

MINUTES OF THE
JOINT AUDIT COMMITTEE
OF THE BOARDS OF DIRECTORS OF
CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE
AND
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE

March 17, 2022

A Regular Meeting of the Joint Audit Committee of the Boards of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC” dba Transco) was held via Zoom and telephonically on Thursday, March 17, 2022 at 10:00 a.m.

The meeting was legally noticed in compliance with Connecticut General Statutes and all proceedings and all actions hereafter recorded occurred during the publicly open portions of the meeting.

The following Committee Members participated telephonically and via Zoom:

Groton Municipal Representative: Mark Oefinger
Jewett City Department of Public Utilities: Kenneth Sullivan
Norwich Public Utilities: Stewart Peil, Robert Staley
Norwich Municipal Representative: David Eggleston
South Norwalk Municipal Representative: Dawn DelGreco
Third Taxing District, East Norwalk: Kevin Barber

The following Non-Voting Members participated telephonically and via Zoom:

South Norwalk Electric & Water: Alan Huth

The following CMEEC Staff participated telephonically and via Zoom:

Dave Meisinger, CMEEC CEO
Robin Kipnis, Esquire CMEEC General Counsel
Patricia Meek, CMEEC Director of Finance & Accounting
Joanne Menard, CMEEC Controller
Candice DiVita, CMEEC Lead Accounts Payable Accountant
Leslie Williams, CMEEC Principal Billing & Rate Analyst
Heidi Winnick, CMEEC Financial & Treasury Analyst
Margaret Job, CMEEC Paralegal and Compliance Specialist

The following invited guests participated telephonically and via Zoom:

Jessica Aniskoff, CliftonLarsonAllen
Vanessa Rossitto, CliftonLarsonAllen

Others participated telephonically and via Zoom:

David Silverstone, Esquire, Municipal Electric Consumer Advocate

Ms. Job recorded.

Committee Chair Stewart Peil called the meeting to order at 10:01 a.m. noting for the record that today's meeting is being held telephonically and via Zoom. Committee Chair Peil reminded participants to keep their devices on mute unless speaking to eliminate background noise. He asked participants to state their names when speaking for clarity of the record.

Specific Agenda Item:

A Public Comment Period

No public comment was made.

B Roll Call

After Ms. Job conducted roll call, Committee Chair Peil confirmed a quorum of this Committee was present.

C Approve the Minutes of the January 11, 2022 Regular Meeting of the CMEEC / CTMEEC Joint Audit Committee

A motion was made by Committee Member Mark Oefinger, seconded by Committee Member Robert Staley to Approve the Minutes of the January 11, 2022 Regular Meeting of the CMEEC / CTMEEC Joint Audit Committee.

Motion passed unanimously.

D Audit Results

Vanessa Rossitto and Jessica Aniskoff of the firm of CliftonLarsonAllen, LLP (CLA) walked the Committee through the PowerPoint presentation summarizing the 2021 financial audit results of the blended financial statements of CMEEC and Transco provided to this Committee in advance of today's meeting. Ms. Rossitto explained that the presentation summarizes the audit results and encouraged the Committee to ask questions. She discussed the terms of engagement, audit highlights, internal control financial reporting, the required governmental communication with CLA and GASB pronouncements. She added that the sale of the Pierce plant and the defeasance of the

2012 bonds engendered the major differences in the presentation of the financial statements from prior years. She also discussed the treatment of legal fees related to the criminal trial in the financial statements.

Ms. Rossitto explained that they were providing an unmodified opinion on the CMEEC and Transco financial statements and that there were no deficiencies or material weaknesses found with respect to internal controls. She explained that there was no disagreement with management, and that management did not consult with outside auditors.

Lengthy discussion followed Mr. Silverstone's comments related to the information included in footnotes 2 and 14. After discussion the Committee agreed that footnote 2 would be modified as suggested, and staff will work with CLA to edit the language in footnote 14. Ms. Aniskoff and Rossitto excused themselves from the meeting.

At this time, Committee Chair Peil entertained a motion to present the CMEEC and Transco 2021 Audited Financial Statements, with the edited language in footnotes 2 and 14, to the Boards of Directors for their approval at their meeting on March 24, 2022.

A motion was so made by Committee Member Kevin Barber, seconded by Committee Member Oefinger.

Motion passed unanimously.

E New Business

Ms. Menard explained that at its meeting in December 2021, this Committee voted that the 2022 Internal Audit be conducted on the CMEEC Business Continuity and Disaster Recovery policy. She further explained the current work being conducted on the CMEEC Cyber Security policy by CMEEC consultant, Novus Insight, also has a component on business continuity and disaster recovery. After lengthy discussion, the Committee agreed that because Novus would be including a business continuity and disaster recovery component as part of the cyber security policy, it would defer the review and instead change the 2022 Internal Audit focus to the CMEEC Accounts Payable process. The Committee agreed that CMEEC staff will propose a process and scope for this internal audit and present the same to the Committee. Upon inquiry by Committee Member Kevin Barber, Ms. Meek added that the current Accounts Payable process will be shared with the Committee.

Committee Chair Peil stated that he will announce the change of the 2022 Internal Audit to the Board at its March 24, 2022 meeting.

Ms. Menard then explained that as is required of this Committee to report, there were no deviations to the travel policy since was last reported.

F Adjourn

A motion was made by Committee Member Dawn DelGreco, seconded by Committee Member Kevin Barber to adjourn.

Motion passed unanimously.

The meeting was adjourned at 11:14 a.m.