

Regular Meeting Minutes
Salem Electric Board of Directors
17 April 2024 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 Kriek, 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. EXECUTIVE SESSION: The board convened in executive session at 6:01 p.m. and met with Scott Daniels of Aldrich CPAs & Advisors LLP for the 2023 audit presentation. Salem Electric received a clean, unmodified opinion, the best you can receive. The board returned to regular session at 7:05 p.m.
3. APPEARANCE OF INTERESTED MEMBERS: None.
4. MEETING AGENDA: **MOTION** made by Bargen, seconded by Van Meter, and **carried unanimously** to approve the Meeting Agenda.
5. CONSENT CALENDAR: **MOTION** made by Van Meter, seconded by Bauer, and **carried unanimously** to approve the Consent Calendar with the removal of Item G – Director Remunerations.
6. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR: Item G: Questions regarded travel days to arrive or depart conference destinations, and compensation when travel exceeds an eight-hour day. **MOTION** made by Bauer, seconded by Van Meter, and **carried unanimously** to approve Item G.
7. ACTION/INFORMATION ITEMS: None
2023 Auditors' Report: **MOTION** was made by Van Meter, seconded by Bargen, and **carried unanimously** to approve the 2023 audit report as presented.
Policy Committee Recommendations – Action: The committee presented its recommendations to adopt the following policies:
 - a. Capital Credits Retirement Policy: The Board reviewed and discussed a new policy that provides guidelines for capital credits retirements, particularly estate retirements. Early capital credits retirements would be paid at a discounted net present value equaling the cooperative's weighted average cost of capital. Kriek presented several examples of calculating that cost using Key Ratio Trend Analysis (KRTA) data. Annually, staff will present the weighted average cost of capital calculation based on the KRTA 5-year average to the Board. **MOTION** made by Bargen, seconded by Van Meter, and **carried unanimously** to approve the policy as presented.
 - b. Board of Directors Travel Policy: The Board reviewed and discussed a new policy that provides guidelines for director travel. The Board had a robust discussion about the definition of a trip. It is the consensus of the Board that a trip may include several flights and/or other means of transportation in order to arrive at a conference destination.

MOTION made by Van Meter, seconded by Bargaen, and **carried unanimously** to approve the policy as **amended** to include a statement in the Transportation section that “Business trips may have several flights or other means of transportation.”

Wildfire Mitigation Plan: Schacher reviewed the Wildfire Mitigation Plan. Very little changed from the 2023 plan except that the maps were updated to include more details. **MOTION** made by Van Meter, seconded by Klarr, and **carried unanimously** to approve the Wildfire Mitigation Plan as presented.

Board Officer Election Process: Schacher reviewed the process to elect officers at the board organizational meeting on May 7, following the annual meeting.

8. MONTHLY REPORTS:

Department Updates: Engineering & Operations – Schacher noted personnel updates.

Manager’s Report: Schacher stated that he will meet with the City of Keizer attorney to review a new franchise agreement. He discussed renewable energy certificates (REC) and noted that the REC allocation from BPA, due April 15, has been delayed. Schacher highlighted April employee service anniversaries.

Strategic Plan Quarterly Report: Schacher reviewed the strategic plan and provided a progress report on two strategic initiatives: Facility Improvements and New Revenue Streams.

Outside Meeting Reports: Van Meter discussed the April ORECA board meeting.

9. APPEARANCE OF INTERESTED MEMBERS: Member comments regarded the capital credits retirement and director travel policies.

10. NEW BUSINESS/GOOD OF THE ORDER: None.

11. EXECUTIVE SESSION: The Board convened in Executive Session at 8:43 p.m. to discuss the board evaluation summary and reconvened in regular session at 8:55 p.m.

12. ADJOURN: With no further business to come before the Board, the meeting adjourned at 8:55 p.m.

Dave Bauer, Secretary/Treasurer

Approved Pursuant to Board Action on
June 25, 2024

Jeff Anderson, President

SALEM ELECTRIC BOARD MEETING AGENDA
6:00 p.m. Wednesday April 17, 2024

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

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March 20, 2024, Executive Session.....	4
 - B. Acceptance of new members (184)
 - C. Release of members no longer taking service (143)
 - D. Financial Report5-15
 - E. Engineering & Operations Report16-21
 - F. Member Services Report 22-25
 - G. Director Remuneration Forms26-83
 - H. IRS Form 990 84-109
6. CONSIDERATION OF ITEMS REMOVED FROM CONSENT CALENDAR (Approve)
7. INFORMATION/ACTION ITEMS

Auditors Report – Action (Krieck).....	110-131
Policy Committee Recommendations – Action (Villery)	
• Capital Credits Retirement.....	132-135
• Board of Directors Travel.....	136-139
Wildfire Mitigation Plan – Information (Schacher).....	140-145
Board Officer Election Process – Information (Schacher).....	146
8. MONTHLY REPORTS

Department Updates	
Manager’s Report (Schacher)	
Strategic Plan Quarterly Update (Schacher)	
Outside Meetings Reports (Directors)	
9. APPEARANCE OF INTERESTED MEMBERS (5 minutes per member)
10. NEW BUSINESS/GOOD OF THE ORDER
11. EXECUTIVE SESSION: (Board Evaluation Summary)
12. ADJOURN (Next Meeting: June 25, 2024, 6:00 p.m. For upcoming agenda items, refer to the Annual Agenda Items Calendar on Call to Order (Documents, Board Meeting General).