

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo Oklahoma
September 25, 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 August 28, 2018 Board Minutes b. Authorization to Write off Uncollected Accounts for August 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 a. Annual Meeting Summary	<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. Equipment List	<i>Kooney Duncan</i>	
8.	Attorney's Report	<i>Frank Wolf</i>	
9.	CEO Report	<i>Kooney Duncan</i>	
10.	Executive Session Legal Matters, Contracts, Personnel		
11.	Action Items a. Approval 2018 Financial Audit Agreement b. Video Streaming c. Metering Software d. NRECA Regional Meeting, OKC e. Officer Elections f. WFEC Representative Election g. OAEC Representative Election h. CFC Representative Election		
12.	WFEC Report	<i>George Burns</i>	
13.	New Business		
14.	Adjournment		

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 September 25, 2018.

Prior to the Board Meeting being called to order Mr. Franks swore in the elected board members;
Bill Woolsey, representing District D
Perry Thompson, Jr., representing District E
Debbie Cody, representing District F

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
Perry Thompson, Jr. District E
Debbie Cody, District F
Ken Autry, District I

There being a quorum present, President Brent Franks presided and called the meeting to order at 9:03 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. Burns gave the invocation. President Brent Franks led the Pledge of Allegiance.

3. Introduction of Guests

Mr. Franks welcomed CEC members, Doug and Billie Felker, Judy Bell, Eddie White and Shawnda Cox.

4. Consent Items

A. Approval of August 28, 2018 Regular Board Meeting Minutes.

B. Authorization to Write-Off uncollected accounts for August 2017

Mr. Autry made a motion to approve the August 28, 2018 Regular Board Meeting minutes, and to Write-Off uncollected accounts for August 2017. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The Motion carried.

5. Department Reports

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

A. Service and Construction

- Broken Bow Dam Spillway project is complete.
- Working on electronic breakers and regulator controls in the field.
- CEC crews are spraying in the Haworth and Smithville areas.
- CEC crews have completed spraying in Rufe, One Creek Valley road, and Valliant.
- Crews are working on pole change-outs at Frogville Sub 24 Feeder 1.

B. Right of Way and Service Quality

- CEC Right-of-Way machine crews are having completed cutting the Valliant Sub Feeder 2. Crews are clearing the Frogville Sub Feeder. A total of 31.86-line miles have been cleared at Valliant Sub and Frogville Sub.
- By the end of the year contract Right-of-Way crews should have the Rattan Sub Feeder 1 and the Haworth Sub Feeder1 and 4 complete.

C. Safety and Technical Operations

- Stick Testing took place at the August Safety meeting,
- 17 transformers were tested, and 8 were repaired
- To increase reliability fiber was installed at the Hochatown Sub. By the end of the year 7 to 8 subs should have fiber installed.

D. Customer Service and Billing

- A total of 3,839 members came to one of the three offices in August. An average of 167 per day.
- 1276 Service Orders
- 695 Prepaid accounts and 4,694 Active Smarthub accounts
- 4,662 incoming calls taken, 203 daily average calls taken.

E. Member Services

Jia Johnson, Director of Public Relations gave summary of the Annual Meeting.

6. Financial Report

Form 7, WFEC Power Bill

Tiffany Hempsted gave the August 2018 Financial Presentation.

- The Form 7
 - YTD Revenue \$31,219,193
 - YTD Cost of Power 18,481,485

- YTD Cost of Electric Service \$28,777,873
 - YTD Patronage Capital and Operating Margins 2,441,320
 - YTD Net Margins \$2,860,523
 - 12-month average Rolling Line Loss 6.78%.
- WFEC Cost of Power
 - August kWh Purchased 45,867,710
 - August Power Cost \$2,448,181
 - August Average Cost per kWh \$0.0534
 - Number of Active Services 18,782
 - CEC YTD Equity Ratio 48.5%

7. Quality Management Report

A. Equipment List

Mr. Duncan gave the Quality Management Report.

8. Attorney's Report

Mr. Wolf advised the Board he had nothing to discuss.

9. CEO Report

Current Activities

- A report was given on a phone outage incident that had occurred.
- WFEC and OAEC meetings were attended
- Staff met with NRECA And Kempton for midyear reviews
- kWh usage is being reviewed. This will impact the 2019 Wholesale Power Cost.
- Department staff is working on 2019 Budgets
- The Staking Department has been contacted about 3 potential Hochatown projects.

10. Executive Session

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

At 9:51 am, Mr. Autry made a motion to enter executive session. The motion was seconded by Mr. Woolsey. The motion carried.

At 10:55 am, Mr. Autry made a motion to exit executive session. The motion was seconded by Mr. Silk. The motion carried.

The meeting was reconvened in regular session.

11. Action Items

a. 2019 Financial Audit Agreement

Bolinger, Segars, Gilbert & Moss, L.L.P. – Certified Public Accountants have conducted CEC's financial audit for the last 4 years. Mrs. Hempsted recommended board approval for the 2018 audit agreement with this firm.

Following the recommendation there was considerable discussion about engaging another firm for the 2020 audit to review Financials' with a different assessment.

Mr. Burns made a motion to approve the 2018 Financial Audit Agreement with Bolinger, Segars, Gilbert & Moss, L.L.P. the motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The Motion carried.

b. Video Streaming

Rickey Bowen, Information System Administrator gave a presentation on Video Streaming board meetings and the cost and the options available.

Following the presentation there was discussion regarding the best option for video streaming.

Mr. Autry made a motion to approve Record Option 2, the least costly option on a 3-month trial to make certain this is a viable option. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The Motion carried.

c. Metering Software

Rickey Bowen Information System Administrator gave a presentation on Automated Meter Reading and Bill Reading System. CEC's current system will no longer be supported after December 2019. Mr. Bowen gave a recommended CEC implemented solution and timeline for transition to the metering software upgrade.

Mr. Autry made a motion to approve the metering software upgrade and the recommended CEC implemented solution for transition. The motion was seconded by Mr. Silk. The motion was affirmatively voted upon by all. The Motion carried.

d. NRECA Regional Meeting

Mr. Autry, Mr. Franks, Mr. Silk and Mr. Burns requested to attend the NRECA Region 8 meeting in Oklahoma City.

Mr. Woolsey made a motion to approve Mr. Autry, Mr. Franks, Mr. Silk and Mr. Burns to attend the NRECA Region 8 meeting in Oklahoma City. The motion was seconded by Mr. Nichols. The motion was affirmatively voted upon by all. The Motion carried.

e. Officer Elections

Mr. Autry made a motion to elect the Board of Trustee President. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The Motion carried.

Brent Franks received unanimous votes for President.

Mr. Nichols made a motion to elect the Board of Trustee Vice-President. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The Motion carried.

Joe Silk received unanimous votes for Vice-President.

Mr. Burns made a motion to elect the Board of Trustee Secretary/Treasurer. The motion was seconded by Mr. Thompson. The motion was affirmatively voted upon by all. The Motion carried.

Mike Brewer received unanimous votes for Secretary/Treasurer.

f. WFEC Representative Election

Mr. Autry made a motion to elect the WFEC Representative for Choctaw Electric Cooperative. The motion was seconded by Mr. Silk. The motion was affirmatively voted upon by all. The Motion carried.

George Burns received unanimous votes for the 2018-2019 WFEC Representative for Choctaw Electric Cooperative.

Mr. Brewer made a motion to elect the Alternate WFEC Representative for Choctaw Electric Cooperative. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The Motion carried.

Stacy Nichols received unanimous votes for the 2018-2019 Alternate WFEC Representative for Choctaw Electric Cooperative.

g. OAEC Representative

Mr. Burns made a motion to elect the OAEC Representative for Choctaw Electric Cooperative. The motion was seconded by Mr. Thompson. The motion was affirmatively voted upon by all.

On nomination duly made from floor Joe Silk was elected 2018-2019 OAEC Representative for Choctaw Electric Cooperative.

2018-2019 Alternate OAEC Representative for Choctaw Electric was tabled until next month.

h. CFC Representative Election

Mr. Woolsey made a motion to elect the CFC Representative for Choctaw Electric Cooperative.

The motion was seconded by Mr. Thompson. The motion was affirmatively voted upon by all.

On nomination duly made from the floor, Ken Autry was elected 2018-2019 CFC Representative for Choctaw Electric Cooperative.

Mr. Autry made a motion to elect the Alternate CFC Representative for Choctaw Electric Cooperative. The motion was seconded by Mr. Nichols. The motion was affirmatively voted upon by all.

Perry Thompson received unanimous votes for the 2018-2019 Alternate CFC Representative for Choctaw Electric Cooperative.

12. WFEC Report

Mr. Burns gave a report of the WFEC meeting.

13. New Business

Becky Franks was invited to speak about the misconceptions of solar energy.

14. Adjourn

At 1:36 pm Mr. Ranger made a motion to adjourn. Mr. Nichols seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

Board Expenses Reported September 1, 2018 to September 30, 2018

Mike Brewer	\$650.00
George Burns	\$65.40
Joe Silk	\$615.40
Norman Ranger	\$1,556.88
Bill Woolsey	\$659.95
Ken Autry	\$863.11
Stacy Nichols	\$744.97
Brent Franks	\$797.15
Deborah Cody	\$571.80
Perry Thompson, Jr.	\$557.63



President



Secretary/Treasurer

10-30-18

Date

10/30/18

Date