

Regular Meeting Minutes  
Salem Electric Board of Directors  
18 September 2024                      6:00 p.m.

1. CALL TO ORDER: The Salem Electric Board of Directors meeting was called to order at 6:00 p.m. 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. APPEARANCE OF INTERESTED MEMBERS: None.
3. MEETING AGENDA: **MOTION** made by Klarr, seconded by Van Meter, and **carried unanimously** to approve the Meeting Agenda.
4. CONSENT CALENDAR: **MOTION** made by Van Meter, seconded by Klarr, and **carried unanimously** to approve the Consent Calendar.
5. ACTION/INFORMATION ITEMS:
 

Authorization to Pay Capital Retains – Action: **MOTION** made by Van Meter, seconded by Taylor, and **carried unanimously** to authorize the revolvment of capital credits totaling \$2,463,764 representing approximately \$2,257,275 from 2008 and \$206,490 from 2009. (A copy of the recommendation is in the Supplemental Minutes Book.)

Finance and Rates Committee Charter – Action: **MOTION** made Bauer, seconded by Van Meter. The committee discussed fiduciary responsibilities and reviewed revisions to the charter that limit participation by non-committee members. The Board had significant discussion about who may attend committee meetings when the auditors are present. **Amendment** by Van Meter to add the following sentence to the fifth bullet point in the Responsibilities section, “Directors who are not on the committee may also attend the meeting.” The motion **carried unanimously** to approve the charter as amended. (A copy of the recommendation is in the Supplemental Minutes Book.)

Investment Guidelines Policy – Action: The Board discussed a recommendation by the finance and rates committee to revise the policy to allow for long-term investment strategies for the receipt of unexpected funds such as the BPA Reserve Distribution Credit (RDC). Schacher stated that any investment proposal exceeding a five-year maturity period would require approval by the Board of Directors. **MOTION** made by Van Meter, seconded by Bargen, and **carried unanimously** to approve the policy as presented. (A copy of the recommendation is in the Supplemental Minutes Book.)

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

  - a. Board of Directors Meetings: The committee recommended striking the paragraph regarding alternative meeting attendance because director attendance is governed by the bylaws. The committee reviewed other minor wording and formatting changes. **MOTION** made by Klarr, seconded by Van Meter, and **carried**

- unanimously** to approve the policy as presented. (A copy of the recommendation is in the Supplemental Minutes Book.)
- b. Remunerations and Fees: The committee stated that the policy revisions include the current remuneration rate paid to Directors, and it reviewed other minor wording and formatting changes. **MOTION** made by Klarr, seconded by Bargaen, and **carried unanimously** to approve the policy as presented. (A copy of the recommendation is in the Supplemental Minutes Book.)
  - c. Political Contributions: The committee reviewed minor wording and formatting changes to the policy. **MOTION** made by Klarr, seconded by Van Meter. The Board discussed the exceptions statement in the Requirements/Standards section. **Amendment** by Van Meter to add “As approved by the Board of Directors” to the beginning of the last sentence in the first paragraph of the Requirements/Standards section. The motion **carried unanimously** to approve the policy as amended. (A copy of the recommendation is in the Supplemental Minutes Book.)
  - d. Member Privacy and Confidentiality: The committee reviewed minor wording and formatting changes and recommended revising the title of the policy from “Privacy and Confidentiality” to “Member Privacy and Confidentiality” because the policy governs member information. **MOTION** made by Klarr, seconded by Bargaen, and **carried unanimously** to approve the policy as presented. (A copy of the recommendation is in the Supplemental Minutes Book.)

Auditor Engagement: Schacher stated that we are in the third year of a three-year contract with Aldrich CPAs and Associates LLP. Auditors will begin field work in October.

6. CONSIDERATION OF ITEMS REMOVED FROM CONSENT CALENDAR: None.
7. MONTHLY REPORTS:

Department Updates: Member Services – Schacher discussed the credit review graph in the member services report and noted that a new data point shows the number of pre-paid accounts that are disconnected for more than one day for non-payment.

Manager’s Report: Schacher reported that SE’s Keizer Franchise Agreement has been extended until March 18, 2025, to allow for time to complete negotiations, and he stated that the results of the employee engagement survey are in, and that the management team will be meeting in October to discuss the results. Schacher highlighted September employee service anniversaries.

Outside Meeting Reports: Van Meter discussed several ORECA meetings he recently attended.

8. APPEARANCE OF INTERESTED MEMBERS: A member asked for an update about the property search on the east side of the river.

NEW BUSINESS/GOOD OF THE ORDER: In response to previous questions about power costs, Kriek reviewed BPA billing statements and discussed billing determinants, rate schedules, fixed charges, demand, and heavy and light load hour charges. He also

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discussed load shaping, system allocations, and true-ups. He noted that BPA rates are set for the rate period but that rates vary monthly throughout the rate period. Schacher updated the Board about the eastside property search. Questions were asked about time of use rates. Schacher noted that Salem Electric is in the testing phase for time of use rates. Additional questions regarded the use of virtual reality for safety training.

9. EXECUTIVE SESSION: None.

10. ADJOURN: With no further business to come before the Board, the meeting adjourned at 7:40 p.m.

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Dave Bauer, Secretary/Treasurer

Approved Pursuant to Board Action on  
October 22, 2024

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Jeff Anderson, President

SALEM ELECTRIC BOARD MEETING AGENDA  
6:00 p.m.                      Wednesday                      September 18, 2024

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
    - August 27, 2024, Regular Meeting ..... 1-3
    - August 27, 2024, Executive Session ..... 4
  - B. Acceptance of new members (216)
  - C. Release of members no longer taking service (187)
  - D. Financial Report ..... 5-13
  - E. Engineering & Operations Report ..... 14-19
  - F. Member Services Report ..... 20-22
  - G. Director Remuneration Forms ..... 23-25
5. CONSIDERATION OF ITEMS REMOVED FROM CONSENT CALENDAR (Approve)
6. INFORMATION/ACTION ITEMS
  - Authorization to Pay Capital Retains – Action (Schacher) ..... 26
  - Finance and Rates Committee Charter – Action (Bauer) ..... 27-29
  - Investment Guidelines Policy – Action (Schacher) ..... 30-32
  - Policy Committee Recommendations – Action (Klarr):
    - Board of Directors Meetings ..... 33-37
    - Remunerations and Fees ..... 38-42
    - Political Contributions ..... 43-45
    - Member Privacy and Confidentiality ..... 46-48
  - Auditor Engagement – Information (Schacher)
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: October 22, 2024, 6:00 p.m. For upcoming agenda items, refer to the Annual Agenda Items Calendar on Call to Order (Documents, Board Meeting General).