

**DRAFT
MINUTES OF THE
JOINT AUDIT COMMITTEE MEETING OF THE
BOARDS OF DIRECTORS OF
CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE and
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE**

June 1, 2018

The Joint Audit Committee of the Boards of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC”) met at the CMEEC offices on Friday, June 1, 2018.

David Collard, Committee Chairman, called the meeting to order at 10:02 a.m.

The following Committee Members participated:

Groton Utilities – David Collard
Norwich Public Utilities – Stewart Peil
East Norwalk – Kevin Barber (via telephone)

The following Municipal Representative participated:

Groton Utilities – Mark Oefinger

The following individuals from CMEEC Management participated:

Drew Rankin, CMEEC Chief Executive Officer
Edward Pryor, CMEEC Chief Financial Officer
Michael Lane, CMEEC Director of Finance and Accounting
Robin Kipnis, CMEEC General Counsel
Joanne Menard, CMEEC Principal Accountant
Margaret Job, CMEEC Administrative Staff

Other participants:

Michael Boucher, Groton, CT Resident
William Kowalski, Municipal Electric Consumer Advocate (via telephone)

Ms. Job recorded.

Committee Chairman Collard stated the purpose of the meeting was to review the four (4) responses received to CMEEC Request for Proposal (RFP) and recommend the selection of a firm to perform the examination required by PA 17-73. Mr. Lane stated that RFPs were mailed to thirty (30) Connecticut firms including firms listed on the website of the Connecticut of Association of Certified Forensic Examiners.

Mr. Lane provide a chart to the Committee containing a summary of the responses and walked through the chart, elaborating on areas and responding to questions from the Committee members and others. In response to a question, Ms. Kipnis stated that all project leads identified in the responses are certified forensic examiners.

In response to Mr. Rankin's question with respect to which firm CMEEC staff would recommend be engaged to conduct the forensic examination, Mr. Lane stated that his recommendation would be the selection of CohnReznick LLC based on their experience in Connecticut, thoroughness of response as well as cost.

After discussion, Mr. Rankin inquired whether there was any opposition to CMEEC staff's recommendation to engage CohnReznick to conduct the examination. All Committee members agreed that CohnReznick was very qualified and no opposition to engaging them was expressed.

Mr. Pryor reminded the Committee that expenses for the engagement of a forensic auditor had been removed from the budget because at the time the budget was being approved it was unclear how the second round of responses to the CMEEC RFP would conclude. It was determined that because the engagement of a forensic auditor is no longer a budgeted item, Mr. Rankin stated that the appropriate approach would be to bring a resolution to the Board of Directors requesting a modification to the approved budget to engage a forensic auditor in an amount not to exceed \$100,000.

Mr. Rankin suggested that CohnReznick be engaged now rather than wait until the late June Board of Directors meeting in order to meet the timeframes required by the legislation. It was decided that Chairman Collard email the Board of Directors to inform them of the Audit Committee's recommendation to engage CohnReznick.

Committee Chairman Collard asked for, and received, concurrence of all the Committee members to proceed engaging CohnReznick to perform the requirements of PA 17-73.

There being no further business to come before this Committee, Committee Chairman entertained a motion to adjourn.

A motion was made by Committee Member Stewart Peil, seconded by Committee Member Kevin Barber to adjourn the meeting.

Meeting was adjourned at 10:25 a.m.