

**WASHINGTON ELECTRIC COOPERATIVE, INC.**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**

**December 2020 Board Meeting held January 6, 2021**

The regular meeting of the Board of Directors, conducted via video teleconference, was called to order at 2:02 p.m. by President Barry Bernstein with the following board members present:

Barry Bernstein	Roger Fox	Anne Reed
Donald Douglas	Jean Hamilton (joined at 2:12 p.m.)	Richard Rubin
Steve Farnham	Steve Knowlton	Mary Just Skinner

Also present were General Manager Patty Richards; Attorney Ron Shems of the law firm Tarrant, Gillies, Richardson, & Shems, the Cooperative's legal counsel; Director of Finance & Administration (F&A) Cheryl Willette; Director of Engineering and Operations (E&O) Dan Weston; Director of Products and Services Bill Powell; Administrative Assistant Dawn Johnson; and guest speaker Tony Klein, who joined the meeting at 2:32 p.m. and left at 2:57 p.m. Attorney Shems left the meeting at 2:58 p.m.

President Bernstein commended staff for their safety record with no lost time injury (1860 days) and thanked staff for removal of ash trees impacting lines.

**APPROVAL OF CONSENT AGENDA ITEMS**

The consent agenda included the minutes of the November 2020 regular Board meeting, held December 2, 2020, the minutes of the Special Board Meeting held December 22, 2020, and the selection of NRECA 2021 Voting Delegates.

*There being no corrections or comments, President Bernstein declared the minutes of the regular November board meeting held December 2, 2020, and the minutes of the Special Board Meeting, held December 22, 2020, and the selection of President Bernstein as NRECA 2021 voting delegate and General Manager Richards as alternate delegate, all approved.*

**2021 OPERATING & CAPITAL BUDGETS**

General Manager Richards noted the latest version of the 2021 operating budget presented to the Board met lender ratios and recommended the Board adopt this version of the budget as included in packets. Director of Finance & Administration (F&A) Willette noted that a few changes were made to the budget from the last version in order to meet financial lender ratios. Ms. Willette informed the Board that the RUS approved the revenue deferral plan for the \$842,000, SBA forgiveness monies, to be used in 2021 to help offset the need for a rate increase. President Bernstein commended Ms. Willette on her efforts in working with the RUS to obtain the approval for the revenue deferral plan.

Ms. Willette provided a brief overview of the Capital Budget of \$487,150. Director Douglas noted that the FAPP Committee voted unanimously to recommend Board approval of both budgets.

*A motion was made by Director Douglas and seconded by Director Skinner to approve the 2021 Capital Budget of \$487,150. The board voted unanimously in favor of the motion.*

*A motion was made by Director Douglas and seconded by Director Skinner to approve the 2021 Operating Budget comprised of \$20,132,637 in operating revenue, \$19,850,917 cost of electric service, and net margins of \$1,449,729. The board voted unanimously in favor of the motion.*

There was also a brief discussion regarding the budget line item created for a new position to be filled in the second half of 2021. Ms. Richards will develop a plan for the position and update the FAPP Committee on her recommendations.

### **WEC 5 YEAR & ANNUAL PLAN**

There was no additional discussion regarding the WEC 5 Year & Annual Plan.

*A motion was made by Director Farnham and seconded by Director Reed to approve the 5 Year & Annual Plan. The board voted unanimously in favor of the motion.*

### **POLICY 79 SELECTION AND RESPONSIBILITIES OF COMMITTEE ON CANDIDATES**

There was a brief discussion regarding the need for change to Policy 79 to authorize electronic signatures to fulfill the candidate petition requirements.

*A motion was made by Director Skinner and seconded by Director Douglas to approve changes to Policy 79 to authorize safe electronic collection of candidate petition signatures during the pandemic. The motion was approved with six votes in favor and 3 abstentions by directors whose terms are ending in 2021.*

Administrative Assistant Johnson provided a summary of three options regarding the collection and processing of electronic signatures.

### **BROADBAND LEGISLATION DISCUSSION WITH GUEST TONY KLEIN**

Tony Klein provided the board and staff with an overview of the current legislative efforts to exempt from property tax new broadband services and related equipment deployed in underserved areas of Vermont by non-profit entities including WEC. A general discussion ensued.

### **STAFF RETIREMENT**

President Bernstein thanked Director of E&O Dan Weston for his 24 years of service and wished him well on his upcoming retirement. There was a brief discussion and expressions of appreciation from the board and staff for all his years of service to WEC and its members.

**MANAGER’S REPORT & GENERAL BOARD DISCUSSION**

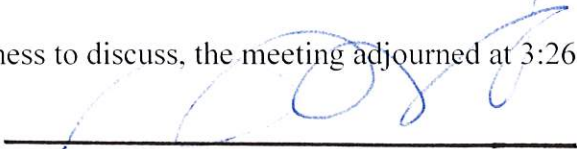
There was a brief discussion regarding items in the Manager's report and other relevant topics, including the broadband project and the preparation of a business plan to be filed with the DPS; the proposed board Governance Training, and the impact of power purchase hedging on WEC’s 100% renewable status.

**GENERAL MANAGER EVALUATION**

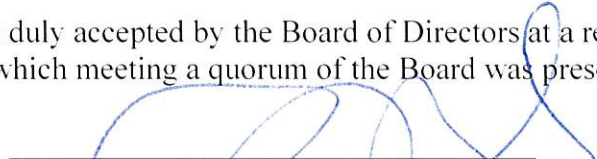
There was a brief discussion regarding the General Manager’s annual evaluation.

*A motion was made by Director Douglas and seconded by Director Skinner to approve a salary increase for the General Manager effective January 1, 2021, consistent with the non-union staff adjustment. The motion was approved with eight votes in favor and 1 abstention.*

As there was no further essential business to discuss, the meeting adjourned at 3:26 p.m.

  
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M. Anne Reed, Secretary

The foregoing record of the minutes was duly accepted by the Board of Directors at a regular meeting held on January 27, 2021, at which meeting a quorum of the Board was present and voting.

  
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M. Anne Reed, Secretary

