

# Arrowhead Electric Members to vote on Bylaw Changes at Annual Meeting

By Steve Fernlund

The Arrowhead Electric Cooperative (AEC) will hold its Annual Meeting on Saturday, June 4, 2022 at 10:00 am. The order of business includes voting on a host of proposed amendments to its Articles of Incorporation and Bylaws, the documents containing the rules and regulations for how the Coop operates.

The proposed changes will not be amended individually at this meeting, so members must vote to accept or reject the new Articles and bylaws as presented in their entirety. An analysis follows.

Three to five years is a common rule of thumb for when associations or cooperatives should review and update Bylaws and Articles of Incorporation. The current AEC bylaws were last updated at its annual meeting in 2001.

While most of the proposed changes involve updating language and recognizing the latest technology for communications, there are some changes that are fundamental. AEC has prepared and made available on its website a document that presents the changes along with lined out text of the current language that will be deleted. AEC encourages members to review this document before voting.

### Annual Meeting Order of Business

The current bylaws, Article III, Section 7, relate to the Annual Meeting's Order of Business to be followed at the meeting. Proposed Article 4, Section 4.1 would remove that "Order of Business" in order to "provide more discretion to the Board of Directors to set the order of business at the annual meeting," according to the text explaining the changes.

### Director Term Limits

Directors are currently limited to serving no more than four consecutive terms of three years (a director can serve 12 consecutive years at present). Section 5.3 of the proposed bylaws would increase that limit to six consecutive three year terms, leaving the possibility of a director serving for 18 consecutive years. The explanation for this change is, "Rapid changes in the energy industry and increased demands of directors require Board members to have extensive knowledge and certifications." AEC goes on to claim this change will allow sufficient time to onboard new directors and complete their training. And ultimately allow the Coop to benefit from directors training and experience.

**WILLIAM M. KELLEY  
HIGH SCHOOL  
"CLASS OF 1971"**

will be having a get together in the High School parking lot by the Pizza Oven, on **Saturday, July 9<sup>th</sup>** from **Noon - 4pm**. Any questions call Al Dirksen 605-546-2243.

**COSTLEY & MORRIS, P.C.**

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### Campaign Finance

Section 5.5 in the proposed document provides for new financial disclosure requirements for any candidate for a board position who accepts outside money or so-called in-kind contributions to fund campaign expenses for the election. The requirements are thorough, and a violation could lead to removal of the candidacy or office holder as determined by a neutral arbitrator selected by the Board.

### Public Notice

Current bylaws require that a notice be published in the legal weekly newspaper of the county where AEC is located to seek nominations to fill board positions for the general election at the Annual Meeting and to fill vacancies that occur on the Board. That notice requirement is eliminated in Sect 5.6 and 5.67 in the proposed bylaws.

### Directors indemnified for Breach of Fiduciary Duty

Section 7.4 of the proposed Articles of Incorporation contains language that states, "Members of the Board of Directors shall have no personal liability to the Cooperative or its members or nonmember patrons for monetary damages for breach of fiduciary duty as a director,..."

### Term limits for Officers

AEC has four Officer positions that are held by Directors (President, Vice President, Secretary, and Treasurer). These positions are currently elected to a one year term each year by the Directors at their first organizational meeting after the Annual meeting. No director may serve more than two consecutive terms in that office under the current regime. That term limit is eliminated in the proposed bylaws.

### From two-thirds to simple majority

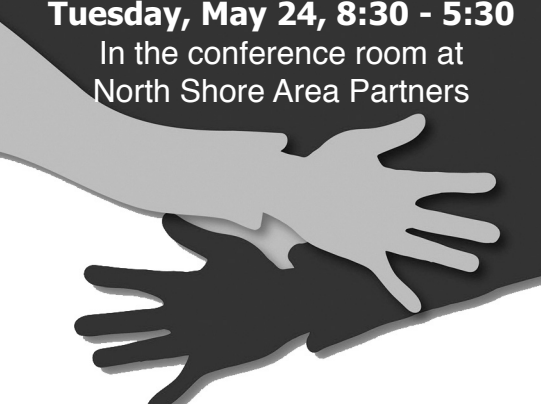
Under current bylaws, a 2/3 majority vote of the members voting is required to approve by-law changes. It is now proposed that bylaws could be changed by a simple majority--50% plus one. This is a classic parliamentary move.

**What Do We Do When Hard Things Happen?**

Game-changing Strategies for Resilience and Stress Management  
**Wednesday, May 18, 5:30-7:00**  
WKHS Cafeteria- Free light supper provided  
Please register by Monday, May 16 at 5:00 PM at <https://bit.ly/WKSMay1822>  
Sponsored by the North Shore Mental Health Group and a grant from UMN Extension's Rural Sustainable Development Program.



**LEARN HOW TO SUPPORT YOUR FRIENDS, FAMILY AND NEIGHBORS**  
**Tuesday, May 24, 8:30 - 5:30**  
In the conference room at North Shore Area Partners



Mental Health First Aid (MHFA) teaches you how to identify, understand and respond to signs of mental health and substance use challenges among adults. You'll build the skills and confidence you need to reach out and provide initial support to those who are struggling. You'll also learn how to help connect them to appropriate support here on the North Shore.  
**Register at <https://bit.ly/MHFAsignup>**  
\*Most of the cost for this course is being covered by the North Shore Mental Health Group and a grant from the UMN Extension's Rural Sustainable Development Program. The cost to participants for this 8-hour class is \$20 and includes instruction, materials, and lunch.

Board unanimous in recommending changes  
In its printed presentation AEC states that over the past year the Board of Directors, AEC staff, an attorney, and AEC auditor reviewed the current documents. The new Articles and Bylaws were approved unanimously by the Board of Directors.

To present new bylaws and Articles of Incorporation, AEC has prepared a 28-page document for members to review prior to casting their ballot. The majority of changes are making the switch from the word "association" to "Cooperative" and changing Roman numerals marking the sections to the Arabic counterpart and reorganizing sections for clarity. In addition, changes have been made to recognize the technology that exists for online meetings and voting.

If you have comments, questions, or concerns about the changes you may contact the director who represents you directly, visit the AEC website, or call AEC at (218) 663-7239.

## NORTH SHORE JOURNAL'S HIDDEN PHRASE PUZZLE

To get your name on the Northshore Journal's Puzzle page, send your name, hometown and puzzle answer to: 27 Evans Circle, Silver Bay, MN 55614 • Call: 226-3335  
• Email: [northshorejournal@gmail.com](mailto:northshorejournal@gmail.com)

## Snacky Snacks

Last Week's Answer: *What greater aspiration and challenge are there for a mother than the hope of raising a great son or daughter?*  
~ Rose Kennedy

- JIM ANDERSON, TWO HARBORS
- PEARL MUUS, GRAND MARAIS
- WAYNE ELLINGSEN, FAIRBANKS
- DIANE NOWERS, GRAND MARAIS
- BJ MUUS, GRAND MARAIS
- MARK & LAURA LAKEY, GRAND MARAIS
- MARIANN MANCUSO
- SANDY WIRT, GRAND MARAIS
- DARLENE STEVENS, TWO HARBORS
- BETTY KING, TOFTE
- NANCY BRAMSTEDT, GRAND MARAIS
- BONNIE SWANSON, BRIMSON
- LIL HANSON, TWO HARBORS
- DARLENE GADACZ, TWO HARBORS
- DIANE RADLE, SILVER BAY
- ROBIN DERSCHIED, GRAND MARAIS
- ELEANORE WAHA, GRAND MARAIS
- PAT OLSON, TWO HARBORS
- JENNIFER NIEMI, TWO HARBORS
- FLORA DICKENSON, SILVER BAY
- PAT TORGENSEN, TWO HARBORS
- LINDA HARSDDORF, GRAND MARAIS
- MARY ANN SMITH, FARM LAKE
- JULIE DONEK, SCHROEDER
- GAIL KUPFERSCHEIDT, BRIMSON
- EDIE TAAPA, GRAND PORTAGE
- RUDY, MARY KAY & ANDREA CARLSON, GRAND MARAIS
- Laurie Spry, GRAND MARAIS
- MARY LOU MARSHALL
- LINDA BRANDT, TWO HARBORS
- DON MCCOY, TWO HARBORS
- LAURI KULJU, GRAND MARAIS
- GLEN STRONACH, SILVER BAY
- BARBARA PAGE, TWO HARBORS

- apples
- cereal
- cookie
- freezies
- goldfish
- icecream
- kids
- pasta
- pizza
- popsicle
- ranch
- sugar
- burgers
- cheese
- crackers
- fries
- gum
- juice
- milk
- pbandj
- pop
- poptart
- sausage
- tacos
- candy
- chips
- donuts
- fruit
- gummies
- ketchup
- nuts
- pepperoni
- popcorn
- pretzels
- seeds
- teens

After you find all the words, solve the quote below from the remaining letters!

E V E R K Y P S S C S T T N J B P I M  
 E P W E T E P O R T R D U R U S O Y T  
 O E A A T I T A P A U T I R I O P H F  
 S I E S H A C C T S S N G K C C L T R  
 L E C C T K O P H N I E O I E A H Y E  
 E S I E E A O A L U R C N D O T P P E  
 Z E N R C P K N G S P O L C O M I B Z  
 T I S E F R I L A E R E C E E S Z A I  
 E M S C E H E H G E R H I P S E Z N E  
 R M T M C T A A P S E E A S O L A D S  
 P U T N E R S P M E S D E E S P S J M  
 U G A M M U E E S R F R I D A P Y I M  
 O R R T A P U E E S D A Y A N A L U D  
 R U I S F R U I T C A N D Y N K G S I  
 G O L D F I S H S U G A R T F O R U S