

Audit Committee Minutes  
Thursday, February 20, 2020  
10:00 a.m. in Pikes Peak Conference Room  
2<sup>nd</sup> Floor, City Hall

**Open Session**

Members present were Council member Andy Pico, Tom Strand, Brian McAllister, and Dave Wood, and youth liaison Lydia Miller. Also present were City Auditor Denny Nester, Vickie Classen, Linda Helsley, Jacqueline Rowland, Matt Dudden, Jay Eenhuis, Tristin Gearhart, Mallorie Hansen, Adam Hegstrom, Roger Lovell, Steve Posey, Tricia Timmons-Malsam, and Aaron Worthmann. Linette Crouch was present to take the minutes.

The meeting was called to order by Andy Pico at 10:01 a.m. Minutes of the January 16, 2020 meeting were approved.

Aaron Worthmann of Baker Tilly Virchow Krause provided a PowerPoint presentation of the Colorado Springs Utilities 2019 external audit financial results. McAllister asked about depreciation of closing a plant. Gearhart responded that they have begun accelerating for Drake's closing. Wood wondered what 'major' difficulties would be. Worthmann noted that all risk areas have some challenges, but none rose to the level of 'major'.

Gearhart, Hansen, Timmons-Malsam, and Worthmann left the meeting at 10:25 a.m.

Nester introduced report 20-02 Colorado Springs Utilities Electric and Gas Cost Adjustments effective 2/1/2020. McAllister questioned how the GCA was decreasing but the collection balance on December 31, 2019 was a negative. Pico replied that projections indicate that a decrease was warranted to keep the balance within \$5 million over or under collected.

Nester read the statement to go into closed session. In accord with City Charter art. III, § 3-60(d) and its incorporated Colorado Open Meetings Act, C.R.S. § 24-6-402(4)(g), the City Council Audit Committee, in Open Session, is to determine whether it will hold a Closed Executive Session. The issues to be discussed involve: Consideration of documents protected by the "Open Records Act".

The Chair shall poll the Audit Committee members, and, upon consent of two-thirds of the members present, may hold a Closed Executive Session. If consent to the Closed Executive Session is not given, the item may be discussed in Open Session or withdrawn from consideration.

Unanimous – move to closed session at 10:35 a.m.

**Closed Session**

Pico returned the meeting to open session at 11:35 a.m.

**Open Session**

Hegstrom returned to the meeting at 11:35 a.m.

Nester presented the 2020 current budget status. There were no questions from the committee.

Nester announced that his retirement is scheduled for July 1, 2020. He indicated the City Council would like the Audit Committee to be involved in the process of hiring a new City Auditor.

Miller left the meeting at 11:45 a.m.

Pico adjourned the meeting at 11:46 a.m.