



**Delta- Montrose Electric Association  
Board of Directors Policy**

**Board of Directors**

|                                 |                           |                          |
|---------------------------------|---------------------------|--------------------------|
| Subject: Directors Compensation |                           | Policy Number: 109       |
| Original Issue: 11/22/1938      | Last Reviewed: 08/24/2021 | Last Revised: 08/24/2021 |

**OBJECTIVE**

To identify Delta-Montrose Electric Association (DMEA) board of director (board, director) compensation for service and reimbursement of authorized expenses.

**ACCOUNTABILITY**

board of directors and the chief executive officer (CEO).

**POLICY**

1. Directors will receive a flat fee of \$760 per month to compensate for time spent on DMEA matters that are not otherwise compensated under this policy, such as preparing for meetings, reviewing director and DMEA materials, and participating in miscellaneous DMEA-related communications.
2. Life insurance will be provided to directors as outlined in the current benefit package summary given to new directors. Directors receive coverage for business/travel/accident (management group) in the amount of \$100,000.
3. Directors attending a regular, committee, or special meeting of the board or any other meeting called under the DMEA bylaws (such as the annual meeting) shall receive \$110 unless the meeting(s) exceed three hours, in which case directors will be compensated an additional \$30 per hour; however, total compensation may not exceed \$200 per calendar day. Directors will be compensated mileage from their residence to the meeting site(s) at the then current Internal Revenue Service standard business mileage rate. Any director traveling by motor vehicle more than fifteen (15) miles from the director's residence to a board meeting (regular, special, or committee) or authorized DMEA event within the DMEA service territory may request an additional \$30 per hour of travel time, with such additional compensation not to exceed \$60 in any given day.
4. Directors are entitled to compensation for attending committee meetings regardless of membership in that committee.
5. Directors attending any third-party/non-DMEA sponsored meetings on behalf of DMEA inside or outside DMEA's service territory are entitled to the same compensation they would receive if attending a DMEA meeting provided they have received prior approval from the board or president of the board to attend such meetings.



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6. Compensation will be paid at the rate of \$200 per day for attendance at authorized meetings outside of the DMEA service territory. In addition to this compensation:
  - a. Vehicle travel will be reimbursed at the then-current Internal Revenue Service standard business mileage rate up to, but not to exceed, the equivalent cost of commercial airfare. Non-vehicle travel will be reimbursed on an actual operating cost basis, not to be in excess of the cost of travel by commercial air, tourist, or comparable class.
  - b. Actual expenses for food and lodging incurred during non-local travel will be reimbursed on that basis, provided that such expenses include only reasonable expense items appropriate to the work assignment.
  - c. DMEA recognizes that at times a director may have additional meal expenses because of professional relationships with persons associated with related organizations, but at no time shall a director submit an expense for compensation from DMEA for a spouse or companion. Expenses for lodging, travel, and meals for a spouse or companion who accompanies a director to a meeting, conference seminar, or convention will be the personal expense of the director and expenses for such persons will not be reimbursed by DMEA.
  - d. If travel is required to or from the meeting site outside of DMEA's service territory, and such travel does not occur on the same day as the meeting, then the director shall be entitled to a travel allowance of \$200 per day. If the meeting and travel occur on the same day, then no travel allowance will be paid. Except in extenuating circumstances, no more than two travel day allowances will be paid for any meeting.
7. Ordinarily there will be no reimbursement for activities undertaken by a director on the director's own initiative unless the reimbursement is approved as an authorized DMEA activity by the directors at a regular board meeting.
8. Disputes arising from payment of compensation, allowances or fees will be settled by a majority of the quorum present at a board meeting.
9. If a director receives compensation from another organization for attendance, travel, or other expenses relating to a business meeting, DMEA shall not pay like compensation. However, if a fee is paid and expenses are not, or if expenses are paid but a fee is not, DMEA will pay non-duplicative compensation or reimburse expenses in accordance with this policy. Any compensation for items not specifically addressed here shall require prior board president approval. Notwithstanding the foregoing, if a DMEA meeting and DMEA



A Touchstone Energy Cooperative

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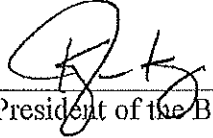
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Utilities Services ("Elevate") meeting are held on the same day, directors may receive compensation from both entities.

10. A director is not required to receive compensation, allowances, or reimbursements. A director may elect not to seek reimbursement for expenses incurred by not submitting reimbursement requests, and may forego compensation or allowances by providing notice to the board president that such compensation and allowances are not to be paid.

11. A director who also serves as a member of the Elevate operating managers is also entitled to compensation as may be provided by Elevate.

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| <br>_____<br>President of the Board | <u>8-24-2021</u><br>Date |
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