

LA PLATA ELECTRIC ASSOCIATION, INC.
Finance and Audit Committee Meeting Minutes
Thursday, January 12, 2023
<https://lpea.coop/board-directors-committees>

CALL TO ORDER

The Finance and Audit Committee of the La Plata Electric Association Board of Directors was held Thursday, January 12, 2023, via Zoom webinar. Committee Chair McWilliams called the meeting to order at 9:04 a.m. The following committee members were in attendance:

COMMITTEE MEMBERS

Director Sue McWilliams, Committee Chair
Director Tim Wheeler
Karl Ramsey, VP of Finance

LPEA STAFF

Dan Harms, Executive VP of Grid Solutions and Special Projects
Monica Rodriguez, Controller
Janelle Thunstrom, Executive Assistant
Graham Smith, General Counsel

WEBINAR GUESTS

None

EXCUSED ABSENCE

Director Ted Compton
Jessica Matlock, Chief Executive Officer

APPROVAL OF AGENDA

Committee Chair McWilliams amended the January 12, 2023, Finance and Audit Committee (FAC) meeting agenda to include additional items related to the direct assignment of transmission assets and other rate issues, and an update on the three-prong strategy added to the executive session.

Motion: Committee Member Wheeler moved to approve the January 12, 2023, FAC meeting agenda as presented. Motion seconded and carried without dissent.

APPROVAL OF MEETING MINUTES

Committee Chair McWilliams presented the November 10, 2022, FAC meeting minutes.

Motion: Committee Member Wheeler moved to approve the November 10, 2022, FAC meeting minutes. Motion seconded and carried without dissent

QUESTIONS ON OCTOBER AND NOVEMBER FINANCIALS

VP of Finance Ramsey was available to field questions; no questions were posed.

DECEMBER FINANCIAL UPDATE

VP Ramsey addressed the draft December financials. All financial goals were met in December. Operating margins were \$2.5m below budget due to the \$2.75m increase to the rate stabilization fund. Both residential and industrial sales were above forecast, and controllable costs were \$183k under budget. VP Ramsey took questions from the committee on the December financials.

AUDIT UPDATE

VP Ramsey gave an update on the audit conducted by Forvis, LLP (formerly BKD, LLP). The interim audit work was conducted virtually in November. Forvis, LLP will be reviewing results at the end of January and into the beginning of February in person. The final audit report will be presented to the full board at the March or April board meeting. VP Ramsey took questions regarding the audit update.

EXECUTIVE SESSION

Committee Chair McWilliams requested a motion to move into an executive session to discuss the direct assignment of transmission assets and other rate issues and an update on the three-prong strategy.

Motion: Committee member Ramsey moved to enter an executive session to discuss the direct assignment of transmission assets and other rate issues, and an update on the three-prong strategy. Motion seconded and carried without dissent.

The FAC committee remained in executive session from 9:36 a.m. to 10:40 a.m.

FUTURE MEETING SCHEDULE

The next FAC meeting is slated for March 9, 2023.

ADJOURN

There being no further business, this meeting of the Finance and Audit Committee of the La Plata Electric Association, Board of Directors adjourned at 10:41 a.m.

Recorded by J.P. Thunstrom, and approved by:



Sue McWilliams, Committee Chair