

**COOS-CURRY ELECTRIC COOPERATIVE, INC.**  
**Minutes of the Regular Meeting of the Board of Directors**  
**October 24, 2023**

**I. PRELIMINARY**

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 10:02 a.m. on Tuesday, October 24, 2023, by President Kolen, in the conference room at CCEC Headquarters office, Port Orford, Oregon.

Director Herzog called roll and stated a quorum was present, including Directors Cockerham, Kolen, Loshbaugh, McMahan, Radabaugh and Robison. Also present was Chief Executive Officer (GM/CEO) Brent Bischoff, Chief Financial Officer (CFO) Paul Keeler, Marketing & Member Services Manager (MMSM) Keith Buchhalter and Executive Assistant (EA) Marie Coleman. General Legal Counsel Tyler Pepple was in attendance via Webex video conference.

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

A motion was made and seconded to approve, as amended, the minutes of the September 28, 2023, regular meeting of the Board of Directors. The motion carried unanimously.

**II. MEMBER PARTICIPATION**

**A. Open Comment Period**

No members were present for the open comment period.

**B. Member Request to Present**

No members requested to present to the board.

### **III. CONSENT AGENDA**

A motion was made and seconded to approve Items A through E under the consent agenda, to-wit: the list of new members for 09/2023; the members purge list for 10/2023, the write off report for 09/2023, the GM/CEO's & Directors' expenses for 09/2023, and the attorney invoices. The motion carried unanimously.

### **IV. MANAGER'S REPORT**

Chief Financial Officer (CFO) Keeler reviewed the Financial Report for September 2023. Year-to-date operating revenues are favorable to budget and higher than the prior year. The cost of purchased power is unfavorable to budget and higher than the prior year. Year-to-date operating expenses are lower than budgeted and higher than the prior year. Year-to-date net loss is better than the year-to-date budgeted net loss, and lower than the net margin from the prior year.

The October safety report was reviewed. GM/CEO Bischoff reported there was one non-injury contractor incident reported which resulted in an outage. Federated Rural Electric Insurance Exchange (Federated) conducted their 2023 Safety and Loss Prevention Assessment and responded that CCEC has adequate programs for safety and loss prevention in place.

The third quarter outage report was reviewed. There was one major event day in the third quarter. 46% of the third quarter outages were largely due to a failed arrester at the Geisel substation. The average member's power is on 99.980% of the time excluding major event days and power supplier outages. This quarter, CAIDI saw a spike in August due to the Ophir Fire and SAIFI saw a spike in September due to outages of typical duration, but affecting more members.

The third quarter tree trimming report was reviewed. There were significantly lower than average ROW spans cleared this quarter due in part to restricted working hours during fire season and the Northern tree crew working for Bandon Power this quarter.

Clearing expense is favorable to the year-to-date budget.

Mr. Bischoff gave his CEO Report. Topics included wholesale power, power system, Curry County, grant opportunities, and personnel.

A member information request (P#300-040) was received by Mark Nast. As requested, a copy of Policy #200-040 Directors Duties, Code of Ethics, Standards of Conduct was provided to Mr. Nast.

## **V. ITEMS OF BUSINESS**

### **A. Committee Reports**

Policy Committee – Director McMahan advised that earlier in the committee meeting, the committee discussed Policy #100-210 Meter Tampering & Unauthorized Diversion of Electric Energy and Policy #300-020 Member Accounts. A motion was made and seconded to approve the revised policies, as presented, and the motion carried unanimously.

Bylaws Committee - The chair of the bylaws review committee, Director Radabaugh, advised earlier in the committee meeting, that no changes to the Bylaw are recommended by staff this year.

### **B. 2023 Capital Credits General Retirement Discussion**

CFO Keeler presented three options for board consideration for a general distribution of capital credits in 2023: 1) no retirement in 2023, 2) retire all or a portion of the oldest year outstanding (1996), or 3) hybrid model to retire all or a portion of the oldest year outstanding (1996) and a portion (25%) of the allocation for the 2022 year. The board discussed the options, and a motion was made and seconded to approve option 1. The vote was tabled until after the 2024 budget presentation.

### **C. Reclaiming of Capital Credits – Proposed CCEC Resolution 2023-04**

### Conversion of Unclaimed Capital Credits to Permanent Equity

CFO Keeler reminded the board of the steps CCEC has taken to convert unclaimed capital credits for the years 1989-1990 to permanent equity following ORS 62.425 and ORS 62.245. Resolution 2023-04 directs the GM/CEO to account for the unclaimed capital credits for the years 1989 and 1990 as permanent equity in the books of the Cooperative. A motion was made and seconded to approve Resolution 2023-04 and the motion passed unanimously.

#### **D. Draft 2024 Budget Presentation**

CFO Keeler presented the draft 2024 operating and capital budgets to the board noting the changes related to staffing and labor costs, distribution of labor expenses, contracted ROW clearing, the proposed rate increase, and proposed additions to general plant and distribution plant for the coming year. CFO Keeler received direction from the board for updating the proposed budget, including: a rate increase of less than 5.00%; new rates effective with bills issued in March 2024; limit the amount of deferred revenue recognized; and meet the requirements of the Board's financial policy.

#### **B. 2023 Capital Credits General Retirement Discussion (cont.)**

There was a standing motion and second to approve option 1 (no retirement of capital credits). After continued discussion the motion failed with one for (Cockerham) and five against. A motion was made and seconded to approve option 2 and retire 50% of the oldest year outstanding (1996). The motion passed with one against (Cockerham).

Director Cockerham departed the meeting at 12:27 p.m.

Director Loshbaugh departed the meeting at 1:02 p.m.

#### **E. Dave Ramsey Financial Peace University**

The board reviewed additional information provided regarding the CCECF sponsored Dave Ramsey Financial Peace University (FPU) and discussion followed. It was the consensus of the Board members in attendance that the benefits of the program outweighed the issues with the tone of the content, and that the Board saw no reason for the program offered through CCECF to be discontinued.

**F. Select date for the 2024 CCEC Annual Meeting**

The board discussed potential dates of the 2024 CCEC annual meeting and decided on Thursday, June 27, 2024.

**G. Open Discussion**

None

**H. Miscellaneous**

1. 2024 ORECA Board and PAC Committee Designees – Director Radabaugh has been selected as the Board representative and as the CCEC representative for the PAC Committee. Director McMahan will serve as the alternate board representative.
2. 2023 ORECA Annual Meeting (Nov 28-30, 2023, Salem, OR) GM/CEO Bischoff and Directors Herzog, Kolen and Radabaugh plan to attend.

**VI. EXECUTIVE SESSION**

The regular Board meeting adjourned at 1:16 p.m. and went into an executive session to discuss member issues, contract matters and employee issues. The regular meeting reconvened at 1:50 p.m.


**VII. ADJOURN**

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The next regular meeting of the Board of Directors is scheduled for Thursday, November 16, 2023, at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 1:50 p.m.

  
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John Herzog, Secretary

**ATTEST:**  
  
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Jim Kolen, President