



MEETING MINUTES

Audit, Compliance, and Governance Committee of the
Connecticut Green Bank
845 Brook Street
Rocky Hill, CT 06067

Friday, October 25, 2019
8:30-9:00 a.m.

A special meeting of the Audit, Compliance and Governance Committee of the **Connecticut Green Bank (the "Green Bank")** was held on October 25, 2019 at the office of the Connecticut Green Bank, 845 Brook Street, Rocky Hill, CT, in the Colonel Albert Pope Board Room.

1. Call to order

Matthew Ranelli called the meeting to order at 8:34 am.

Committee members participating: Michael Li, Matthew Ranelli (by phone), Lonnie Reed, Mary Sotos (by phone)

Members Absent: Tom Flynn

Staff Attending: Pintian Chen, Brian Farnen, Bryan Garcia, Bert Hunter, Alex Kovtunenکو, Jane Murphy, Cheryl Samuels, Ariel Schneider, Eric Shrago

Others in Attendance: None

2. Public Comments: No public in attendance. No public comments.

3. Consent Agenda:

Upon a motion made by Matthew Ranelli and seconded by Lonnie Reed, the ACG Committee voted to take the Consent Agenda out of order and begin with Item 7. Motion approved unanimously.

a. Approval of Meeting Minutes for August 26, 2019 and October 18, 2019.

Resolution #1

Motion to approve the minutes of the Audit, Compliance and Governance Committee from the October 18, 2019 meeting and August 26, 2019 meeting.

Upon a motion made by Lonnie Reed and seconded by Mary Sotos, the ACG Committee voted to approve Resolution 1. Motion approved unanimously.

4. Board Member Attendance Review

- Brian Farnen summarized the issue of Board Member attendance and the plan for better attendance tracking. He stated the Green Bank will send letters out to each Board member explaining the attendance policy on annual basis, and additional reminder letters as needed based on attendance.

Matthew Ranelli stated no vote was needed.

5. Severance Policy Revisions**

- Brian Farnen summarized the Severance Policy revisions. He stated the passage of Public Act 18-7 included restrictions of severance payments over \$50,000 and included protections for whistleblowers that were previously included in our severance agreements but not specifically referenced in the policy. The policy didn't explicitly mention those specific policies before but now they do. The Severance Policy was reviewed by the APA and outside counsel.

Resolution #2

WHEREAS, pursuant to Section 5.3.1 of the Connecticut Green Bank (Green Bank) Bylaws, the Audit, Compliance & Governance (ACG) Committee is charged with the review and approval of, and in its discretion recommendations to the Board regarding, all governance and administrative matters affecting the Green Bank, including but not limited to matters of corporate governance and corporate governance policies;

NOW, therefore be it:

RESOLVED, that the Audit, Compliance and Governance Committee hereby recommends to the Board of Directors for approval the proposed draft revisions to the Green Bank Severance Policy.

Upon a motion made by Matthew Ranelli and seconded by Lonnie Reed, the ACG Committee voted to approve Resolution 2. Motion approved unanimously.

6. Governance Review

- Brian Farnen stated the annual review of operations, procedures, bylaws, etc. lead to no suggested changes currently. There may be potential expansion of the Budget and Operations Committee to include a review of compensation policies and procedures. The Committee looked at the best practices document set forth by Governor Rell's administration, and the Green Bank is well aligned with those best practices.
- Matthew Ranelli suggested the setup of a Compensation Committee was a worthy initiative that should be investigated further, but also stated it may be more beneficial to instead incorporate that into the Budget and Operations Committee. He suggested the

Green Bank may want to investigate that more.

Matthew Ranelli stated no motion or vote is needed.

7. Discuss proposed draft Comprehensive Annual Financial Report (CAFR)**

- Matthew Ranelli stated that a full presentation from our outside auditors. He stated Jane Murphy, Bert Hunter, and Brian Farnen all worked hard on it.
- Bryan Garcia summarized the CAFR. He stated BlumShapiro and the Green Bank staff have been helpful in providing information for the audit and provided an accurate representation of the Green Bank.
- Matthew Ranelli added the Audit resulted in the Green Bank being issued an unmodified, clean opinion with no instances of non-compliance in financial records.
- Brian Farnen also noted there were no significant difficulties in completing the audit, no disagreements, no corrected misstatements, or other similar issues. He said everything looked straight forward and there were no red flags through the process.
- Jane Murphy stated everything was found in the proper period, nothing moved from one fiscal year to next, the process was smooth throughout. She stated there were some estimates used on significant transactions which were given to the Green Bank by the State, and the audit team agreed to what the Green Bank presented. She gave the contact information for the audit team and stated if anyone has questions, they will be happy to help and discuss.

Resolution #3

RESOLVED, that the Audit, Compliance and Governance Committee hereby recommends to the Board of Directors for approval the proposed draft Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2019.

Upon a motion made by Lonnie Reed and seconded by Mary Sotos, the ACG Committee voted to approve Resolution 3. Motion approved unanimously. The ACG Committee then returned to the Consent Agenda in order as originally scheduled.

8. Other – Legislative Update

- Due to time constraints, this item was tabled.

9. Adjourn

Upon a motion made by Matthew Ranelli and seconded by Lonnie Reed the meeting was adjourned at 8:50 am.

Respectfully Submitted,

Matthew Ranelli, Chairperson