

## OREC AGM Minutes

Dec 8, 2020

### 95 Total participants

6:00 - Start

6:00–6:15 Aaron Thornell: Welcome - Land acknowledgement • Housekeeping & technical items & online voting

**Motion to approve 2019 AGM Minutes, moved by Johan, Seconded by Stephen, approved by 93.8%, 6.2% abstained, none opposed. Passes.**

6:15 –6:40 Dick Bakker: President's Annual Report • OREC's future

- Was a quiet year. Had 19 system operating, added 2 new projects. Brought on new bookkeepers, started a reserve fund, focused on CoEnergy for new project development.

6:40–7:00 Nate Preston: Project Report

- This year was a good solar year (much higher than last year). Added 2 new projects. No major issues. Some re-roofing.

7:00 –7:25 Brian Mitchell: Financial Report and Budget Presentation

- No need to use the contingency, expenses were well below budget.
- All projects were operating above budget
- Wages and benefits dropped significantly because switched from being a project development org to an asset management org
- HST audit came back with \$35k expense, higher than the \$20k budgeted
- \$6k receivables that will be waived
- \$234,000 better than budgeted,
- contributed to a reserve fund for inverter replacements, roof replacements, & unknowns
- found 3 errors in previous financial statements from auditor's mistakes that resulted in a \$54,000 adjustment to retained earnings
- no questions from members

**Motion to receive the audited 2019-2020 financial statements, moved by Stephen Michell, seconded by Martin Gratton, approved by 74, abstained by 3, none opposed. Passes.**

- Board recommending we switch auditing firms based on challenges this year. Welch LLP are quoting \$11000 which is capped for future years.

**Motion to appoint Welch LLP as auditors for 2020-21, moved by Johan Hamels, seconded by Roger Peters, 95% votes in favour, 5% abstained, none opposed. Passes.**

- Budget for 2021 is very similar to 2020 but with 2 new sites added. Some expenses are reduced now that member investment notes are repaid in full. Staffing costs are very streamlined.
- Solar revenue increases in budget are based on the modeled revenue with a contingency on top, which is less than earned in 2020

**Motion to approve the 2020-21 budget, moved by Keith Shackleton, seconded by David Chernushenko, 97% in favour, 3% abstained, none opposed. Passes.**

7:25—7:30 Amendment to OREC's Bylaws

- The Ontario Co-op Act was changed allowing co-ops to do more business with non-members, but it means we need to amend the by-laws slightly.

***Motion to add the following to the Bylaws:***

***12) Business with non-members: The Co-Op may conduct up to 100% of its business with non-members***

***Moved by Johan Hamels, Seconded by Dick Bakker, 97% in favour, 3% abstain, none opposed. Passes.***

- Share transfer process set up with a wait list and then on a first come first served basis when that wait list is contacted. There has been quite a bit of demand and not much supply.

7:30—7:40 Election of New Board Directors • Presentation of nomination report • Candidates up for election and re-election to give a 60 sec. introduction • Call for new nominations from the floor

- Nick Lapan and Aidan Foss have stepped down mid-year for personal reasons
- Others stepping away are because of their other commitments and due to bylaw requirements
- Graham, Findlay, Nate Preston, Brian Michell, Susan Tanner, and Angela Keller Herzog are all staying on for next year, which is the 5 minimum required so no new members needed.
- No nominations from the floor

***Motion to elect those nominated for the Board of directors for three-year terms.***

Thanks to outgoing Board Members!! Noted particular thanks to Dick Bakker as a founding member.

7:35—7:45 Graham Findlay discussion on a possible wind project for sale that OREC is considering

- A project of 2 Enercon wind turbines, worth \$10million, is available for sale to a community partner.
- OREC is looking to purchase 25% of the equity and Enerforge (part of Oshawa Power) would own 75%. OREC would need \$6-700k and borrow the rest (\$1.8M)
- EnerForge would be the asset manager and handle the maintenance
- Would bring \$20-25,000 contribution to overheads
- IRR is projected at 10%
- Years to redemption of preference shares would be 10-12years
- Location is west of Stratford, near Goderich where there is lots of wind
- Availability guarantee of the turbines are minimum 97%, which is a high quality machine (most are 94-5%)
- They are direct drive machines so are relatively quiet

- There is enough support for operations and maintenance of these turbines
- Owner is looking to retire
- Located on farm land
- We would need to find members in that region

**Indicative polls:**

1. **Do you support pursuing this project and expanding the territory of OREC?**  
87% support, 11% abstained, 1% opposed.
2. **Would you consider investing in this project?**  
Responses not shared.

***Motion to adjourn the official business meeting, moved by Johan, seconded by Dick Bakker. Meeting closes.***