

Regular Meeting Minutes
Salem Electric Board of Directors

15 December 2021

6:00 p.m.

1. CALL TO ORDER: The virtual meeting of the Salem Electric Board of Directors was called to order by President Bauer. Directors present: Dave Bauer, Joe Van Meter, Jerry Berger, Jeff Anderson, Jan Bargaen, Cindy Condon, and Angie Onyewuchi. Staff members present: Tony Schacher, General Manager; Britni Davidson, Member Services Manager; and Randi Johnson, Executive Assistant. (A list of the members, employees, and guests in attendance is in the Supplemental Minutes Book.)
2. EXECUTIVE SESSION: The Board immediately convened in executive session to discuss the upcoming audit with auditors from Aldrich CPAs & Advisors LLP. At 6:45 p.m., the Board reconvened the regular meeting.
3. APPEARANCE OF INTERESTED MEMBERS: None.
4. MEETING AGENDA: **MOTION** made by Anderson, seconded by Van Meter and **carried unanimously** to approve the Meeting Agenda.
5. CONSENT CALENDAR: **MOTION** made by Anderson, seconded by Van Meter and **carried unanimously** to approve the Consent Calendar with the removal of Item A – Minutes of the Prior Meeting, Item D – Financial Report, and Item E – Engineering & Operations Report.
6. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR: Item A – The minutes and agenda of the previous meeting were corrected. Item D – The Board discussed the current level of net margins in the statement of operations and asked if it would be prudent, or even possible, to return a portion of the overall amount to members through a special retirement. Additional information will be available when the adjusted budget is presented to the Board in February. Item E – The Board discussed the distributed generation report and noted growth in net metering. **MOTION** made by Condon, seconded by Anderson and **carried unanimously** to approve Items A, D, and E.
7. INFORMATION/ACTION ITEMS:

Forfeiture of Unclaimed Capital Credits – Action: **MOTION** made by Van Meter, seconded by Anderson and **carried unanimously** to approve Capital Retains Resolution No. 12-15-21 as presented. (A copy of the resolution is in the Supplemental Minutes book.)

Proposed Amendment to Bylaw 4.4(a) - Nomination and Election of Directors – Action: **MOTION** made by Berger, seconded by Onyewuchi and **failed with two in favor and four opposed** to change the last day to submit a nomination by petition from 30 days to 45 days before the annual meeting and to change the required number of petition signatures from one percent (1%) of the membership to one-third of one percent (0.33%).

The Board recognizes the need to change the last day to submit a nomination by petition; however, there is no consensus whether to adjust the required number of petition signatures. The Board will hold a working session prior to the next board meeting to resolve its concerns.

Elections Policy – Action: **MOTION** made by Van Meter, seconded by Anderson and **carried with five in favor and one opposed** to remove the Contested Election Candidate Mailing section from the Elections policy. (A copy of the recommendation is in the Supplemental Minutes book.)

Remunerations and Fees Policy – Action: **MOTION** made by Van Meter, seconded by Anderson and **carried with four in favor and two opposed** to increase remuneration for regular monthly board meetings, executive sessions not in conjunction with board meetings, and special board meetings from \$225 to \$250 per meeting for directors, with an additional \$25 paid to the president and secretary. (A copy of the recommendation is in the Supplemental Minutes book.)

MOTION made by Van Meter, seconded by Anderson and **carried with four in favor and two opposed** to increase the remuneration for board committee meetings, board strategic planning or engagement meetings, regularly scheduled industry-related conferences, meetings, and board training of organizations to which Salem Electric is a dues paying member from \$25 per hour to \$30 per hour up to 8 hours per day, not to exceed \$240 per day. (A copy of the recommendation is in the Supplemental Minutes book.)

Salem Electric Member Assistance Program – Information: Davidson reviewed the program and noted that during 2021, Salem Electric provided \$199,850 to 1,142 members who qualified for assistance with their electricity bills. In November, applications for the 2022 program were mailed to current participants, and to date, approximately 350 completed applications have been returned. Davidson thanked members for their generous donations that help support the program.

President Bauer presented Davidson with a bouquet of flowers and thanked her for her years of service and contributions to Salem Electric. In January, Davidson will become the Deputy Executive Director of ORECA.

Salem Electric Member Assistance Program – Action: **MOTION** made by Van Meter, seconded by Anderson and **carried unanimously** to approve changes to the Salem Electric Member Assistance Program as presented. (A copy of the recommendation is in the Supplemental Minutes book.)

8. MONTHLY REPORTS:

Department Updates: Schacher discussed a recent wind/weather event and announced personnel updates in the Engineering & Operations Department.

Manager's Report: Schacher stated that COVID protocols remain in effect. He discussed the equity to asset ratio based on Lines 12, 23, and 24 of the monthly balance sheet. Going forward, this information will be included in the monthly financial report. Schacher discussed the facilities project and stated that CBS expects to present designs to the Board at its February meeting. He discussed current supply chain problems, and noted that some items ordered nearly a year ago have yet to arrive. Schacher highlighted December employee service anniversaries.

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Outside Meeting Reports: Anderson discussed recent training at the NRECA Winter School.

9. APPEARANCE OF INTERESTED MEMBERS: A member asked questions about director elections and the forfeiture of unclaimed capital credits.
10. NEW BUSINESS/GOOD OF THE ORDER: None.
11. ADJOURN: With no further business to come before the Board, the meeting adjourned at 9:30 p.m.

Jerry Berger, Secretary/Treasurer

Approved Pursuant to Board Action on
January 25, 2022

Dave Bauer, President

SALEM ELECTRIC BOARD MEETING AGENDA
6:00 p.m. Wednesday December 15, 2021

1. CALL TO ORDER
2. **EXECUTIVE SESSION (Auditor Pre-Audit Meeting)**
3. APPEARANCE OF INTERESTED MEMBERS (5 minutes per member)
4. MEETING AGENDA (Approve)
5. CONSENT CALENDAR (Approve)
 - A. Minutes of Prior Meetings
 1. November 23, 2021 Regular Meeting..... 1-3
 - B. Acceptance of new members (179)
 - C. Release of members no longer taking service (190)
 - D. Financial Report..... 4-12
 - E. Engineering & Operations Report13-19
 - F. Member Services Report.....20-21
 - G. Director Remuneration Forms22-35
6. CONSIDERATION OF ITEMS REMOVED FROM CONSENT CALENDAR (Approve)
7. INFORMATION/ACTION ITEMS

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Bylaw Committee Recommendation – Action (Berger)	37-39
Policy Committee Recommendations – Action (Van Meter)	
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8. MONTHLY REPORTS

Department Updates (Schacher)	
Strategic Plan Update (Schacher)	
Manager’s Report (Schacher)	
• COVID Update	
Outside Meetings Reports (Directors)	
9. APPEARANCE OF INTERESTED MEMBERS (5 minutes per member)
10. NEW BUSINESS/GOOD OF THE ORDER
11. ADJOURN – Next meeting: January 25, 2022, 6:00 p.m. For upcoming agenda items, refer to the Annual Agenda Items Calendar on Call to Order (Documents, Board Meeting General).