

Unapproved Minutes
Finance Committee Meeting
Municipal Energy Agency of Nebraska
Younes Conference Center South - 416 W Talmadge Road, Kearney, Nebraska
August 16, 2023

The Municipal Energy Agency of Nebraska (MEAN) Finance Committee met on Wednesday, August 16, 2023, beginning at 4:36 p.m. (CT), at the Younes Conference Center South located at 416 W Talmadge Road in Kearney, Nebraska, the designated meeting site. Notice of the meeting was given to committee members by e-mail, and the public was advised by publication both in print and online in the Lincoln Journal-Star newspaper and website on July 29, 2023. The notice and agenda were posted upon issuance at the NMPP Energy office, 8377 Glynoaks Drive, Lincoln, Nebraska, and kept continually current and available for public inspection. Meeting information and the current version of the Nebraska Open Meetings Act were made available on NMPP Energy's Public Meeting Information website.

CALL TO ORDER

Ex-Officio Tom Goulette called the meeting to order at 4:36 p.m. (CT). Pursuant to Section 84-1412 (8) of the Nebraska Open Meetings Act, a current copy of the Open Meetings Act was posted in the meeting room and made available to the public.

ROLL CALL

A quorum was declared with six out of seven committee members in attendance.

1. Tyler Christoff – Aspen
2. Pat Davison – Imperial
3. Chris DesPlanques – Indianola
4. Edward Dunn – Grant
5. Brent Nation – Fort Morgan
6. Tom Ourada – Crete

Ex-officio Tom Goulette – West Point

Absent: 1 vacancy

PUBLIC COMMENT PERIOD

The Public Comment Period was announced and a review of the rules applicable to the public comment process at MEAN public meetings was provided. There were no public comments.

CONSENT AGENDA

Minutes

Minutes of the May 17, 2023, meeting of the MEAN Finance Committee were previously distributed to Committee Members and were included as Attachment A of the meeting packet. There were no corrections or changes.

Next Meeting

The next meeting of the MEAN Finance Committee will be held virtually on October 18, 2023.

Consent Resolution

Motion: Edward Dunn moved to approve the consent resolution as presented. Tyler Christoff seconded the motion, which carried on a unanimous roll call vote.

WHEREAS, certain business of the MEAN Finance Committee of the Municipal Energy Agency of Nebraska (MEAN) transpires on a regular and routine basis or is not of a controversial nature; and,

WHEREAS, roll-call votes on each individual issue greatly extended the meeting time.

NOW, THEREFORE, BE IT RESOLVED BY THE MEAN Finance Committee that in the interest of economizing time, yet complying with the Open Meetings Act of the State of Nebraska, which requires roll-call voting, the following issues are hereby consolidated in this Consent Resolution:

- 1. BE IT FURTHER RESOLVED BY the MEAN Finance Committee that the minutes of the May 17, 2023, meeting are hereby approved; and,*
- 2. BE IT FURTHER RESOLVED BY the MEAN Finance Committee that the next meeting will be held virtually on Wednesday, October 18, 2023.*

FINANCIAL REPORT

Presenter: Jamie Johnson, Director of Finance & Accounting

A summary of financial results for all the NMPP Energy organizations was provided. A summary of MEAN's Fiscal Year 2023-2024 Year-to-Date Financial Report was presented including the results for MEAN; an analysis of MEAN's balance sheet, cash, and investments; and fiscal year-to-date operating results. MEAN financials for April, May, and June 2023 were previously distributed.

MEAN's total unrestricted funds were around \$52.2 million in June; \$21.3 million of that was invested with a portfolio average of 2.89%. Net revenue to date is \$1.1 million.

Electric energy sales and operating expenses and cash analysis for the fiscal year to date April 2023 – June 2023 were presented. Electric energy sales revenues are \$603k less than budget and total electric energy costs are \$2.3 million less than budget.

A. Audited Financial Statements – Fiscal Year Ended March 31, 2023

Jamie Johnson, Director of Finance and Accounting, directed members to the full audit results on the website and members were encouraged to review the Management's Discussion and Analysis

section for highlights of the year's activities. S&P completed a review of MEAN and affirmed the A rating and stable outlook. MEAN maintains an A+ rating with stable outlook from Fitch.

Key metrics were reviewed.

B. Results of the 2023 Financial Audit, Including Required Communications

Chris Lindner, Partner with FORVIS, LLP reported on the audit process and results. FORVIS issues two opinions as part of the audit process. The first opinion is the normal financial opinion, in accordance with auditing standards generally accepted in the United States of America, and the second opinion is a report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards that is required.

The Audit Communication letter was previously distributed and included as Attachment B of the meeting packet.

The Governmental Accounting Standards Board (GASB) has a new accounting standard on leases. Under this standard, MEAN was required to record a lease asset and liability related to terms of the ground lease for Wygen I.

ANNUAL REPORT REGARDING BOND COMPLIANCE POLICY

Presenter: Jamie Johnson, Director of Finance & Accounting

Pursuant to responsibilities as set forth in MEAN's Bond Compliance Policy, Jamie Johnson, Director of Finance and Accounting, has conducted the annual review required by the Policy and has prepared a report to the Board. The report was previously distributed with the meeting packet.

Johnson summarized findings and overall compliance with the policy (records; tax compliance; continuing disclosure; other covenants and requirements; compliance with policy; training; effectiveness of the policy; and delivery of the report).

Annual training relating to Bond Compliance will occur during the November 2023 MEAN Board of Directors meeting.

ADJOURNMENT

There being no further business, the meeting adjourned at 5:26 p.m.

Prepared by:
Stacy Hendricks
Municipal Energy Agency of Nebraska

Submitted by:
Brad Hans
Director of Wholesale Electric Operations
Municipal Energy Agency of Nebraska