

Regular Meeting Minutes  
Salem Electric Board of Directors  
28 November 2023                      6:00 p.m.

1. CALL TO ORDER: The Salem Electric Board of Directors meeting was called to order by President Anderson. Directors present: Jeff Anderson, Jan Bargen, Dave Bauer, Tim Klarr, John Taylor, Joe Van Meter, and Angie Villery. Staff members present: Tony Schacher, General Manager; Chris Kriech, Administrative Services Manager; and Randi Johnson, Executive Assistant. (A list of the members, employees, and guests in attendance is in the Supplemental Minutes Book.)
2. DIRECTOR CERTIFICATE PRESENTATION: Anderson presented certificates of achievement to Klarr, who recently completed the NRECA Credentialed Cooperative Director and the Board Leadership education programs.
3. APPEARANCE OF INTERESTED MEMBERS: None.
4. MEETING AGENDA: **MOTION** made by Van Meter, seconded by Klarr, and **carried unanimously** to approve the Meeting Agenda.
5. CONSENT CALENDAR: **MOTION** made by Van Meter, seconded by Villery, and **carried unanimously** to approve the Consent Calendar with the removal of Item D – Financial Report and Item E – Engineering and Operations Report.
6. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR: Item D: Questions regarded megawatt hour sales and purchases, and line 13 (non-operating expense), line 14 (interest expense), line 15 (net margin) and line 22 (working capital change) on the statement of operations. Item E: Questions regarded the engineering and operations major projects budget summary and the interruptions report. **MOTION** made by Bauer, seconded by Klarr, and **carried unanimously** to approve Items D and E.
7. ACTION/INFORMATION ITEMS:
 

2024 Proposed Budget – Action: Schacher stated that questions from the Board about the 2024 proposed budget were answered in an email sent to the Board on November 20. Additional discussion regarded the fleet and materials reserve and the facilities reserve. **MOTION** made by Bauer, seconded by Van Meter, and **carried unanimously** to approve the 2024 Budget as presented.

Retirement Plan Provider – Action: Schacher reviewed a recommendation to move the cooperative's 401(k) retirement plan to NRECA's Multi-Employer Plan (MEP). He stated that the move would benefit both the cooperative and employees and noted that the plan requires certain fees to be paid by the cooperative, but it is nominal and does not change the budget as presented. Questions were asked about liability, self-directed funds, fiduciary responsibilities, and plan assets. **MOTION** made by Bargen, seconded by Van Meter, and **carried unanimously** to approve a resolution to become an adopting employer of the NRECA Multi-Employer Plan for Salem Electric's 401(k) Cash or Deferred Profit-Sharing Plan. (A copy of the recommendation and resolution is in the Supplemental Minutes Book.)

Finance & Rates Committee Charter – Action: **MOTION** made by Van Meter, seconded by Villery, to adopt the finance and rates committee charter as presented. The Board debated whether meeting with auditors prior to annual audits should continue with the full Board

or become the responsibility of the committee. By consensus the full Board will meet with auditors next month and reevaluate committee responsibilities in 2024. **MOTION amended** by Van Meter for the charter to become effective January 1, 2024, **carried unanimously**. (A copy of the charter is in the Supplemental Minutes Book.)

Policy Committee Recommendations – Action: The committee presented recommendations for revisions to the following policies:

- a. Checks Written Report: The Board reviewed the committee’s recommendation to increase the minimum level of reported expenditures from \$300 to \$1,000. **MOTION** made by Van Meter, seconded by Taylor, and **carried unanimously** to approve the policy as presented. (A copy of the recommendation is in the Supplemental Minutes Book.)
- b. Loan Signing Authority: The Board reviewed and discussed the proposed revisions which clarify authority to sign and execute certain loan documents approved by the Board. **MOTION** made by Van Meter, seconded by Bauer, and **carried unanimously** to approve the policy as presented. (A copy of the recommendation is in the Supplemental Minutes Book.)

8. MONTHLY REPORTS:

Department Updates: Engineering and Operations—Schacher informed the Board that archeological shovel tests have been completed at the eastside facility site and the project is moving to the permitting process. Member Services—Schacher noted that the Vote Out list included property owners without active service accounts.

Manager’s Report: Schacher stated the Federal Council on Environmental Quality has been secretly negotiating with the states of Oregon and Washington, Nez Perce Tribe, Confederated Tribes and Bands of the Yakama Nation, Confederated Tribes of the Umatilla Indian Reservation, and the Confederated Tribes of the Warm Springs Reservation (the Six Sovereigns), which threatens post 2028 contract negotiations with Bonneville Power Administration. This is an evolving situation, and more information will be shared as it becomes available. He noted the director candidate petition packets become available December 4. He also noted that going forward, the outside gate to the boardroom will lock at the start of board meetings. Late arrivals may call the posted phone number for entry to the boardroom. Schacher highlighted November employee service anniversaries.

Outside Meeting Reports: None.

9. APPEARANCE OF INTERESTED MEMBERS: Member comments regarded the secret federal negotiations, the 401(k) plan, gender-neutral job titles, and meetings with auditors.
10. NEW BUSINESS/GOOD OF THE ORDER: Klarr thanked Salem Electric for hanging holiday lights along Edgewater and Wallace streets. Questions were asked about the cooperative’s safety program, including monthly safety reports, best practices, education, and training.
11. EXECUTIVE SESSION: None.

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12. ADJOURN: With no further business to come before the Board, the meeting adjourned at 8:25 p.m.

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Dave Bauer, Secretary/Treasurer

Approved Pursuant to Board Action on  
December 20, 2023

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Jeff Anderson, President

SALEM ELECTRIC BOARD MEETING AGENDA  
6:00 p.m.                      Tuesday                      November 28, 2023

1. CALL TO ORDER
2. APPEARANCE OF INTERESTED MEMBERS (5 minutes per member)
3. MEETING AGENDA (Approve)
4. CONSENT CALENDAR (Approve)
  - A. Minutes of Prior Meetings
 

October 24, 2023 Regular Meeting .....	1-3
October 24, 2023 Executive Session .....	4
  - B. Acceptance of new members (193)
  - C. Release of members no longer taking service (1,135)
  - D. Financial Report .....
  - 5-14
  - E. Engineering & Operations Report .....
  - 15-20
  - F. Member Services Report .....
  - 21-23
  - G. Director Remuneration Forms .....
  - 24-31
5. CONSIDERATION OF ITEMS REMOVED FROM CONSENT CALENDAR (Approve)
6. INFORMATION/ACTION ITEMS
 

2024 Proposed Budget – Action (Schacher) .....	Misc. Section
Retirement Plan Provider – Action (Schacher).....	32-34
Finance & Rates Committee Charter – Action (Anderson) .....	35
Policy Committee Recommendations – Action (Villery)	
• Checks Written Report .....	36-38
• Loan Signing Authority.....	39-41
7. MONTHLY REPORTS
  - Department Updates
  - Manager’s Report (Schacher)
  - Outside Meetings Reports (Directors)
8. APPEARANCE OF INTERESTED MEMBERS (5 minutes per member)
9. NEW BUSINESS/GOOD OF THE ORDER
10. **EXECUTIVE SESSION**
11. ADJOURN (Next Meeting: December 20, 2023, 6:00 p.m. For upcoming agenda items, refer to the Annual Agenda Items Calendar on Call to Order (Documents, Board Meeting General).