

1. BET Audit Comm. Meeting Agenda 03-09-2022

Documents:

[BET AUDIT COMM MEETING AGENDA 03-09-2022.PDF](#)

2. BET Audit Comm. Meeting Packet 03-09-2022

Documents:

[BET AUDIT COMM MEETING PACKET 03-09-2022.PDF](#)

3. SUB\_TO\_APP\_BET Audit Comm. Meeting Minutes\_03-09-2022

Documents:

[SUB\\_TO\\_APP\\_BET AUDIT COMM MEETING MINUTES\\_03-09-2022.PDF](#)

4. APPROVED\_BET Audit Comm. Meeting Minutes\_03-09-2022

Documents:

[APPROVED\\_BET AUDIT COMM MEETING MINUTES\\_03-09-2022.PDF](#)



**TOWN OF GREENWICH  
BOARD OF ESTIMATE & TAXATION**

**AUDIT COMMITTEE MEETING**

**Wednesday, March 9, 2022 – 9:00 A.M.  
Mazza Room**

**AGENDA**

1. Approval of the BET Audit Committee Meeting Minutes of February 10, 2022
2. Internal Audit
  - Review and Acceptance of the Police Special Duty/Side Jobs Audit
  - Department of Public Works Building Divisions Audit Update
  - CliftonLarsonAllen LLP (CLA) Engagement Letter for Outsourced Audits
3. Risk Management
  - Insurance Market Updates and Renewal Timeline Presentation and Discussion – Ronni Rausch, Senior Account Executive, Gallagher & Co.
  - At Fault Accident Policy Update
4. Old Business
  - Request for Proposal (RFP) for Auditing Services for Years Starting July 1, 2022
5. New Business
  - The Nathaniel Witherell Write Offs
6. Items for future BET Audit Committee Meetings
  - Lessons Learned Regarding Legal Settlement
7. Adjournment



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7. Adjournment

**TOWN OF GREENWICH  
BOARD OF ESTIMATE AND TAXATION**

**AUDIT COMMITTEE MEETING MINUTES**

Thursday, February 10, 2022

Webinar

Present

Committee: Michael Basham, Chairman; William Drake, Jeffery S. Ramer, David Weisbrod

Staff: Megan Damato Esq., Risk Manager; Peter Mynarski, Comptroller

BET: Dan Ozizmir, Chairman; Nisha Arora, Laura Erickson, Leslie Moriarty

Guests: Lindsey Intrieri, Director West Hartford, Clifton Larson Allen LLP; Jeffrey Ziplow, Senior Partner, Clifton Larson Allen

The meeting was called to order at 9:00 A.M.

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

Upon a motion by Mr. Drake, seconded by Mr. Ramer, the Committee voted 4-0-0 to accept the Minutes of the BET Audit Committee Regular Meeting of January 14, 2022.

**Internal Audit**

- **Police Special Duty/Side Jobs Audit Update**

Mr. Ziplow commented that the audit was finished, and he is waiting to receive all of the Police management comments. He remarked that there had been a good dialogue and discussion with the Department. After CLA edits the document, it will be distributed to the Committee prior to the next meeting.

- **Department of Public Works Building Division Audit Update**

Mr. Ziplow commented that a walkthrough of the Department's process had taken place, and simultaneous test protocols were being developed for both Municipality and Cornerstone software. Next steps include a walkthrough in the Assessor Department to further test protocols. A report on the findings is anticipated by the second week in March.

Upon a motion by Mr. Drake, seconded by Mr. Basham, the Committee voted 4-0-0 to change the Order of Business, and the Old Business item was moved ahead of the Risk Management item.

**Old Business**

- **CLA (Clifton, Larson Allen LLP) Engagement Letter for Outsourced Internal Audits for Fiscal Years 2021-2022 & 2022 – 2023.**

Mr. Mynarski explained that the Chair of the Budget Committee, Ms. Tarkington, had requested a change to the scope of Municipal Town and Greenwich Public Schools (GPS) Purchasing Departments Procurement Process Audit. She recommended that it should include all Departments where purchasing is done, particularly DPW and the Town libraries. In the discussion that followed, factors such as cost of testing, consistency with Town policy

and Departmental exceptions were considered. One Committee member remarked that expanding the scope of the Audit would probably result in only minor differences and deficiencies in processes. As a result, expanding the scope would be too costly. It was decided that Ms. Tarkington's Memo should be circulated to the Committee and suggestions for changing the scope of the Audit would be considered at the March meeting. Additionally, any changes to the Letter of Engagement, will be submitted for review by the Town Legal Department, before discussion at the BET March meeting.

## **Risk Management**

- **At Fault Policy Update**

Ms. Damato described the Town's internal process for damage claims that result from operation of departmental vehicles (Parks & Recreation, Police, Fire, Public Works, Dept. of Health Social Services) and how accountability is determined for At Fault and No-Fault claims to be assigned to various Town departments. A discussion to propose capping damages assigned to departments will be developed and forwarded to the full BET. The At Fault Policy Update presentation was considered a "first read". The document will be reviewed by the Legal Department before forwarding to the BET for its approval.

- **Tools for Schools oral update**

Ms. Damato explained the process of inspection of air quality in schools as follows: school principals are sent a survey; school staff receives a survey; an Inspection Visit is scheduled to view identified issues; and, if necessary, a Work Order could be issued. Mr. Mynarski provided the example of the Central Middle School's recent Engineering Report experience; the insurance carrier was notified and an inspection was requested, a Work Order was issued and the school was temporarily closed. In the future, it was recommended that the BOE notify the Risk Manager to be engaged in the entire process.

## **New Business**

- **Request for Proposal (RFP) for Auditing Services for years starting July 2022 Update**

Mr. Mynarski commented that there had been two responses to the RFP for a new outside Auditing Services vendor for Fiscal Years 21-22 and 22-23. Purchasing has scored the proposals and forwarded them to the Finance Department. The Audit Committee will be able to interview and select the next vendor if it is deemed necessary.

## **Items for future BET Audit Committee Meetings**

- **The Nathaniel Witherell Write-Off Update (Deferred until March)**  
Mr. Mynarski commented that there had been no TNW write-offs during the previous two years due to COVID and the change in management. A Reserve Fund of \$500 thousand is in place to cover accumulated write offs.
- Review of "Lessons Learned" regarding legal settlements
- Discussion of BET Liaisons role in labor contract negotiations
- Gallagher presentation on public entity insurance
- Discussion of delinquent taxes for presentation and recommendation to the March BET meeting

## **Adjournment**

Upon a motion by Mr. Ramer, seconded by Mr. Weisbrod, to adjourn the meeting at 10:30 AM, the Committee voted 4-0-0. Motion carried.

The next meeting of the BET Audit Committee is scheduled for Wednesday, March 9, 2022 at 9:00 A.M. This meeting will be either a virtual meeting, hybrid or in-person depending on the status of any COVID-19 restrictions or requirements.

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Catherine Sidor, Recording Secretary

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Michael Basham, Chairman, Audit Committee

SUBJECT TO APPROVAL



CLA (CliftonLarsonAllen LLP)  
29 South Main Street  
West Hartford, CT 06127  
860-561-4000 | fax 860-521-9241  
CLAconnect.com

February 7, 2022

Draft Document

Peter Mynarski  
Comptroller  
Town of Greenwich, Connecticut  
101 Field Point Road  
Greenwich CT 06830

Dear Mr. Mynarski,

We are pleased to confirm our understanding of the terms, objectives, and scope of our engagement and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for the Town of Greenwich (“you,” “your,” or “the Town”). This letter confirms our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide. The intentions of this letter are to confirm your understanding of, and agreement with, what is included with our services, as well as the limitations of the accounting and advisory services you have asked us to perform.

### **Scope of Professional Services – Internal Audit Services**

As directed by Town management, we will fulfill the Town’s annual Internal Audit Program by performing selected internal audit services for the balance of the current 2021-2022 fiscal year and a portion of the next 2022-2023 fiscal year. The form of the audits will be agreed to by Town Management prior to the start of the Internal Audit Program.

Inherent in each audit will be a conclusion as to whether financial and operational controls are “Satisfactory”, “Needs Improvement,” or “Unsatisfactory.” For each specific audit recommendation, a departmental management response will be requested from the unit being audited indicating whether management (a) agrees with the recommendation and if so, a brief statement by management as to how the recommendation will be implemented including timeframe required for implementation, or (b) disagrees with the recommendation and if so, why.

Outlined below are the services to be included for this one-year agreement (with the option to extend upon mutual agreement or for either party to unilaterally cancel with reasonable notice of 10 business days.)

As part of the Internal Audit Program, the Town of Greenwich would like CLA to perform a number of internal audit assessments. At all times, the responsibility for reviewing and approving these services and the related results rests with the management of the Town. The scope of these engagements will be as follows:

1. **Town and Greenwich Public Schools Purchasing Departments –Procurement Process Audit**
  - a. Review the Town and the School District’s procurement policies and procedures including but not limited to, procurement practices, bids and Request for Proposal (RFP) processes, Evaluation/Assessment of proposals, formal selection of vendors, contract negotiation/finalization, and contract monitoring.
  - b. Review and document (if currently undocumented), the Town and School District ‘s process for monitoring older purchase orders (greater than 60-90 days).

- c. Assess the Town and School District's purchasing processes based on best practices for municipalities as it pertains to procurement.
- d. Review current automated systems used to support the procurement process.
- e. Test and validate the protocols for accepting purchase orders.
- f. Document findings and operational/control gaps observed.
- g. Provide management with a report of our findings and recommendations.
- h. Meet with management to review the results of the report.

2. **Town and Greenwich Public Schools Capital Projects Audit (5 large close-out projects over \$1 million)**

- a. Review the current operational processes, controls and budgetary/spending practices within the Town and Greenwich School District's related to the close-out of capital projects.
- b. Interview relevant personnel to identify the capital project budgeting process along with monitoring and tracking procedures for the capital project's financial operations.
- c. Review the current technologies used to process the aforementioned information.
- d. Perform a risk assessment of management's ability to override budgets, spending and operational controls associated with capital projects.
- e. Review internal control procedures and identify control weaknesses within these areas and develop control improvements (where needed).
- f. Document findings and gaps observed as part of the review.
- g. Test capital project transactions.
- h. Provide management with a report of our findings and recommendations.
- i. Meet with management to review the results of the report.

3. **Town and Greenwich Public Schools Grant Management Process(es) Assessment and Audit**

- a. Review the documented policies, procedures, processes and controls within the Town and School District related to grants acceptance and grant management.
- b. Confirm how grant monies are distributed, monitored, and tracked.
- c. Review the controls around grant reconciliation.
- d. Confirm the technologies used to process grant transactions.
- e. Test monthly grant transactions for selected grants.
- f. Test grant reporting requirements for selected grants
- g. Provide management with a report of our findings and recommendations.
- h. Meet with management to review the results of the report.
- i. Document findings and gaps observed as part of the review.

4. **Tax Collector Audit**

- a. Confirm the process and evidence used to validate and reconcile the Assessor's tax information to the Tax Collector's computer system.
- b. Confirm and test how tax payments are processed, tracked, and reconciled within the Department.
- c. Assess the tax collection and reconciliation process for cash drawers and associated bank deposits.
- d. Identify and test the controls to process, reconcile, and secure tax deposits.
- e. Confirm user access within the Tax Collection System, including password security parameters.
- f. Identify security and controls associated with the ability to adjust tax and/or interest amounts.
- g. Identify security and controls associated with the ability to process delinquency notices.
- h. Confirm how deposits, adjustments and other related financial information is properly accounted for in both the tax collection and finance software systems.
- i. Provide management with a report of our findings and recommendations.
- j. Meet with management to review the results of the report.

If any significant issues are identified with any of the internal audits, we will immediately discuss them with the Comptroller and decide if the scope of services needs to be expanded.

This engagement is limited to the internal audit services outlined above. We, in our sole professional judgment, reserve the right to refuse to take any action that could be construed as making management decisions or performing management functions. We will not perform management functions or make management decisions for you. However, we may provide advice, research materials and recommendations to assist your management in performing its functions and making decisions within the scope of this engagement. You agree that you will not and are not entitled to rely on any advice unless it is provided in writing.

The above internal audit services will be performed based upon information you provide to us. We will perform our services under the assumption that all information you submit is true, complete and accurate according to documents and other information retained in your files. We will not verify or audit this information.

We will not prepare your financial statements and no accountant's report will be prepared or submitted as a result of this engagement. If you wish to engage our firm to perform financial statement preparation or compilation services, we will confirm this arrangement in a separate engagement letter and determine the additional charges for this service.

#### **Management Responsibilities**

For all services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts. However, we will inform the appropriate level of management of any material errors and of any evidence or information that comes to our attention during the performance of our services that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our services regarding illegal acts that may have occurred, unless they are clearly inconsequential. Except as described in the scope of professional services section of this letter, we have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

#### **Administration**

The engagement partner is Jeffrey Ziplow, MBA, CISA, CGEIT, and he is responsible for supervising the internal audit services to be provided.

All Town records remain the property of the Town. All original records and documents provided to us will be returned to the Town at the completion of our engagement. It is the Town's responsibility to maintain and preserve these records. The Town's records are provided to us only as needed to complete our engagement. Our records and files are our property and are not a substitute for the Town's records.

We will not be responsible for the Town's failure to meet regulatory and other deadlines as a result of management failing to provide information in a timely manner or for any resulting penalties, interest or other damages that may be incurred.

### Fee and Terms

Our professional fees will be as follows based on complexity of the internal audit engagements as per the terms, conditions, and insurance requirements of State of CT contract #16PSX0081.

<u>Item</u>	<u>Internal Audit Engagement</u>	<u>Proposed Fees</u>
1.	Town & Greenwich Public Schools Procurement Audit	\$52,600
2.	Town & Greenwich Public Schools Capital Project Audit	\$28,500
3.	Town & Greenwich Public Schools Grant Management Audit	\$46,800
4.	Tax Collector Audit	<u>\$24,300</u>
	Total	<u>\$152,200</u>

Our fees are based on our initial understanding of the engagement and based on anticipated cooperation from your personnel and their assistance with preparing requested documentation. To ensure that our services remain responsive to your needs, as well as fair to both parties, we will meet with you throughout the term of the agreement and, if necessary, revise or adjust the scope of the services to be provided and the fees to be charged. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require an increase in the fees.

Our invoices will be rendered monthly and are payable on presentation. Terms of payment for services are net 30 days. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed. You will be obligated to compensate us for all time expended and related fees and to reimburse us for all out-of-pocket expenditures through the date of termination.

### Data Security Procedures

CLA shall maintain data security procedures designed to safeguard the Town's information. CLA shall immediately report to the Town's IT Director any unauthorized use or disclosure of the Town's information arising from a breach of such procedures, including the extent of the unauthorized release or use, the recipient(s) of the data, and the data released or used. CLA shall mitigate, to the extent practicable, any harmful effect that is known to the Town, arising from any unauthorized use or disclosure of the Town's information, and shall report to the Town's IT Director the steps taken to mitigate the harm.

### Limitation of Remedies

Our role is strictly limited to the engagement described in this letter, and we offer no assurance as to the results or ultimate outcomes of this engagement or of any decisions that you may make based upon our communications with, or our reports to, you. You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents ("we" or "us") and that this limitation of remedies provision is governed by the laws of the State of Connecticut, without giving effect to choice of law principles.

You further agree that you will not hold us liable for any claim, cost, or damage, whether based on warranty, tort, contract, or other law, arising from or related to this agreement, the services provided under this agreement, the work product, or for any plans, actions, or results of this engagement, except

to the extent authorized by this agreement. In no event shall we be liable to you for any indirect, special, incidental, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorneys' fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by us of our duties under this agreement, but any recovery on any such claims shall not exceed the fees actually paid under this agreement by you to CLA.

### **Time Limitation**

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between us. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, any action or legal proceeding by you against us must be commenced within twenty-four (24) months ("Limitation Period") after the date when we deliver our final work product under this agreement to you, regardless of whether we perform other services for you, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery.

The Limitation Period applies and begins to run even if you have not suffered any damage or loss or have not become aware of the existence or possible existence of a dispute.

### **Other Provisions**

CLA will not disclose any confidential, proprietary, or privileged information of the Town's to any persons without the authorization of the Town management.

We will be responsible for our own property and casualty, general liability, and workers compensation insurance, taxes, professional training, and other personnel costs related to the operation of our business.

The relationship of CLA with the Town shall be solely that of an independent contractor and nothing in this agreement shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

If applicable, accounting standards and procedures will be suggested and applied that are consistent with those normally utilized in an organization of your size and nature. Internal controls may be recommended relating to the safeguarding of the Town's assets. If fraud is initiated by your employees or other service providers, your insurance is responsible for covering any losses.

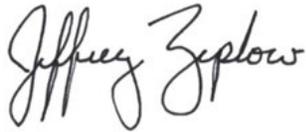
The Town agrees that CLA will not be assuming any fiduciary responsibility on your behalf during the course of this engagement.

**Agreement**

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between us. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign, date, and return a copy to us.

We look forward to a successful completion of the project.

**CLA (CliftonLarsonAllen LLP)**



Jeffrey Ziplow, MBA, CISA, CGEIT  
Principal  
860-561-6815  
Jeffrey.Ziplow@claconnect.com

**Acceptance and acknowledgement**

On behalf of the Town of Greenwich I acknowledge that the terms of this agreement accurately state our understanding with CLA, and the Town of Greenwich agrees to be bound by them.

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**TOWN OF GREENWICH  
BOARD OF ESTIMATE AND TAXATION**

**AUDIT COMMITTEE MEETING MINUTES**

Wednesday, March 9, 2022

Webinar

Present

Committee: Michael Basham, Chairman; William Drake, Jeffrey S. Ramer, David Weisbrod

Staff: Megan Damato Esq., Risk Manager; James Heavey, Chief, Police Department; Michael Mason, Labor Relations Consultant; Peter Mynarski, Comptroller; Heather Smeriglio, Tax Collector; Maureen Tracy, Chief Accountant, Finance Department; Nataliya Yemets, Treasurer

BET: Dan Ozizmir, Chairman; Miriam Kreuzer, Leslie Moriarty, Leslie Tarkington

Guests: Lindsey Intrieri, Director West Hartford, Clifton Larson Allen LLP; Ronni Rausch, Area Senior Vice President, Gallagher Insurance; Laurence Simon, Chairman, The Nathaniel Witherell Board of Directors; Jeffrey Ziplow, Senior Partner, CliftonLarsonAllen

The meeting was called to order at 9:04 A.M.

**Approval of the BET Audit Committee Meeting Minutes and new Agenda Item**

Upon a motion by Mr. Drake, seconded by Mr. Weisbrod, to approve the Minutes of the BET Audit Committee Regular Meeting held on February 10, 2022, the Committee voted 4-0-0. Motion carried.

Upon a motion by Mr. Ramer, seconded by Mr. Weisbrod, to add the Tax Collector's Annual Report on delinquent taxes to the Agenda, the Committee voted 4-0-0. Motion Carried.

**Tax Collector's Report on Delinquent Taxes**

Ms. Smeriglio reported that 9 properties that collectively owed \$36,644.96 in past taxes and interest that have been on the delinquent tax rolls since 2006, should be foreclosed and be removed from the Tax and Grand List rolls as uncollectible. She said that these properties were small parcels that were non-conforming and not buildable and had little to no value to the owners or the Town. The Committee expressed concerns that foreclosure would make the properties a liability for the Town. Ms. Smeriglio agreed that there was no real value in these properties and the Town didn't need the liability exposure of ownership. It was decided to take no action on Ms. Smeriglio's report until the Tax Collector and the Assessor had reviewed the details of the property foreclosures to be able to make a final report to the BET. Ms. Smeriglio said she will be attending a municipal tax collectors conference during the March 24th BET meeting. Separately, she mentioned that the Town's current tax collection rate was estimated at 99.18%, which is one of the highest in the State.

## **Internal Audit**

- **Review and Acceptance of Police Special Duty/Side Jobs Audit**

Mr. Ziplow gave an overview of the accounting process for Police Special Duty/Side Jobs, and Ms. Intriери discussed the audit findings and recommendations. Chief Heavy commented that all the recommendations were positive and would be implemented.

Upon a motion by Mr. Drake, seconded by Mr. Weisbrod, to accept the Police Special Duty/Side Job Audit. The Committee voted 4-0-0. Motion carried.

- **Department of Public Works Building Division Audit Update**

Mr. Ziplow commented that the Finance Department was unhappy with the 3-year customizing process of Municipality as a replacement for Cornerstone, the previous software the department was using. Ms. Yemets, the Treasurer reported that, among other concerns, permitting invoices were incomplete and online acceptance of credit card payment was unworkable. Various implementation issues are currently being addressed by a consultant. CLA testing is scheduled in two weeks and a draft report is anticipated in four to six weeks.

- **CliftonLarsonAllen LLP (CLA) Engagement Letter for Outsourced Audits**

The Committee reviewed the revised Engagement Letter presented by Mr. Mynarski with adjustments suggested by the Committee at the previous Audit Committee meeting.

Upon a motion by Mr. Ramer, seconded by Mr. Basham, to approve the Engagement Letter, the Committee voted 4-0-0. Motion carried.

## **Risk Management**

- **Insurance Market Updates and Renewal Timeline Presentation and Discussion**

Ms. Rausch characterized the current insurance market as having been very difficult from a cost perspective, but, excluding cybersecurity, most coverage areas seemed to be leveling off. She commented that Chubb's property policy had suffered several water damage losses in the previous two years and she would likely price Allied Public Risk Insurance and other companies in the general liability tower which might increase pricing as well. Ms. Rausch also distributed a budget estimate for FY2023 policies and a proposed timeline for renewals. The Committee asked what information would be needed to leverage costs of premiums going forward.

- **At Fault Accident Policy Update**

Ms. Damato commented that a meeting was scheduled with Attorney Aamina Ahmad of the Law Department next week to review the language of the draft At Fault Accident Policy.

## **Old Business**

- **Request for Proposal (RFP) for Auditing Services for Years Starting July 1, 2022**

Mr. Mynarski commented that two responses to the RFP had been received and scored. The Committee can select the next Auditing Service in April after the Legal Department

reviews the responses. The topic will be rescheduled as Old Business for the next Audit Committee meeting for consideration before the BET's May meeting.

### **New Business**

- **The Nathaniel Witherell Write Offs**

Mr. Simon explained that The Nathaniel Witherell (TNW) accrues \$135,000 annually in a reserve fund to cover uncollectible bills, and it currently has a \$500,000 loss reserve on its books. Over the last few years, no write offs have been made due to administrative changes and COVID limitations. Key drivers of write offs are billing errors, patient financial misrepresentations, poor record keeping during staff turnover, legal settlements for billing disputes and bad admission decisions. Losses are written off when they are deemed uncollectible, or are too small to pursue cost effectively.

Upon a motion by Mr. Weisbrod, seconded by Mr. Ramer, to approve \$442,000 of accrued write offs, the Committee voted 3-0-0. (Early departure: Drake)

The Committee discussed further software adjustment to TNW's Matrix system to make a more seamless match with the Town's MUNIS payment system. A new payment policy was proposed, accounts 90-days in arrears during a 180-day period, should be written off but collection should still be pursued.

### **Items for future BET Audit Committee Meetings**

- "Lessons Learned" regarding Legal Settlements

### **Adjournment**

Upon a motion by Mr. Ramer, seconded by Mr. Weisbrod, to adjourn the meeting at 11:30 AM, and the Committee voted 3-0-0. Motion carried.

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Catherine Sidor, Recording Secretary

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Michael Basham, Chairman, Audit Committee

The next meeting of the BET Audit Committee is scheduled for Monday, April 18, 2022 at 9:00 A.M. in the Mazza Conference Room.



**TOWN OF GREENWICH  
BOARD OF ESTIMATE AND TAXATION**

**AUDIT COMMITTEE MEETING MINUTES**

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Upon a motion by Mr. Drake, seconded by Mr. Weisbrod, to accept the Police Special Duty/Side Job Audit. The Committee voted 4-0-0. Motion carried.

- **Department of Public Works Building Division Audit Update**

Mr. Ziplow commented that the Finance Department was unhappy with the 3-year customizing process of Municipality as a replacement for Cornerstone, the previous software the department was using. Ms. Yemets, the Treasurer reported that, among other concerns, permitting invoices were incomplete and online acceptance of credit card payment was unworkable. Various implementation issues are currently being addressed by a consultant. CLA testing is scheduled in two weeks and a draft report is anticipated in four to six weeks.

- **CliftonLarsonAllen LLP (CLA) Engagement Letter for Outsourced Audits**

The Committee reviewed the revised Engagement Letter presented by Mr. Mynarski with adjustments suggested by the Committee at the previous Audit Committee meeting.

Upon a motion by Mr. Ramer, seconded by Mr. Basham, to approve the Engagement Letter, the Committee voted 4-0-0. Motion carried.

### **Risk Management**

- **Insurance Market Updates and Renewal Timeline Presentation and Discussion**

Ms. Rausch characterized the current insurance market as having been very difficult from a cost perspective, but, excluding cybersecurity, most coverage areas seemed to be leveling off. She commented that Chubb's property policy had suffered several water damage losses in the previous two years and she would likely price Allied Public Risk Insurance and other companies in the general liability tower which might increase pricing as well. Ms. Rausch also distributed a budget estimate for FY2023 policies and a proposed timeline for renewals. The Committee asked what information would be needed to leverage costs of premiums going forward.

- **At Fault Accident Policy Update**

Ms. Damato commented that a meeting was scheduled with Attorney Aamina Ahmad of the Law Department next week to review the language of the draft At Fault Accident Policy.

## Old Business

- **Request for Proposal (RFP) for Auditing Services for Years Starting July 1, 2022**

Mr. Mynarski commented that two responses to the RFP had been received and scored. The Committee can select the next Auditing Service in April after the Legal Department reviews the responses. The topic will be rescheduled as Old Business for the next Audit Committee meeting for consideration before the BET's May meeting.

## New Business

- **The Nathaniel Witherell Write Offs**

Mr. Simon explained that The Nathaniel Witherell (TNW) accrues \$135,000 annually in a reserve fund to cover uncollectible bills, and it currently has a \$500,000 loss reserve on its books. Over the last few years, no write offs have been made due to administrative changes and COVID limitations. Key drivers of write offs are billing errors, patient financial misrepresentations, poor record keeping during staff turnover, legal settlements for billing disputes and bad admission decisions. Losses are written off when they are deemed uncollectible, or are too small to pursue cost effectively.

Upon a motion by Mr. Weisbrod, seconded by Mr. Ramer, to approve \$442,000 of accrued write offs, the Committee voted 3-0-0. (Early departure: Drake)

The Committee discussed further software adjustment to TNW's Matrix system to make a more seamless match with the Town's MUNIS payment system. A new payment policy was proposed, accounts 90-days in arrears during a 180-day period, should be written off but collection should still be pursued.

## Items for future BET Audit Committee Meetings

- "Lessons Learned" regarding Legal Settlements

## Adjournment

Upon a motion by Mr. Ramer, seconded by Mr. Weisbrod, to adjourn the meeting at 11:30 AM, and the Committee voted 3-0-0. Motion carried.



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Catherine Sidor, Recording Secretary



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Michael Basham, Chairman, Audit Committee

The next meeting of the BET Audit Committee is scheduled for Monday, April 18, 2022 at 9:00 A.M. in the Mazza Conference Room.