

**Board of Directors Meeting**

**1:00 p.m., March 25, 2021**

**Via Zoom Webinar**

**Please register at**

**[https://zoom.us/webinar/register/WN\\_hZQI9pg9R0mJaz7nAzlW-A](https://zoom.us/webinar/register/WN_hZQI9pg9R0mJaz7nAzlW-A)**

**Webinar ID: 953 2428 8447**

**Passcode: 376979**

**AGENDA**

1. Roll Call
2. Approval of Agenda
3. Approval of Minutes
  - 2-25-2021 Regular Meeting
4. President's Report – David Bissell, President and CEO
5. Financial Report – Karissa Jonas, CFO
6. NRECA Hawaii Director Report (David Iha)
7. Charitable Foundation Board
8. Public Testimony - Testimony must be in written form and received via email at boardchair@hawaii.rr.com no later than Wednesday, March 24, 2021 at 12:00 noon in order to be received in time for distribution. Oral testimony will also be allowed, subject to time and technology restraints.
9. New Business
  - BP #1, Directors (**Policy, Action Item**)
  - Exercise One-Year Extension Option on Insurance Broker Contract (**F&A, Action Item**)
  - 2021 Budget Variance Request on HCP O&M (**F&A, Action Item**)
  - Kauai Brewery Application (**Loan Review Committee, Action Item**)
10. Calendar
  - **April 2, 2021** – HOLIDAY, KIUC Offices Closed
  - **April 15, 2021** – Board Committee Meetings (9:00am, via Zoom)
  - **April 19-23, 2021** – 2021 NRECA Legislative Conference (online)
  - **April 29, 2021** – Regular Board Meeting (1:00pm, via Zoom)
11. Executive Session - Pursuant to Board Policy No. 16 the Board may, when deemed necessary, hold an executive session closed to the public on matters limited to those specified in Policy No. 16.

- Legal consultation with regard to ongoing litigation.
- Matters which could affect ongoing or potential negotiations in legal or administrative proceedings
- Hiring, evaluating, dismissing or disciplining an officer or employee.

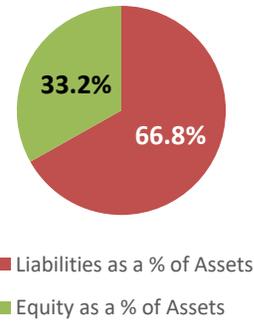
In addition other matters may come before the Board within the parameters of Board Policy No. 16 which need to be discussed in Executive Session.

12. Adjournment – Adjournment scheduled for 3:30 p.m. or before if all business has been concluded by that time. If not, at that time, the Directors may decide by majority vote to adjourn the meeting to a date and time to be determined in order to conclude the business.

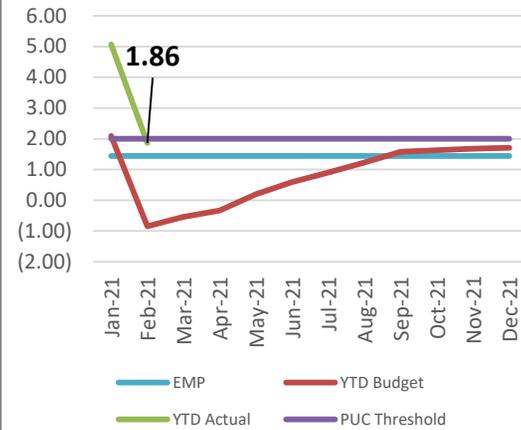
### MWh Sales

Class	YTD Prior Year	YTD Actual		Percent Change
Residential (D)	29,531	27,065	↓	-8.4%
Small Comm (G)	9,959	8,226	↓	-17.4%
Large Comm (J)	8,041	6,897	↓	-14.2%
Lrg Pwr Primary (L)	8,472	5,097	↓	-39.8%
Lrg Pwr Secondary (P)	16,684	13,693	↓	-17.9%
Street Lighting (SL)	128	128	↓	0.0%
Irrigation	27	236	↑	765.3%
<b>Total</b>	<b>72,842</b>	<b>61,343</b>	<b>↓</b>	<b>-15.8%</b>

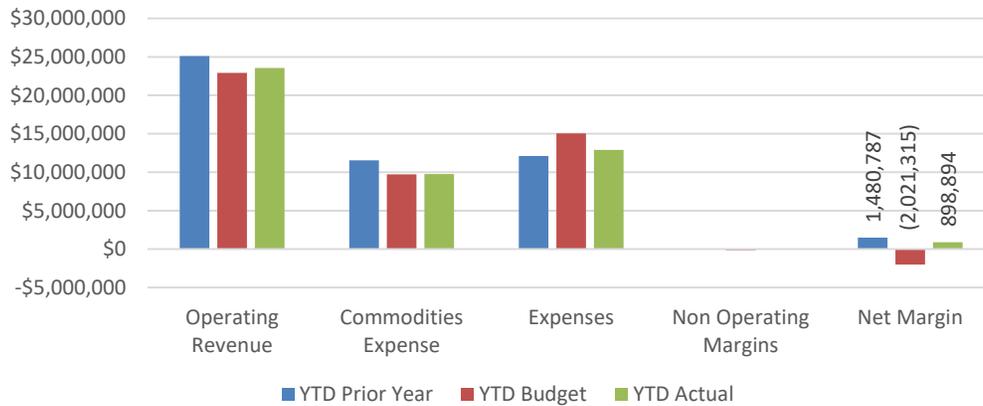
### Equity Ratio



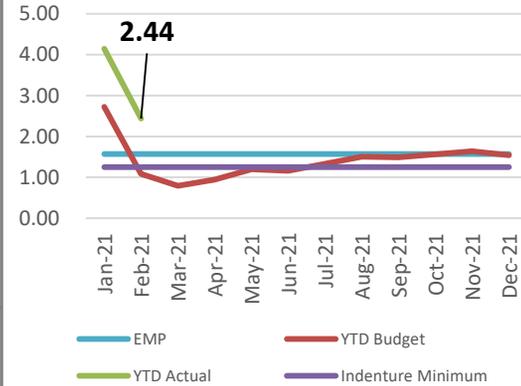
### TIER



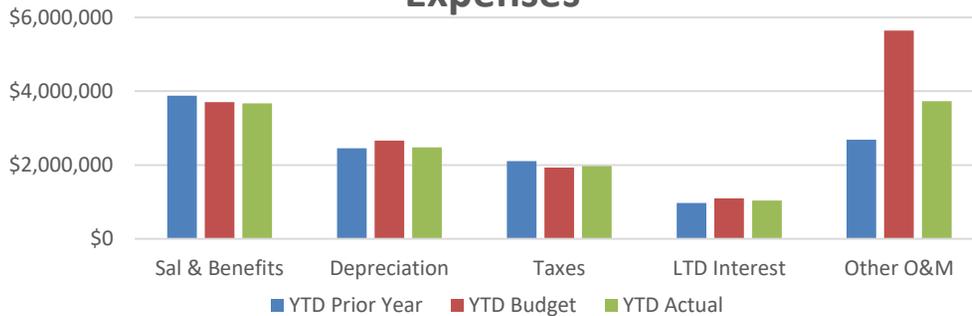
### Key Results



### DSC



### Expenses



### Liquidity

	YTD Actual
Cash	\$25,787,654
Short-Term Investments	\$4,133,809
Cushion of Credit	\$14,693,254
Line of Credit Available	\$40,000,000
Line of Credit Drawn	\$0

~~KAUAI ISLAND UTILITY COOPERATIVE ("KIUC")~~  
~~BOARD POLICY NO. -1~~  
~~-(Reviewed 05/29/2018)~~

**AUTHORITY AND RESPONSIBILITY OF THE BOARD OF DIRECTORS**

**PURPOSE OF POLICY:**

This policy describes the authority and responsibility of the KIUC Board ~~of Directors ("Board")~~ as well as the authority and responsibility of individual Directors and ~~Officers of the Board~~.

**POLICY CONTENT:**

**I. General Authority and Responsibilities of the Board of Directors:**

~~The business and affairs of KIUC shall be governed by its Board of Directors which shall exercise all powers of the Cooperative Association except those which are by law, by the Articles of Incorporation, or by the Bylaws conferred upon or reserved to the members. Generally, the Board is concerned with the broad courses of action to be followed by the Cooperative Association, rather than the means used to carry out the courses of action, which means are normally delegated to the President and Chief Executive Officer ("CEO").~~

~~The fundamental responsibility of each Director is to exercise their business judgment to act in what they reasonably believe to be the best interests of KIUC and its members.~~

**II. Key Responsibilities of the Board of Directors**

~~The key authority and responsibilities of the Board include:~~

**A. Selecting certain key employees and contractors**

1. Selecting, evaluating, and compensating the CEO.
2. Selecting the General Counsel.
3. Selecting the external auditing firm for KIUC.

**B. Approving major plans and expenditures**

1. Approving annual operating budgets.
2. Approving capital expenditure budgets.
3. Approving changes in rates charged to members.
4. Approving retirements of patronage capital.
5. Approving KIUC's Strategic Plan.
6. Approving Board policies.

### C. Overseeing management's performance

1. Monitoring and reviewing KIUC's performance in meeting strategic, financial, and operational goals and targets.
  2. Providing insight, advice, and support to the CEO on key decisions.
- ~~\_\_\_\_\_ ) Establishing and maintaining governance policies and guidelines for the Association, including:~~
- ~~\_\_\_\_\_ 1) The Articles of Incorporation.~~
  - ~~2) The Bylaws.~~
  - ~~\_\_\_\_\_ 3) Other policies for governing the Association in the best interests of the members.~~
- ~~\_\_\_\_\_ B) Developing plans for perpetuation of the Association in the best interests of the members including proper planning of elections, new Director orientation, continuing Director training, and Board performance reviews.~~
- ~~\_\_\_\_\_ C) Promoting good member relations including conducting well planned membership meetings, working with the CEO to develop methods to keep the membership informed on important issues and getting feedback from members on how well the Association is meeting their needs and developing policies to make sure members' concerns are addressed promptly and fairly.~~
- ~~\_\_\_\_\_ D) Approving annual operating budgets, construction work plans, compensation plans and capital expenditure budgets.~~
- ~~\_\_\_\_\_ E) Ensuring the development of plans for a long term source of electricity at a reasonable cost.~~
- ~~\_\_\_\_\_ F) Ensuring the development of long term sources of operating capital.~~
- ~~\_\_\_\_\_ G) Approving plans for management of member equity.~~
- ~~\_\_\_\_\_ H) Approving all proposed changes in rates to be submitted to the Public Utilities Commission.~~
- ~~\_\_\_\_\_ I) Recruiting and selecting the Association's CEO and delegating the necessary responsibility and authority to the selected individual to allow that individual to discharge his duties.~~
- ~~\_\_\_\_\_ J) Regularly evaluating and appraising the CEO's performance.~~
- ~~\_\_\_\_\_ K) Selecting the Association's General Counsel.~~
- ~~\_\_\_\_\_ L) Selecting the Association's independent auditors and engaging them for an annual financial audit.~~

- ~~M) Determining, in consultation with the CEO, short and long range plans for the Association including:~~
  - ~~1) Plans to maintain a sound financial structure.~~
  - ~~2) Operating plans for providing quality service to members and for maintaining good member and public relations.~~
- ~~N) Working with the CEO to develop reporting systems to measure performance of the Association, compliance with established policies, and compliance with established internal controls.~~
- ~~O) Developing and maintaining a positive image and relations with affiliated organizations, other cooperative organizations, and local communities.~~

### **III. Meeting Attendance, Preparation and Participation**

Directors are expected to prepare for, attend, and contribute meaningfully to all meetings of the Board and meetings of Board committees of which they are a member.

### **IV. Board Authority and responsibility of individual Directors and Officers:**

Each year at the Annual Board Meeting, the Board shall elect the following officers. The duties of these officers shall include, but are not limited to, the duties described below.

**A. Board Chair.**~~— The Board Chair shall will preside or designate another individual to preside at all Board and member meetings and, may sign on KIUC the Association's behalf any document properly authorized by the Board or members. The Board Chair shall will approve the expenses of the Treasurer, will be an ex officio member of each committee and will have all other responsibilities and may exercise all other authority properly authorized by the Board or members.~~

**B. Vice- Chair.**~~— The Vice- eChair shall perform the duties of the Board Chair in his/her absence and will have other responsibilities, and may exercise all other authority prescribed by the Board or members.~~

**C. Secretary.**~~— The regular duties of the sSecretary are to is generally responsible for overseeight of the minutes of Board meetings and the minutes of and member meetings and. The Secretary is authorized tofor authenticating the Association KIUC's records as needed and will have other responsibilities and may exercise other authorities prescribed by the Board or members.~~

In the absence of both the Board Chair and the Vice Chair, the Secretary shall serve as the chair of the Board.

**D. Treasurer.** The Treasurer shall will approve the expenses of all other Directors, the CEO,

and the General Counsel. In the absence of the Board Chair, the Vice Chair, and the Secretary, the Treasurer shall serve as the chair of the Board.

**ED. Assistant Secretary.** The Assistant Secretary shall perform the regular duties of the Secretary in his/her absence. In the absence of the Board Chair, the Vice Chair, the Secretary, and the Treasurer, the Assistant Secretary shall perform the duties of the Board Chair. The Board may choose to elect a First Assistant Secretary and a Second Assistant Secretary, in which case the First Assistant Secretary shall serve in the absence of the Secretary and the Second Assistant Secretary shall serve in the absence of both the Secretary and the First Assistant Secretary.

**E. Treasurer.** ~~The Treasurer will approve the expenses of all other Directors and of the CEO perform all duties, have all responsibilities and may exercise all authority prescribed by the Board or members.~~

**F. Assistant Treasurer.** The Assistant Treasurer shall perform the duties of the Treasurer in his/her absence. The Board may choose to elect a First Assistant Treasurer and a Second Assistant Treasurer may be appointed, in which case the First Assistant Treasurer shall serve in the absence of the Treasurer and the Second Assistant Treasurer shall serve in the absence of both the Treasurer and the First Assistant Treasurer.

~~III. Authority and Responsibilities of individual Directors:~~

~~Each Director is responsible for maintaining an understanding and complying with the Articles of Incorporation, Bylaws, Board policies, and other rules and guidelines for the Association. Directors should also maintain an understanding of the needs of membership, and an understanding of the major economic and political issues affecting the Association.~~

Adopted on this XX<sup>th</sup> day of MONTH, 2021.

Calvin Murashige  
Secretary

Revised: 0X/XX/2021  
Reviewed: 05/29/2018  
Reviewed: 08/30/2016  
Reviewed: 10/28/2014  
Revised: 11/29/2011  
Revised: 07/27/2010  
Revised: 07/25/2006  
Revised: 10/24/2002  
Original Adoption: 04/12/2000

~~Adopted on this 29<sup>th</sup> day of May, 2018.~~

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Calvin Murashige  
Secretary

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