

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
October 28, 2024

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 10:13 a.m. on Monday, October 28, 2024, by President Jim Kolen, in the conference room at the CCEC Port Orford office, Port Orford, Oregon.

Director McMahan called roll and stated a quorum was present, including Directors Cockerham, Kolen, Loshbaugh, Radabaugh and Robison. Also present were 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. Director Herzog and General Legal Counsel Tyler Pepple were 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 26, 2024, regular meeting of the Board of Directors. The motion carried unanimously.

II. MEMBER PARTICIPATION

A. Member Attendance and Open Comment Period

No members were present for the open comment period.

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 09/2024; the members purge list for 10/2024, the write off report for 09/2024, the GM/CEO's & Directors' expenses for 09/2024, and the attorney's invoice. The motion carried unanimously.

IV. MANAGER'S REPORT

CFO Keeler reviewed the Financial Report for September 2024. Operating revenues year to date through September are \$744K under budget and \$689K higher than the prior year to date. The year-to-date cost of purchased power is \$605K under budget and \$1M lower than the prior year to date. As of September 30, 2024, equity as a percentage of total assets was 44.43%. kWh sold to consumers and used by CCEC for September 2024 are .4% lower than the September 2023 sales. Year-to-date net margins are lower than budgeted and lower than the prior year to date. Mr. Keeler answered several questions and concluded the report.

The October safety report was reviewed. The October all employee training topics were winter driving, mountain driving and defensive driving. There were no internal incidents to report.

The Q3-2024 outage report was reviewed. The average member's power is on 99.95% of the time excluding major event days and power supplier outages. Outages were high this quarter resulting from increased sensitivity of protection system settings for wildfire risk mitigation. There were no major event days this quarter. While we did have increased outages overall, they were dispersed enough that no single day was anywhere near the MED threshold.

The Q3-2024 tree trimming report was reviewed. Tree trimming activity for Q3 is typical for this time of year and is over budget YTD. Member requests for tree service close to power lines is up from prior years. September spans cleared shows a decline as tree crews must climb trees in order to clear right of ways in Coquille Lines 3 and 4. CCEC averaged a 5.2% increase in ROW clearing compared to the 5-year Q3 average.

The CEO Report was reviewed. Topics included wholesale power, the power system, government, communications, and personnel.

V. ITEMS OF BUSINESS

A. Committee Reports

Policy Committee - Policy committee chair, Director McMahan, 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 #100-270 Disposition of Property – as presented, and the motion carried.
- Policy #100-280 Safety & Loss Control – as presented, and the motion carried.
- Policy #100-290 Planning Policy - as presented, and the motion carried.
- Policy #200-020 Directors' Insurance Benefits - as amended, and the motion carried.

Audit Committee – The audit committee chair, Director Loshbaugh, advised that a pre audit meeting with CCEC's independent auditors, Aldrich CPA's & Advisors, will be held on January 23, 2025.

C. Reclaiming of Unclaimed Capital Credits – Proposed CCEC Resolution 2024-10 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 1990-1991 to permanent equity following ORS 62.425 and ORS 62.245. Resolution 2024-10 directs the GM/CEO to account for the unclaimed capital credits of approximately \$440,000 for the years 1990 and 1991 as permanent equity in the Cooperative's books. A motion was made and seconded to approve Resolution 2024-10 and the motion passed unanimously.

D. Draft 2025 Budget Presentation

CFO Keeler presented the draft 2025 operating and capital budgets to the board noting the changes in cost of power, payroll, benefits and taxes, distribution of labor expenses, and contracted ROW clearing for the coming year. CFO Keeler will hold a virtual budget work session on November 5, 2024 for all directors interested. The board will vote on the 2025 budgets at the November board meeting.

B. 2024 Capital Credits General Retirement Discussion

CFO Keeler presented three options for board consideration for a general distribution of capital credits in 2024: 1) no distribution in 2024, 2) retire the remaining portion of the oldest year outstanding (1996), or 3) hybrid model to retire some or all of the remaining portion of the oldest year outstanding (1996) and a portion (25%) of the allocation for the 2023 year. The board discussed the options, and a motion was made and seconded to approve option 1, and the motion carried with 2 opposed.

E. Open Discussion

None

F. Miscellaneous

1. 2025 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.

VI. EXECUTIVE SESSION

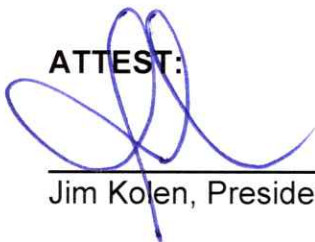
Following a lunch break, the Board went into an executive session at 12:29 p.m. to discuss member issues, contract matters and employee issues. The regular meeting reconvened at 1:29 p.m.

VII. ADJOURN

The next regular meeting of the Board of Directors is scheduled for Thursday, November 21, 2024, at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 1:30 p.m.

ATTEST:



Jim Kolen, President



John Herzog, Secretary