

# Duties and Responsibilities of a Golden Valley Electric Director

## Trusteeship

Because the cooperative exists by and for the members, elected board members act as trustees of the members' assets and interests. Directors are expected to act in a manner that is fair and equitable to all members, not just the members of the district each represents.

The third largest electric utility in the state, GVEA owns and operates five generating facilities in Healy, Fairbanks, North Pole and Delta Junction serving 90,000 Interior residents from Cantwell north along the Parks Highway and from Fairbanks south to Fort Greely along the Richardson Highway.

Directors hold the responsibility for managing this multi-million dollar business with assets of nearly \$448 million and annual income that exceeded \$164 million in 2006.

## Authority and Responsibilities

Board members are responsible for several strategic and operational functions including:

- Analyzing and approving policies, plans and budgets
- Measuring results and revising plans
- Hiring the President & CEO
- Delegating appropriate authority to the President & CEO to fulfill his responsibilities
- Reviewing the performance of the President & CEO annually

## Legal Responsibilities

In addition to the requirements of state regulations and statutes, the board is bound by the requirements of:

- GVEA's Articles of Incorporation
- GVEA's Bylaws
- Board Policies and Procedures
- IRS regulations
- Requirements of the Rural Utility Services (formerly REA) and financial lenders

## Board Member Traits and Abilities

An effective board member has the willingness and ability to:

- Gain sufficient knowledge of GVEA to become an effective spokesperson
- Communicate with the members and understand their concerns
- Assume an objective role and consider tradeoffs and consequences of decisions
- Ask probing questions
- Study all materials carefully
- Balance district needs with goals, philosophy and plans of entire co-op
- Commit the time necessary to fulfill the duties and responsibilities

