



# Coos-Curry Electric Cooperative, Inc. Response(s) to the 85th Annual Meeting of the Members Inquiries

On June 22, 2023, Coos-Curry Electric Cooperative welcomed members to the 85th Annual Meeting of the Membership in Gold Beach, Oregon. The Board of Directors extended the option for members to attend the Annual Meeting virtually and in person. Approximately 72 members attended. The CCEC Board of Directors values member input and is committed to listening to all ideas and concerns. There was an option for members to submit questions to the board through a comment box. Six questions were submitted. For informational purposes these are the responses.

**Question 1: Georgia Cockerham has now been censured for 15 months. She was elected by approximately 2/3 of CCEC voting members and because of this censure she is unable to fully represent those members. When will she be able to fully represent us by attending all executive sessions and Beacon Board?**

- On August 30, 2022, the board presented a letter to Director Cockerham which included actions required on her part to allow removal of her censure and a return to full participation in CCEC board meetings. On September 7, 2022, Director Cockerham replied in writing that she disagreed with the allegations and demands. To date, she has not reopened this issue with the Board.

Discussion closed.

**Question 2: Members are currently allowed to attend the regular CCEC board meetings for 3 minutes and then dismissed. When will the meetings be fully open to members (with the exception of executive sessions) be fully open to members as they were previously?**

- On June 22, 2023, at the regular board meeting, the board reviewed member input from the 2023 Annual Meeting of Members.
- On February 22, 2024, the board signed a revision to Policy #300-030 "Member Attendance at the Board Meetings" allowing members to attend the entire regular board meeting as passive observers.

Discussion closed.

**Question 3: Consolidated audit does not give members a real picture of the costs of both CCEC & Beacon Broadband. Would it be possible to have these audits separated so that members can be fully informed? If not, why not?**

- Professional auditing standards do not allow for the issuance of unconsolidated financial statements when a company owns 100% of another company. For CCEC, the consolidated financial statements are the only financial statements that the auditor can audit and issue an opinion upon.



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- For Beacon Broadband, a separate, standalone financial statement and audit opinion may be issued, at the discretion of Beacon's board of directors. At this time, a separate audit for Beacon has not been requested by the board.

Discussion Closed.

**Question 4: Why did the Board modify (add) the clause to Special Meeting Policy #300-100 requiring "Board Approval of the petition before signatures are gathered and without prior Board approval, the petition will not be accepted"? It was added after you were informed of a petition being circulated. Please explain. PS reference ORS 62-255.**

- The board was made aware of a petition being circulated without prior review. This highlighted a potential issue where members might invest time and effort gathering signatures for a petition that ultimately does not meet the requirements for a special meeting under the Cooperative's bylaws.
- The board created a new policy, Policy #300-100 "Special Member Meetings" to provide a clear process to request special meetings. The policy was not a modification of an existing one.
- The purpose of the policy is to clarify the special meeting process, not to obstruct it. It was adopted on October 27, 2022, and complies with the requirements for calling special member meetings in cooperatives as outlined in ORS 62.255.
- The policy includes a requirement for "Board approval of the petition before signatures are gathered." This clause ensures that the purpose of any petition brought forward aligns with the Cooperative's bylaws and provides sufficient detail for a workable special meeting, while preventing the unnecessary gathering of signatures if the petition does not meet the requirements.

Discussion closed.

**Question 5: The By-Laws Article 2 Section 5 states "1 vote and no more upon each matter submitted to vote..... All meetings of members shall be informational in nature and for the purpose of encouraging discourse on matters affecting the business of Cooperative." Director Kolen did not allow discourse of the membership other than at the beginning. Please explain why the membership at the Annual Meeting is not allowed discourse.**

- The annual meeting is primarily informational in nature. Discourse and discussion are allowed during the meeting, but it cannot be unlimited. The Cooperative must balance the need for open discussion with the need to run an efficient and informative meeting, which is in the broader interest of all members. If the discourse on a particular topic becomes harassing or otherwise unproductive, the Board has the right to limit or cut off further discussion on that topic. The goal is to ensure the meeting remains focused and beneficial for all participants.

Discussion closed.



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**Question 6: Please explain why 1 motion and voting of membership (a quorum was present) was allowed – but “there will be no more voting” according to Jim Kolen?**

- The only vote allowed at the annual meeting is the vote to approve the previous year’s minutes. This is necessary because the minutes document the proceedings of a member meeting, distinct from a Board meeting, and therefore require member approval.

Discussion closed.