



**Meeting Minutes - Final**

**Audit Committee**

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Tuesday, April 2, 2024

10:00 AM

PEC Headquarters Auditorium

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**201 S Ave F, Johnson City, TX 78636**

Open Session of this Audit Committee Meeting was held in the PEC Auditorium and was 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 10:00 a.m. on April 2, 2024, at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas. Director Emily Pataki was not present but later arrived in Executive Session.

**Safety Briefing**

**Adoption of Agenda**

The agenda was adopted as posted and without objection.

**Consent Items**

Without objection, the items listed under Consent Items were approved by general consent.

1. [2024-070](#) **Wednesday, September 20, 2023 - Audit Committee Meeting Minutes**

**Attachments:** [2023-09-20 Audit Committee OS Meeting Minutes](#)

**Member Comments (3-minute limitation or as otherwise directed by the Audit Committee)**

2. [2024-094](#) **Member Comments**

**Attachments:** [Decorum Policy](#)

There were no members wanting to address the Audit Committee.

**Recess to Executive Session**

Audit Committee Chairperson, James Oakley, announced the items to be discussed in Executive Session, and at 10:01 a.m., stated the Audit Committee would go into Executive Session.

**Executive Session - Legal Matters**

3. [2024-095](#) **Matters in Which the Audit Committee Seeks the Advice of its Attorney as Privileged Communications in the Rendition of Professional Legal Services**

**Executive Session - Contract and Competitive Matters**

4. [2024-126](#) **Presentation of 2023 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM) - T Canady, CPA/J Smith**
- [2024-127](#) **Resolution - Recommendation of Acceptance of 2023 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM) - R Kruger/K Jones**

**Reconvene to Open Session**

At 10:43 a.m., the Audit Committee reconvened to the Open Session meeting.

**Items from Executive Session**

The following agenda item was discussed in Executive Session and set for approval in Open Session.

5. [2024-127](#) **Resolution - Recommendation of Acceptance of 2023 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM) - T Canady, CPA**

**Body: BE IT RESOLVED BY THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Audit Committee hereby approves a recommendation for acceptance of the Independent Auditor's Report and Financial Statements for the fiscal year ending December 31, 2023, as the Independent Auditor's Report and Financial Statements ("Financial Statements"); and

**BE IT FURTHER RESOLVED BY THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Chief Financial Officer of the Cooperative, or designee, present the Independent Auditor's Report and Financial Statements for the fiscal year ending December 31, 2023, at its next Regular Board Meeting on April 19, 2024, for the full Board's consideration and approval.

Annual Financial Audit

The annual financial audit has been completed by Bolinger, Segars, Gilbert & Moss, L.L.P (BSGM). The Audit Committee may consider the draft audit report as presented today in executive session by BSGM. The Audit Committee by this resolution further recommends that the full Board of Directors receive and accept the Independent Auditor's Report and Financial Statements for the fiscal year ending December 31, 2023.

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

Yes: 3 - Oakley, Pataki and Cox

**Adjourn**

There being no further business to come before the Audit Committee, the meeting was adjourned at 10:44 a.m.

Approved:

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James Oakley, Audit Committee Chairperson