

Committee reports:

Finance Committee:

Julie Lindgren reported on the finance committee meeting. She informed the board that the 990 forms were filed, the website was updated and discussed changes to the budget. The budget column numbers now reflect: elimination of \$30,000 intended for communicating merger information to members and the public, reduction of power costs by \$35,000 to reflect estimated reductions in WAPA billing, addition of \$80,000 estimated cost for general manager search, and application of a revenue reduction resulting from approval of Option 2 of COSA report to implement the overall 5% rate reduction effective July 2017. The 2016 Pro Forma was also updated to reflect 2016 actuals and the cash flow beginning balance was changed from the estimated \$750,000 to the actual beginning balance of \$995,970. The committee reviewed the first quarter financials.

Frank Willett raised questions regarding capital expenditures. Brad Prophet explained FERC accounting rules involving extraordinary items and retired items. Arleen Boyd requested adding a target column to the statements.

A motion was made by Bill Pascoe, seconded by Dick Nolan, to approve the 1st Quarter Financial Statements as presented. Motion carried. Voting was unanimous.

A motion was made by Julie Lindgren, seconded by Arleen Boyd, to approve the 2017 revised budget. Motion carried. Voting was unanimous.

Risk Management Committee:

Arleen Boyd reported on the recent Risk Management Committee held May 30, 2017, where the Sun River Electric CEO and Board President discussed their rate design which includes a demand charge for residential customers. Discussion was held on communication methods Sun River used to help members understand demand charges.

Bill Pascoe noted that the meter replacement program will produce additional data which should inform future discussions on BEC rate structures.

The board discussed ways of communicating with members regarding the meter replacement program. A power point discussion on the benefits of the meter replacement program will be presented at the BEC Annual Meeting in September.

It was the consensus of the board to send a note of thanks to Sun River Electric for their time and efforts in sharing rate structures with the board.

Bylaws Committee:

Arleen Boyd reported that the bylaw committee met on May 25, 2017, and reviewed Article III, Sections 6 and 7.C. and Article IV, Section 1.G. She presented a draft of the recommended changes to the board. The objectives are to shorten the time required to tabulate ballots at the annual meeting and to ensure that the original intention to require notice from the board of intention to enter power contracts longer than two years is clear.

A motion was made by Julie Lindgren, seconded by Dan Dutton, to approve the proposed bylaw changes to be presented to the members at the annual meeting. Motion carried. Voting was unanimous.

It was the consensus of the Board to have Mike Specht help present the proposed bylaw changes at the BEC Annual Meeting.

Policy Committee:

Roxie Melton reviewed the work in progress with the policy committee. Bill Pascoe will redraft Policies 416 and 417. Jim Webb and Angie Jennings will redraft Policies 417 and 418 for Policy Committee consideration.

Communications Committee:

Brian Tanabe reviewed how communications are being divided and handled to transition back to an independent BEC. Kaaren is taking over the reporting now. He reminded everyone of upcoming publication deadlines.

Awarding methods of BEC scholarships were discussed. The board discussed establishing more defined guidelines for students to receive a BEC scholarship.

Consent Agenda:

The board reviewed the consent agenda.

Staff Reports:

James R. Webb and Brad Prophet reviewed the April 2017 financial statements.