

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
March 25, 2021

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 10:22 a.m. on Thursday, March 25, 2021, by President John Herzog, in the conference room at CCEC Headquarters office, Port Orford, Oregon. This meeting was offered via video conference for board members electing to attend remotely due to social distancing as a result of COVID-19.

Secretary Kolen called roll showing all directors in attendance and stated a quorum was present. Also present were General Manager/Chief Executive Officer (GM/CEO) Brent Bischoff, Marketing & Member Services Manager Jacob Knudsen, and Executive Assistant Shelly Smith-Napier. Director McMahan and General Legal Counsel Tyler People were in attendance by Webex video conferencing.

A motion was made, seconded, to approve, as presented, the regular Board meeting agenda and the motion carried unanimously.

President Herzog advised the Board that no member had applied, under P#300-030, to attend the Board meeting and speak to the Board.

A motion was made and seconded to approve, as presented, the minutes of the February 25, 2021 regular meeting of the Board of Directors. The motion carried unanimously.

II. CONSENT AGENDA

A motion was made and seconded to approve Items A through D under the consent agenda, to-wit: the list of new members for 02/2021; the members purge list for 03/2021, the GM/CEO's & Directors' expenses for 02/2021; and CCEC's attorney invoices. The motion carried unanimously.

III. MANAGER'S REPORT

Interim Chief Financial Officer (CFO) Brian Cassoday arrived at 10:26 a.m. and gave the financial report for February. Operating revenue was 17% higher than budget. Cost of purchased power was over budget by roughly 4%. It is anticipated Construction Work in Progress (CWIP) will be reducing by roughly half in the next couple of months due to the close out of TWACS works orders. No long-term debt has been drawn this month. During February CCEC received payment from PNGC for the Capital Term Certificate and payment from BPA for the sale of the Gold Beach Substation property. Interim CFO Cassoday departed at 10:32 a.m.

The February outage reports were reviewed. Brookings Line B12 had a significant outage from a pine tree than fell into the line.

The February asset disposal list was reviewed. Meters are being disposed of and replaced with new TWACS meters.

The February Write Off report was reviewed.

The March safety report was reviewed. There were no accidents or incidents to report.

The February Tree Trimming report was reviewed. We are ahead of budget due to reasonably good weather for work this time of year.

The Coos-Curry Electric Charitable Foundation's Financial Peace University program has completed its 3rd session. There are 10 attendees who have cut up 30 credit cards and are cumulatively working to pay off \$350K in debt.

CCEC's new Chief Financial Officer is scheduled to being work on April 5th, 2021. Interviews for the Operations Manager position will be held next week.

IV. ITEMS OF BUSINESS

A. Wholesale Power Issues (BPA, PNGC Power and PPC)

Mr. Bischoff gave an overview of the blackout events in Texas that occurred mid-February. The overview was based on a presentation by PNGC CEO Roger Gray given at the March 3 PNGC education session.

BPA is calling their post 2028 contract "Provider of Choice". The initial learnings reveal that BPA intends to continue with its suite of offerings with no substantial changes. BPA anticipates contract negotiations around 2025 whereas PNGC desires negotiations in 2022-2023 to have time to search for and secure other resources by 2028 in the event PNGC does not remain a full-service customer of BPA.

B. Committee Reports

Policy Committee - The chair of the policy review committee, Director Kolen, advised that, earlier in a committee meeting, the committee discussed the policies and/or rate schedules for review, proposed new, revised, or rescinded language.

A motion was made and seconded to approve the following proposed, revised policies:

- Policy #100-020 Purpose of Policies, Origin, Development & Amendment – as amended, and the motion carried unanimously.
- Policy #100-050 Attorney Policy – as amended, and the motion carried unanimously.
- Policy #100-070 Check Signing - as amended, and the motion carried unanimously.
- Policy #100-090 Operating Budget - as amended, and the motion carried unanimously.
- Policy #300-060 Line Construction Policy – as presented, and the motion carried unanimously.

Audit Committee - The chair of the audit committee, Director Robison, stated the committee will request RFP's from the following independent audit firms

for the upcoming year end audit period 2022-2024.

- Blodgett Mickelsen & Adamson
- Bollinger, Segars Gilbert & Moss
- DeCoria, Blair & Teague
- Kenneth Kuhns & Co
- Moss Adams

C. 2020 Year End Audit Presentation by Brandon Tregellas of DeCoria, Blair & Teague (DB&T)

Earlier during the audit committee meeting the 2020 audit report was given by Certified Public Accountant Brandon Tregellas of DB&T. Interim Chief Financial Officer Brian Cassoday was also in attendance. Mr. Tregellas reviewed the consolidated financial statements that include CCEC's new subsidiary, Beacon Broadband, Inc. The audit focused on utility plant, inventory, post retirement obligations, liabilities, equities and other assets on the balance sheet, and margins, revenue, and expenses on the statement of operations. The report of independent auditor, financial reports, and the compliance reports on internal controls and loan fund expenditures were reviewed. The auditors issued a clean audit report. Staff departed at 9:53 a.m. and the Board discussed the audit with Tregellas. Staff returned at 10:10 a.m., and Tregellas departed at 10:12 a.m.

A motion was made and seconded to approve, as presented by Tregellas, the 2020 CCEC Year End Audit Report. The motion was seconded and unanimously carried.

D. CFC One Card Presentation (Brian Cassoday, Interim CFO)

Interim CFO Cassoday returned at 11:21 a.m. to present a new credit card program, CFC/US Bank One Card, for use on larger CCEC

and Beacon Broadband purchases. Each year the program is eligible for an annual cash rebate from US Bank. Next steps are to request a card limit and a CFC board resolution for consideration by the Board. Cassoday departed the meeting at 11:35 a.m.

E. CCEC Annual Meeting Format

Discussion was had about the format of the 2021 CCEC annual meeting. The Board has decided the 2021 annual meeting will also be made available virtually to members. Staff will advertise the 2021 virtual format to the membership.

F. Open Discussion

None

G. Miscellaneous

1. Bank of America Business Card – Administrative Changes

Administrative staff on the Bank of America Business card will be updated to remove Frank Corrales, Jr and Glenda Park and replace them with incoming CFO Paul Keeler and EA Shelly Smith-Napier effective April 5, 2021.

V. EXECUTIVE SESSION

The regular Board meeting adjourned to an executive session at 11:38 a.m. to discuss member issues, contract matters, and employee issues. The regular Board meeting reconvened at 12:49 p.m.

VI. ADJOURN

The next regular meeting of the Board of Directors is scheduled for Thursday, April 22, 2021 at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 12:50 p.m.

/s/ Jim Kolen

Jim Kolen, Secretary

ATTEST:

/s/ John Herzog

John Herzog, President