

**CHOCTAW ELECTRIC COOPERATIVE**  
**Regular Meeting of the Board of Trustees**  
**Held in the Board Room of CEC in Hugo Oklahoma**  
**May 29, 2018 - 9:00 am**

**AGENDA**

1.	Meeting Called to Order & Roll Call	<i>Brent Franks</i>	
2.	Invocation & Pledge of Allegiance		
3.	Introduction of Guests	<i>Brent Franks</i>	
4.	Consent Items a. Approval of April Regular Board Minutes b. Authorization to Write off Uncollected Accounts for April 2017		<i>Action Action</i>
5.	Department Reports a. Service & Construction b. ROW & Service Quality c. Safety & Technical Operations d. Customer Service & Billing e. Member Services	<i>Kooney Duncan</i>	
6.	Financial Reports a. Financial Presentation b. Form 7 c. WFEC Power Bill d. Review of Check Register	<i>Tiffany Hempsted</i>	<i>For Review</i>
7.	Quality Management Report a. Timeline of Seated Board Action	<i>George Burns</i>	
8.	Attorney's Report	<i>Frank Wolf</i>	
9.	CEO Report a. Review of Loan Process b. Electric Co-op Governance Task Force Report c. Purple Wave Update	<i>Kooney Duncan</i>	
10.	Executive Session Personnel, Contracts, Legal Matters		
11.	Action Items a. Audit Report, Bolinger, Segars, Gilbert & Moss L.L.P. b. Policy Committee – Policy Update c. Vision and Mission Statement d. CoBank Energy Director Conf., Colorado Springs	<i>Randy Robbins Mike Brewer &amp; Jen Parker</i>	
12.	WFEC Report	<i>George Burns</i>	
13.	New Business		
14.	Adjournment		
15.	Tour of WFEC Power Plant		

**CHOCTAW ELECTRIC COOPERATIVE, INC.**  
**P. O. Box 758 – Hugo, Oklahoma 74743**

**Regular Meeting Minutes of the Board of Trustees**

The regular meeting of the Board of Trustee of Choctaw Electric Cooperative (CEC) was held in the Board Room of the Cooperative in Hugo, Oklahoma on May 29, 2018

**1. Call to Order and Roll Call**

The following Trustees were present:

Brent Franks, District G  
Joe M. Silk, District B  
Mike Brewer, District H  
George Burns, District A

Stacy Nichols, District C  
Bill Woolsey, District D  
Becky Franks, District E  
Norman Ranger, District F  
Ken Autry, District I

There being a quorum present, President Brent Franks presided and called the meeting to order at 9:00 a.m.

Co-op Attorney, J. Frank Wolf, III was present. Choctaw Electric Cooperative staff present: CEO Kooney Duncan, Chief Financial Officer, Tiffany Hempsted, Executive Assistant, Jennifer Boling,

**2. Invocation and Pledge of Allegiance**

Mr. Silk gave the invocation. President Brent Franks led the Pledge of Allegiance.

**3. Introduction of Guests**

Mr. Franks welcomed Randy Robbins, of Bolinger, Segars, Gilbert & Moss L.L.P. and CEC members Debbie Cody, and Judy Bell.

**4. Consent Items**

**A. Approval of April 2018 Regular Board Meeting Minutes.**

**B. Authorization to Write-Off uncollected accounts for April 2017.**

Mr. Burns made a motion to approve the April 24, 2018 Regular Board Meeting minutes, and to Write-Off uncollected accounts for April 2017. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The Motion carried.

Following the Consent Items Mr. Ranger made a motion to hear Action Item A, the Audit Report. The motion was seconded by Mr. Silk.

The motion was affirmatively voted upon by all. The Motion carried.

## 11. Action Item (Rearranged on Agenda as per motion above)

### A. Audit Report. Randy Robbins

Mr. Robbins of Bolinger, Segars, Gilbert & Moss L. L. P. gave a report of the 2017 CEC Financial Audit.

Mr. Woolsey made a motion to approve the 2017 CEC Financial Audit.

The motion was seconded by Mr. Nichols

The motion was affirmatively voted upon by all. The Motion carried.

## B. Executive Session

President Brent Franks announced the board would convene in Executive Session to discuss legal matters.

At 9:40 am, Mr. Burns made a motion to enter executive session.

The motion was seconded by Mr. Franks. The motion carried.

At 10:20 am, Mr. Burns made a motion to exit executive session.

The motion was seconded by Mr. Silk. The motion carried.

The meeting was reconvened in regular session.

## 5. Department Reports

The following Department reports were given by Choctaw Electric Cooperative CEO and General Manager, Kooney Duncan:

### A. Service and Construction

- Timber Creek Trail South Phase 6 development has been inspected.
- Work continues Broken Bow Dam Spillway Project. CEC is working in conjunction with the City of Broken Bow.
- Engineering department is considering the feasibility of using drones.

### B. Right of Way and Service Quality

- Contract crews have completed Mr. River sub. Right-of way.
- CEC has two contract right-of-way crews working. These crews are working on Rattan sub feeder 1 and Sawyer sub feeder 1.
- CEC right-of-way crews completed the 3-phase line between Bethel and Honobia.

### C. Safety and Technical Operations

- Choctaw Electric Cooperative has had no lost time accidents in 427 days.
- Blink reports continue to be being monitored.
- Grounds Testing was conducted at the April Safety Meeting

- Large Power meter inspections.

#### **D. Customer Service and Billing**

- Report on activity at payment kiosks.
- Eleven tampering incidents were reported to law enforcement.

#### **E. Member Services**

- The department is gearing up for Energy Camp and Youth Tour
- Key Account visits are scheduled in June

### **6. Financial Report**

#### **Form 7, WFE Power Bill**

Tiffany Hempsted gave the April 2018 Financial Presentation. The Form 7 Summary for Year to Date Actual vs. Budget, Year to Date Revenue, Cost of Power and Gross Margins, Year to Date Expenses and Year to Date Capital and Margins was reviewed.

- Form 7 Summary YTD revenue \$15,586,236
- Cost of Power \$8,910,117
- Gross Margins YTD \$6,676,119
- YTD Net Margins \$1,651,302
- Total Revenue from Electrical Sales \$3,306,699
- WFE Power Cost \$1,976,341
- Total number of Active Services, 19,003
- Cash Management Beginning Balance \$1,697,729, Ending Balance \$1,573,586
- YTD Equity Ratio 48.7%

### **7. Quality Management Report**

#### **A. Timeline of Seated Board Action**

A timeline of board action from 2015-2017 was compiled by Mr. Burns, Mr. Silk and Mr. Brewer. The timeline was reviewed and discussed.

### **8. Attorney's Report**

Mr. Wolf advised he did not have a report.

### **9. CEO Report**

#### **Current Activities**

- Mr. Duncan gave a report on the CEC Loan Process.
- An update was given on the Purple Wave Equipment Auction.
- The Electric Cooperative Governance Task Force Report was discussed.
- Working with an attorney reviewing Bylaws, identifying strengths and weaknesses.
- Mr. Duncan attended a Southeast Oklahoma Economic Development meeting conducted

by The Choctaw Nation. Group leaders discussed economic opportunities for the area.

- Year to Date Estate Capital Credits issued is \$72,310.57

## **10. Executive Session**

President Brent Franks announced the board would convene in Executive Session to discuss contracts.

At 11:58 am, Mr. Woolsey made a motion to enter executive session.

The motion was seconded by Mr. Ranger. The motion carried.

At 12:12 pm, Mr. Burns made a motion to exit executive session.

The motion was seconded by Mrs. Franks. The motion carried.

The meeting was reconvened in regular session.

## **11. Action Items**

### **b. Policy Committee – Policy Update**

Mr. Brewer presented revisions and corrections for Governing Policies, Member Policies and Board of Trustees Policies.

Mr. Autry made a motion to approve revisions and corrections to the Governing Policies, Member Policies and Board of Trustees Policies.

The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The Motion carried.

Board members were reminded to review the next set of policy revisions that will be presented at the June board meeting as an action item.

### **c. Vision and Mission Statement**

Mr. Duncan presented the Mission and Vision Statements for approval.

Mr. Burns made a motion to approve the Mission and Vision Statements

The motion was seconded by Mr. Ranger. The motion was affirmatively voted upon by all. The Motion carried.

Approved Vision Statement:

To focus on improvement in all areas with emphasis on the following: service, reliability, costs, culture and safety.

Approved Mission Statement:

Provide reliable, safe and affordable energy services to the members we serve.

### **d. CoBank Energy Directors Conference, Colorado Springs, Colorado**

Mr. Franks and Mr. Ranger expressed an interest in attending the conference.

Mr. Brewer made a motion to approve Mr. Franks and Mr. Ranger attending the CoBank Energy Directors Conference.

The motion was seconded by Mr. Nichols. The motion was affirmatively voted upon by all. The Motion carried

**12. WFEC Report**

Mr. Burns gave a brief WFEC report and cited the information included in the board report.

**13. New Business**

There was no New Business to discuss.

**14. Adjourn**

At 12:30 pm Mr. Woolsey made a motion to adjourn. Mrs. Franks seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

**Board Expenses Reported May 1, 2018 to May 31, 2018**

Mike Brewer	\$600.00
George Burns	\$65.40
Joe Silk	\$615.40
Norman Ranger	\$608.86
Bill Woolsey	\$582.70
Becky Franks	\$582.70
Ken Autry	\$704.64
Stacy Nichols	\$635.02
Brent Frank	\$765.40

  
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President

6-26-18

Date

  
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Secretary/Treasurer

6/26/18

Date