



**Minutes
Finance Committee
Colorado Springs Utilities Board
September 22, 2023**

Committee members present via Microsoft Teams or Rosemont Conference Room:
Committee Chair Nancy Henjum and Dave Donelson

Board Members present via Microsoft Teams or Rosemont Conference Room: Michelle Talarico

Staff members present via Microsoft Teams or Rosemont Conference Room: Travas Deal, Tristan Gearhart, Mike Francolino, Renee Adams, Natalie Lovell, Scott Shirola, Natalie Watts, John Hunter, Bethany Schoemer, Christian Nelson, Angelia Mora, Lisa Barbato, Somer Mese, Andrew Colosimo and Joe Awad

City of Colorado Springs staff members present via Microsoft Teams or Rosemont Conference Room: Renee Congdon

1. Call to Order

Committee Chair Nancy Henjum called the meeting to order at 1:30 p.m. and read the statement regarding the Colorado Open Meetings Law and the City Charter and noted that public comment would not be a part of the meeting.

2. Review Minutes

Minutes from the Aug. 14, 2023, Finance Committee meeting were reviewed and approved for posting.

3. Electric Cost Adjustment (ECA)/Gas Cost Adjustment (GCA) Update

Mr. Scott Shirola, Pricing and Rates Manager, provided natural gas prices as of Sep. 1, 2023, and highlighted prices during the heating season (November – March). He concluded with ECA and GCA projections for September 2023.

4. Bond Issuance Results

Mr. Tristan Gearhart, Chief Planning & Financial Officer, reviewed the bond issuance results and provided an update of our credit ratings through the agencies - Moody's (reaffirmed Utilities' "Aa2" rating) and Standard and Poor's (S&P) (reaffirmed Utilities "AA+" rating). He reviewed the bond issuance details for the 2023As and the 2023Bs, as well as the investor information and key partners. He reviewed the key remaining dates for a lessons learned/debrief meeting, which will take place sometime in the Fall, and the 2024 Plan of Finance Planning, which will take place in December.

Chair Henjum and Committee Member Dave Donelson gave their appreciation to the Finance team for all their hard work.

5. Risk Tool/Policy Update

Mr. John Hunter, Financial Planning and Risk Manager, provided an update on the Risk Management Plan explaining that the plan has been in draft since 2020 and the Risk Committee finalized the plan in August of 2023. He said one of the main goals was to streamline the process to meet new risk goals and strategies. Mr. Hunter gave an overview of the Risk Registry, which is a tracking tool for organizational risks that focuses on mitigation plans and strategies for identified risks.

Mr. Gearhart, suggested to bring the Risk Tool to the Utilities Board as an executive session yearly to discuss the risks and mitigation within the organization. Committee members agreed to bring it to the Utilities Board meeting for review.

6. Water Revenue Report

Mr. Gearhart said the water operating revenue for the month of July is \$1.3 million or 4.9% under the Annual Operating Financial Plan (AOF) and year-to-date revenue is \$9.1 million or 5.9% under the AOF. He also said the water reserve account as of August 2023 is \$16.1 million. Mr. Gearhart reviewed 2023 water revenue for the rest of the 2023.

7. Financial Monitoring Report

Mr. Gearhart reviewed August's revenue for each service, operating expenses (monthly and year to date), and gross margins for electric and natural gas services.

8. Plan for Future Meeting: Tuesday, Oct. 17, 2023

Mr. Gearhart advised there will be no meeting in November. The Finance Committee reviewed agenda topics for the next month's meeting.

9. Adjournment: The meeting adjourned at 2:24 p.m.