

LA PLATA ELECTRIC ASSOCIATION, INC.
Finance and Audit Committee Meeting Minutes
Thursday, September 9, 2021
<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, September 9, 2021, via Zoom webinar. Committee Chair Lynch called the meeting to order at 9:11 a.m. The following committee members were in attendance:

COMMITTEE MEMBERS

Director Bob Lynch, Committee Chair
Director Tim Wheeler
Director Kirsten Skeeahan
Jessica Matlock, CEO
Karl Ramsey, VP of Finance

LPEA STAFF

Dan Harms, VP of Grid Solutions
Monica Rodriguez, Controller
Graham Smith, Board & Staff Attorney

EXCUSED ABSENCE

None

GUESTS

John Witchel, LPEA Board President
Holly Metzler, LPEA Director
Kohler McInnis, LPEA Director

APPROVAL OF AGENDA

Committee Chair Lynch addressed the September 9, 2021, Finance and Audit Committee (FAC) meeting agenda.

Motion: Committee Member Wheeler moved to approve the September 9, 2021, FAC meeting agenda. Motion seconded and carried without dissent.

APPROVAL OF MEETING MINUTES

Committee Chair Lynch addressed the August 12, 2021, FAC meeting minutes.

Motion: Committee Member Skeeahan moved to approve the August 12, 2021, FAC meeting minutes. Motion seconded and carried without dissent.

YTD FINANCIAL REVIEW

VP of Finance Ramsey gave a quick update of August and YTD financials. August financials were not yet completed due to Tri-State's bill not being sent in time for the FAC to review, but it was clear that all financial goals had been met for the month.

It was discussed that due to the FAC meetings being scheduled earlier in the month, it will be difficult to report on current monthly financials because the Tri-State bill is not always submitted in time. Instead, staff will circulate financials to the board prior to the board meeting, and answer questions either by email or at the board meeting. Any complex issues will be discussed at the next committee meeting. Chairman Lynch and CEO Matlock agreed to discuss and schedule future FAC meetings before the end of the month.

2022 BUDGET DEVELOPMENT CALENDAR REVIEW AND UPDATE

VP of Finance Ramsey informed the board that preliminary budgets had been received from all of the department heads. After CEO review, the preliminary income and expenditure budget will be presented to the FAC at the October meeting. VP Ramsey addressed the Board of Directors' budget for 2022, and it was agreed that a slight decrease from the 2021 budget was appropriate due to there being no Broadband Committee meetings in 2022. The board budget will be circulated to the full board for approval.

Committee Chair Lynch asked about upcoming budget milestones. The income statement will be reviewed at the October FAC meeting, whilst the capital items, capital projects, balance sheet, and cash flow will be presented and reviewed at the November meeting. The final budget presentation will be at the November board meeting.

EXECUTIVE SESSION - RESOLUTION 2019-10 OPTIONS

Committee Chair Lynch addressed the next item on the agenda and asked for a motion to move into executive session to discuss resolution 2019-10 options.

Motion: Committee Member Wheeler moved to go to the executive session at 9:28 a.m. Motion seconded and carried without dissent.

Committee reconvened in public session at 11:08am.

Motion: Committee Member Wheeler moved that the Finance and Audit Committee recommend that the Board of Directors delegate the authority to staff to negotiate a memorandum of understanding with Tri-State Generation and Transmission Association, Inc. to support the Buy-Down Payment formula as outlined in executive session. Recommendation 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 11:12 a.m.

Recorded by Monica Rodriguez, and approved by:



Bob Lynch, Committee Chair