

LA PLATA ELECTRIC ASSOCIATION, INC. (LPEA)
Finance and Audit Committee Meeting Minutes
Thursday, October 12, 2023
9:00 a.m. - 12:00 p.m.
<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, October 12, 2023, via Zoom webinar. Committee Chair Wheeler called the meeting to order at 9:03 a.m. The following committee members were in attendance:

COMMITTEE MEMBERS

Director Tim Wheeler, Board Treasurer & Committee Chair
Director Nicole Pitcher
Director David Luschen
Patrick Berry, VP of Finance
Jessica Matlock, Chief Executive Officer

LPEA STAFF

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

EXCUSED ABSENCE:

None

GUESTS:

Directors Ted Compton, Kohler McInnis, and Kirsten Skeehan

APPROVAL OF AGENDA

Committee Chair Wheeler addressed the agenda of the October 12, 2023, Finance and Audit Committee (FAC).

Motion: Committee Member Luschen moved to approve the October 12, 2023, FAC meeting agenda as amended to add net metering discussion in the executive session. Motion seconded and carried without dissent.

APPROVAL OF MEETING MINUTES

Committee Chair Wheeler addressed the September 14, FAC meeting minutes.

Motion: Committee Member Luschen moved to approve the September 14, FAC meeting minutes. Motion seconded and carried without dissent.

SEPTEMBER FINANCIALS REVIEW

VP Berry gave an overview of the September financials. Most of the board's financial goals were met in September. The cash reserves were approximately \$2.3M below the board's target, this is due to timing variance of cash flow. VP Berry commented that we achieved the target by the time of the meeting looking at our current cash and cash equivalents. VP Berry addressed the Statement of Operations YTD and the current month's budget. VP Berry and EVP Harms answered questions regarding the September financials.

EXECUTIVE SESSION

Committee Chair Wheeler requested a motion to move into an executive session to discuss the capital budget, 2024 rate design review, broadband partnership, and net metering.

Motion: Committee Member Luschen moved to enter an executive session to discuss the capital budget, 2024 rate design review, broadband partnership, and net metering. Motion seconded and carried without dissent.

The committee remained in the executive session from 9:16 a.m. to 12:11 p.m.

ACTION RESULTING FROM EXECUTIVE SESSION

Motion: Committee Chair Wheeler moved that the FAC recommend that the board approve the Capital Items and Capital Projects Budgets for the total capital budget that was discussed in the executive session and will be presented to the full board for a total of \$33,403,896 capital budget for 2024. Committee Chair Wheeler then moved that the FAC recommend that LPEA accommodate the Tri-State rate increase in the Operational Budget to pass through the proposed rate increase from Tri-State. The current calculation on the Tri-State 6.2% increase will be a 4% increase on average across our rates. Finally, Committee Chair Wheeler moved that the FAC recommend that the Board utilize any 2023 operating margins above the 2023 operating margin goals to be placed into the reserve fund for the rate stabilization fund. Motion seconded and carried without dissent.

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 12:15 p.m. Recorded by J. P. Thunstrom, and approved by:



Tim Wheeler, Committee Chair