

**Minutes of the Audit Committee
Scenic Rivers Energy Cooperative
Held on March 30, 2023**

The Audit Committee and the board of directors of Scenic Rivers Energy Cooperative met in joint session on March 30, 2023 at the main offices of Scenic Rivers Energy Cooperative in Lancaster for the purpose of reviewing the 2022 audit report prepared by Bauman Associates LTD, an independent certified public accountant.

The meeting began at 12:26 p.m.

Members of the Audit Committee present were:

Charley Fisher	Nordell Freymiller
Mary Johnsrude	Sue Bent
Todd Reed	Mary Butson
Joe Wedig	Tom Rowe
Mike Yager	

The following members of the Board of Directors were present: Chuck Simmons, Sandra Davidson, Ellen Conley, Marcus Saegrove, Delbert Reuter, Lily Long, Jack Larson and Steve Carpenter. Director Don Schaefer appeared via phone.

Also present were:

Joe Harrison-----Bauman Associates LTD
Steve Lucas-----CEO
Tammy Stoney-----Controller
Jason Knapp -----Director of Operations
Ron Jentz-----Director of Member Services
Judy Mims-----Executive Assistant

CEO, Steve Lucas, gave an oral overview of the co-op this past year.

The auditor, Joe Harrison, presented an oral and visual report of the 2022 Audit. The members of the Board of Directors and the Audit committee were provided with the written audit report.

Mr. Harrison and Bauman Associates were happy to provide us with another clean and unmodified opinion. This is the highest assurance that they can issue. In medical terms, we've received a clean bill of a health again this year at our annual physical.

Mr. Harrison has first hand knowledge regarding the Board of Director's high level of financial understanding. He indicated that they have faithfully executed their financial responsibilities month after month in their meetings. He further indicated that working with the staff has been seamless and positive as all required and requested materials were provided in a timely manner.

Mr. Harrison highlighted our investment levels in our total utility plant, operations and maintenance. Per member, we invest more than all most all other cooperatives in the state. We have a solid debt to cash ratio, meaning the cooperative can meet its debt obligations and the upcoming operation expenses.

In closing, Mr. Harrison reiterated the overall good financial health that the cooperative continues to achieve. In comparison to other cooperatives of like size, Scenic Rivers continues to do more with less year after year.

Audit Committee Member Joe Wedig made a motion to approve the audit report. Audit Committee Member Tom Rowe seconded the motion. Motion carried.

Audit Committee Member Charley Fisher made a motion to nominate Mary Johnsrude to present the Audit Committee Report at the Annual Meeting. Audit Committee Member Mike Yager seconded the motion and motion carried.

Audit Committee Member Mike Yager made a motion to adjourn the meeting. Audit Committee Member Mary Butson seconded the motion. Motion carried.

The meeting was adjourned at 1:12 p.m.

Steve Carpenter, Recording Secretary