

Implementation: 10/8/2019
Revised: 3/10/2020; 6/10/2024(effective 1/9/2025)
Reviewed: 2/9/2021

Policy: # 1021 – Board of Directors’ Compensation and Benefits

SCOPE OF POLICY: Board of Directors

RESPONSIBILITY: Board of Directors

I. POLICY

Elkhorn Rural Public Power District (ERPPD) follows the guidelines below for benefits and compensation of the Board of Directors with total compensation payments not to exceed those provided for in *NEB. REV. STAT. § 70-624.02*

II. PROCEDURE

1. Expenses

The members of the Board of Directors shall be paid their actual expenses with the submission of itemized receipts, while engaged in the business of ERPPD under the authority of the Board of Directors, including but not limited to the following:

a. Out-of-state meetings

For out-of-state travel, Directors should select the mode of transportation which is the most convenient and economical. If one or more Director elects to travel by automobile, when the most economical mode is by air, then the Director who drives shall be reimbursed for the cost of coach airfare and shall not receive mileage expense.

b. In-state meetings

Directors who attend in-state meetings including Board meetings are authorized to travel by automobile only, unless prior authorization is obtained from the President of the Board.

c. Meals

Directors who attend meetings located outside of the vicinity where they reside, either in-state or out-of-state, shall be reimbursed the reasonable cost of their meals.

d. Lodging

Directors who attend meetings at locations either in-state or out-of-state, where it is reasonable and necessary to spend the night in a hotel or motel, shall be reimbursed for the reasonable cost of lodging.

e. Mileage

Members of the Board of Directors shall be reimbursed for their reported mileage at the applicable rate as periodically determined by the Internal Revenue Service Mileage to meetings held at headquarters is considered taxable income by the IRS.

2. Compensation

The members of the Board of Directors shall be paid for their services, and such compensation as shall be fixed by the Board of Directors. A Director’s compensation shall consist of payment for performing the duties of the Director’s office and fees for attending meetings.

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- a. Each Director shall receive compensation at the rate of \$550 per month for attending monthly board or emergency meetings and performing the duties of their office. The President shall receive compensation at the rate of \$650 per month for attending monthly board meetings and performing the duties of their office. Attendance at monthly board meetings maybe telephonic or by other electronic communications pursuant to the Open Meetings Act 84-1411. If a director is absent from a monthly board meeting and it is not excused by a vote of the remaining board members, monthly compensation shall be withheld.

- b. In addition to the compensation provided above, each Director, including the President, shall receive fees for attending meetings as follows:
 - i. an attendance fee of \$300 for each special Board Meeting that he or she attends, either in person, telephonically or by other electronic communication;

 - ii. an attendance fee of \$300 per meeting per day for meetings of an executive committee held outside of regular board meetings; and

 - iii. an attendance fee of \$300 per meeting per day for meetings of:
 - NRECA Directors Updates
 - NRECA Region VII Meetings
 - NRECA Annual Meetings
 - NREA Annual and Quarterly Meetings
 - NREA Committee Meetings and NREA Legislative Event
 - NPPD Annual Meetings
 - NPPD Regular Meetings and educational bus tours
 - NPPD Wholesale Partners Meetings
 - Nebraska Generation & Transmission Association
 - Director trainings
 - Public meetings of Villages and Cities served by ERPPD
 - Legislative Hearings concerning public power issues
 - ERPPD electric system tours;

unless, the Director is compensated for attending such meeting by another entity, in which event such Director is not entitled to compensation from the District for attendance at any such meeting set forth in iii. above. The President may in his discretion authorize and approve the attendance by Board Members at meetings not listed above and the member of the Board so authorized shall be paid \$300 per meeting per day.

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Notwithstanding any of the provisions for compensation provided for above, no Director shall receive payment including compensation for attending meetings in excess of the amount as provided for in *NEB. REV. STAT. § 70-624.02*.

3. Board of Director Insurance

a. Life

A \$10,000 Plan is available. The amount of coverage allowed is based on age. 100% paid by District.
(See Plan Specifications for details)

b. 24 Hour Accident

100% paid by District
(See Plan Specifications for details)

c. Business Travel

\$100,000 Coverage. Travel coverage is limited.
(See Plan Specification for details)

d. Health insurance will not be provided by ERPPD.

4. Oversight

- a. Director expenses will be reviewed by the District's CFO. Any questions concerning fee and expense reimbursement will be brought to the management's attention. Any discrepancies or questions will be addressed with the President of the board of directors or in the absence of the President, any officer of the District.
- b. If additional review is required, management has the duty to inform the District's Attorney. The attorney will make the necessary contacts with the board to resolve any conflicts in fees or expense reimbursements.