



Pedernales Electric Cooperative

PO Box 1
Johnson City, TX 78636

Meeting Minutes - Draft

Audit Committee

Monday, March 27, 2017

10:15 AM

PEC Headquarters Auditorium

Open Session of this Committee Meeting was held in the PEC Auditorium and was audio recorded in accordance with Board Meetings Policy.

Call to Order and Roll Call

This meeting was called to order at 10:16 am on Monday, March 27, 2017 at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas.

Present: 3 - Kathy Scanlon, Cristi Clement and Paul Graf

Adoption of Agenda

The agenda was adopted as posted and without objection.

Minutes Approval

Director Cristi Clement recommended that the attachments for the August 15 meeting be kept easily retrievable as governing documents. The minutes were approved as presented and without objection.

1. [2017-107](#) Monday, August 15, 2016 Audit Committee Minutes

Attachments: [2016-08-15 Audit Committee Minutes final](#)

This item was approved.

2. [2017-108](#) Thursday, October 13, 2016 Audit Committee Minutes

Attachments: [2016-10-13 Audit Committee Minutes final](#)

This item was approved.

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

3. [2017-109](#) Member Comments

Attachments: [2015-09-21 Decorum Policy \(reference material\)](#)

There were no members present.

Action Items / Other Items

4. [2017-105](#) **Good Cause for and Approval of Telephonic Participation in the March 27, 2017 Audit Committee Meeting**

Body: **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Board has determined that it is in the best interest of the Cooperative to hold a meeting this day to consider an Audit Committee matter and good cause exists to allow telephonic participation by Directors in the meeting because a quorum may not be reached for the meeting without authorized, telephonic participation by one or more Directors; and **BE IT FURTHER RESOLVED**, and that the Board approves telephonic participation by Directors in the meeting; and **BE IT FURTHER RESOLVED** that the Chief Executive Officer or his designee is authorized to take such actions as needed to implement this resolution.

This item was adopted by unanimous voice vote.

Executive Session - Contract and Competitive Matters

Audit Committee Chairperson Kathy Scanlon announced the items to be discussed in Executive Session and at 10:20 am stated that the committee would go into Executive Session.

5. [2017-106](#) **Presentation of 2016 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM) - Robert Cobb, BSGM**

Reconvene to Open Session at 11:47 am

Items from Executive Session

Audit Committee Chairperson Kathy Scanlon stated that a draft copy of the audited financial statements were reviewed in Executive Session and there were no action items to report.

Adjourn

There being no further business to come before the Audit Committee, the meeting was adjourned at 11:48 am.

APPROVED:

Paul Graf, Audit Chairperson