



Meeting Minutes - Final

Audit Committee

Thursday, September 22, 2022

9:30 AM

PEC Headquarters Auditorium

201 S. Ave F, Johnson City, TX 78636

Open Session of this Committee Meeting is held in the PEC Headquarters Auditorium and will be audio recorded. All Board Committee meeting minutes, meeting dates, agendas, and supporting materials are available online at <https://pec.legistar.com/>.

Call to Order and Roll Call

This meeting was called to order at 9:33 a.m. on September 22, 2022 at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas.

Present: 2 - Emily Pataki and James Oakley

Absent: 1 - Amy Akers

Adoption of Agenda

The agenda was adopted as posted and without objection.

Minutes Approval

1. [2022-327](#) Tuesday, April 5, 2022 - Audit Committee Meeting Minutes

Attachments: [2022-04-05 OS Audit Cmte Minutes draft v1](#)

A motion was made by Director Oakley, seconded by Chairperson Pataki, that this item be approved. The motion carried by the following vote:

Yes: 2 - Chairperson Pataki and Director Oakley

Absent: 1 - Director Akers

Member Comments (3 minute limitation or as otherwise directed by Board)

2. [2022-328](#) Member Comments

Attachments: [Decorum Policy - 3 minute limitation notice](#)

There were no members wanting to address the Audit Committee.

Recess to Executive Session

Audit Committee Chairperson, Emily Pataki announced the items to be discussed in Executive Session and at 9:34 a.m., stated the Audit Committee would go into Executive Session.

Executive Session - Legal Matters

3. [2022-329](#) **Matters in Which the Committee Seeks the Advice of its Attorney as Privileged Communications in the Rendition of Professional Legal Services**

Executive Session - Contract and Competitive Matters

[2022-330](#) **Resolution - Recommend Approval by Board of Directors of 2021 IRS Form 990 - B Miller, Bolinger, Segars, Gilbert & Moss, LLP (BSGM) - K Jones**

[2022-326](#) **Resolution - Recommendation of Acceptance of the Selection of Independent Auditor and Tax Services - R Kruger**

6. [2022-331](#) **Discussion of Audit Committee Program Functions**

Reconvene to Open Session

At 10:59 a.m., the Audit Committee reconvened to the open session meeting.

Present: 3 - Emily Pataki, Amy Akers and James Oakley

Items from Executive Session

The following agenda items were discussed in executive session and set for approval in open session.

4. [2022-330](#) **Resolution - Recommend Approval by Board of Directors of 2021 IRS Form 990 - B Miller, Bolinger, Segars, Gilbert & Moss, LLP (BSGM) - K Jones**
- Body:** **BE IT RESOLVED BY THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Audit Committee recommends for Board approval the IRS Form 990 as submitted and discussed by the Audit Committee; and

BE IT FURTHER RESOLVED BY THE AUDIT COMMITTEE that the Chief Financial Officer, or designee, is authorized to take other actions as necessary to implement this resolution, including presenting to the Board for approval.

A motion was made by Director Oakley, seconded by Director Akers, that this item be approved. The motion carried by the following vote:

Yes: 3 - Chairperson Pataki, Director Akers and Director Oakley

5. [2022-326](#) **Resolution - Recommendation of Acceptance of the Selection of Independent Auditor and Tax Services - R Kruger**

Body: NOW, THEREFORE, BE IT RESOLVED BY THE PEC BOARD OF DIRECTORS (“Board”) AUDIT COMMITTEE (“Committee”), that the Audit Committee recommends to the Board of Directors the selection and retention of Bolinger, Segars, Gilbert & Moss, L.L.P. as the Cooperative’s independent auditor and tax professional for the fiscal year 2022 audit;

BE IT FURTHER RESOLVED that the audit partner of the current audit firm selected serve for up to a five (5) year term, and

BE IT FURTHER RESOLVED that this recommendation be forwarded to the Board for consideration at its next Regular Meeting, and

BE IT FURTHER RESOLVED that the Chief Financial Officer, or designee, is authorized to take all needed actions to implement this resolution.

A motion was made by Director Akers, seconded by Director Oakley, that this item be approved. The motion carried by the following vote:

Yes: 3 - Chairperson Pataki, Director Akers and Director Oakley

Adjourn

There being no further business to come before the Audit Committee, the meeting was adjourned at 11:02 a.m.

Approved:

Emily Pataki
Audit Committee Chairperson