

**BOARD AGENDA SUMMARY SHEET**

<b>Committee or Board:</b> Governance, Planning and Personnel	<b>Date:</b> July 17, 2020	<b>Board Meeting Date:</b> July 22, 2020
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**For All Board Voting Items:**

**Title of Agenda Item:** Recommendation to Approve of Resolution Appointing Chief Financial Officer

**Consent Agenda:** Yes No

**Accompanying Presentation:** Yes No

**LIPA Presenter:** Barbara Ann Dillon

**PSEG Long Island Presenter:** N/A

**Enterprise Risk Management Discussion:** Yes No

<b>Requested Action:</b>	The Committee is requested to approve a resolution recommending the appointment of Tamela R. Monroe as CFO of the Long Island Power Authority and its wholly owned subsidiary, the Long Island Lighting Company d/b/a LIPA, (collectively "LIPA").
<b>Summary:</b> <b>(include proposed amendments to Board Policies, if applicable)</b>	<p>LIPA retained Mycoff Fry Partners ("Mycoff"), an executive search firm that specializes in the recruitment of executives for the electric, natural gas, and water industries, including publicly owned utilities, to lead a search for a new CFO. Mycoff is under a multi-year Board-approved contract, which was procured to address the concerns of the Trustees about the limited pool of qualified applicants for LIPA's most senior positions in past searches.</p> <p>Mycoff identified potential candidates, advertised the position, and conducted targeted outreach to industry contacts. These efforts resulted in 14 potential candidates submitting resumes for consideration. Mycoff conducted 13 phone interviews with these individuals before recommending six candidates to LIPA for interviews. One candidate withdrew from consideration for personal reasons and five candidates were interviewed by two panels comprised of 13 LIPA staff members, including LIPA's Chief Executive Officer ("CEO") and other LIPA Officers and Directors. Two candidates were invited for additional interviews and staff unanimously recommended Ms. Monroe to the Governance, Planning and Personnel Committee. Ms. Monroe then interviewed virtually with the members of the Governance, Planning and Personnel Committee and several other Trustees.</p> <p>Based on those interviews, I recommend that Tamela R. Monroe be appointed to the position of CFO of LIPA effective on or about September 1, 2020. In order to facilitate an orderly transition to Ms. Monroe, she will join LIPA's staff on or about July 24, 2020 as Senior Advisor to the CEO for Finance, which will give her the opportunity to familiarize herself with LIPA and the roles and responsibilities of the CFO before taking over the full duties of the position.</p> <p>Ms. Monroe has over 35 years of public power experience and has served in positions of increasing authority and influence at two of the countries' largest public power companies.</p>

## **FOR CONSIDERATION**

July 22, 2020

**TO:** The Governance, Planning and Personnel Committee

**FROM:** Thomas Falcone

**SUBJECT:** Recommendation to Approve of Resolution Appointing Chief Financial Officer

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### **Requested Action**

The Governance, Planning and Personnel Committee (the “Committee”) of the Board of Trustees (the “Board”) is requested to recommend approval of a resolution appointing Tamela R. Monroe as Chief Financial Officer (“CFO”) of the Long Island Power Authority and its wholly owned subsidiary, the Long Island Lighting Company d/b/a LIPA, (collectively “LIPA”) effective on or about September 1, 2020.

### **Background**

LIPA retained Mycoff Fry Partners (“Mycoff”), an executive search firm that specializes in the recruitment of executives for the electric, natural gas, and water industries, including publicly owned utilities, to lead a search for a new CFO. Mycoff is under a multi-year Board-approved contract, which was procured to address the concerns of the Trustees about the limited pool of qualified applicants for LIPA’s most senior positions in past searches.

Mycoff identified potential candidates, advertised the position, and conducted targeted outreach to industry contacts. These efforts resulted in 14 potential candidates submitting resumes for consideration. Mycoff conducted 13 phone interviews with these individuals before recommending six candidates to LIPA for interviews. One candidate withdrew from consideration for personal reasons and five candidates were interviewed by two panels comprised of 13 LIPA staff members, including LIPA’s Chief Executive Officer (“CEO”) and other LIPA Officers and Directors. Two candidates were invited for additional interviews and staff unanimously recommended Ms. Monroe to the Governance, Planning and Personnel Committee. Ms. Monroe then interviewed virtually with the members of the Governance, Planning and Personnel Committee and several other Trustees.

Based on those interviews, I recommend that Tamela R. Monroe be appointed to the position of CFO of LIPA effective on or about September 1, 2020. In order to facilitate an orderly transition to Ms. Monroe, she will join LIPA’s staff on or about July 24, 2020 as Senior Advisor to the CEO for Finance, which will give her the opportunity to familiarize herself with LIPA and the roles and responsibilities of the CFO before taking over the full duties of the position.

Ms. Monroe has over 35 years of public power experience and has served in positions of increasing authority and influence at two of the countries’ largest public power companies. She has had responsibility for directing the accounting, auditing, finance and treasury, supply chain, resource planning, financial planning and analysis, corporate and capital budgeting, pricing and rate design,

load forecasting, financial reporting, corporate portfolio/project management, and nuclear business operations functions at utilities providing electric, gas, water, and wastewater services.

In addition to her finance and utility background, Ms. Monroe is an experienced leader and strategic partner with strong management skills. Comments of the LIPA staff about Ms. Monroe included:

<ul style="list-style-type: none"> <li>• “successful record of leading and managing teams”</li> </ul>	<ul style="list-style-type: none"> <li>• “she has experience in all things finance related”</li> </ul>
<ul style="list-style-type: none"> <li>• “professional experience is directly related to our CFO position”</li> </ul>	<ul style="list-style-type: none"> <li>• “can hit the ground running”</li> </ul>
<ul style="list-style-type: none"> <li>• “well-rounded experience that includes debt management, rate design, Board relations”</li> </ul>	<ul style="list-style-type: none"> <li>• “straightforward and authentic”</li> </ul>
<ul style="list-style-type: none"> <li>• “has excellent people skills”</li> </ul>	<ul style="list-style-type: none"> <li>• “is passionate about our industry and public power”</li> </ul>
<ul style="list-style-type: none"> <li>• “customer focused”</li> </ul>	<ul style="list-style-type: none"> <li>• “knows how to lead teams and develop people”</li> </ul>
<ul style="list-style-type: none"> <li>• “extensive electric utility, finance and accounting experience”</li> </ul>	<ul style="list-style-type: none"> <li>• “both finance and operational experience”</li> </ul>

Ms. Monroe’s prior financial and executive leadership experience make her well-suited to serve as LIPA’s CFO with an annual salary of \$325,500. This salary is benchmarked against the base salaries for similar positions at other large public power companies, many of whom offer incentive compensation in addition to base salary. LIPA does not offer incentive compensation, is significantly larger, and has a significantly higher cost of living than nearly all the utilities in the public power benchmarking survey. Ms. Monroe’s annual salary is approximately average compared to the industry benchmarking survey for similar public power utilities.

LIPA staff believes the salary request is well-supported for a professional of Ms. Monroe’s caliber.

**Recommendation**

Based on the foregoing, I recommend approval of the above-requested action by the adoption of the Resolution attached hereto as **Exhibit “A”**.

Attachment

**Exhibit “A”** Resolution

**RECOMMENDING APPOINTMENT OF CHIEF FINANCIAL OFFICER**

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**BE IT RESOLVED**, the Governance, Planning and Personnel Committee (the “Committee”) of the Long Island Power Authority (the “Authority”) Board of Trustees (the “Board”) hereby recommends that Tamela R. Monroe be appointed by the Board to the office of Chief Financial Officer (“CFO”) of LIPA and its wholly-owned subsidiary, Long Island Lighting Company d/b/a/ LIPA (together with the Authority, “LIPA”);

**BE IT FURTHER RESOLVED**, that the Committee recommends that Tamela R. Monroe be, and hereby be appointed CFO, effective on or about September 1, 2020 with an annual salary of \$325,500, until the earlier of her resignation or removal; and

**BE IT FURTHER RESOLVED**, that the incumbent of the position of CFO shall be an officer of LIPA within the meaning of LIPA’s enabling legislation (Chapter 517 of the Laws of 1986), as amended, including Section 1020-bb of the Public Authorities Law, and all other applicable laws.

Dated: July 22, 2020