

INVESTIGATION AND AUDIT COMMITTEE

COMMUNITY CULTURAL CENTER ROOM 111 / MICROSOFT TEAMS

February 29, 2024

PRESENT Awet Tsegai, Temporary Chair; Councillors Sebrina Wilson and Travis Simpson

ALSO
PRESENT Melissa McCaw, Chief Administrative Officer and Finance Director
Tea Culani, Acting Finance Director, East Hartford Public Schools
Vanessa Rossitto, Principal at CliftonLarsonAllen
Jessica Aniskoff, Principal at CliftonLarsonAllen
Brandon Cathcart, Senior CPA, CliftonLarsonAllen

CALL TO ORDER

Chair Tsegai called the meeting to order at 5:32 pm

NOMINATION OF OFFICERS

Chair

MOTION By Travis Simpson
seconded by Sebrina Wilson

to **appoint** Awet Tsegai as Chair of the Investigations and Audit Committee.

Motion carried 3/0

Secretary

MOTION By Travis Simpson
seconded by Awet Tsegai

to **appoint** Sebrina Wilson as Secretary of the Investigations and Audit Committee.

Motion carried 3/0

ADOPTION OF RULES GOVERNING MEETINGS

MOTION By Sebrina Wilson
seconded by Travis Simpson

to **adopt** Robert's Rules of Order as the rules that shall govern parliamentary procedure at all subcommittee meetings, with the exception that (1) the Chair shall not be required to restate the motion of any Council member unless requested by another Councillor, or when in the

discretion of the Chair, such restatement is necessary to avoid any confusion as to the motion; and (2) where such rules are in conflict with the provisions of the State Statutes, the Town Charter, or Town Ordinances.

Motion carried 3/0

ESTABLISHMENT OF MEETING DATES

MOTION By Travis Simpson
seconded by Sebrina Wilson

to **hold** meetings at the **call** of the Chair.

Motion carried 3/0

STORAGE OF RECORDS

MOTION By Sebrina Wilson
seconded by Travis Simpson

to **store** records in the Town Council office.

Motion carried 3/0

APPROVAL OF MINUTES

May 26, 2023

MOTION By Sebrina Wilson
seconded by Travis Simpson

to **approve** the minutes of the May 26, 2023 meeting of the Investigation & Audit Committee meeting.

Motion carried 3/0.

OPPORTUNITY FOR RESIDENTS TO SPEAK

None

NEW BUSINESS

Receive and Accept the Draft of the Comprehensive Annual Financial Report (CAFR) for Fiscal Year ended June 30, 2023.

Melissa McCaw, Chief Administrative Officer and Finance Director, stated that the purpose of this meeting is to provide an overview of the ACFR for fiscal year ended June 30, 2023. This report has a statutory deadline of December 31, which was extended to February 29 for this year due to staff shortages for both the Town and the Board of Education. The Director expressed appreciation to all involved for their efforts to meet

the deadline. Included in the information provided is the State Single Audit Report and the Federal Single Audit Report. Ms. McCaw also noted that the Government Finance Officers Association has awarded the certificate of achievement for excellence in financial reporting to the Town for 42 years (1980-2022).

The FY23 revised budget was \$209.393 million, of which \$2.213 million was for the Town's supplemental OPEB contribution as required by Town Ordinance. Total revenues collected were \$210.73 million, resulting in \$1.359 million in excess revenues. Total expenses for the town were \$208.575 million with \$827,255 in surplus for expenditures amongst various administrative departments. The combined revenue and expenditures favorable variances resulted in a surplus of \$2.1 million on a budgetary basis. The Director stated that tax collections remain strong with 97.07% collected within the first year of levy. The Town's Pension Trust Fund had a positive change in ending position (+\$12.118 million) and similarly for the Retiree Benefit Trust Funds (+\$1.162 million) due to investment gains and improved market performance.

Director McCaw introduced Vanessa Rossitto, Principal at CliftonLarsonAllen, who provided the Committee a presentation which discussed the terms of engagement and financial highlights of the report.

CLA is engaged to express opinions on whether basic financial statements are presented in accordance with generally accepted accounting principles; as well as to express an opinion on the schedule of expenditures and compliance related to major federal and state award programs. CLA also provides a report on internal controls over financial reporting and compliance.

The report provides an "unmodified" clean opinion on the financial statements provided. Councillor Tsegai thanked the Finance Department for their diligence and hard work throughout the year and also acknowledged the team at CliftonLarsenAllen for their guidance and expertise in preparing the ACFR.

Receive and Accept the Draft of the Comprehensive Annual Financial Report (CAFR) for Fiscal Year ended June 30, 2023.

MOTION By Sebrina Wilson
 seconded by Travis Simpson

to accept draft of the Comprehensive Annual Financial Report as
presented by CliftonLarsonAllen, for fiscal year ending June 30, 2023.

Motion carried 3/0

ADJOURNMENT

MOTION By Sebrina Wilson
 seconded by Travis Simpson

to **adjourn** at 5:55 pm

Motion carried 3/0

C: Town Council

Mayor Connor S. Martin

Melissa McCaw, Chief Administrative Officer and Finance Director

Nikki Sow, Deputy Director of Finance

Tea Culani, Acting Finance Director, East Hartford Public Schools