, seconded by Mr. Weisbrod, to change the Order of Business to discuss Item #4 **Old Business** before Item #3 **Risk Management**, the Committee voted 4-0-0. Motion carried.

4. **Old Business**

- **Audit Plan Update**

  **Internal Audits Completed or underway**
  1. Student Activities (Completed)
  2. Skating Rink (Completed)
  3. Marina Fees (Completed)
  4. Transfer Station & Tipping Fees (expected March 2021)
  5. School Lunch Program (expected April 2021)

  Mr. Mynarski presented a list of recommended topics for the next Audits, numbers 6 through 10. He and Mr. Ziplow had discussed both the priorities and scope of the next Audits which could begin upon completion of the School Lunch Audit.

  **2021 – 2022 List**
  6. Fleet Department
  7. Human Services
  8. Griffith E. Harris Golf Course
  9. Police Special Duty Revenue
  10. Dept. of Public Works Permit Process

  **2022-2023 List (and observations)**
  11. Tax Collector’s Office: (RSM recent reviewed during Town Audit)
  12. The Nathaniel Witherell: (Tom Marien – PKF O’Conner Davies currently on-site)
  13. Retirement Board Calculations (Empower/Milliman recently cleaned up records)
  14. Human Resource Payroll (deferred until ADP new software implemented)
  **15. Employee Benefits …………….(move to position 6 under 2021-2022 List)**
17. GASB Rule #87 Leases

Upon a motion by Mr. Weisbrod, seconded by Mr. Drake, to adopt the 5 internal audits in the 2021-2022 list and add a 6th internal audit, Employee Benefits, as the 2021-2022 Audit Plan. The Committee voted 4-0-0. Motion carried.

3. Risk Management

- **Discussion of new GPS system, GeoTab Inc. – Safety Notification**

  Ms. Zanesky described the GeoTab GPS system already installed in approximately 100 of the Town’s fleet of 250 vehicles which monitors safety features such as speed, hard acceleration and braking and seat belt violations among other things. Ms. Zanesky will follow-up with the Human Resources Department for a meeting to discuss developing a formal policy for safety violations by employees operating Town vehicles.

- **Timeline for FY2022 Insurance Program Renewals** (renewals for 7/2021)

  The Risk Manager plans a meeting with Gallagher Insurance for early February to discuss information gathering for renewals, credits sought for COVID19 cancellation of events and programs, preliminary discussions of the potential to discontinue any unneeded policies and marketing for more beneficial terms and premiums. The insurance binder process begins in June, and all policies are confirmed by August 1. Ms. Zanesky will follow-up with BOE and GPS Facilities Director to review actual current policy needs with respect to the solar panel policies. A member of the Committee requested that Gallagher send the follow-up information requested by the committee on captive insurance as an alternative for brokered policies. Mr. Mynarski requested the estimated budget for the insurance renewals from Gallagher & Co by February 23, 2021 for presentation to the Budget Committee.

5. New Business

  No New Business scheduled for discussion.

6. Items for future BET Audit Committee Meetings

  No Items were proposed for future discussion.

7. Adjournment

  Upon a motion by Mr. Duus, seconded by Mr. Drake, the Committee voted 4-0-0 to adjourn the Meeting at 10:33 A.M. Motion carried.

_________________________________________
Catherine Sidor, Recording Secretary
William Drake, Audit Committee Chairman

Next Audit Committee Meeting scheduled for February 17, 2021 at 10:30 A.M. Virtual Meeting.
The meeting was called to order at 8:30 A.M.

1. **Approval of the BET Audit Committee Meeting Minutes**

   Upon a motion by Mr. Weisbrod, seconded by Ms. Erickson, to approve the Minutes of the BET Audit Committee Regular Meeting of December 2, 2020. The Committee voted 4-0-0. Motion carried.

2. **Internal Audit**

   Mr. Ziplow remarked that blumshapiro, the original auditing firmed contracted by the Town for the Marina Fees Audit had recently merged into Clifton Larson Allen LLP, a 3,500-employee firm with broader resources.

   - **Review and Approval of the Marinas Audit – Clifton Larson Allen LLP**

     Mr. Ziplow and Ms. Martinez presented an overview of the draft audit of the Town’s four marinas. The testing results were satisfactory. Two recommendations were made: 1) development of a Polices & Procedures Manual, and 2) review and update of list of employees with access to Marina Rec Trac system. The Committee requested several minor modifications to the draft audit report including setting a target date for the integration of MUNIS and Rectrac. The Committee concluded that this Audit was satisfactory overall. The Committee agreed with the proposal of Mr. Ziplow to establish a document listing agreed action steps in each Audit and tracking progress toward completion. A Committee member suggested that the Harbor Management Commission
should receive a copy of the Marina Fees Audit Report.

Upon a motion by Ms. Erickson, seconded by Mr. Weisbrod, to accept the Marina Fees Audit with the minor modifications as discussed, the Committee voted 4-0-0. Motion carried.

- **Transfer Station and Tipping Fees Audit Update – Clifton Larson Allen LLP**

  Mr. Ziplow reported that all research interviews had been completed. Transaction activity testing covering July 1 through December 31, 2020 is ready to begin. Additionally, a 2-year historical review of haulers will also be undertaken. A draft of the Transfer Station and Tipping Fees Audit is anticipated in February or March.

- **School Lunch Fund Update**

  This audit has not begun because interviews must take place on site.

  Upon a motion by Mr. Duus, seconded by Mr. Weisbrod, to change the Order of Business to discuss Item #4 **Old Business** before Item #3 **Risk Management**, the Committee voted 4-0-0. Motion carried.

4. **Old Business**

- **Audit Plan Update**

  **Internal Audits Completed or underway**
  1. Student Activities (Completed)
  2. Skating Rink (Completed)
  3. Marina Fees (Completed)
  4. Transfer Station & Tipping Fees (expected March 2021)
  5. School Lunch Program (expected April 2021)

  Mr. Mynarski presented a list of recommended topics for the next Audits, numbers 6 through 10. He and Mr. Ziplow had discussed both the priorities and scope of the next Audits which could begin upon completion of the School Lunch Audit.

  **2021 – 2022 List**

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  7. Human Services
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  **2022-2023 List (and observations)**

  11. Tax Collector’s Office: (RSM recent reviewed during Town Audit)
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  **15. Employee Benefits ……………….(move to position 6 under 2021-2022 List)**
17. GASB Rule #87 Leases

Upon a motion by Mr. Weisbrod, seconded by Mr. Drake, to adopt the 5 internal audits in the 2021-2022 list and add a 6th internal audit, Employee Benefits, as the 2021-2022 Audit Plan. The Committee voted 4-0-0. Motion carried.

3. Risk Management

- Discussion of new GPS system, GeoTab Inc. – Safety Notification

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- Timeline for FY2022 Insurance Program Renewals (renewals for 7/2021)

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5. New Business

No New Business scheduled for discussion.

6. Items for future BET Audit Committee Meetings

No Items were proposed for future discussion.

7. Adjournment

Upon a motion by Mr. Duus, seconded by Mr. Drake, the Committee voted 4-0-0 to adjourn the Meeting at 10:33 A.M. Motion carried.

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Catherine Sidor, Recording Secretary
Next Audit Committee Meeting scheduled for February 17, 2021 at 10:30 A.M. Virtual Meeting.