

**MEETING MINUTES**  
**Board of Directors - Regular Meeting**  
**5496 N. U.S. Highway 85**  
**Sedalia, Colorado**  
**June 16, 2022**

**Call to Order**

Vice President Bruff Shea called a regular meeting of the Board of Directors ("Board") of CORE Electric Cooperative ("CORE") at 9:30 a.m. on June 16, 2022.

The following Directors were present in person: Bruff Shea, Jim Anest, Bob Graf, Mike Kempe, Mike Sperry, and Ron Kilgore. Tim White was absent and excused. A quorum was deemed present. CEO Jeff Baudier and CORE staff also were present. Vice President Bruff Shea called the meeting to order and presided.

**Agenda Approval**

Upon motion by Mr. Graf, seconded by Mr. Kempe, the Board of Directors unanimously approved the agenda as presented.

**Public Comment**

One member attended the board meeting but did not address the Board.

**Approval of Minutes of May 19, 2022, Regular Meeting**

Mr. Graf requested an edit to the draft minutes. Upon motion by Mr. Sperry, seconded by Mr. Kilgore, the Board of Directors unanimously approved the minutes of the May 19, 2022, regular meeting, corrected as noted.

**Presentation: Rates and Communication Plan**

Chris Hildred, Power Supply Director, and Cindy Newsome, Strategic Planning and Communications Director, presented proposed rate changes and a communication plan to board members. Discussion followed.

### **Approval of Resolution BR22-16: Rates**

CORE Staff recommended necessary changes to CORE's rate tariffs to maintain the financial health of the Cooperative and proposed the implementation of optional residential prepaid billing plans. Upon motion by Mr. Kempe, seconded by Mr. Sperry, the Board of Directors unanimously adopted the following resolution:

#### **BOARD RESOLUTION BR22-16**

WHEREAS,

The Board of Directors of CORE Electric Cooperative received a presentation from Staff on June 16, 2022, outlining proposed changes to CORE's rate tariffs, as reflected in Board Document BD22-5; and

The proposed changes include a 6% annualized increase to rates that will incorporate the structural changes to the default residential rates, as described in Board Document BD22-5; and

The Board finds that the proposed changes to CORE's tariff schedules are necessary to maintain CORE's financial health; and

Based on CORE's financial condition and CORE's future revenue requirements, the cost of providing service to the applicable rate classes, and the information provided by Staff, the Board finds the proposed tariff schedule changes are appropriate and in CORE's best interests; and

The Board of Directors received presentations from Staff outlining changes to CORE's Service Regulations to allow the implementation of optional prepaid billing plans for eligible residential customers, as reflected in Board Document BD22-6; and

CORE's Rates and Regulations are subject to termination, change, or modification, in whole or in part, at any time by the Board;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that the proposed changes to the tariff schedules and Service Regulations reflected in Board Documents BD22-5 and BD22-6 are hereby APPROVED AND ADOPTED, effective September 1, 2022. Notice of the amendments to the tariff schedules herein adopted shall be sent to

each of CORE's Consumers not less than thirty (30) days before these changes are to take effect in accordance with Part I, Section 2 of the General Provisions of CORE's Rates and Regulations.

### **Presentation: Capital Credits**

Ms. Leshar gave a presentation on Capital Credits to the Board of Directors. Discussion ensued.

### **Approval of Resolution BR22-17: Capital Credits**

Staff recommended approval of Board Resolution BR22-17, which authorizes the retirement of \$2.5 million of patronage capital in 2022. Following discussion and upon motion by Mr. Kempe and seconded by Mr. Kilgore, four of six Directors present voted to approve the following resolution, with Mr. Graf and Mr. Shea voting "no":

### **BOARD RESOLUTION BR22-17**

WHEREAS,

The CORE Electric Cooperative ("CORE") Board of Directors wishes to retire patronage capital credits to its members while not impairing the financial condition of the Cooperative; and

CORE Staff recommended and the Board of Directors finds that the Cooperative can retire \$2,500,000 of patronage capital; and

The Board of Directors wishes to retire capital credits in full for patronage year 2001 (totaling \$711,121) prior to calculating further capital credit retirements; and

The Board of Directors wishes to retire the remaining capital credits after deducting the year 2001 patronage capital (totaling \$1,788,879) as follows: fifty percent (50%) to members according to the year 2021's allocation and fifty percent (50%) according to the years' 2002-2020 allocations; and

The Board of Directors wishes to apply capital credit retirements as bill credits to member accounts to the extent practicable; and

The Board of Directors has determined that such recommendation is in the best interest of CORE and its members.

Now, therefore, be it resolved that the Board of Directors hereby authorizes the retirement of \$2,500,000 of patronage capital, to be distributed as follows: all allocated capital credits for patronage year 2001 to be retired in full; fifty percent (50%) of the balance to be paid to members based on the 2021 allocation; and the remaining fifty percent (50%) to be paid to members based on the 2002-2020 allocations. Additionally, the Board of Directors authorizes capital credit retirements to be applied as bill credits to the full extent deemed practicable by CORE staff.

### **Presentation: Board Policy 100**

Ms. Jones presented proposed changes to Board Policy 100 to the Board. Discussion followed.

### **Approval of Proposed Changes to Board Policy 100**

Following discussion, Mr. Graf recommended a few edits to Board Policy 100. Upon motion by Mr. Graf, seconded by Mr. Anest, the Board of Directors unanimously approved the proposed changes to Board Policy 100, as presented and including the recommended edits.

### **Education Grant Drawing**

Each Director present drew five names from among the names of those who applied for grants within each director district. Names were drawn for District 4. CORE will issue checks in the amount of \$2,000 payable to schools to be attended by the following high school students: Aaron Levy, Jacob Jones, Lanae Fox, Darcy Kessler, Abigail Nachand, Elise Clark, Jasmine Linkenheil, Rachel Greek, Elsa Tritsch, Abby Nagel, Gemma Ponce, Tyler Thime, Jeremy Cefus, Kahlin Branco, Kody Smith, Amanda Rheame, Vincent Yachym, Abigael Marquez, Ripley Coope, Luke Mole, Ethan Christner, Abby Schleisman, Alec Ybarra, Ella Marsh, Isabella Valentine, Zach Taylor, Boden Munger, Margaret M. Power, Daniela Beers, Noah Vieyra, Peyton Carlson, Catalina Chabarria-Garza, Jericha Suter, Rianne Gonzalez, and Mason Penington.

### **Director Updates**

Mr. Graf and Mr. Shea reviewed industry topics that were discussed at the APPA conference they recently attended. Discussion followed.

### **Executive Session: Confidential Legal Matters**

Mr. Shea called for an executive session to discuss confidential legal matters. Upon motion by Mr. Graf, seconded by Mr. Anest, and carried unanimously, the Board of Directors approved an executive session. The Board convened in executive session with Mr. Baudier, staff members, and Perry Glantz, legal counsel.

There being no further business to discuss, Vice President Bruff Shea adjourned the meeting.

The next regular meeting will be held on July 21, 2022.