

MEETING OF THE MASSACHUSETTS CLEAN WATER TRUST AUDIT COMMITTEE

Minutes

January 31, 2020
1:40 PM

State House
Room 227
Boston, Massachusetts

Members of the Audit Committee –

State Treasurer Deborah Goldberg
Secretary, Administration and Finance, Michael Heffernan
Commissioner, MassDEP, Martin Suuberg

Also present:

Susan Perez, Executive Director, MCWT
Nate Keenan, Deputy Director, MCWT
My Tran, Treasurer, MCWT
Joshua Derouen, Program Associate, MCWT
Maria Pinaud, Director of Municipal Services, MassDEP
Emily Kowtoniuk, Deputy Legislative Director, Office of the State Treasurer
Andrew Napolitano, Deputy Communications Director, Office of the State Treasurer
Robert Mahoney, Managing Director, KPMG

CALL TO ORDER:

The meeting was called to order by Treasurer Goldberg at 1:40 p.m.

Item #1

MOTION – VOTE REQUESTED

Acceptance and Approval of May 8, 2019 Minutes

The motion was made by Commissioner Suuberg and Seconded by Secretary Heffernan and **voted unanimously in favor** of acceptance and approval of the minutes of the Audit Committee meeting held on May 8, 2019.

Item #2

REPORT OF THE EXTERNAL AUDITOR

The Trust's external auditors, KPMG, LLP, presented its report to the Audit Committee on the Trust's financial statements for the fiscal year ending June 30, 2019, dated January 2020.

Mr. Mahoney said that the objectives of the audit were to conduct an independent audit according to Generally Accepted Accounting Principles (GAAP) as well as provide an opinion on financial statements and how the statements are presented according to GAAP.

The Trust received an unmodified (clean) opinion indicating that the 2019 financial statements and single audit are presented fairly in accordance with GAAP. There are no significant deficiencies.

The report on internal control and compliance as required by GAAP noted no matters involving the internal control environment and its operations that they consider to be significant deficiencies of material weaknesses.

The opinion on the Trust's Clean Water State Revolving Fund (CWSRF) program was clean and there were no findings. The Trust's required communications were said to be compliant. The Trust's management judgements, accounting policies, and key processes were found to be reasonable.

The Trust submitted a comprehensive annual financial report (CAFR) for the fiscal year ending June 30, 2019 with the Government Finance Officers Association (GFOA).

There were no corrected or uncorrected differences and there were no management dispositions between the Trust and KPMG.

Item #3

MOTION – VOTE REQUESTED

The motion was made by Commissioner Suuberg and seconded by Secretary Heffernan and voted unanimously in favor of the acceptance and approval of the following:

The Audit Committee is recommending that the Trust Board accept the FY 2019 financial statements and the Report of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards and Government Auditing Standards (Single Audit) for Fiscal Year 2019.

OTHER BUSINESS: None

LIST OF DOCUMENTS AND EXHIBITS USED:

1. Minutes of Audit Committee Meeting held on May 8, 2019
2. KPMG's report to the Audit Committee

ADJOURN: The motion was made by Commissioner Suuberg and Seconded by Secretary Heffernan and voted unanimously in favor of adjourning the meeting at 1:45 p.m.