

Y-W ELECTRIC ASSOCIATION, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS
September 17, 2019

A regular meeting of the Board of Directors of Y-W Electric Association, Inc. was held at the office of the Association in Akron, Colorado at 10:00 a.m. on September 17, 2019.

ROLL CALL

President Roger Schenk called the meeting to order. Directors present were:

Roger Schenk	Robert Bledsoe
Steven Schoenfeld	Jim Soehner
Stuart Travis	Joneal Young
Larry Winger	Craig Lambley
Chet Gebauer	

Manager Loutensock and Attorney Williamson were also present. Attorney Williamson recorded the minutes of the meeting.

AGENDA APPROVED

It was properly moved, seconded, and carried that the agenda be approved as presented.

PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Minutes of the August 20, 2019 Board of Directors meeting
- b. List of persons to be accepted into membership in Y-W Electric Association, Inc.
- c. Policy 2-21 Nepotism
- d. Policy 3-1 Member Education & Public Relations
- e. Policy 3-2 Regulations Covering Consumer Complaints
- f. Policy 3-2A1 Form 1 Notice to Change Tariffs
- g. Policy 3-2A2 Form 2 Form of Formal Complaint
- h. Capital Credit Refunds for estates of deceased members

The Consent Agenda was approved by unanimous consent.

SAFETY AWARD RESOLUTION

Manager Loutensock presented a resolution acknowledging Y-W's employees for working safely. It was properly moved, seconded and carried to approve the resolution as presented.

REVIEW BILLS

The list of bills paid by the Association in the month of August 2019 was reviewed and discussed.

FINANCIAL REPORT

Brandee Bullard presented the July Statement of Operations and September Interest Rate Comparison. Manager Loutensock presented the July Form 7, Operating Forecast, and Consumer Sales. Bullard presented the July General Ledger. Bullard presented an expense analysis for July and highlighted areas of significant variance from the budget. Loutensock presented the August power bill. Loutensock presented graphs of demand, energy, and cost per kWh through August 2019.

2018 CFC KRTA

Bullard presented the executive summary of Y-W's 2018 CFC KRTA.

AUDITOR CONTRACT

Brandee Bullard presented Jackson Thornton's proposed contract for auditing services for 2019 and 2020 and the firm's proposed contract for preparation of Y-W's 2019 IRS Form 990.

It was properly moved, seconded and carried to approve both contracts as presented.

WRAY WIND REPORT

Manager Loutensock reviewed the August Wray wind report.

MEDICAL INSURANCE & RETIREMENT

Marjie Hottinger reported that Y-W's employee medical insurance plan premium will increase by 3.131% in 2020. It was properly moved, seconded and carried to continue the medical insurance plans and HSA contributions in 2020.

Hottinger presented a summary of the 2020 billing rate for Y-W's retirement plan.

EMPLOYEE AND DIRECTOR BANQUET

Marjie Hottinger presented catering bids for the 2019 employee/director banquet. It was properly moved, seconded and carried to hold the 2019 employee/director banquet at 4th & Main in Wray, with no entertainment.

MARKETING EXISTING HEADQUARTERS FACILITIES

Marjie Hottinger recommends waiting until Y-W is out of the current building before marketing it.

WAREHOUSE FORKLIFT

Jeremiah Smith reported that the forklift that the Board authorized him to purchase is on back order. The seller offered an upgraded forklift for \$500.00 more than the original lift. It was properly moved, seconded and carried to authorize purchase of the upgraded lift.

President Schenk recessed the meeting at 11:52 a.m. for lunch and reconvened at 1:00 p.m.

AUDIT REPORT

Kevin Kelso, auditor from Jackson Thornton, presented the 2018 audit report via telephone. Y-W received an unmodified opinion. It was properly moved, seconded and carried to accept the audit report as presented.

Chet Gebauer left the meeting.

HEADQUARTERS REPORT

Manager Loutensock reported on the status of the new headquarters building. The contractor estimates that construction will be complete by October 3, 2019. Loutensock reported on Y-W's preparations for moving to the new building.

MANAGER REPORT

Manager Loutensock reviewed the delinquent accounts and presented thank yous. He provided an AMI update. He presented the Plains Telephone, CoBank and CFC patronage statements. He also presented the CFC newsletter and board report and a letter from Joe Martin regarding his candidacy for NRECA director.

It was properly moved, seconded and carried to appoint Stuart Travis as Y-W's CFC voting delegate and Trent Loutensock the alternate.

It was properly moved, seconded and carried to appoint Roger Schenk as Y-W's voting delegate for the NRECA Board of Directors election.

GENERAL MANAGER EVALUATION

President Schenk reported that Y-W's GM search consultant will coordinate Manager Loutensock's first evaluation as part of the consultant's contract with Y-W. The Board would like to conduct the evaluation with the consultant during its next retreat.

WESTERN UNITED REPORT

Steven Schoenfeld reported on his attendance at the regular meeting of the Western United Electric Board of Directors. August sales were up 12%. Western United paid \$7.3 million in capital credits to its members. The Board admitted a new member.

CREA REPORT

Stuart Travis reported on his attendance at the regular meeting of the CREA Board of Directors. The CREA Board received the 2018 audit report. The board also received a presentation from a Colorado legislator.

TRI-STATE REPORT

President Schenk reported on his attendance at the regular meeting of the Tri-State Board of Directors. The Tri-State Board approved the 2020 budget with no rate increase. The new non-utility member joined Tri-State as of September 3, 2019. Schenk presented Tri-State's financials. Schenk reported on his attendance at the Tri-State contract committee.

MEETING ATTENDANCE

The board discussed who would be attending upcoming meetings and seminars.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 3:26 p.m.

SECRETARY

PRESIDENT