CEC inside your co-op

*Published for members of Choctaw Electric Cooperative*

JUNE 2016

A supplement to *Oklahoma Living.*

# CEC Trustees Announce Hiring of New CEO

*Kenneth Gates*

On May 11, 2016 the Choctaw Electric Cooperative (CEC) board of trustees announced the hiring of Kenneth J. Gates of Twin Falls, Idaho as CEO/general manager.

Gates brings over forty years of rural electric management experience to Choctaw Electric. He recently worked as CEO of Dakota Energy Cooperative in Huron, South Dakota. Prior to that he served for eight years as CEO of Cordova Electric Cooperative in Cordova, Alaska.

Co-op trustees feel Gates experience and background make him highly qualified to manage Choctaw Electric.

Gates will report to work at the cooperative in early June.

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## How Can We Better Serve You?

Your electric cooperative welcomes member input. How can we meet your needs as a member, improve our services, or help build our local communities?

Please email your suggestions and ideas to **customerservice@choctawelectric.coop**. Thank you for getting involved!

## TERRIBLE TWISTERS

Tornados that grinded over Hugo and Boswell on May 9 left a path of destruction and debris in their wake. The outbreak of storms in Oklahoma killed one man in Wynnewood and caused multiple injuries.

This photograph, captured by CEC employee Jim Percer, shows the storm as it approached Boswell.

More details on the storm are found on page 6.

CEC Inside your co-op

A monthly newsletter of
Choctaw Electric Cooperative.

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HUGO OFFICE

PO Box 758
Hwy 93 North
Hugo, Oklahoma 74743

Toll Free: **(800) 780-6486**
Local: **(580) 326-6486**
FAX (580) 326-2492

Monday-Friday • 8 am - 5 pm

IDABEL OFFICE

2114 SE Washington
Idabel, Oklahoma 74745

Toll Free: **(800) 780-6486**
Local: **(580) 286-7155**

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ANTLERS OFFICE

HC 67 Box 62
Antlers, Oklahoma 74523
(One mile east of Antlers)

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*On the Web:*
**www.choctawelectric.coop**

*24 Hour Outage Hotline*
**800-780-6486**



# Dollars and Sense

## *Changes made at CEC are paying off in improved finances*

**BY JOE HARRIS**
CHIEF EXECUTIVE OFFICER

For Choctaw Electric Cooperative (CEC) the year 2015 will be remembered as one of drastic change. This included highs, lows, and uncharted territory for nearly everyone involved from the board of trustees to the members themselves.

The year started with the appointment of yours truly as interim manager, nine fresh faces on the board of trustees and a weak financial position. Throughout 2015, your CEC board of trustees placed an emphasis on accountability at all levels and improving the member experience. A financial overhaul was paramount to reaching these goals. As a result of the board's determined focus, the picture today is much different and CEC experienced a drastically improved financial result for 2015.

How much have finances improved? Turn to page 4 of this issue and you'll see charts comparing CEC's revenue and power costs, operating expenses, and margins for 2014 and 2015. It doesn't take a financial expert to see that things have improved at your co-op by a large margin.

Throughout the two-year transition that occurred at CEC, the board of trustees focused specifically on improving your co-op's financial standing. Several key changes were made that resulted in a positive impact on the cooperative's bottom line. CEC board continues to review co-op policies and procedures in an effort to be as efficient as possible.

In 2015, revenue from the sale of electricity remained in the normal range. More important to CEC's financial goals, the co-op saw an across-the-board decrease in expenses.

Many of these reductions are the direct result of actions taken by your cooperative trustees and staff. A decrease in the cost of purchased power due to lower natural gas prices and market forces within the Southwest Power Pool also played a significant role.

Another notable change occurred early in 2015 when CEC hired Craig McBrain as director of finance and administration. Craig's understanding of cooperative finances has helped your co-op leadership make the most informed decisions on how and where to devote your co-op's financial resources.

You'll find an interview with Craig McBrain on page 4. His comments along with the visual graphs should give you a better understanding of where Choctaw Electric stands today.

The improvements have been a long time coming and have required a lot of hard work and tough decisions by everyone involved. Special thanks is due to CEC trustees for what they've accomplished. In the meantime, rest assured CEC will continue to make changes and improve what needs fixing. We're on the right track now and we plan to stay there.

FIND IT ONLINE

■ *Balance High Bills.* Summer heat and winter cold can cause your bill to go up. If you'd rather avoid this unwelcome surprise, consider enrolling in CEC's average monthly payment plan. This plan averages your usage over 12 months so your bill is more predictable. Find enrollment forms online at **www.choctawelectric.coop**.

# Free Workshop Teaches Affordable Ways to Save

CEC wants to help members find ways to make their homes more efficient and their electric bills more manageable.

There are ways to lower your monthly energy bills without investing in expensive appliances or sacrificing comfort. If you'd like to learn more, plan on attending CEC's free Energy Efficiency Workshop on June 7 at the CEC office in Hugo.

The one-hour workshop will begin at noon and is open to the public. Brad Kendrick, CEC energy use advisor, said those attending will come away with solutions they can implement immediately. "We want to show people there are things they can do that will make a difference and programs available that will help them do it," he said.

Bring your lunch and join us for an hour of informative energy saving know-how. For more details, please call your co-op at **800-780-6486**, ext. 241.

# Count Down To Annual Meeting

*Please note these important dates!*

If you want to make changes to the CEC bylaws or run for co-op trustee for District A, B, C, G, H or I, please note these important dates.

Proposed amendments to the CEC bylaws must be submitted by **June 24, 2016.** Suggested changes to the bylaws will be voted on by co-op members at the CEC Annual Meeting on Saturday, September 24.

If you live in District A,B, C, G, H or I and wish to run for a seat on the CEC board of trustees, you must turn in a petition signed by at least 25 CEC members by **July 26, 2016.**

Members who plan to vote via mail-in ballot should be aware of the absentee ballot deadline. Mail-in ballots must be received at the CEC office by **September 23, 2016.**

Procedures for running for co-op trustee or submitting to changes your co-op bylaws are published in the CEC bylaws. Excerpts from the bylaws are printed on page 5 of this issue.

**June 24, 2016**
Submit changes to CEC bylaws.

**July 26, 2016**
Nominating petitions due for Districts A, B, C, G, H and I.

**Sept. 23, 2016**
Mail-in ballots due at CEC office

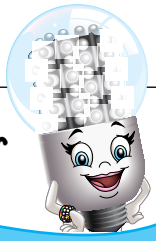
**Sept. 24, 2016**
CEC Annual Meeting

## OFFICIAL MINUTES

Scan this code with your smartphone or tablet to read the monthly minutes of your co-op board meeting. Minutes are also available at any CEC location. Members requesting hard copies must sign a non disclosure agreement.

To scan the code, install a Bar Code Scanner app, available at the App Store.

# Get Ready For Kilowatt Kids Camp



June 23 • 9 am to 11:30 am • CEC Idabel
June 30 • 9 am to 11:30am • CEC Hugo

Join Choctaw Electric for a morning of fun activities that teach kids electrical safety and energy conservation. Camp is open to first, second and third grade students —and it's free!

For more information:

**www.choctawelectric.coop**
**800-780-6486**, ext. 241.

### 2016 Kilowatt Kids Camp Enrollment Form

Student Name _____

Age _____ Grade _____

Parent Name(s)_____

Address _____

City_____State____Zip_____

Phone (H)_____

(Work) _____(Cell) _____

Allergies: _____

_____

Meds_____

_____

_____

T-Shirt Size (Please Circle):

Youth XS (4-6) Youth S (6-8) Youth M (8-10) Youth L (10-12)
Adult S Adult M Adult L

Contact information in case of emergency:

Name_____

Home phone_____Cell_____

Please circle the camp you wish to attend:

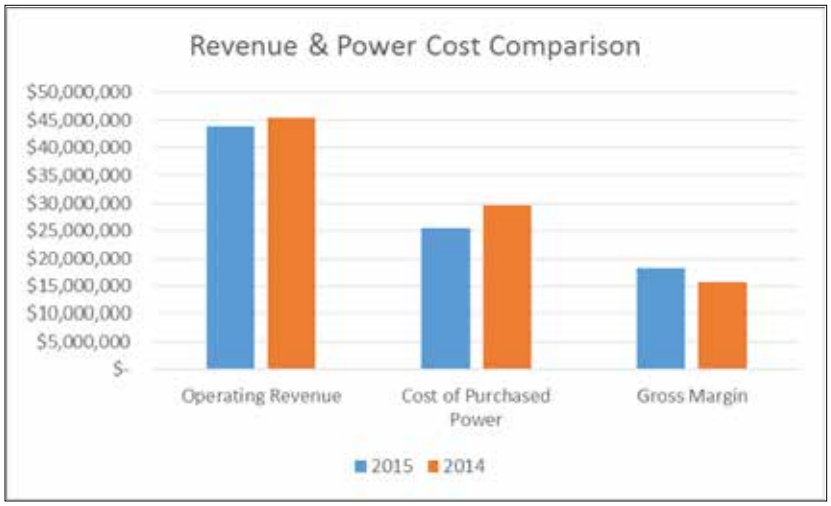
**Idabel Camp: June 23** **Hugo Camp: June 30**

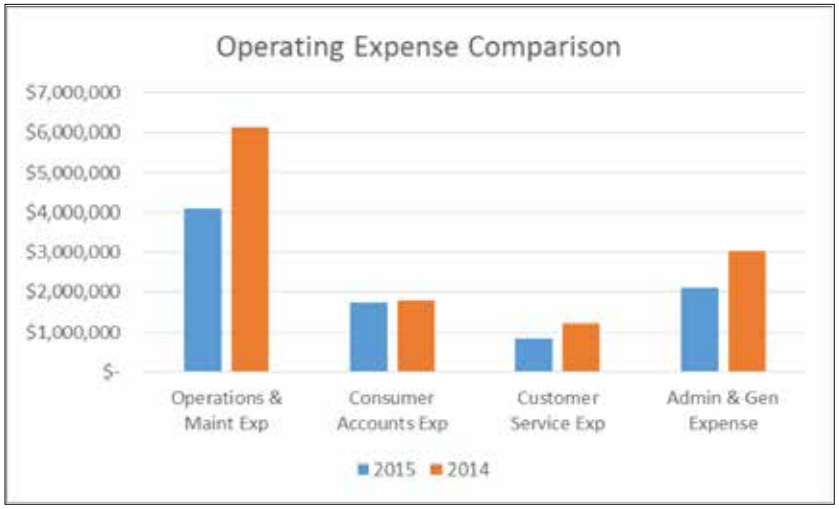
Mail or email completed form to:

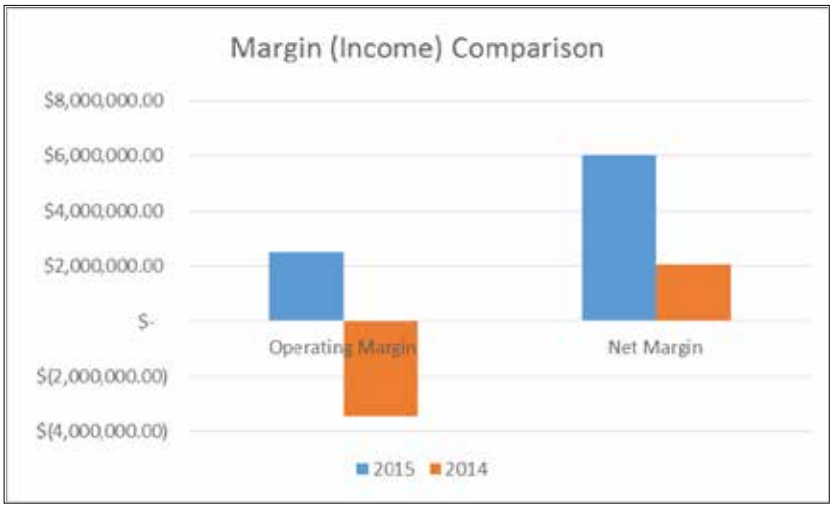
Choctaw Electric Cooperative
ATTN: Jia Johnson or Brad Kendrick
PO Box 758, Hugo, OK 74743
jjohnson@choctawelectric.coop
bakendrick@choctawelectric.coop

# Q&A on CEC's Finances

*Craig McBrain, director of finance and accounting, sat down with CEC newsletter staff in May to discuss the improvements in CEC's financial standing. CEC's audit is available at* ***www.choctawelectric.coop****.*




**Can you give us some examples of measures that were taken in 2015 to improve the financial condition of the cooperative?**

Following the leadership of the board, CEC made many improvements and 2015 was a busy year. One area we looked at was purchasing. We made adjustments to purchasing procedures to ensure competitive prices on goods purchased. We reviewed contracts and contractors. Another important move was to refinance some long-term debt in order to minimize interest expense. We also stressed the importance of utilizing technology to gain efficiency and reduce labor cost.

**Describe the financial condition of the cooperative at the end of 2014 vs. 2015.**

In 2014, the cooperative was reliant upon short-term borrowing to operate day to day and had underperformed in nearly every measure required by cooperative lenders. CEC closed 2014 with an operating loss of $3,409,168. By the close of 2015, our equity and key financial ratios were in line with peer groupings, and we minimized short-term borrowing. We closed out the year with an operating margin of $2,533,570. I think our operating margin is the best figure for this type of comparison; it excludes some items that aren't always directly controlled by CEC such as non-cash patronage capital allocations from other cooperatives, investment income or losses, and extraordinary items. The net margin for 2015 was $6,034,920, up from $2,066,463 in 2014, is also a great improvement but does include a substantial capital credit allocation from Western Farmers Electric Cooperative along with some realized gains on investments that were sold early in 2015.

**What steps are being taken to ensure financial stability for the cooperative in the future?**

With the board's leadership, we will continually measure our results and seek to improve when possible. The board continues to review policies and adjust them when it's beneficial. They are really pushing efficiency in every area right now.CEC is truly accountable to the membership, and it's our obligation to ensure that we make the best use of our resources.

**Have the financial results been verified by an independent source?**

Yes. In 2015, the CEC board of trustees engaged the firm of Bolinger, Segars, Gilbert, & Moss, L.L.P. to conduct the audit. The audit report is available for viewing on our website, **www.choctawelectric.coop**.

# What The CEC Bylaws Say

*Trustee Qualifications, Elections, Nominations, and Bylaw Amendments*

If you plan to run for trustee or wish to amend the bylaws, you should know the right way to go about it. For your convenience, excerpts from the CEC bylaws are printed below:

**Article IV: Trustees**
Section 4.02. ***Qualifications***

No person shall be eligible to become or remain a trustee of the Cooperative or to hold any other position of trust in the Cooperative who:

(a) is a close relative of an incumbent trustee or of an employee of the Cooperative or;

(b) is not a member of the Cooperative and receiving service there from at his primary residential abode or;

(c) is not a bona fide resident of the particular district which he is to represent or;

(d) is not at least 21 years of age, does not have at least a high school diploma or GED equivalent for those individuals born in 1950 or thereafter, or is or has been within the past 60 months, in any way employed by or financially interested in the cooperative or in a competing enterprise, or a business selling electric energy or supplies, or a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to, among others, the members of the Cooperative, or;

(e) is the incumbent or candidate for an elective public office in connection with which a salary or compensation in excess of $100 per annum is paid or;

(f) is a convicted felon or who has plead guilty to a felony or who has plead nolo contendere to a felony charge;

(g) is not willing to become a certified trustee within the first term of office by participating in an OAEC or NRECA program designed to educate the new board member to the history and business of electric cooperatives. This provision to become effective for Trustees elected in 2003 and thereafter. Upon establishment of the fact that a trustee is holding office in violation of any of the foregoing provisions, it shall immediately become incumbent upon the Board of Trustees to remove such trustee from office. Upon establishment of the fact that a nominee for trustee lacks eligibility under this Section or as may be provided elsewhere in these Bylaws, is shall be the duty of the chairman presiding at the meeting at which such nominee would otherwise be voted on to disqualify such nominee. Upon the establishment of the fact than any person being considered for, or already holding a trusteeship or other position of trust in the Cooperative lacks eligibility under this section, it shall be the duty of the Board of Trustees to withhold such position from such person, or to cause him to be removed there from, as the case may be. Nothing contained in this Section shall, or shall be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Trustees, unless such action is taken with respect to a matter which is affected by the provisions of this Section and in which one or more of the trustees have an interest adverse to that of the Cooperative;

(h) is a former employee.

Section 4.06. ***Nominations***

Not less than 60 days before the opening of the annual meeting of the Cooperative each year, all candidates and nominees for nominations to the office of the trustee shall be by a petition signed by 25 members of the voting district for which office of the trustee shall expire and said petition shall be filed with the Secretary. All candidates and nominees must file a signed statement of intent with the Secretary. The Secretary shall thereupon cause the name of the candidates and his district to be published in the next issue of the Cooperative newsletter or by any other appropriate means which will inform the membership of the name of the candidate and his district.

**Article XV: Amendments**
Section 15.01. ***Provisions***

The Cooperative Bylaws may be added to, altered, or repealed by an amendment that appears on the ballot at an annual or special Cooperative membership meeting and that is affirmed by a majority of the secret, written votes cast. The notice for the meeting must contain a copy of the proposed amendment; PROVIDED either by the Board of Trustees or the members may repeal or correct any Bylaw if, as established by law, such Bylaw is illegal or has become a legal nullity.

Each proposed amendment must be: legibly written or typed in the English language; drafted by a CEC member, with 25 supporting members of the Co-op and be delivered to the Co-op's headquarters during regular business hours no less than 90 days prior to special or annual meeting of the members.

Each proposed amendment must be examined by an attorney selected by the co-op to determine if it violates any state or federal laws. If it violates law it will be returned to the member who proposed it within 30 days for suggested revision to allow conformance to state and federal law. The revised amendment should be returned to the Co-op headquarters no less than 45 days prior to the election. The revised amendment will be submitted for a majority vote of the members at the election; PROVIDED FURTHER, the Board of Trustees shall not cause any proposed Bylaw change to be noticed or acted upon, if it determines that such, if adopted, would be illegal or legal nullity.

## Community Events

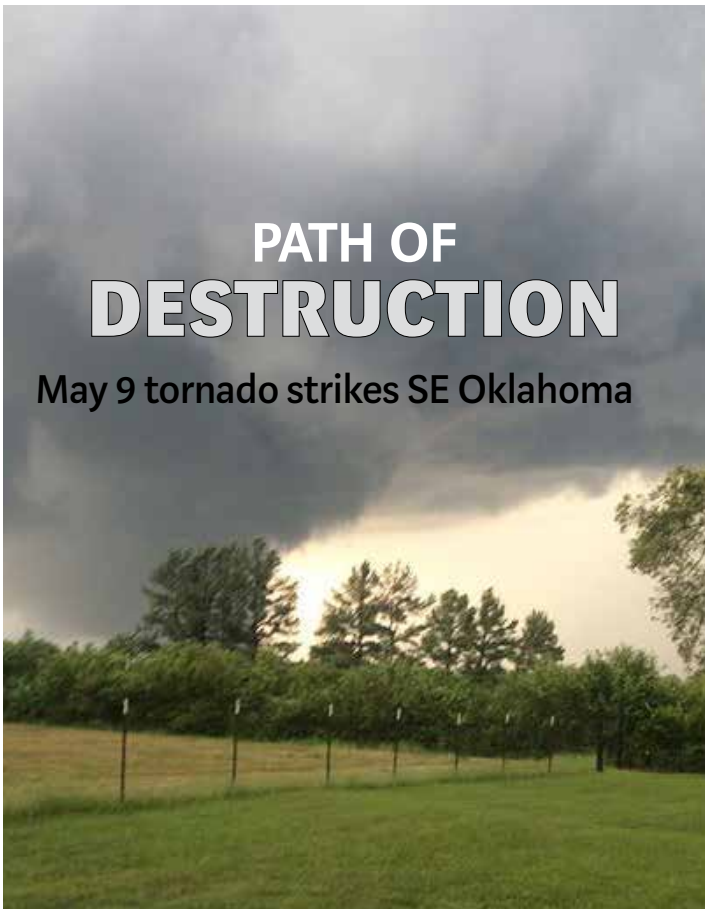
Help us promote your event by sending event details in advance. Please send event information to Jennifer Boling/*Inside Your Co-op*/ PO Box 758, Hugo, OK 74743; or e-mail info to **jboling@choctawelectric.coop.** Events and dates are subject to change.

JUNE

| | |
|---|---|
| 1 | PRCA Slack Roping, Hugo Rodeo Arena |
| 2 | PRCA Steer Roping Hugo Rodeo Arena |
| 3 | Talihina Chamber Dessert & Basket Auction & Candidate Speaking, 6 pm, 201 First Street, Talihina |
| 3 | PRCA Rodeo Fairgrounds, Hugo |
| 7 | Energy Efficiency Workshop 12 noon, CEC Hugo |
| 16-18 | Kiamichi Owa-Chito Festival of the Forest, Beavers Bend State Park, Broken Bow |
| 19 | Father's Day |
| 19-25 | Oklahoma Freewheel |
| 23 | Kilowatt Kids Camp CEC Idabel |
| 24 | Deadline for submitting changes to CEC bylaws |
| 26 | Nominating petitions due for individuals who wish to run for the CEC board of trustees |
| 30 | Kilowatt Kids Camp CEC Hugo |

JULY

| | |
|---|---|
| 3 | Fireworks Display George C. Coffman Football Stadium, Idabel |
| 4 | Freedom Fest High School Parking Lot Haworth |




*CEC employee Chandy Abney captured this image of the tornado as she stood in her front yard south of Hugo.*

A tornado outbreak on May 9 sent three twisters spinning over CEC service territory, damaging homes and businesses and knocking out power to CEC members. Two people suffered serious injuries when their mobile home was destroyed near Boswell.

According to the National Weather Service, the first tornado, ranked EF-3, left a path of damage roughly 1.8 miles wide as it traveled southeast of Boswell. The tornado destroyed 16 homes and unleashed golf ball and tennis ball-sized hail.

A second EF-1 twister touched down near Hugo, damaging a number of homes and businesses. The third twister, ranked EF-0, remained over Hugo Lake before spinning out.

CEC crews responded immediately following the storm, dispatching crews to various locations to repair service. Jim Malone, CEC director of engineering and operations, said the storm downed 13 power poles in Unger and left some 400 members without power. Crews worked all night to complete repairs. Service was restored to most members by 2 am on May 11.

To view more photos of May 9 storms, please visit CEC's Facebook page. For tips on preparing a storm-ready safety kit, please visit CEC's storm center at **www.choctawelectric.coop**.

*A trail of twisted debris left by the EF-3 tornado that struck Boswell on May 9. Damages from the storm are estimated in the hundreds of thousands of dollars.*
PHOTO COURTESY OF KTEN

*Choctaw Electric crews replace power poles damaged by the storm. High winds broke 13 poles and left co-op members without power for several hours.*
PHOTO/CLINT LEATHERS.

# Summer Break?

## Don't let your home waste energy while you're away

You can't wait for summer vacation. But is your house ready?

Before you hit the road for the long July 4 weekend:

- If you're not leaving any pets in the house, crank up your thermostat to about 85 degrees. Don't worry about re-cooling your house when you get home; the energy you save while you're away will exceed the energy it takes to cool the place off when you get home. A caution: Don't turn the a/c completely off. A home that gets too hot during the summer can invite mold and mildew.
- Close all of the windows, for safety's sake. And draw the curtains, shades and blinds. They will block sunlight and heat from getting into your rooms and making your empty house hotter.
- Unplug the TV, computers, phone chargers and countertop appliances. Even appliances that are turned off use energy if they're still plugged in.
- Leave a few lights on for safety, but turn the rest off. And check ceiling fans, alarm clocks, coffee makers and other auto-on devices to make sure they're out of commission while you're away from home.

For more information on how you can lower your home energy costs, please contact Brad Kendrick at **800-780-6486** or email **bakendrick@choctawelectric.coop.**

SAVE YOUR SPACE!

*The Choctaw Electric Annual Meeting is the perfect place to showcase local crafts, artwork and business products, or increase awareness of your organization.*

*To reserve a free booth space, please fill out the vendor booth reservation form and submit it to CEC by September 16, 2016.*

***Join the fun—and reach over 1,500 CEC members, family and friends!***

2016 CEC ANNUAL MEETING

**Vendor Booth Reservation Form**

Organization _____

Contact person _____

Daytime Telephone _____

Mailing Address _____

_____

Products to be displayed/sold _____

_____

_____

Do you require electricity? _____Yes _____No

Number of booth spaces _____

*Vendors must bring their own tables, chairs and electrical cords.*

**Reservation deadline: September 16, 2016**

*Please send booth reservation form to:*
Jia Johnson, Choctaw Electric Cooperative PO Box 758, Hugo, OK 74743

ATTENTION:

***All special requests must be approved prior to Annual Meeting.***

**SEND US EMAIL:** Please email questions for Ask Your Co-op to: Jennifer Boling, jboling@choctawelectric.coop. Or, mail questions to Choctaw Electric Cooperative, PO Box 758, Hwy 93 North, Hugo,Oklahoma 74743.

## ASK YOUR CO-OP

■ ***Why does CEC have an arts and crafts show at the annual meeting? Isn't is supposed to be about the co-op business?***

Yes, Choctaw Electric holds an annual meeting for the purpose of conducting business. That business can mean electing trustees, voting on bylaw amendments, or discussing other important issues that affect your co-op.

In order to conduct official co-op business, the CEC bylaws require a quorum of five percent of CEC members in attendance at the annual meeting. Depending on the matters at hand, not to mention the busy lives of our members, it can be mighty difficult to convince members to sacrifice their Saturday morning for a boring business meeting.

To combat apathy and attract a fair representation of CEC's diverse membership, your co-op has to pour a little fun into the meeting. Food, drink, games, prizes, live music and arts and crafts are the best ingredients we know of to create a fun, festival atmosphere.

All that light-hearted hoopla actually serves an important purpose. It pulls hundreds of members and their families to the annual meeting so the important business can actually take place. That's a smart idea.

**Lucky Account # 38845985** ($75 Bill Credit). If the account number above belongs to you, contact your co-op by the 10th of the month to claim your $75 bill credit. Call Jennifer Boling at **800-780-6486,** ext. 207, or contact CEC via email or in person.

# june

*Best days according to Moon phases.*

**Best planting days**

| | |
|---|---|
| Above ground crops | 5-7, 12-16 |
| Root crops | 1-2, 20-21, 24-26, 29-30 |
| Seed beds | 5-7, 15-16 |
| Kill plant pests | 3, 27-28 |

**Best fishing days**

| | |
|---|---|
| 👍 Best | 7, 22-26 |
| ☺ Good | 5-6, 15-16, 20-21 |
| 😐 Fair | 1, 10-11, 17-19, 29-30 |
| ☹ Poor | 2-4, 8-9, 12-14, 27-28 |

**Best days to do other stuff**

| | |
|---|---|
| Begin diet to gain weight | 11, 16 |
| Begin diet to lose weight | 3, 26, 30 |
| Begin logging | 20-22 |
| Breed animals | 15-17 |
| Make sauerkraut, can, or pickle | 25-26 |
| Cut hair to discourage growth | 2-3, 29-30 |
| Cut hair to encourage growth | 13-14 |
| Cut hay | 1, 27-28 |
| Destroy pests and weeds | 1, 27-28 |
| End projects | 4 |
| Go camping | 18-19 |
| Graft or pollinate | 6-7 |
| Harvest above ground vegetables | 10-12 |
| Harvest below ground vegetables | 2-3, 29-30 |
| Go to the dentist | 10-12 |
| Plant above ground vegetables | 15-17 |
| Plant below ground vegetables | 25-26 |
| Prune to discourage growth | 1, 27-28 |
| Prune to encourage growth | 8-9 |
| Quit smoking | 3, 26, 30 |
| Set posts or pour concrete | 20-22 |
| Set chicken eggs | 13-14, 22-23 |
| Start projects | 6 |
| Wean animals and children | 3, 26, 30 |

—from the *Old Farmer's Almanac*

# Good Eats

IN SOUTHEAST OKLAHOMA

## Blackberry Peach Pie

INGREDIENTS

3 cups fresh blackberries 3 fresh peaches - peeled, pitted, and sliced
3 tablespoons cornstarch
¾ cup white sugar
1 double crust ready-to-use pie crust
2 tablespoons butter, melted
1 tablespoon ground cinnamon
½ teaspoon ground nutmeg

DIRECTIONS

Preheat oven to 450°F. Mix the blackberries, peaches, cornstarch, and sugar in a large bowl.

Press one of the pie crusts into the bottom of a 9-inch pie pan. Pour the blackberry mixture into the pie crust. Cover with the remaining pie crust. Crimp the edges of the two crusts together to seal. Cut slits in the top of the pie to vent. Brush the top with the melted butter. Sprinkle the cinnamon and nutmeg over the top.

Bake in preheated oven for 15 minutes. Reduce the oven temperature to 350°F. and continue to cook until top crust is golden brown, 35 to 40 minutes.

# swap shop

FREE CLASSIFIED ADS FOR CEC MEMBERS

**PETS**

Miniature Donkey business for sale. 580-326-7672 or 580-326-1438

HAVN Low Cost Spaying and Neutering. Spaying and neutering your pet makes them healthier. 580-873-2491 or 580-317-5026.

Ark of McCurtain County offers discount spay/neuter services +mobile spay/neuter services.

Please help us stop unwanted litters by spaying and neutering your pet. 580-236-2275.

YOUR AD HERE FOR FREE! Submit your classified ads to the CEC Swap Shop and we'll run them free if you are a CEC member. Reach over 13,000 CEC members in Choctaw, Pushmataha and McCurtain counties. See instructions for submissions, below.

SWAP SHOP ads are free for CEC members. Submit ads online at **www.choctawelectric.coop**, via email to jboling@choctawelectric.coop, or mail ads to CEC *Inside Your Co-op*, PO Box 758, Hugo, OK 74743. Ads must include a valid telephone number or email address. Please provide your name, mailing address and CEC account number when submitting an ad.