

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo, Oklahoma
December 27, 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 November 27, 2018 Board Minutes b. Authorization to Write off Uncollected Accounts for November 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.	Attorney's Report	<i>Frank Wolf</i>	
8.	CEO Report	<i>Kooney Duncan</i>	
9.	Executive Session Legal Matters, Contracts, Personnel		
10.	Action Items a. 2019 Right of Way Contracts b. Strategic Planning Date c. Approve 2019 Board Meeting Dates d. CEO Performance Appraisal		
11.	OAEC Report	<i>Joe Silk</i>	
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 November 27, 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
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 9:00 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, and Rickey Bowen, Information System Administrator.

2. Invocation and Pledge of Allegiance

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

3. Introduction of Guests

Mr. Franks welcomed Bill Miller, CPA, Tax Partner, Bolinger, Segars, Gilbert & Moss, and CEC member Judy Bell.

4. Consent Items

A. Approval of October 30, 2018 Regular Board Meeting Minutes.

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

Mr. Burns made a motion to approve the October 30, 2018 Regular Board Meeting minutes, and to Write-Off uncollected accounts for October 2017. The motion was seconded by Mr. Thompson. 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

- ODOT road project near Broken Bow is in early stages of development.
- Service Quality Report has been revised to group information by substations.

- East construction crew is replacing poles on Feeder 5 out of the Broken Bow Sub 12.
- Maintenance crew is changing poles on Frogville Sub 24 Feeder 1.

B. Right of Way and Service Quality

- CEC Right-of-Way crews worked on Frogville Sub, Feeder 1 and Craig Road area southeast of Broken Bow clearing a total of 15.48 miles.
- Contract crews have completed Rattan Sub Feeder 1 except for wet areas that will be worked when the sections become dry. The crew is currently working on the Darwin Sub Feeder 2. A total of 17.25 miles of line cleared for the month
- Contract crews working on Haworth Sub Feeder 1 have completed cutting 35.7 miles of line for the month.

C. Safety and Technical Operations

- Large power reading and reports
- Monitored and maintained TWACS substation connections

D. Customer Service and Billing

- 1,207 Service Orders made
- 270 Kiosk payments made.
- 4,193 incoming calls taken with a daily average of 210.
- A total of 3,795 walk-in consumers.

E. Member Services

- Key Account visits are taking place for Large Power Members.
- Reviewed safety, school and community programs.

6. Financial Report

A. 2017 Form 990

- Bill Miller, CPA, Tax Partner, Bolinger, Segars, Gilbert & Moss reviewed the Form 990 with the Board of Trustees.

B. Financial Presentation

Tiffany Hempsted gave the October 2018 Financial Presentation.

- Form 7
 - YTD Revenue \$38,732,360
 - YTD Cost of Power \$22,469,095
 - YTD Cost of Electric Service \$35,312,035
 - YTD Patronage Capital and Operating Margins \$3,420,325
 - YTD Net Margins \$4,015,749
 - October Revenue from Electric Sales \$3,401,961
- WFEC Cost of Power
 - October kWh Purchased 36,572,514
 - October Power Cost \$1,929,701

- October Average Cost per kWh \$0.0528
- Number of Active Services 18,806
- Revenue/kWh sold (Avg.) \$0.093622
- Cost of Power/kWh Purchased (Avg.) \$0.052764
- CEC YTD Equity Ratio 49.4%

7. Attorney's Report

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

8. CEO Report

Current Activities

- Lineman Internship was discussed
- 2019 Right-of Way Clearing
- 2019 Newsletter Planning Meeting
- Revised By-laws to be printed
- WFEC Wholesale rate evaluation and impact study for the 2019 CEC Budget

9. Executive Session

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

At 11:24 am, Mr. Silk made a motion to enter executive session. The motion was seconded by Mr. Burns. The motion carried.

At 12:25 pm, Mr. Burns made a motion to exit executive session. The motion was seconded by Mr. Nichols. The motion carried.

The meeting was reconvened in regular session.

10. Action Items

A. Health Insurance Renewal

Mr. Brewer made a motion to continue the Standard Healthcare Plan, High Deductible Plan and the Health Savings Account with the High Deductible with the current plan administrator for 2019. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The Motion carried.

B. Employee Salary and Wages

Mr. Autry made a motion to approve the 3.5% per compa ratio salary increase for non-union employees and non-CEO. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The Motion carried.

C. 2019 Budget

Mr. Brewer made a motion to approve the 2019 Budget. The motion was seconded by Mr. Nichols.

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

D. Board Training

New Director Training, OKC

Director Winter School, Nashville

Mr. Nichols made a motion to approve Mr. Thompson and Mrs. Cody attending the New Director Training and Mr. Burns attending the Directors Winter School. The motion was seconded by Mr. Autry. The motion was affirmatively voted on by all. The motion carried.

11. WFEC Report

Mr. Burns gave the WFEC report.

12. New Business

Mr. Autry requested CEC continue to research the potential for Electric Vehicles.

13. Adjourn

At 1:30 pm Mr. Burns made a motion to adjourn. Mr. Brewer seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

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

Mike Brewer	\$550.00
George Burns	\$520.86
Joe Silk	\$615.40
Bill Woolsey	\$582.70
Ken Autry	\$655.74
Brent Franks	\$582.70
Deborah Cody	\$571.80
Perry Thompson, Jr.	\$558.18
Stacy Nichols	\$635.02



President

12-27-18

Date



Secretary/Treasurer

12-27-18

Date