

Y-W ELECTRIC ASSOCIATION, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS
April 17, 2018

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 1:00 p.m. on April 17, 2018.

ROLL CALL

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

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

Manager Hall 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.

APPROVAL OF MINUTES

It was properly moved, seconded and carried that the minutes of the regular meeting for the Board of Directors of March 15, 2018 be approved as presented.

It was properly moved, seconded and carried that the minutes of the regular meeting for the Board of Directors of March 20, 2018 be approved as presented.

REVIEW BILLS

The list of bills paid by the Association in the month of March 2018 was reviewed and discussed.

APPROVE NEW MEMBERS

It was properly moved, seconded and carried that the following persons be accepted into full membership in Y-W Electric Association, Inc.:

Allen, Perry Glen & Jessica Danielle
Bernhardt, Lain & J'Lyn
Blake, Shane & Andrea

Bostic, Tierney
Carnahan, Daniel
Crossland, Shauna
Escobedo, Gabriel
Impetro Resources, LLC
Jefferson, Tasha
Jones, John Paul & Julie Teresa
Kallsen, Matt & Nancy
Lyons, Zachary & Morgan

FINANCIAL REPORT

Manager Hall presented the Statement of Operations, Operating Forecast, and Consumer Sales & Revenue for February 2018. Hall presented the March Tri-State bill and cash flow. He reviewed graphs of demand, energy, and cost per kWh through March 2018.

OPERATIONS AND SAFETY REPORT

Harold Blackham presented the first quarter Operations and Safety report. There were no lost-time accidents in the first quarter. Blackham reported on employee safety training, pole inspection results, new services and outages.

MEMBER SERVICES REPORT

Andy Molt gave the first quarter Member Services report. He reported on energy audits performed, rebates given, scholarships and energy camp, and renewable energy. He reported on Y-W and member use of Facebook during the storm outage.

2017 AUDIT REPORT

Kevin Kelso presented his firm's audit report for Y-W's 2017 financials via telephone. Y-W received an unmodified opinion. It was properly moved, seconded and carried to accept the audit report.

It was properly moved, seconded and carried to accept the Financial report, Operations and Safety report, and the Member Services report.

President Schenk recessed the meeting at 3:03 p.m. and reconvened the meeting at 3:15 p.m.

POLICY 3-6

Manager Hall presented Policy 3-6. It was properly moved, seconded and carried to approve the policy as presented.

POLICY 3-7

Manager Hall presented Policy 3-7. It was properly moved, seconded and carried to approve the policy as presented.

POLICY 3-8

Manager Hall presented Policy 3-8. It was properly moved, seconded and carried to approve the policy as presented.

CAPITAL CREDIT ALLOCATION

Brandee Bullard presented the proposed 2017 patronage capital allocation. It was properly moved, seconded and carried to approve the allocation of 2017 net margins of approximately \$2,955,338.00 in patronage capital for 2017.

BANK RESOLUTIONS

Bullard presented a resolution to authorize certain Y-W Directors and staff to complete NISC laser signature forms for capital credits, general fund, and payroll operations. It was properly moved, seconded and carried to approve the resolution as presented.

Bullard presented a corporate resolution for the TBK bank. It was properly moved, seconded and carried to approve the resolution as presented.

Bullard presented corporate authorization resolutions for six Bank of Colorado accounts. It was properly moved, seconded and carried to approve all resolutions as presented.

RUS RESOLUTION FORM 675

Manager Hall presented RUS Form Resolution 675. It was properly moved, seconded and carried to approve the resolution as presented.

TRI-STATE ASSET TRANSFER

Manager Hall presented a resolution approving the transfer of certain assets to Tri-State as part of the Tri-State BP-109 asset transfer. This resolution adds assets not included in the March 2018 meeting resolution and replaces the resolution approved at the March 2018 meeting. It was properly moved, seconded and carried to approve the resolution as presented.

DONATIONS

Manager Hall presented donation requests from the Arickaree and Akron After Prom committees. The Board did not act.

AMI REPORT

Manager Hall reported on the status of the AMI project.

HEADQUARTERS

Manager Hall presented an analysis of the projected rate impact of the headquarters project. He presented Guernsey's design alternatives. These alternatives provide optional cost savings as estimated by Iron Mike.

MUTUAL AID AGREEMENTS

Manager Hall reported that the Towns of Wray and Yuma are requesting mutual aid agreements with Y-WEA.

EXECUTIVE SESSION

It was properly moved, seconded and carried to go into executive session to discuss confidential member information with the following in attendance: All directors present at the meeting, Hall, and Attorney Williamson. It was properly moved, seconded and carried to exit executive session.

STANDBY RATE

Manager Hall reported that Tri-State changed its standby rate, reducing the minimum qualifying generator size to 1,000kW. This change brings one Y-W member into the rate. Y-W does not presently have a standby rate because no members qualified under Tri-State's old rate. Hall presented the proposed Y-WEA standby rate. Directors Bledsoe and Winger disclosed that they hold ownership stakes in the Y-WEA member subject to the rate. It was properly moved, seconded and carried to approve the rate as presented. Directors Bledsoe and Winger abstained from voting.

WRAY WIND REPORT

Manager Hall presented the March Wray Wind Report.

PLAINS COOPERATIVE TELEPHONE ANNUAL MEETING

Manager Hall presented the notice of the Plains Cooperative Telephone Annual Meeting.

WESTERN UNITED REPORT

Director Schoenfeld reported that there was no regular meeting of the Western United Board of Directors.

CREA REPORT

Stuart Travis reported on his attendance at the regular meeting of the CREA Board of Directors. San Isabel Electric offered \$1 billion to purchase Black Hills Energy.

MIDWEST ELECTRIC REPORT

Stuart Travis reported on his attendance at the meeting of the Midwest Electric Consumers Association Board of Directors. Water levels are up this year.

TRI-STATE REPORT

Director Soehner reported on his attendance at the regular meeting of the Tri-State Board of Directors and the annual meeting of members. He reported on changes to the executive committee. Tri-State’s margins are better than budgeted.

MANAGER’S REPORT

Manager Hall reviewed the delinquent accounts. He presented thank you notes. He presented a patronage refund check from Pinnacle Assurance. He presented the CFC newsletter. Hall reported on personnel matters.

CAPITAL CREDIT REFUNDS

After consideration of the financial condition of the Cooperative, it was properly moved, seconded and carried that the board authorize the refunding of capital credits for the following deceased members:

Renzelman, Alfred	\$1,246.94
Rogers, Francis M.	Assignment Only

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 4:45 p.m.

SECRETARY

PRESIDENT