

LA PLATA ELECTRIC ASSOCIATION, INC.
Finance and Audit Committee Meeting Minutes
Thursday, October 13, 2022

<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 13, 2022, via Zoom webinar. Committee Chair McWilliams called the meeting to order at 9:05 a.m. The following committee members were in attendance:

COMMITTEE MEMBERS

Director Sue McWilliams, Committee Chair
Director Tim Wheeler
Director Ted Compton
Karl Ramsey, VP of Finance
Jessica Matlock, Chief Executive Officer

LPEA STAFF

Garrett Hammer, Pagosa District Manager
Dan Harms, Executive VP of Grid Solutions and Special Projects
Monica Rodriguez, Controller
Graham Smith, General Counsel
Jerry Sutherlin, VP of Operations
Janelle Thunstrom, Executive Assistant

EXCUSED ABSENCE

None

GUESTS

Director Joe Lewandowski
Director Kohler McInnis

APPROVAL OF AGENDA

Committee Chair McWilliams addressed the October 13, 2022, Finance and Audit Committee (FAC) meeting agenda with additional items related to confidential vendor information added to the executive session.

Motion: Committee Member Wheeler moved to approve the October 13, 2022, FAC meeting agenda as amended. Motion seconded and carried without dissent.

APPROVAL OF MEETING MINUTES

Committee Chair McWilliams addressed the September 15, 2022, FAC meeting minutes.

Motion: Committee Member Wheeler moved to approve the September 15, 2022, FAC meeting minutes. Motion seconded and carried without dissent.

QUESTIONS ON AUGUST FINANCIALS

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

SEPTEMBER FINANCIAL UPDATE

VP of Finance Ramsey addressed the draft September financials. Ramsey told the committee that all financial goals had been met in September, but operating margins were \$20k below budget, due to lower gross margins (revenue less cost of power). Both residential and commercial sales were below forecast, and these rate classes drive higher gross margins. Controllable costs were under budget. Ramsey took questions from the committee on the September financials.

2023 BUDGET UPDATE

VP of Finance Ramsey addressed the 2023 budget. Ramsey shared a draft of the 2023 budgeted financial statements, including budgeted expenses by division. VP Ramsey and EVP Harms took questions on the budget numbers.

EXECUTIVE SESSION

Committee Chair McWilliams requested a motion to move into executive session to discuss the 2023 Capital Projects Budget, the 2023 Capital Items Budget, and confidential vendor information.

Motion: Director Compton moved to enter into executive session to discuss the 2023 Capital Projects Budget, the 2023 Capital Items Budget, and confidential vendor information.

The board remained in executive session from 9:59 a.m. to 11:49 a.m.

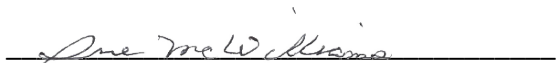
ACTION FROM THE EXECUTIVE SESSION

None

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 11:49 a.m.

Recorded by Monica Rodriguez, and approved by:



Sue McWilliams, Committee Chair