

BARROW UTILITIES & ELECTRIC COOPERATIVE, INC.

2019 ANNUAL REPORT



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"Providing safe, reliable, and affordable utility services while respecting the community values of our members."

OFFICIAL NOTICE

2020 BUECI ANNUAL MEMBERSHIP MEETING

Notice is hereby given pursuant to Article III, Sections 1 and 3 of the bylaws of BUECI that the informational annual membership meeting will be held on **Thursday, December 3, 2020, at 7:00 p.m. on KBRW AM 680**. All members who return ballots (vote) will be considered registered and will establish quorum for the meeting. *Ballots must be returned no later than November 30 at 10 a.m.* The informational meeting will begin promptly at 7:00 p.m.

The informational meeting will consist of short reports, responses to member comments, and the announcement of the election results for directors and proposed propositions to amend the bylaws. Action will be taken on approving prior year minutes, and acceptance of reports in 2021 or at the next in-person Annual Meeting. Copies provided in 2020 are for informational purposes (not action).

The following are your present Board of Directors:

Roy Nageak Sr., Vice President

Herman L. Ahsoak, Secretary

Karl Derek Ahgeak

Don A. Nungasak, Treasurer

Lewis F. Brower

Tina A. Wolgemuth

The following three (3) Directors' terms expire:

Price E. Brower, President

Frederick F. Brower

Josiah B. Patkotak

The nomination for Directors was conducted by mail and email and has closed. The list of nominees is included in this mailer. Newly elected board members will serve a three-year term. There are a total of nine members who serve on the Board of Directors.

There will be a drawing for valuable door prizes including an iPad and wolverine ruff. ***All active members who return a ballot will be entered into a drawing for door prizes.*** Door prize winners will be posted at bueci.org and on Facebook. Staff will contact winners to arrange for pick-up of items the week of December 7. Door prizes will have to be picked up and cannot be mailed.


The Annual Meeting Report is also available online at <http://www.bueci.org/annual-meeting/>.

Please join us December 3, 2020, at 7:00 p.m. on KBRW AM 680.

Sincerely,



BUECI Board of Directors and Management



**RETURN YOUR
BALLOT
TO BE ENTERED
INTO A DRAWING
FOR DOOR
PRIZES!**

AGENDA

2020 BUECI ANNUAL MEMBERSHIP MEETING

- I. Call to Order**
- II. Roll Call of the Board Members**
- III. Invocation**
- IV. Determination of a Quorum**
- V. Presentation of Reports**
 - a. President's Report**
 - b. General Manager's Report**
 - c. Treasurer's Report**
- VI. Member Concerns**
- VII. Election Results**
- VIII. Adjournment**

PRESIDENT'S REPORT



Dear Valued Member:

2019 was a year of focusing on you, our member-owners. Year after year, we continually strive to improve the services you have come to know and respect. In 2019, BUECI implemented Electronic Service Orders to allow for better tracking and efficiencies related to trouble calls. Much of this effort is behind the scenes and it helps us continue to raise the bar in excellent customer service to our members.

- At the 2018 annual meeting, you, our members voted to refund the \$25 membership fee. In January and February 2019, those membership fees were refunded or applied to outstanding balances.
- Then in December of 2019, the Board of Directors authorized the retirement of \$215,180 in capital credits to Cooperative members for services from 1998.
- Also in 2019, BUECI donated \$123,569 to our community in cash and services including grave-digging services worth \$39,404.
- And lastly, five Barrow High School seniors were awarded a \$1,500 scholarship each to use toward their further education.

On behalf of the BUECI Board of Directors and senior leadership team, I am pleased to present you with BUECI's 2019 Annual Report. Our thanks to all the BUECI directors for their leadership, and to the BUECI employees for their faithful service to the community throughout the year. Thank you to our members for entrusting to us the task of guiding our Cooperative into the future.

Sincerely,

Price E. Brower
President

GENERAL MANAGER'S REPORT

BUECI Members:

This has been a year of great uncertainty and concern for everyone, every family, and every community. BUECI has a commitment and obligation to provide you safe and reliable utilities service, and we have done so for 56 years. That has been our focus, that has been our primary objective. This year, 2020 has made it eminently clear that we must address doing this safely and much differently, with our community and with our employees, if we are to protect our capacity to serve you and sustain the quality and integrity of our services. Our capacity to serve you is dependent on not only a healthy workforce, it is dependent on our employees being available. A significant reduction in our workforce can and may impact our integrity and quality of service. We are working everyday to minimize that scenario.

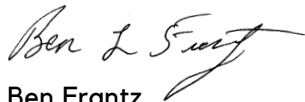
BUECI is working with many agencies and groups to be aware, assured, prepared and proactive in how we continue to be a 24/7, 365 days a year service provider. We must communicate that we have implemented new aspects of how we administer day to day functions. When we do communicate changes, it is with an understanding that it is in the best interest of not only those whom we serve, it is also in the best interest of those who serve us, our employees.

Lastly, the COVID-19 Pandemic has demanded that local, statewide and national governing agencies adopt actions meant to protect everyone. Over the last 7 months there has been a significant amount of activity on many levels that, and like all employers, BUECI must address much that requires us to adopt changes and communicate them to everyone impacted by those changes.

I commend the leadership of the community for coming together to address this terrible virus, and in particular your BUECI Board of Directors. BUECI administration, my staff, have dealt and shared with your Board a significant amount of information that represents our activity to address the effort to protect the lives, the health and strength of our community, for our employees and for our members.

Thank you for all your patience and understanding. Please help us and your community by wearing masks, social distancing, hunkering down when needed and washing hands more than regularly.

Respectfully,



Ben Frantz
General Manager



Safe. Reliable. Affordable.

TREASURER'S REPORT



BUECI Membership:

The discussion and analysis which follows is intended to provide our members an overview of the Cooperative's financial activities for the year ended December 31, 2019. This information should be read in conjunction with the Cooperative's financial statements and integral footnote disclosures. Our audited financial statements and footnote disclosures, including the auditor's opinion, are available for review at the Cooperative's offices following their acceptance by the board annually.

The Annual Financial Report for the year ending December 31, 2019 contains summaries of the audited 2019 Balance Sheet and Statement of Revenues and Changes in Patronage Capital completed by the Certified Public Accounting firm, BDO, LLP.

During 2019, operating revenue increased by \$1,130,645 for a total of \$26,754,327. Fifty-eight percent (58%) of the increase is related to Electric and Gas revenue, primarily related to tariff rate adjustments, and thirty-nine percent (39%) of the increase is related to BUS Water and Sewer cost reimbursement.

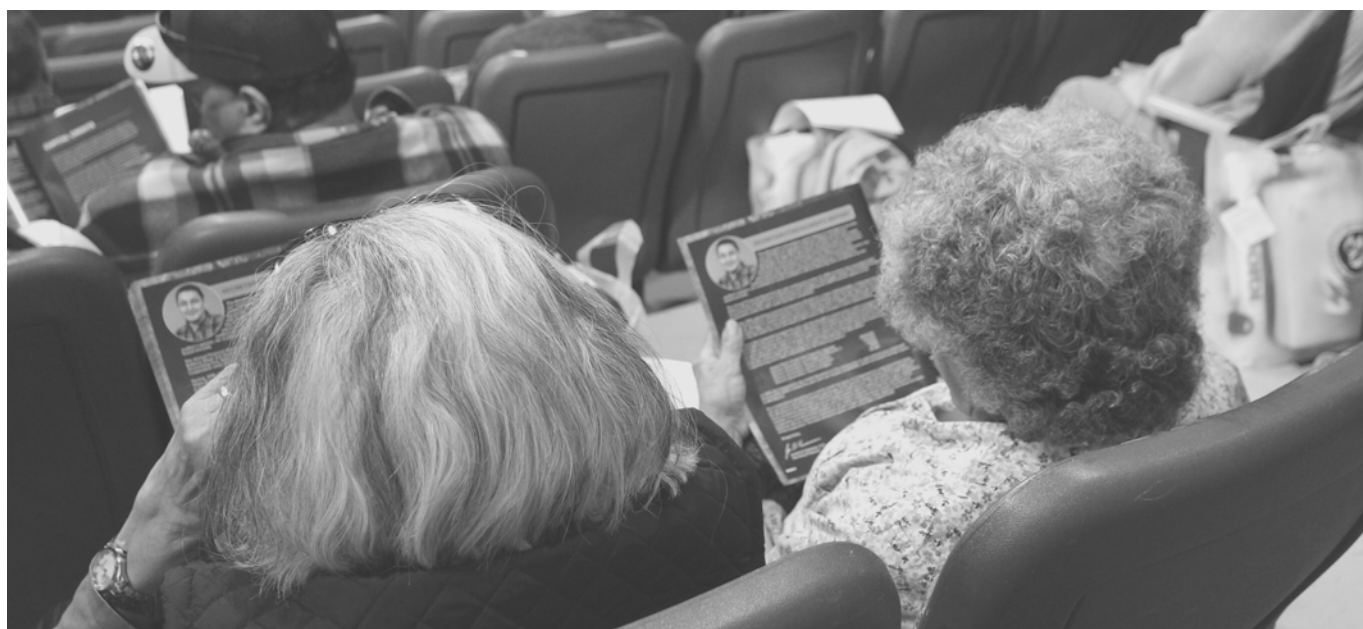
In 2019, the Cooperative ended the year with \$1,747,844 in construction work in progress down from \$4,042,063 in the prior year. In 2019, the Cooperative's net long-term debt increased by \$1,893,166, ending 2019 with net long-term debt of \$26,368,073. The projects reflected in this balance are aimed at extending services to members, improving service to existing members, and replacing equipment at end of life. These projects also help the utility to provide additional capacity to serve demand and to increase service reliability to members.

During 2019, BUECI ended the year with net margins of \$472,152, and authorized the retirement of \$215,180 in capital credits, resulting in an increased in member equity to \$16,326,630. As a cooperative operating on a not-for-profit tax basis, it is important to understand that these are not profits, but rather member patronage which is returned to the members over a 20 to 30-year repayment cycle. The total refund of capital credits since 1986 is \$20,294,499.

Respectfully,

A handwritten signature in cursive script that reads "Don A. Nungasak".

Don A. Nungasak
Treasurer



AUDITED FINANCIALS

BALANCE SHEET

Months ended December 31, 2019 and 2018

<i>December 31,</i>	2019	2018
Assets		
Utility Plant		
Electric utility plant	\$ 23,936,267	\$ 21,506,957
Gas utility plant	2,981,537	2,962,993
Water utility plant	23,833,513	20,323,995
Buildings and improvements	6,449,507	6,401,813
Vehicles and heavy equipment	2,808,367	2,911,740
Other general plant	1,538,029	1,235,499
Total utility plant in service	61,547,220	55,342,997
Construction work in progress	1,747,844	4,042,063
Total utility plant	63,295,064	59,385,060
Less accumulated depreciation	(26,316,081)	(25,029,643)
Net Utility Plant	36,978,983	34,355,417
Other Assets and Investments		
Restricted funds:		
Consumer deposits	120,074	122,792
Certificate of deposit	25,000	25,000
Emergency fund investments	487,000	487,000
Investments in associated organizations	2,873,922	2,636,307
Total Other Assets and Investments	3,505,996	3,271,099
Current Assets		
Cash - general	3,160,544	1,237,698
Investments	102,405	83,455
Consumer accounts receivable net of allowance for doubtful accounts of \$120,891 in 2019 and \$118,314 in 2018	1,773,810	1,771,052
Other accounts receivable, net	2,288,370	2,722,078
Materials, fuel and supplies inventories	1,495,213	1,446,876
Prepayments	30,124	32,642
Total Current Assets	8,850,466	7,293,801
Deferred Charges	3,176,740	3,665,807
Total Assets	\$ 52,512,185	\$ 48,586,124

AUDITED FINANCIALS

BALANCE SHEET CONT'D.

Months ended December 31, 2019 and 2018

<i>December 31,</i>	2019	2018
Equities and Liabilities		
Equities		
Memberships	\$ 4,698	\$ 120,123
Patronage capital	16,326,630	16,069,658
Other equities	1,914,263	2,087,667
Total Equities	18,245,591	18,277,448
Liabilities		
Long-term Liabilities		
Long-term debt	28,323,935	26,218,506
Less current maturities	(1,955,862)	(1,743,599)
Total Long-term Liabilities	26,368,073	24,474,907
Current Liabilities		
Current maturities of long-term debt	1,955,862	1,743,599
Accounts payable	3,840,612	1,974,574
Consumer deposits	120,074	122,792
Accrued payroll and benefits	675,770	704,649
Accrued taxes	5	22,632
Accrued interest	11,829	11,114
Line of credit payable	375,000	375,000
Patronage capital credits payable	1,404	1,878
Total Current Liabilities	6,980,556	4,956,238
Deferred Credits		
Consumer advances	2,216	(4,768)
ARECA allocation due to North Slope Borough	915,749	882,299
Total Deferred Credits	917,965	877,531
Total Liabilities	34,266,594	30,308,676
Total Equities and Liabilities	\$ 52,512,185	\$ 48,586,124

AUDITED FINANCIALS

STATEMENT OF REVENUES & CHANGES IN PATRONAGE CAPITAL

For Years Ended December 31, 2019 and 2018

<i>Years Ended December 31,</i>	2019	2018
Operating Revenues		
Electric service	\$ 6,428,332	\$ 6,061,097
Gas service	2,582,189	2,288,411
Water sales	3,624,515	3,599,395
Service revenue:		
Barrow Utilidor System water distribution	7,127,073	6,940,355
Barrow Utilidor System sewage collection	6,992,218	6,734,424
Total Operating Revenues	26,754,327	25,623,682
Operating Expenses		
Gas for generation	749,061	759,274
Gas for resale	755,390	768,502
Water for resale	2,787,242	2,786,024
Operations and maintenance:		
Electric production	1,140,598	1,090,339
Electric distribution	912,858	737,801
Gas distribution	755,977	679,252
Water production and distribution	1,158,537	1,065,421
Barrow Utilidor System water distribution	2,350,652	2,244,991
Barrow Utilidor System sewage collection	4,280,394	4,046,374
Consumer accounts	733,441	645,295
Administrative and general	6,336,013	6,246,206
Taxes	659,802	624,483
Depreciation	2,676,646	2,649,855
Total Operating Expenses	25,296,611	24,343,817
Operating margins before fixed charges	1,457,716	1,279,865
Fixed Charges - interest on long-term debt	1,138,270	1,107,415
Operating margins after fixed charges	319,446	172,450
Net Nonoperating Margins	152,706	29,981
Net margins	472,152	202,431
Patronage Capital , beginning of year	16,069,658	15,867,227
Patronage capital distributions	(215,180)	-
Patronage Capital , end of year	\$ 16,326,630	\$ 16,069,658

2019 ANNUAL MEETING

Thursday, April 4, 2019

Barrow High School Auditorium

7:00 p.m.

I. Call to Order

President Price E. Brower called the meeting to order at 7:00 p.m. and welcomed all the members to the meeting.

II. Roll Call of the Board Members

Board Members Present: Karl D. Ahgeak, Director; Frederick F. Brower, Director; Lewis F. Brower, Director; Price E. Brower, President; Avaiyak Burnell, Director; Roy M. Nageak Sr., Vice President; Josiah B. Patkotak, Secretary/Treasurer; Richard Ungarook Sr., Director; Tina A. Wolgemuth, Director

Members' registration closed at 7:15 p.m.

III. Invocation

Invocation was given by member Lillian Nageak.

IV. Safety Moment

A safety moment was presented by President Price E. Brower.

V. Appointment of Parliamentarian

President Price E. Brower appointed the BUECI General Counsel John Andrew Leman of Kemppe, Huffman and Ellis, P.C., as parliamentarian for the Annual Meeting.

VI. Determination of a Quorum

The current membership count of Barrow Utilities and Electric Cooperative, Inc., verified by the Board at the 5:30 p.m. Membership Meeting, is comprised 1,169 eligible voting members as of close of business on April 3, 2019. The Bylaws of the Cooperative require at least ten percent (10%) of the members be present at the Annual Meeting to establish a quorum. Thus 117 members represent a quorum. There were 253 members present and are listed as follows:

Aamodt, Nels & Olive K; Adams, Bernadette & John; Adams, George K; Adams, Johnny & Ruth A; Adams, Sheldon S & Nora A; Ahgeak, Beverly A; Ahgeak, James & Mae; Ahgeak, Karl D; Ahgeak, Molly; Ahkivgak, Lottie; Ahkiviana, Linda; Ahmaogak, Cora & Wayne; Ahmaogak, George K Jr. Robyn G; Ahmaogak, Virginia; Ahsoak, Herman L & Sylvia D; Ahsoak, Jonas M & Heidi; Aiken, Lucy M; Aiken, Reuben S & Miriam; Akootchook, Benny & Linda; Akpik, Bertha E; Akpik, Robert O Jr. & Molly E; Akpik, Robert S & Alice; Akpik, Theresa; Akpik, Thomas W; Alcantara, Alejandro; Alcantara, Ma Liberty & Maquidato, Allen C; Anashugak, Roy & Rachel; Anievas, Nelson S & Conchita; Arey, Ned T & Dora; Assembly of God; Atos, Allyson;

Atos, Raymond; Barnachea, Vivian; Barrow Subway; Barrow Whaling Captains Assoc.; Benson, Clifford & Tracy; Bodfish, Mattie; Bodfish, Waldo E; Brower, Andrew; Brower, April D; Brower, Charles & Rebecca; Brower, Dora F & Frederick; Brower, Dora T; Brower, Eugene & Charlotte; Brower, Harry J & Flora; Brower, Isabel; Brower, Laverne S; Brower, Lewis & Roxanna; Brower, Mary N; Brower, Price E; Brower, Shawn C & Florence; Burgos, Emmanuel & Jennifer; Burke, Ralph J & Sheila; Burnell, Amanda; Burnell, Avaiyak; Burnell, Jerry; Caoile, Christian & Manuel B; Chan, Fung; City of Barrow; Coates, Lorena J; Contrades, Damon K & Wileyann; Contrades, Kelsey K; Danner, Christopher & Araina; Danner, Scott & Corrine; Dattilo, Alexander B; De Guzman, Angelita; Diaz, Moises & Dora E; Drake, Thomas R II & Alice R; Driver, Brittni; Edwardson, Daisy M; Edwardson, George & Debby; Edwardson, Megan; Ekosik, Alice; Elavgak, Anthony R; Elavgak, Ora A; Elliott, Lucinda & Hayden; Esparza, Shannon; Falleaf, Lula L; Ferreras, Julian & Marie E; Fischer, Bernadette; Fischer, Eldon R; Fischer, Robert & Margie; Fishel, Antonette R; Fosi, Fereti; Fournier, Kenneth T & Etta; Frantz, Ben & Fredricka; Frantz, Lois A; Frantz, Tim & Ellen; Gaff, Stephanie; Glastetter, Belinda; Gogo, Jerry C & Ailepata; Gray, Andrew D Sr.; Griffin, Patrick S; Harcharek, Robert C; Hermon, Mark H; Hickman, Brandon & Angelia; Hoffland, Larshe D; Hollis, Brendan & Tristyn N; Hopson, Cassie; Hopson, Charles & Adeline; Hopson, Darlene; Hopson, Lloyd E Jr. & Karen; Houston, John; Hubbard, Kristina; Huddell, Richard; Hugo, Patrick & Beverly F; Huntsman, Emma O; Hutchison, Grant & Olive; Igtanloc, Beatrice; Itta, Ronald N & Susie; Itta, Vera K; Jones, Donald & Lottie; Kagak, Jacob & Darlene; Kagak, Martha J; Kalayauk, Isaac & Marilyn; Kaleak, Frederick J & Josie; Kanayurak, Leroy M Sr. & Lilly L; Kanayurak, Lloyd & Alberta; Kignak, Emma S; Kignak, Paul J & Kate; Kiloni, James H; Kingkaew, Weerayut & Mongkolprasert, Nopmanee; Kingosak, Mary A; Kiou, Clara; Koonaloak, Emma; Lalaga, Posa; Lang, Mary J; Leavitt, Ambrosia; Leavitt, Bertha L; Leavitt, Loyla; Leavitt, Nancy; Leavitt, Sharon K; Leavitt, Sondra M; Leavitt, WM A & Roseanne; Lilo, Talasinga & Pauline; Long, Donald & Beverly; Lopez, Andres & Rebecca; Lozano, Stefanie; Manalang, Edilberto; Maupin, Amy G; Maupin, Dorcas; Mesina, Romeo & Rosario, Maria; Mila, Tua & Audrey; Mongoyak, Gilford T III & Jamie; Mongoyak, Robin & Eva; Moore, Mari; Morales, Romeo M; Mueller, Thomas & Arlene; Nageak, Lilibeth; Nageak, Lillian; Nageak, Robert F & Tranquilyanna; Nageak, Roy & Flossie; Nageak, Salomi B & Baker, Richard G; Nayakik, Carl & Jacquelyn; Nayukok, Deva M; Neakok, Arlene & Forrest; Neakok, Charles & Martha; Neakok, Justina; Neakok, Martha L; Neakok, Maxine; Neakok, Sarah; Nelson, Lars & Carrie; Ningeok, Florence M; Ningeok, Julia & Robert S; Ningeok, Milton; Noble, Malcolm X; Nobleza, Hilda; Nungasak, Don & Nora; Nungasak, Nelda N; Nusunginya, Emily; Nye, Usanee; Okpeaha, Arthur & Bernice; Okpeaha, Cynthia D; Okpik, Alec A; Okpik, Aqamak Q; Okpik, Harry Sr. & Lucy A; Okpik, Joshua Jr.; Olemaun, Kathleen R; Olemaun, Mary J & Forrest; Olemaun, Thomas & Margaret A; Olemaun, Vera; O'Neill, Nellie; Ortilla, Noel & Cherrylyn; Ortilla, Wilfredo & Maria C; Oyagak, John & Susie; Oyagak, Margaret; Paner, Jeverson O & Desiree; Panigeo, Janice A; Panigeo, Lloyd; Panigeo, Melinda A; Patkotak, Flora & Josiah; Patkotak, Mary V & Harry; Peacock, Kathy & Edwardson, Clinton; Pebley, Hazel F; Peter, Randy; Phillip, April; Piguing, Narciso; Pikok, Lloyd I & Frances; Pikok, Lucy Ann; Pikok, Mary A; Reilly, Cynthia; Rexford, Robert W & Amanda; Rexford, Sadie; Roddy, Jeffrey & Qinugan; Salamat, Lamberto P & Pilar; Salazar, Daniel & Librado, Angela; Samuelu, Emmanuel; San Jose, Leeza T; Santiago, Raul & Frances; Sarren, Robert & Myrna; Shaw, Ron; Sidon, Alex & Evelyn; Simmonds, Laura; Simmonds, Robert J; Skin, Andrew J & Sarah; Snow, Allen C & Ginger L; Snow, Kellen & Rexford, Steven II; Solomon, Bernice; Solomon, Elaine; Solomon, Herman & Pamela; Solomon, Mamie; Solomon, Marjorie & Eli J; Spear, Arnold & Cynthia; Spencer, Crystal; Stevens, George & Jane E; Stine, Martha; Suvlu, Edith; Syfko, Michael & Edna; Taalak, Richard & Ethel; Tai, Manusiu & Sione; Teigland, Sheldon & Lucy; Texeira, W.K.; Thomas, Bryan & Laura; Tirre, Lawrence S & Selene; Tivao, Tony; TNHA-Fair Market Rent; Toledo, Augustine & Arlene; Tookak, Flossie O; Tuai, Fifita; Tuai, Isikeli; Tua'i, Sarah; Tuai, Uluakiaho & Irina M; Tuifua, S. L & Mulu; Tula'i, Aukusitino & Crystal; Ungarook, Richard Sr. & Esther; Unutoa, Aniskeo & Andrea; Unutoa, Joann; Valencia, Rolando C & Ida; Vinas, Delores & Jess P; Vinas, Jesusito & Kristine; Weyiouanna, Bradley & Michelle; Whiskey, Marcelline; Wolgemuth, Tina A

VII. Reading of Notice of Minutes and Proof of Mailing

President Price E. Brower read the Notice of The Meeting and Proof of Mailing. He announced that on March 20, 2019, all members were mailed a copy of the Notice of the Meeting as required by the Bylaws. The Proof of Mailing was signed by General Manager Ben L. Frantz.

VIII. Approval of Agenda

Frederick F. Brower motioned, seconded by member Patrick Griffin, to accept the agenda. Questions called for. Motion carried.

Point of order was called by member Eugene Brower due to quorum not being confirmed. President Price E. Brower called for a five-minute break until 7:15 p.m. when registration closed to confirm that a quorum had been established. As noted in Section VI, a quorum was established and the meeting continued.

IX. Approval of Minutes

President Price E. Brower presented the minutes of the April 5, 2018, Annual Meeting for approval. Frederick F. Brower motioned, seconded by member Patrick Griffin, to waive the reading of the minutes and approve the April 5, 2018, Annual Meeting Minutes as presented. Question called for. Motion carried.

X. Presentation of Reports

a. President's Report

President Price E. Brower presented the President's Report in its entirety. Member Forrest D. Olemaun motioned, seconded by Frederick F. Brower, to accept the President's Report. Question called for. Motion carried.

b. General Manager's Report

General Manager Ben L. Frantz presented the General Manager's Report in its entirety, recognized employees with 25 years or greater years of service, and recognized employees who retired in 2018. Mr. Frantz then introduced Electric Distribution Superintendent Mel Hutchison.

After completing his report, Ben L. Frantz, introduced two special guests: Crystal Enkvist, Executive Director of the Alaska Power Association; and Michael Rovito, Deputy Director, of the Alaska Power Association. They each addressed the membership with brief remarks.

Member Forrest D. Olemaun motioned, seconded by member Patrick Griffin, to accept the General Manager's Report. Question called for. Motion carried.

c. Secretary/Treasurer's Report

A brief video about capital credits was played prior to the Secretary/Treasurer's Report.

Secretary/Treasurer Josiah B. Patkotak presented the Secretary/Treasurer's Report in its entirety.

General Manager Ben Frantz, CFO Rebecca Lopez, and Dmitry Petrishak, CPA, of the audit firm BDO, were available to answer financial questions.

Member Forrest D. Olemaun motioned, seconded by Director Frederick F. Brower, to accept the Secretary/Treasurer's Report and the 2018 Financial Report.

The floor was opened to members for a Q&A session related to the financial report.

1. **Member Charlotte Brower** voiced concern about capital credits. She also asserted that a daycare was operating in an [unspecified] BUECI-owned property and raised general concern about succession planning for the Natural Gas and Operations Superintendent positions.

Response: Secretary/Treasurer Josiah B. Patkotak responded to concern about capital credits, and shared BUECI's capital credit retirement cycle.

Response: General Manager Ben L. Frantz responded to concern about succession planning, by summarizing BUECI's succession plan and hiring procedures noting BUECI promotes internally when possible.

Member Charles Hopson motioned, and was seconded, to issue capital credit to the members.

Point of order was called by the Parliamentarian, John Andrew Leman, as the Bylaws assign responsibility to the Board of Directors to retire capital credits.

Motion died.

2. **Member Ned Arey Sr.** voiced concern about the NSB shared assets. He stated that BUECI should have a representative that attends local NSB meetings and hearings to speak on behalf of the members about unpaid expenses related to the shared assets.

The original motion on the floor remained. Question called for. Motion carried on the original motion.

XI. Nominations and Election of Directors

a. Nomination of Election Judges

A motion was made, and seconded, to appoint Corrine Danner, Josie Kaleak, and Jacquelyn Nayakik as election judges. Questions called for. Motion carried.

b. Nomination of Directors

Director Frederick F. Brower motioned, seconded by member Patrick Griffin, to open the floor for director nominations. Question called for. Motion carried.

The following members were nominated:

Herman Ahsoak
Tina A. Wolgemuth
Don A. Nungasak
Richard Ungarook Sr.

Member Charlotte Brower motioned, and was seconded, to close nominations.

Member Ned Arey objected, therefore, the motion died.

Member Marie Ferreras motioned, seconded by Director Frederick Brower, to close nominations. Motion carried unanimously.

Nominations were closed.

President Price E. Brower declared the polls open for voting for directors at 8:38 p.m. He asked the members to vote using their ballots.

Director Frederick F. Brower motioned, and was seconded, to close the polls for voting. Questions called for. Motion carried.

President Price E. Brower declared the polls closed for voting of the Board of Directors at 9:08 p.m.

XII. Member Concerns

President Price E. Brower opened the floor to members for a Q&A session.

1. **Member Forrest D. Olemaun** thanked BUECI and the Board for their continued donations and support of community events like the Christmas and Fourth of July Games that provide a safe place for members of our community.

2. **Member Donald Long** suggested that the Board of Directors create a separate accounting system for the Barrow Utilidor System (BUS) since it is under contract with the North Slope Borough.

Response: General Manager Ben L. Frantz shared that the BUS financials are kept separate and no margins [profit] is earned under the BUS contract with the NSB.

3. **Member Ronald Shaw** expressed a need for the [NSB's Barrow Utilidor System] pumps to be upgraded to accommodate 1,500 gpm for the Fire Department to maintain proper fire safety.

Response: General Manager Ben L. Frantz shared that capital improvements to the BUS are determined by and funded by the North Slope Borough. The upgrade [request] falls under CIPM. A discussion with the NSB would need to take place about this need.

Response: BUS Plant Superintendent Tim Russell further shared that this issue was raised the day prior at the NSB's PRC Meeting.

Response: Secretary/Treasurer Josiah B. Patkotak further shared that all units within the Fire Department slope-wide must comply to be certified, not just locally.

4. **Member Herman Ahsoak** thanked the General Manager and the Board of Directors for their financial responsibility to the Cooperative.

5. **Member Ned T. Arey Sr.** shared concern about board member conflict of interest with the North Slope Borough Assembly, UIC board, and ASRC board. He stated that it is the Board of Directors responsibility to ensure due diligence.

Response: Director Roy M. Nageak Sr. shared that legal representation stated that since BUECI is not regulated by the State that there was not a conflict of interest.

6. **Member Emma Huntsman** thanked the Board of Directors for the meal and shared that a donation request for activities for her disabled son was denied. She would like to see provisions and support to accommodate employment for someone with his disabilities. She further shared concerns about the retirement benefits received by her father as compared to other employees who were employed for a shorter time period. She would like to see records of what his benefits were.

Response: General Manager Ben L. Frantz shared that questions regarding former employees and their benefits history can be discussed in person at the BUECI central office. Regarding the donation policy, the policy is reviewed at the board level. The types of donation request are approved based on whether they meet the policy of the Cooperative.

7. **Member Ginger Snow** thanked the BUECI staff and Lloyd Pikok for helping with grave digging services for community members.

8. **Student Volunteer and Girls' Varsity Basketball Player Lewanne Brower** thanked BUECI for supporting the Lady Whalers this season through donations.

9. **Member Don A. Nungasak** introduced himself. He then stated the following that was translated from Inupiaq to English: We are so fortunate to have the board of directors present who work so diligently in times of hardship throughout the community and outside of our boundaries as well. BUECI is not the only cooperative that is feeling the pinch within our community. As a whole BUECI is diligently working to make things better with great pride. I thank the board of directors that are working so hard.

10. **Member Roxanne Brower** thanked BUECI for their support of the Lady Whalers travel and she recognized the basketball team volunteers helping with the meeting.

11. **Director Karl D. Ahgeak** thanked the North Slope Borough School District and Dolph Dowdy on behalf of the Board and BUECI membership for their work. He further thanked them for putting gravel near the stairs and entry so that people will not slip. On behalf of the Lady Whalers, he thanked the membership for their support through fundraising. He went on to recognize the basketball team volunteers helping with the meeting.

XIII. Drawing for Door Prizes

There were six BUECI contributions and 27 other contributions offered as door prizes which were awarded to the members through a random drawing.

XIV. Election Results

President Price E. Brower announced the election results as follows:

Tina A. Wolgemuth	124	Herman Ahsoak	121
Don A. Nungasak	99	Richard Ungarook Sr.	75

Write in candidates had a total of 8 votes.

It was determined upon the election results that **Tina A. Wolgemuth, Herman Ahsoak, and Don A. Nungasak** received the highest number of votes and thus are elected to the BUECI Board of Directors.

XV. Unfinished Business – No unfinished business

XVI. New Business – No new business

XVII. Adjournment of Annual Meeting

Member Eugene Brower motioned, seconded by member Patrick Griffin, to adjourn the meeting. Questions called for. Motion carried.

Meeting adjourned at 10:08 p.m.

Date Approved: TBD, 2020

Attest:

Herman Ahsoak, Secretary

Price E. Brower, President

DOOR PRIZES

2020 BUECI ANNUAL MEMBERSHIP MEETING

1. **GRAND PRIZE:** Apple 11" iPad Pro (256GB)
2. Wolverine Pelt
3. Janome Computerized Sewing Machine Bundle
4. Bose Sound Link Portable Speaker
5. Craftsman 450-Piece Mechanic's Tool Set
6. Ayamaya Pop Up Camping Tent (4-6 Person)
7. Royal Gourmet Charcoal Grill

Donated Prizes:

8. 8 - \$250 Utility Credits *donated by North Slope Borough*
9. 1 - \$200 Freight Gift Certificate *donated by Northern Air Cargo*
10. 2 - \$100 Utility Credits *donated by Vector Engineering*
11. 3 - \$100 Utility Credits *donated by GV Jones & Associates*
12. 5 - \$100 Cash Prizes *donated by Arctic Spark Electric, LLC*
13. 2 - \$100 Visa Gift Cards *donated by Kemppe, Huffman, & Ellis*
14. 2 - \$50 Visa Gift Cards *donated by Northwest Public Power Association*
15. 1 - \$50 AIH Gift Card *donated by Alaska Industrial Hardware*
16. 5 Prizes *donated by Stuaqpak*
 - a. Black + Decker 12 Speed Blender
 - b. Proctor Silex Slow Cooker
 - c. Presto Electric Hot Air Popper
 - d. Hamilton Beach Multi Cooker
 - e. Plazatex Queen Comforter
17. OGIO Backpack *donated by National Information Solutions Cooperative*
18. EarthPak Waterproof Backpack *donated by Alaska Power Association*
19. One (1) Hour Massage *donated by Arctic Chiropractic Barrow*
20. 1 - \$25 MasterCard Gift Card *donated by General Pacific, Inc.*
21. 4 Gift Sets: Pop-Up Lantern and Water Bottle *donated by ASTAC*
22. 20 Gift Sets: Drawstring Backpack *donated by Native Village of Barrow*; Coffee Mug and Various Items *donated by BUECI*
23. 2 Gift Sets: Hollywood Selfie Pole, Coleman Saddle Bag Cooler, Two (2) Aluminum Water Bottles, Pocket Power Bank, Blanket, Two (2) Vacuum Travel Mug *donated by 4imprint*
24. 10 - \$25 Subway Gift Cards *donated by Barrow Subway*

**RETURN YOUR
BALLOT
TO BE ENTERED
INTO A DRAWING
FOR DOOR
PRIZES!**

**Thank you to all the vendors who donated these wonderful prizes.
Your support is greatly appreciated!**
