

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo Oklahoma
January 30, 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 December 28, 2017 Board Minutes b. Authorization to Write off Uncollected Accounts for December 2016		<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. Credit Card Account Review	<i>Kooney Duncan Tiffany Hemsted</i>	<i>For Review</i>
8.	Attorney's Report	<i>Frank Wolf</i>	
9.	CEO Report a. Policy & Procedure Committee Report	<i>Kooney Duncan</i>	
10.	Executive Session Contracts & Legal Matters, Property Liability D & O Insurance		
11.	Action Items a. Property Liability D & O Insurance b. Timber Creek Trails Phase 6 c. 2018 Board Meeting Dates d. Touchstone Energy		
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 January 30, 2018

1. CALL TO ORDER and Roll Call

The following Trustees were present:

Brent Franks, District G	Stacy Nichols, District C
Joe M. Silk, District B	Bill Woolsey, District D
Mike Brewer, District H	Becky Franks, District E
George Burns, District A	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, Frank Wolf, with Rabon, Wolf and Rabon law firm, 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

George Burns gave the invocation. President Brent Franks led the Pledge of Allegiance.

3. Introduction of Guests

There were no guests present.

4. Consent Items

- a. Approval of December 28, 2017 Regular Board Meeting minutes.
- b. Authorization to Write-Off uncollected accounts for December 2016.

Mr. Burns made a motion to approve the December 28, 2017 Regular Board Meeting minutes and the December 2016 Write-Offs for uncollected accounts. The motion was seconded by Mr. Woolsey.

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

- Hochatown sub nearly complete
- Working on Revised Disaster plan and FEMA policy
- Researching options for an aerial cable system to span across Mt. Fork River at Broken Bow Dam.
- Tagging transformers and junction boxes in Hochatown developments for mapping.
- Clearing-out open work orders and revising and streamlining the Work-Order process.
- Staking is complete for an additional Hochatown development.
- GPS points for Hochatown developments are ongoing for our mapping system.

B. Right of Way and Service Quality

- Contract crews at Mt. River Sub Feeder 2 is nearly complete. Final inspections have begun on Sawyer Sub, Feeders 3 and 4. After some cleanup in a few areas contract crews will begin work on Sawyer Sub Feeders 1 and 2.
- Projected 2018 Right of Way contractor clearing will be from Rattan to Greenwood Road and Darwin to Greenwood Road. In-house Right of Way crews will be working to clear other essential portions of our CEC service area.

C. Safety and Technical Operations

- Choctaw Electric Cooperative is nearing a year without a lost time accident.
- Preparing for Safety Inspection. Being proactive in the months ahead and being ready for the inspection is being emphasized in safety meetings.
- Studying blink reports and identifying issues.

D. Customer Service and Billing

- Incoming calls taken for the month was 4,381, an average of 219 daily.
- Smithville Kiosk is currently on hold due to the internet connection. An upgrade is having to be installed.

E. Member Services

- Jia Johnson, Director of Public Relations has been working on the Strategic Plan for 2018. A meeting is to be scheduled in March, the date to be determined, with the Board of Trustees for review and evaluation of the Strategic Plan.
- Youth Tour and Energy Camp information and presentations is taking place in area schools.
- Member Appreciation Days are scheduled:
 - Wednesday, April 11 – Antlers
 - Thursday, April 12 – Hugo
 - Friday, April 13 – Idabel.
- Using the Consumption Report, the MRPR Department contacted 26 members concerning non-billed high usage. These calls have exhibited a positive response from our members.

6. Financial Report

Form 7, WFEC Power Bill

Tiffany Hempsted gave the December 2017 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 \$42,510,221
- Cost of Power \$25,368,743
- YTD Operations and Maintenance \$5,797,592
- Net Margins \$1,281,742
- December 2017 Revenue from Electric Sales \$3,517,344
- 12-Month Average Rolling Line Loss is 6.49%
- WFEC December Average cost per kWh \$0.0528
- Total number of meters 18,909
- YTD Equity Ratio 47.7%

After the report there was discussion about CEC's assets including items listed in Work Orders.

Mr. Duncan and Mrs. Hempsted communicated to the board this is a priority and assets are being identified through the revision of the Work Order process.

Review of Check Register

The check register was reviewed.

7. Quality Management Report **a. Credit Card Account Review**

Mr. Duncan advised the board of the credit card process and the procedure for making approved purchases.

8. Attorney's Report

Mr. Wolf advised the board he did not have anything to report.

9. CEO Report

Board Meeting Updates

- Craven Green of Raymond James will be at the February Board meeting to give a financial update.
- The requested changes are being finalized for the 2016 Form 990 and an amended return will be filed soon.

Current Activities

- WFEC will be replacing 154 wooden poles from Hugo to Tupelo due to Woodpecker damage. There will also be approximately 18 dead-end structures added for line stability. This will help protect structures from cascading during severe weather events.
- Staff met with NISC for a day at the Hugo office. NISC is CEC's Business Management Platform that manages our accounting, customer care and billing, smarhub, operations and technical services. This was an excellent meeting with a questions and answer session and one-on-one guidance. NISC is working to make the Work Order Process more efficient. NISC is scheduled to return for one week in May.
- Departments are continuing to meet and develop a Disaster Recovery Plan.
- Mr. Duncan advised the Board of the Strategic Plan and Individual Department Work Plans being created. He recommended a Special Board Meeting be scheduled in March with CEC employees in attendance for finalizing the Strategic Plan. The date for the Special Meeting will be determined and announced.

- A Workers Compensation Audit will be conducted January 31, 2018.
- A CEC Inventory and Pre-Audit was conducted.

Policy and Procedure Committee Report

CEC has developed the framework for CEC Policies. Mr. Duncan suggested a meeting be scheduled with CEC Board Policy Committee and the CEC Policy Committee to go over details of the policy revisions. A tentative date will be scheduled in February.

10. Executive Session

President Brent Franks announced the board would convene in Executive Session to discuss Contracts, Legal Matters and Property Liability D & O Insurance.

At 11:12 am, Mr. Autry made a motion to enter executive session.

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

At 12:12 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.

11. Action Items

a. Property Liability D & O Insurance

Mr. Burns made a motion to accept the proposal from Federated Insurance for Property, General Liability, Auto, Umbrella Liability Protection, Directors and Officers Liability, Crime and Cyber Protection.

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

The motion carried

b. Timber Creek Trails Phase VI.

Bid packets for Timber Creek Trails Phase VI, a 56-lot development was sent to 6 potential bidders January 4, 2018. The closing date for bids to be received was January 25, 2018. Cost estimate for

the total project is \$186,264.48. Construction-in-aid has been paid by the developer. Mr. Duncan recommended the bid be awarded to Imperium Utility Services based upon Work Order estimates and Labor bids submitted by the contractor.

Mr. Autry made a motion to award Timber Creek Trails Phase VI project to Imperium Utility Services.

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

The motion carried.

c. 2018 Board Meeting Dates

Dates for 2018 Board Meetings was reviewed. Regular scheduled Board Meetings are held on the last Tuesday of each month. In December the Tuesday meeting date is Christmas day.

Mr. Autry made a motion to move the December regular scheduled board meeting date to Thursday December 27, 2018.

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

The motion carried.

d. Touchstone Energy

Choctaw Electric is a currently a Touchstone Energy Co-op. Mr. Duncan presented some details concerning some benefits of being part of Touchstone Energy in addition to other options.

- CEC's members have access to the Coop Connection card that offers various savings and is typically used by our members for savings on prescriptions.
- The coop also uses the Touchstone Web builder that supports and hosts our current website.

Currently WFEC pays membership for Choctaw Electric totaling \$16,000 annually. In 2019 WFEC will possibly no longer pay the Touchstone Energy membership at which time Choctaw Electric will pay if we choose to continue membership.

Mr. Duncan advised the board there are excellent alternate pharmacy discounts cards available to our members. We will direct our members to these cards. Our website can be maintained internally using an alternate host. The internal maintenance and alternate host will have no effect on our web

address or webpage.

Mr. Duncan recommended Choctaw Electric no longer be a Touchstone Energy Partner.

Mr. Silk made a motion CEC end the partnership with Touchstone Energy.

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

The motion carried.

12. WFEC Report

Mr. Burns will give this report at the February meeting.

13. New Business

Mr. Burns requested new photos of the Board of Trustees be taken at the next board meeting.

Mr. Burns requested a Summary Sheet for CEC Loan Notes be made available for review at the February board meeting.

14. Adjourn

At 12:30 pm, Mr. Silk made a motion to adjourn. Mr. Nichols seconded the motion and affirmatively voted upon by all. The motion carried.

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

Mike Brewer	\$550.00
George Burns	\$64.20
Joe Silk	\$615.40
Norman Ranger	\$608.86
Bill Woolsey	\$582.70
Becky Franks	\$577.25
Ken Autry	\$602.87
Stacy Nichols	\$654.64
Brent Franks	\$582.70



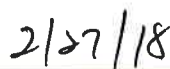
President



Date



Secretary/Treasurer



Date

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo Oklahoma
February 27, 2018 - 9:00 am
AGENDA

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3.	Introduction of Guests	<i>Brent Franks</i>	
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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. Loan Portfolio Review		
8.	Attorney's Report	<i>Frank Wolf</i>	
9.	CEO Report	<i>Kooney Duncan</i>	
10.	Executive Session Contracts, Legal Matters		
11.	Action Items a. Pine Hill North b. 2018 Right of Way Contracts c. Sawyer Feeder 1 and 2 d. Insurance Settlement for Flex Track e. Purchase Replacement Flex Track f. Purple Wave Auction Items g. Schedule Date for Strategic Planning Meeting		
12.	Raymond James Financial Review	<i>Craven Green</i>	
13.	OAEC Report	<i>Joe Silk</i>	
14.	WFEC Report	<i>George Burns</i>	
15.	New Business		
16.	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 February 27, 2018

1. CALL TO ORDER and Roll Call

The following Trustees were present:

Brent Franks, District G	Stacy Nichols, District C
Joe M. Silk, District B	Bill Woolsey, District D
Mike Brewer, District H	Becky Franks, District E
George Burns, District A	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, Frank Wolf, with Rabon, Wolf and Rabon law firm, 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

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

3. Introduction of Guests

Guests present were Choctaw Electric members;

Debbie Cody	Billie Felker
Scott Redlin	Misti Lytle

4. Consent Items

- a. Approval of January 30, 2018 Regular Board Meeting minutes.
- b. Authorization to Write-Off uncollected accounts for January 2017.

Mr. Autry made a motion to approve the January 30, 2018 Regular Board Meeting minutes. The motion was seconded by Mr. Brewer.

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

Authorization to Write-Off the uncollected accounts will be discussed under New Business

5. Department Reports

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

A. Service and Construction

- Construction crews worked several outages due to storms.
- Service crews worked a total of 424 cases.
- Two crews were sent to Southeastern Electric Coop to help with mutual aid storm damage.
- The Engineering department is continuing work on a Disaster Recovery Plan that meets FEMA guidelines.
- Continuing work on an aerial cable system to span across Mt. Fork River at Broken Bow Dam.
- Completed the RK Hall/Smith Stone Quarry line extension.
- Working on the Idabel Choctaw Nation Wellness Center expansion.

B. Right of Way and Service Quality

- Right of Way projects will be discussed under Action items.

C. Safety and Technical Operations

- Choctaw Electric Cooperative has had no lost time accidents in 343 days.
- DOT physicals took place.
- Working on some TWACS system issues.

D. Customer Service and Billing

- Ten accounts were filed in McCurtain County for Small Claims Action. CEC received a total of \$4,047.59 in judgments. Next month, year to date Small Claims totals will be available.
- There were 1507 48-hour cut-Off Notices/Courtesy Calls for billing cycles 1 – 4.

- Incoming calls taken for the month was 4,759, an average of 216 daily.

There was discussion concerning the procedure for disconnects and pay arrangements.

E. Member Services

- Continuing to distribute account number and location information for individual cabins in Hochatown. This process will help implement faster response time during an outage.
- The Blink Report is continuing.
- There were 55 high usage phone calls received and 18 energy audits.
- Using the Consumption Report, the MRPR Department contacted 30 members concerning non-billed high usage.

6. Financial Report

Form 7, WPEC Power Bill

Tiffany Hempsted gave the January 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 \$4,426,945
- Cost of Power \$2,666,206
- Operations and Maintenance \$538,271
- Administration and General Expense \$203,197
- Interest on LTD \$191,979
- Patronage Capital and Operating Margins \$303,718
- Residential, Industrial and Seasonal sales are up
- Our customer base increased by 210 members.
- Revenue from electric sales \$4,564,263
- Total number of meters 18,950
- YTD Equity Ratio 47.5%
- 12-Month Average Rolling YTD Line Loss 6.82%

Mr. Franks inquired if there were any questions before proceeding to the Quality Management Report. As there were no questions Mr. Duncan and Mrs. Hempsted proceeded with the Loan

Portfolio Review.

7. Quality Management Report

a. Loan Portfolio Review

Mr. Duncan and Mrs. Hempsted presented a summary on long-term and short-term debt. In 2014 the total CEC debt was \$70,513,839.05. In 2017 the total debt has been reduced by \$17,632,582.11 or 25%.

Mr. Duncan described how monies have been used for projects to increase reliability to our members. He described how we are not only paying down debt, CEC is working and growing.

- Hochatown substation upgrade
- In-house Right-of-Way spray crew and equipment
- Paying Estate and Unclaimed capital credits
- Over \$2 million in projects and improvements in 2017.
- At End-of-Year 2012, the total number of full-time employees was 86. End-of-Year 2017, there were 67 full-time employees.
- Hochatown growth and development.

Review of Check Register

After the Quality Management Report Mr. Burns made a motion to return to Item number 6d. Review of the Check Register. The motion was seconded by Mr. Silk.

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

Mrs. Franks asked for clarification of some items in the check register. Mr. Duncan and Mrs. Hempsted clarified the checks in question.

8. Attorney's Report

Mr. Wolf advised the board he did not have anything to report.

9. CEO Report

Current Activities

- Mr. Duncan attended the OAEC Directors Association Meeting, as did Mr. Silk, Mr. Autry. And Mr. Franks. Cooperative governance was the highlight of the meeting and in what way cooperatives can be proactive.
- Departments are continuing to meet and develop a Disaster Recovery Plan.
- Mr. Duncan advised the Board of the Strategic Plan and Individual Department Work

Plans that is near completion. Special Board Meeting will be scheduled in March with CEC employees finalizing the Strategic Plan. The date for the Special Meeting will be determined under Action Items.

- Bid packets have been sent for replacing 257 poles at Nashoba Feeder 1 and 3.
- CEC staff are continuing to make adjustments to the Work Order Process and documentation.
- The framework for CEC policies has been developed. The first meeting with committee took place in February. Mr. Duncan would like to schedule another meeting with the committee sometime in March.

10. Executive Session

President Brent Franks announced the board would convene in Executive Session to discuss Contracts, Raymond James and Legal Matters.

At 10:57 am, Mr. Burns made a motion to enter executive session.

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

At 11:22 am, 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

a. Pine Hill North

Bid packets for Pine Hill North, a 48-lot development was sent to 5 potential bidders January 31, 2018. The closing date for bids to be received was February 21, 2018. Cost estimate for the total project is \$166,130.88. Construction-in-aid has been paid by the developer. Mr. Duncan recommended the bid be awarded to Imperium Utility Services based upon Work Order estimates and Labor bids submitted by the contractor.

Mr. Ranger made a motion to award Pine Hill North project to Imperium Utility Services based upon Work Order estimates and Labor bid from the contractor.

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

The motion carried.

b. 2008 Right-of-Way Contracts

The 2018 Right-Of-Way Clearing is approximately 200 miles located around Rattan Sub Feeder 1 and Darwin Sub Feeder 2. Bid packets were sent to 5 potential bidders January 12, 2018. The closing date for bids to be received was February 9, 2018. Mr. Duncan recommended the bid be awarded to Riggs Tree Service based upon pricing.

Mrs. Franks made a motion to award the 2018 Right-of-Way Clearing project to Riggs Tree Service. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all.

The motion carried.

c. Sawyer Feeder 1 and 2

Mr. Duncan requested authorization to seek a contract release from the current Right-of-Way contractor clearing Sawyer Sub. Feeders 3 and 4 are complete. It has been about a month and a half since any Right-of-Way work has taken place by the contractor. The reason being a shortage of workers. The contractor indicated work will resume no later than March 31, 2018 on Feeders 1 and 2. The cost for the reaming project is \$185,900.

Mr. Brewer made a motion to authorize Mr. Duncan to move forward with another qualified Right-of-Way contractor upon contract release form the current contractor and complete the remaining work on Sawyer Sub Feeder 1 and 2 for the contract not to exceed the amount of \$185,900.

The motion was seconded by Mrs. Franks. The motion was affirmatively voted upon by all.

The motion carried.

d. Insurance Settlement for Flex Track

In July 2017 the Choctaw Electric Flex Track Digger and trailer slid in the ditch caused by the asphalt caving in due to the recent floods. Insurance settlement was negotiated with Zurich.

Mr. Duncan recommended accepting the Insurance Settlement Proposal from Zurich for \$201,000 minus \$1,000 deductible.

Mr. Nichols made a motion to accept the Insurance Settlement from Zurich for \$201,000 minus \$1,000 deductible.

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

The motion carried.

e. Purchase Replacement Flex Track

Choctaw Electric leased a 2016 Flex Track Digger August 2017 with an option to purchase at an estimated cost of \$269,000. In the last few weeks there have been some electrical issues with the Flex Track Digger. Mr. Duncan recommend two options for replacement of the Flex Track Digger.

Option 1 – Purchase the current Flex Track Digger if electrical issues can be resolved.

Option 2 – If electrical issues cannot be resolved, purchase a new unit with purchase prices being brought to Board for approval.

Mr. Ranger made a motion to research and test the Track Diggers electrical issues for on-going and problematic repairs and have purchase prices for a new replacement unit available at the next board meeting.

The motion was seconded by Mrs. Franks. The motion was affirmatively voted upon by all.

The motion carried.

f. Purple Wave Auction Items

Mr. Duncan recommended auctioning surplus vehicles and several pieces of equipment using Purple Wave online auction.

Mr. Autry made a motion to use Purple Wave online auction to sell the equipment.

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

The motion carried.

g. Schedule Date for Strategic Planning Meeting

Several dates were discussed to schedule the 2018 Strategic Planning Meeting with the Board and CEC Department Supervisors.

Mr. Autry made a motion the 2018 Strategic Planning Meeting take place Tuesday, March 6, 2018 at 12:00 p.m. in the Board Room at the Hugo office.

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

The motion carried.

12. Raymond James Financial Review

Craven Green, Investment Executive, and his associate, George Wolf, gave the board a review of investment performance with Raymond James Financial Services.

13. OAEC Report

Mr. Silk gave a report on the OAEC Directors Meeting held in Oklahoma City in February. Mr. Duncan, Mr. Franks and Mr. Autry also attended the meeting.

The Fund Raiser banquet for the Oklahoma Energy Trails Project raised \$36,000. This OAEC International project is a model for the nation and OAEC will be partnering with a Colorado electric cooperative for the next mission to Guatemala.

Out of the Gate Legislative Event and other workshops were excellent and very informative.

14. WFEC Report

Mr. Burns gave a report on the R-16 tariff.

15. New Business

- a. A motion was made by Mr. Silk to rescind the approval of the December 2016 Uncollectable Write-Off Accounts that was made at the January 30, 2018 board meeting.

The motion was seconded by Mr. Nichols.

The motion was affirmatively voted upon by all.

The motion carried.

- b. Mr. Burns requested a Timeline of Corrections since the new board has been seated. A committee was appointed:

George Burns	Mike Brewer	Bill Woolsey
Becky Franks	Joe Silk	

The committee will research the corrections and have a report at the March board meeting.

Adjourn

At 2:15 pm, Mr. Ranger made a motion to adjourn. Mrs. Franks seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

Board Expenses Reported February 1, 2018 to February 28, 2018

Mike Brewer	\$600.00
George Burns	\$65.40
Joe Silk	\$984.63
Norman Ranger	\$608.86
Bill Woolsey	\$582.70
Becky Franks	\$577.25
Ken Autry	\$705.74
Brent Franks	\$732.70
Stacy Nichols	\$635.02



President

3-27-18

Date



Secretary/Treasurer

3/27/18

Date

CHOCTAW ELECTRIC COOPERATIVE
Special Board Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo Oklahoma
March 6, 2018 - 12:00 pm

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.	2018 Strategic Plan	Kooney Duncan
5.	Adjournment	

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

Special Meeting Minutes of the Board of Trustees

The special meeting of the Board of Trustee of Choctaw Electric Cooperative (CEC) was held in the Board Room of the Cooperative in Hugo, Oklahoma on March 6, 2018. Notice of the meeting was duly exercised per the Bylaws.

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 12:05 p.m.

Choctaw Electric Cooperative staff present:

CEO, Kooney Duncan

Chief Financial Officer, Tiffany Hempsted

Executive Assistant, Jennifer Boling

Right of Way & Staking Supervisor, Darin Kirkes

Operations Supervisor, Mike Mahaffey

Engineering Supervisor, Jake Johnson

Director Safety & Loss Control, Guy Dale

Customer Service Supervisor, Hilary Pound

Director of Public Relations, Jia Johnson

2. Introduction of Guests

Guests present were Choctaw Electric members;

Debbie Cody

Judy Bell

Robert Moffatt

3. 2018 CEC Strategic Plan

Mr. Franks gave the floor to Mr. Duncan who then presented the Core Competencies and Key Focus Areas of the 2018 CEC Strategic Plan. These areas included Safety and Security, Financial Balance, Keeping the Lights on, Member focus and Connecting Employees.

Members of the CEC staff presented the objectives in their department focus areas. There was considerable discussion, questions and answers between the board and CEC staff.

The 2018 Work Plan recommendations were provided to board members for review and consideration. Their proposals will be discussed at the next board meeting in March.

Adjourn

Prior to adjournment, Mr. Franks was excused to leave the meeting and Mr. Silk presided. At 3:30 pm Mr. Ranger made a motion to adjourn. Mr. Burns seconded the motion. The motion was affirmatively voted upon by all. The motion carried.



President

3-27-18

Date



Secretary/Treasurer

3/27/18

Date

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March 27, 2018 - 9:00 am

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3.	Introduction of Guests	<i>Brent Franks</i>	
4.	Consent Items a. Approval of February Regular Board Meeting Minutes b. Approval of March Special Board Meeting Minutes c. Authorization to Write off Uncollected Accounts for December 2016 d. Authorization to Write Off Uncollected Accounts for February 2017		<i>Action</i> <i>Action</i> <i>Action</i> <i>Action</i>
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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>	
8.	CEO Report	<i>Kooney Duncan</i>	
9.	Executive Session Contracts, Financials & Legal Matters		
10.	Action Items a. CEC Property Lease b. Policy Committee – Policy Layout Approval c. Pole Replacement Contract	<i>Jen Parker</i>	
13.	WFEC Report	<i>George Burns</i>	
14.	New Business		
15.	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 March 27, 2018

1. CALL TO ORDER and Roll Call

The following Trustees were present:

Brent Franks, District G	Stacy Nichols, District C
Joe M. Silk, District B	Bill Woolsey, District D
Mike Brewer, District H	Becky Franks, District E
George Burns, District A	Norman Ranger, District F
	Ken Autry, District I

There being a quorum present, President Brent Franks presided and called the meeting to order at 9:06 a.m.

Co-op Attorney, Frank Wolf, with Rabon, Wolf and Rabon law firm, 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

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

3. Introduction of Guests

Choctaw Electric member Debbie Cody was present.

4. Consent Items

- a. Approval of February 27, 2018 Regular Board Meeting Minutes.
- b. Approval of March 6, 2018 Special Board Meeting Minutes
- c. Authorization to Write-Off uncollected accounts for December 2016.
- d. Authorization to Write-Off uncollected accounts for February 2017.

Mr. Woolsey made a motion to approve the February 27, 2018 Regular Board Meeting minutes,

the March 6, 2018 Special Board Meeting Minutes, and to Write-Off uncollected accounts for December 2016 and February 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

- Moving forward on the Nolia Loop ODOT road move project.
- Construction contractors have begun work on Timber Creek Trails South Phase VI development.
- Crews are in the Smithville and Kiamichi Wilderness area working to identify and locate issues that may be causing blinks.
- East and West service crews worked 395 cases.
- Two construction crews worked storm damage at Southeastern Electric Co-op for 4 days.
- CEC construction crews worked storm damage in our service area for 2 days.

B. Right of Way and Service Quality

- CEC Right-of-Way crews have nearly completed clearing Valliant Substation Feeder 1.
- Contract Right-of-Way crews are nearing completion of Mt. River substation Feeder 3.
- Contract crews have been in the Rattan area.

C. Safety and Technical Operations

- Choctaw Electric Cooperative has had no lost time accidents in 370 days.
- Blink reports are being monitored.
- Mr. Duncan gave a Safety Update presentation that included OSHA statistics and the emphasis of Safety Culture within the CEC Safety Program.

D. Customer Service and Billing

- Small Claims Action update was given.
- Incoming calls taken for the month was 4,393, an average of 220 daily.
- The Smithville kiosk is in place and payments are being made at that site.

- A total of 4,177 CEC members have been served at the Hugo, Idabel and Antlers offices.
- There are 4,444 CEC members using Smarthub.

E. Member Services

- The Washington D. C. Youth Tour recipients have been chosen:
 - Katelyn Lofton, Antlers
 - Serenity McGuire, Broken Bow
 - Kasey Alford, Haworth
- The Energy Camp recipients have been chosen
 - Ember Gregg, Rattan
 - Isaac McNutt, Antlers
 - Jordon Jones, Haworth
- The new and revised CEC webpage is complete at www.choctawelectric.coop.
- Member Appreciation Days are scheduled. The hours are from 10:00 am to 2:00 pm.
 - April 11, Antlers
 - April 12, Hugo
 - April 13, Idabel.

6. Financial Report

Form 7, WFEC Power Bill

Tiffany Hempsted gave the February 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 \$8,750,772
- Cost of Power \$4,895,285
- Operating Margins YTD \$1,088,278
- Net Margins YTD \$1,099,460
- Total Revenue from Electrical Sales \$4,373,446
- WFEC kWh Purchased 38,719,366
- Total number of Active Services, 18,955
- YTD Equity Ratio 48.1%

7. Quality Management Report

a. Timeline of Seated Board Action

Mr. Burns indicated the report is in progress and will be given at an upcoming board meeting.

8. Attorney's Report

Mr. Wolf advised the board his report would be given during Executive Session

9. CEO Report

Current Activities

- The Board of Trustees has been invited to attend the WFEC board or committee meeting May 15 and 16, 2018.
- Choctaw Electric hosted the Oklahoma Southeast meeting March 14th.
- The Accounting and Billing Departments are preparing for the 2017 audit.
- Mr. Duncan briefly discussed the Strategic Plan. Board members were asked to provide recommendations at the next board meeting and review the CEC Vision and Mission Statements.
- Staff continue to development and improve the Work Order process and documentation.
- Board members were encouraged to attend Member Appreciation Days being held in Hugo, Idabel and Antlers.
- Improvements at the Antlers office are continuing; Fiber optic being run to the building and an additional cashier window is being installed.

10. Executive Session

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

At 11:01 am, Mr. Autry made a motion to enter executive session.

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

Contracts discussed pursuant to the CEC By-Laws.

At 11:51 am, Mr. Autry made a motion to exit executive session.

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

The meeting was reconvened in regular session.

11. Action Items

a. CEC Property Lease

CEC property located northwest of CEC Hugo office has been leased to a livestock owner on a year by year basis. The yearly lease will expire in June and the livestock owner has requested to renew the lease.

Mrs. Franks made a motion upon contract approval by Frank Wolf, to renew the lease for a one-year term, that would expire June 6th, 2019, and the lessee will be responsible for furnishing material and labor to maintain fences and roads in lieu of a cash payment.

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

The motion carried.

b. Policy Committee, Policy Layout Approval – Jen Parker

Mrs. Parker informed the board of current CEC policy and procedures. She explained the importance of complying with state and federal laws and not contradicting other documents. A committee was formed to evaluate, revise and reformat the existing policies and procedures. A new layout has been formulated to place policies under appropriate headings:

- Governing Policies
- Member Policies
- Board of Trustees Policies
- Employee Policies
- Finance Policies
- Operations Policies

Beginning at the April board meeting and each month thereafter the committee will present policy revisions for approval through December.

Mr. Ranger made a motion to accept the recommended new layout of policies as presented.

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

The motion carried.

c. Pole Replacement

Mr. Burns made a motion to table action for the Pole Replacement contract to a later date.

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

The motion carried.

12. WFEC Report

Mr. Burns included the WFEC Financial Report for the board to review. He gave details about the WFEC Electric Vehicle presentation taking place at OAEC on Thursday April 5.

13. New Business

Mr. Burns expressed interest in attending the Cobank Energy Directors Conference in Colorado Springs in July. If allowed to attend, Mr. Burns stated he would not charge per diem.

Mrs. Franks made a motion that Mr. Burns be allowed to attend the Cobank Energy Directors Conference in Colorado Springs in July.

The motion was seconded by Mr. Franks

The motion was affirmatively voted upon by all.

The motion carried.

14. Adjourn

At 12:20 pm, Mr. Nichols made a motion to adjourn. Mrs. Franks seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

Board Expenses Reported March 1, 2018 to March 31, 2018

Mike Brewer	\$600.00
George Burns	\$130.80
Joe Silk	\$730.80
Norman Ranger	\$717.72
Bill Woolsey	\$665.40
Becky Franks	\$654.50
Ken Autry	\$704.64
Brent Franks	\$665.40
Stacy Nichols	\$770.04



President

4-24-18

Date



Secretary/Treasurer

4-24-18

Date

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo Oklahoma
April 24, 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 <ul style="list-style-type: none"> a. Approval of March 2018 Regular Board Minutes b. Authorization to Write off Uncollected Accounts for March 2017 		<i>Action Action</i>
5.	Department Reports <ul style="list-style-type: none"> a. Service & Construction b. ROW & Service Quality c. Safety & Technical Operations d. Customer Service & Billing <ul style="list-style-type: none"> • Small Claims Update e. Member Services 	<i>Kooney Duncan</i>	
6.	Financial Reports <ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> a. Timeline of Seated Board Action 	<i>George Burns</i>	
8.	Attorney's Report	<i>Frank Wolf</i>	
9.	CEO Report <ul style="list-style-type: none"> • Purple Wave Equipment Auction Update 	<i>Kooney Duncan</i>	
10.	Executive Session Contracts, Legal Matters		
11.	Action Items <ul style="list-style-type: none"> a. Policy committee – Policy Update 	<i>Jennifer Parker</i>	<i>Action</i>
12.	Resolutions <ul style="list-style-type: none"> a. 2018.01 Regarding Signatures of Checks b. 2018.02 Energize Credit Union Cash Management Services c. 2018.03 First United Bank Account Management d. 2018.04 First Bank Account Management e. 2018.05 Idabel National Bank Account Management f. 2018.06 Raymond James 		<i>Action Action Action Action Action</i>
13.	OAEC Report	<i>Joe Silk</i>	
14.	WFEC Report	<i>George Burns</i>	
15.	New Business <ul style="list-style-type: none"> a. Outage Communications 	<i>Ken Autry</i>	
16.	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 April 24, 2018

1. Call to Order and Roll Call

The following Trustees were present:

Brent Franks, District G	Stacy Nichols, District C
Joe M. Silk, District B	Bill Woolsey, District D
Mike Brewer, District H	Norman Ranger, District F
George Burns, District A	Ken Autry, District I

Becky Franks, District E was absent.

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

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

3. Introduction of Guests

Mr. Franks welcomed Choctaw Electric members present:

Debbie Cody, Angie Smith and Judy Bell.

4. Consent Items

- a. Approval of March 2018 Regular Board Meeting Minutes.
- b. Authorization to Write-Off uncollected accounts for March 2017.

Mr. Burns made a motion to approve the March 27, 2018 Regular Board Meeting minutes, and to Write-Off uncollected accounts for March 2017. The motion was seconded by Mr. Nichols. 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

- Discussing Right of Way easement with a State engineer for the Nolia Loop ODOT road move project.
- Construction contractors continuing work on Timber Creek Trails South Phase VI development.
- Repaired and replaced electronic control modules at Tyson Foods.
- Took part in FEMA training.
- East and west service crews worked 553 cases
- Construction crews complete a total of 37 projects including bad pole change outs, outages and retiring idle services.
- Line contractor work began on Timber Creek Trails South Phase 5 development in Hochatown.

B. Right of Way and Service Quality

- Contract Right-of-Way crews began working on the Rattan Sub Feeder 1. Crews cleared 10.07 miles covering 18.12-line miles. The Mt. River Sub Feeders 2 and 3 are nearly complete.
- CEC Right-of-Way machine crew moved from Valliant Sub due to wet conditions and began work in North Bethel area consisting of Wild Horse Mountain clearing 3 phase.

C. Safety and Technical Operations

- Choctaw Electric Cooperative has had no lost time accidents in 398 days.
- Blink reports continue to be being monitored.
- Changed out several meters due to lightening events.
- Right-of-Way applicator handling and application training is scheduled.

D. Customer Service and Billing

- Small Claims Action update and report was given by Mr. Duncan.
- Incoming calls taken for the month was 4,320, an average of 206 daily.
- The difference in startup costs for Prepaid and Standard billing was given

E. Member Services

- Member Appreciation Days was a successful event. Mr. Duncan and Board members commended the CEC employees for their hard work for each of these events.
- CEC Loan Summary was given and there was some discussion on the Energy Efficient and Small Appliance Loan process. The process will be reviewed at the next board meeting.
- Area Chamber of Commerce meetings are being attended by department staff.
- Energy Audits continue.

6. Financial Report

Form 7, WFEC Power Bill

Tiffany Hempsted gave the March 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 \$12,345,900
- Cost of Power \$6,933,776
- Operating Margins YTD \$1,221,267
- Form 7 YTD Operating and Maintenance Expenses \$1,452,202
- YTD Operating Margins \$1,221,267
- YTD Net Margins \$1,247,116
- Total Revenue from Electrical Sales \$3,491,182
- WFEC kWh Purchased 35,945,899
- Total number of Active Services, 18,970
- Cash Management Beginning Balance \$1,109,767, Ending Balance \$1,697,729
- YTD Equity Ratio 48.6%
- CFC Long Term Debt decreased

7. Quality Management Report

a. Timeline of Seated Board Action

Mr. Burns indicated the report is in progress and will be given at an upcoming board meeting.

8. Attorney's Report

Mr. Wolf advised the board his report would be given during Executive Session

9. CEO Report

Current Activities

- Mr. Duncan gave a presentation on the Purple Wave Equipment Auction. Estimated sales were \$209,300, the actual sales at auction was \$258,450. The auction site receives a \$100 per item lot fee and a 4% commission.
- A Lineman and Employee Appreciation Luncheon is scheduled April 27 at 11:30 at the Hugo Office. Board members are also invited.
- Mr. Duncan attended the Electric Vehicle meeting conducted by WFEC.
- Member Appreciation took place at each office location. CEC staff and board members had a great time visiting with our members.
- The 2017 Financial Audit is complete and will be presented at the May board meeting.
- CEC Bylaws are being reviewed by an outside firm. The review and recommendations will be given the first week in May.
- Year to date Estate Capital credit issued \$72,310.57.

- CEC Staff Committees continue:
 - To develop procedures for disaster preparedness plan.
 - Framework for CEC Policies

Since the Strategic Planning meeting was held in March, Mr. Duncan asked board members if there were any recommendations for the 2018 plan and to review the CEC Vision and Mission Statements.

A poll was taken as to Mission Statement recommendations.

Current Mission Statement – None

New Mission Statement – 8

Action will be taken at the May Board meeting on the recommendation.

10. Executive Session

Mr. Woolsey made a motion to move Executive Session down the agenda to take place before the OAEC Report. The motion was seconded by Mr. Burns.

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

11. Action Items

a. Policy committee – Policy Update

No action taken. Policy will be reviewed with the Policy Committee.

12 Resolutions

Each resolution updates CEC staff and board members information.

a. 2018.01 Regarding Signatures of Checks

Mr. Ranger made a motion to approve Resolution 2018.01 Regarding Signatures of Checks. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The Motion carried

b. 2018.02 Energize Credit Union Cash Management Services

Mr. Silk made a motion to approve Resolution 2018.02 Energize Credit Union Cash Management Services. The motion was seconded by Mr. Brewer. The motion was affirmatively voted upon by all. The Motion carried

c. 2018.03 First United Bank Account Management

Mr. Woolsey made a motion to approve Resolution 2018.03 First United Bank Account Management Services. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The Motion carried.

d. 2018.04 First Bank Account Management

Mr. Ranger made a motion to approve Resolution 2018.04 First Bank Account Management. The motion was seconded by Mr. Silk. The motion was affirmatively voted upon by all. The Motion carried

e. 2018.05 Idabel National Bank Account Management

Mr. Burns made a motion to approve Resolution 2018.05 Idabel National Bank Account Management. The motion was seconded by Mr. Ranger. The motion was affirmatively voted upon by all. The Motion carried

f. 2018.06 Raymond James

Mr. Nichols made a motion to approve Resolution 2018.06 Raymond James Cash and Margin Short Sale Account Management. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The Motion carried

10. Executive Session (Rearranged on Agenda as per motion above)

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

At 11:15 am, Mr. Autry made a motion to enter executive session. The motion was seconded by Mr. Woolsey. The motion carried.

Legality of By Laws discussed.

At 12:17 pm, 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.

13. OAEC Report

Mr. Silk reported on the OAEC Annual Meeting that took place April 2 in Oklahoma City.

14. WFEC Report

Mr. Burns included the WFEC SWAP Report for the board to review.

There was some discussion about the Electric Vehicles and charging stations.

Also included in the report was an update on the wildfires in northwest Oklahoma.

15. New Business

a. Outage Communications

Guy Dale, Safety Coordinator and Jia Johnson, Director of Public Relations was present during discussions to answer any questions or concerns. Mr. Duncan and Mr. Dale emphasized safety of our linemen is top priority. Outage updates are posted on the CEC Facebook page every 2 hours. Members are encouraged to report outage using Smarthub and monitor the CEC website and Facebook page to stay informed. Board members exchanged frank and cordial views among themselves concerning CEC outage communications on CEC Facebook page. After substantial discussion regarding outage communications it was determined that CEC staff is doing a fine job of communicating outage information to our members but will always consider methods to improve upon.

Adjourn

At 1:45 pm Mr. Nichols made a motion to adjourn. Mr. Woolsey seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

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

Mike Brewer	\$550.00
George Burns	\$65.40
Joe Silk	\$984.63
Norman Ranger	\$608.86
Bill Woolsey	\$582.70
Becky Franks	\$0.00
Ken Autry	\$602.32
Brent Franks	\$582.70
Stacy Nichols	\$635.02



President

5-29-18

Date



Secretary/Treasurer

5/29/18

Date

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 & 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



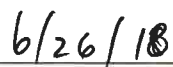
President



Date



Secretary/Treasurer



Date

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo Oklahoma
June 26, 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 a. Youth Tour report Katelyn Lofton, Kasey Alford, Serenity McGuire	<i>Brent Franks</i>	
4.	Consent Items a. Approval of May 29, 2018 Board Minutes b. Authorization to Write off Uncollected Accounts for May 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. CEC Donation Process	<i>Kooney Duncan</i>	
8.	Attorney's Report	<i>Frank Wolf</i>	
9.	CEO Report	<i>Kooney Duncan</i>	
10.	Executive Session Personnel, Contracts, Legal Matters		
11.	Action Items a. Current Rate Approval – Corporation Commission b. Capital Credit General Retirement Approval c. Right-of-Way Contracts d. Purple Wave Update e. Policy Action f. New Bill Format	<i>Mike Brewer & Jen Parker</i>	
12.	OAEC Report	<i>Joe Silk</i>	
13.	WFEC Report	<i>George Burns</i>	
14.	New Business		
15.	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 Trustees of Choctaw Electric Cooperative (CEC) was held in the Board Room of the Cooperative in Hugo, Oklahoma on June 26, 2018

1. Call to Order and Roll Call

The following Trustees were present:

Brent Franks, District G	Stacy Nichols, District C
Joe M. Silk, District B	Bill Woolsey, District D
Mike Brewer, District H	Becky Franks, District E
George Burns, District A	Norman Ranger, District F
	Ken Autry, District I

There being a quorum present, President Brent Franks presided and called the meeting to order at 9:07 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 Debbie Cody, and Judy Bell.

Jia Johnson, Director of Public Relations introduced the Washington D.C. Youth Tour winners. Kasey Alford, Katelyn Lofton, and Serenity McGuire. The students shared some of the highlights of their trip and thanked the Board of Trustees for the opportunity.

4. Consent Items

A. Approval of May 2018 Regular Board Meeting Minutes.

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

Mr. Burns made a motion to approve the May 29, 2018 Regular Board Meeting minutes, and to Write-Off uncollected accounts for May 2017. The motion was seconded by Mr. Silk. 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

- Work continues at Broken Bow Dam Spillway Project.
- Jacob Johnson had been working on FEMA storm reimbursements for the Pushmataha County area that for an estimated \$32,000. CEC was notified a few days ago that Pushmataha was not included in the Presidential Declaration for FEMA reimbursements for storm damage.
- East and west service crews worked 432 cases.
- Working with the US Forestry Service concerning an easement for a new development.

B. Right of Way and Service Quality

- CEC Right-of Way crews working in the Raymond Gary Lake area.
- Contract crews completed Woody Pace Road including east of the Crossroads Grocery.
- The Sawyer Sub should be completed by mid-June.

C. Safety and Technical Operations

- Working with Pine Telephone with fiber installation that will help with substation communication.
- No lost time accidents for 461 days
- Three-phase meter testing

D. Customer Service and Billing

- Kiosk payment activity; 301 payments.
- A total of 4,355 incoming calls were taken
- Continue to monitor tampering

E. Member Services

- Key Account visits took place
- Kilowatt Kids Camp in Idabel and Hugo
- Peak Alerts began June 20th. Notifications will be announced on local radio, CEC Facebook page, website and Smarthub.
- Participated in Owa-chito Festival
- Attended Economic Development Meetings in Broken Bow

6. Financial Report

Form 7, WFEC Power Bill

Tiffany Hempsted gave the May 2018 Financial Presentation.

- The Form 7
 - YTD Revenue \$18,832,648

- YTD Net margins \$1,580,343
- May Revenue from Electric Sales \$3,267,762
- WFEC Cost of Power
 - May kWh Purchased 38,780,736
 - May Power Cost \$2,079,221
 - May Average Cost per kWh \$0.0536

7 Quality Management Report

A. CEC Donation Process

Mr. Duncan presented the Donation procedures, guidelines and eligibility for Community Donations and Work Donations requests.

Approved donation requests will be presented to the board each month.

8. Attorney's Report

Mr. Wolf advised he did not have a report.

9. CEO Report

Current Activities

- Discussed the Live Well Program
- Working with an attorney reviewing Bylaws.
- Mr. Duncan attended a Southeast Oklahoma Economic Development meeting conducted by The Choctaw Nation. Choctaw Nation will be providing a report for promoting and develop economic opportunities in the area.
- Met with a USDA Representative of Telecommunications to discuss Broadband over Powerlines.
- Year to Date Capital Credits paid \$124,927
- Worked with Pine Cellular to install Fiber at the Bethel Substation for better communications.
- Reviewed CEC's current Rate Schedules for consistency in language. This does not affect rates.

Following the CEO Report Mr. Brewer made a motion to hear Actions Items before convening in Executive Session. The motion was seconded by Mr. Ranger. The motion was affirmatively voted upon by all.

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

A. Current Rate Approval – Corporation Commission

Mr. Duncan presented the language revisions in the CEC Rate Schedules. This will not affect rates. Language revision only for clarification.

Mr. Autry made a motion to approve the current CEC Rate Schedule language revisions.
The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The Motion carried.

B. Capital Credit General Retirement Approval

Mr. Brewer made a motion to approve a Capital Credit General Retirement for CEC 1988 Patronage Allocation of \$764,728.04 and WFEC 1993 Patronage Allocation for \$127,997.30 totaling \$892,725.34 to be paid in August 2018.

The motion was seconded by Mr. Burns. The motion was affirmatively voted on by all.

C. Right-of-Way Contracts

Mr. Nichols made a motion to accept the Right-of-Way bid from Kenny's Dozer Service for clearing Right-of-Way at Haworth Substation Feeder 1 and 2 and Feeder 4 (partial) in the Pleasant Hill area totaling approximately 147.91 miles.

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

D. Purple Wave Update

No action taken.

E. Policy Action

Mr. Duncan presented the Employee Policy Revisions that included Terms and Condition of Employment, Equal Opportunity and Workplace Harassment. CEC Staff recommended Employee Policy revisions be approved.

After some discussion Mr. Woolsey made a motion to accept the Employee Policy Revisions with added language that encourages employees to report Workplace Harassment incidents as soon as possible.

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

F. New Bill Format

Mr. Duncan presented the proposed redesign on the CEC Electric Bill.

- Meter Charge changed to Base Service Charge
- WFEC PCA changed to Power Cost Adjustment
- Graphs and Comparison charts added

- Explanation of Charges will be included on the back of the bill

CEC staff recommends approval of the proposed New Bill Format.

After some discussions Mr. Nichols made a motion to accept the New Bill Format. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The motion carried.

10. Executive Session

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

At 11:32 am, Mr. Ranger made a motion to enter executive session. The motion was seconded by Mr. Autry. The motion carried.

At 12:52 pm, Mr. Burns made a motion to exit executive session. The motion was seconded by Mr. Woolsey. The motion carried.

The meeting was reconvened in regular session.

11. OAEC Report

Mr. Silk gave a brief report that included Shoot for the Nations, a sporting clay shoot event that benefits the Oklahoma Energy Trails Foundation.

12. WFEC Report

Mr. Burns gave a brief report and directed the board attention to the WFEC information included in the Board packets.

13. New Business

Mr. Autry inquired about new poles being used for replacement. There was also some discussion on wind turbines being installed in northern Pushmataha County.

14. Adjourn

At 1:53 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 June 1, 2018 to June 30, 2018

Mike Brewer	\$550.00
George Burns	\$65.40
Joe Silk	\$965.01
Norman Ranger	\$608.86
Bill Woolsey	\$582.70
Becky Franks	\$577.25
Ken Autry	\$602.32
Stacy Nichols	\$635.02
Brent Franks	\$582.70



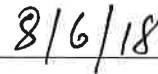
President



Date



Secretary/Treasurer



Date

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo Oklahoma
August 28, 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 July 31, 2018 Board Minutes b. Authorization to Write off Uncollected Accounts for July 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 Annual Meeting Update	<i>Kooney Duncan</i> <i>Jia Johnson</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. Property, General Liability Insurance	<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		
11.	Action Items a. Proposed Bylaw Amendment b. Policy Action and Review c. CEC Energy Efficient Loan Approval	<i>Mike Brewer & Jen Parker</i>	
12.	OAEC Report	<i>Joe Silk</i>	
13.	WFEC Report	<i>George Burns</i>	
14.	New Business		
15.	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 August 28, 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
Norman Ranger, District F
Ken Autry, District I

Becky Franks was absent

There being a quorum present, President Brent Franks presided and called the meeting to order at 9:01 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 CEC members, Perry Thompson, Jr., Judy Bell, Billie Felker and Debbie Cody.

4. Consent Items

A. Approval of July 2018 Regular Board Meeting Minutes.

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

Mr. Ranger made a motion to approve the July 31, 2018 Regular Board Meeting minutes, and to Write-Off uncollected accounts for July 2017. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The Motion carried.

Following approval of the consent items Mr. Duncan advised the Board that Write-offs have decreased due to the board policy being in place.

5. Department Reports

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

A. Service and Construction

- Pole replacement at the Broken Bow Dam Spillway should begin the first week of September.
- Second quarter work order inspection are complete
- East side construction crews spent time cutting trees and maintenance work at the Smithville Feeder 2 Bethel Sub to stop blinking issues.
- CEC crews are spraying in Rufe and on One Creek Valley Road.

B. Right of Way and Service Quality

- CEC Right-of-Way crews are having cut approximately 14.6 miles at the Valliant Sub Feeder 2, which includes south of Ft. Towson and the Colley Loop area west of Highway 109.
- Contract crews continue working on Rattan Sub Feeder 1. Crews have cut 8.65 miles, clearing 14.28 miles of line. Going south of Crossroad Grocery and north of Highway 3 on Ethel Road.
- Contract crews began working on Haworth Sub Feeder 1 starting south of Tom working south to Highway 87.

C. Safety and Technical Operations

- Rural Electric Safety Achievement Program (RESAP) went well.

D. Customer Service and Billing

- Kiosk payments for July was 322
- 1091 Service Orders
- 4,643 active Smarthub Accounts
- 4,750 incoming calls taken

E. Member Services

Jia Johnson, Director of Public Relations gave an update on Annual Meeting preparation.

6. Financial Report

Form 7, WFEC Power Bill

Tiffany Hempsted gave the July 2018 Financial Presentation.

- The Form 7
 - YTD Revenue \$26,925,161
 - YTD Cost of Power 16,033,305
 - YTD Cost of Electric Service \$25,013,730
 - YTD Operating Margins \$1,911,431
 - Revenue from Electric Sales for July \$4,356,281

- WFEC Cost of Power
 - July kWh Purchased 48,692,507
 - July Power Cost \$2,575,831
 - July Average Cost per kWh \$0.0529

- CEC YTD Equity Ratio 48.4%

At the end of the Finance Report, Mr. Duncan reviewed the WFEC Power Bill.

7. Quality Management Report

A. Property, General Liability Insurance

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

- WFEC reviewed the recent 2018 Load Forecast Study and discussed options to serve future capacity needs.
- Informational District Meetings are being held.
- Round Table discussions were held with CEC Area Servicemen.
- CEC's existing meter software is expiring and will need replacing. Staff is working on a plan to present to the Board for replacement in 2019.
- Staff is beginning the 2019 Budget process.

10. Executive Session

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

At 10:27 am, Mr. Burns made a motion to enter executive session. The motion was seconded by Mr. Woolsey. The motion carried.

At 11:56 am, Mr. Burns made a motion to exit executive session. The motion was seconded by Mr. Ranger. The motion carried.

The meeting was reconvened in regular session.

11. Action Items

a. Proposed Bylaw Amendments

Article I: Membership - Section 1.06 Purchase of Electric Power and Energy.

- (a) In an effort to promote renewable energy, the Cooperative shall, at minimum,
 - i. Credit the Member for any/all excess kilowatt hours at the retail rate.

- ii. Allow any/all excess kilowatt hours to be credited to the next billing period for 12 months.
- iii. Allow the Member to designate the starting month of the 12-month billing period

(2nd revision Language revised) Section 1.06 (c) iv. and v.

- iv. Allow the Members with multiple meters to offset those meters using a single distributed generation system or multiple systems (commonly known as meter aggregation). Members must designate the additional meter or meters to be offset when requesting meter aggregation.**
- v. Avoid imposing additional tariffs, surcharges, rates or fees to Members that would discourage the implementation or continuation of renewable energy.**

The Attorney's remains of the opinion the additions to subsection (c) IV and V to be illegal and discriminatory and in direct violation of 17 O.S.156

The Board takes the position of disapproval for this bylaw.

Mr. Nichols made a motion on the boards position to disapprove this bylaw amendment per the attorney's opinion being illegal and discriminatory and in direct violation of 17 O.S. 156 and it will not be submitted for a majority vote of the members. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The motion carried.

b. Policy Action and Review

Mr. Brewer presented revisions and corrections for Policy 402 - 407

Mr. Burns made a motion to approve revisions and corrections to policies 402 – 407.

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 September board meeting as an action item.

c. CEC Energy Efficient Loan Approval

Mr. Duncan presented two CEC member Applications for Energy Efficient Loans to the Board of Trustees for approval.

Mr. Brewer made a motion to approve a loan for replacement of a Heat and Air unit in the amount of \$4,460. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The Motion carried.

Mr. Brewer made a motion to approve a loan for replacement of a Heat and Air unit in the amount of \$3,800. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The Motion carried.

12. OAEC Report

Mr. Silk gave a report of the OAEC meeting

13. WFEC Report

Mr. Burns gave a report of the WFEC meeting.

14. New Business

There was discussion concerning the NRECA Regional Meeting to be held in Oklahoma City October 16-17.

15. Adjourn

At 1:35 pm Mr. Ranger made a motion to adjourn. Mr. Brewer seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

Board Expenses Reported August 1, 2018 to August 31, 2018

Mike Brewer	\$650.00
George Burns	\$972.28
Joe Silk	\$984.63
Norman Ranger	\$608.86
Bill Woolsey	\$638.15
Ken Autry	\$780.80
Stacy Nichols	\$691.56
Brent Franks	\$715.40



President



Date



Secretary/Treasurer



Date

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo Oklahoma
July 31, 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 June 26, 2018 Board Minutes b. Authorization to Write off Uncollected Accounts for June 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. Equity & Ratio Update c. Form 7 d. WFEC Power Bill e. Review of Check Register	<i>Tiffany Hempsted</i>	<i>For Review</i>
7.	Quality Management Report a. Credit Card Statement	<i>Kooney Duncan</i>	
8.	CEC Policy Review	<i>Kooney Duncan</i>	
9.	Attorney's Report	<i>Frank Wolf</i>	
10.	CEO Report a. Purple Wave Update b. Workers' Comp. Report	<i>Kooney Duncan</i>	
11.	Executive Session Legal Matters, Contracts		
12.	Action Items a. Proposed Bylaw Amendments		
13.	WFEC Report	<i>George Burns</i>	
14.	New Business		
15.	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 Trustees of Choctaw Electric Cooperative (CEC) was held in the Board Room of the Cooperative in Hugo, Oklahoma on July 31, 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
Norman Ranger, District F
Ken Autry, District I

Becky Franks was absent

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 CEC members Debbie Cody, Judy Bell and Perry Thompson, Jr.

4. Consent Items

A. Approval of June 2018 Regular Board Meeting Minutes.

Mr. Burns made a motion to approve the June 26, 2018 Regular Board Meeting minutes. The motion was seconded by Mr. Ranger. The motion was affirmatively voted upon by all. The Motion carried.

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

Mr. Woolsey made a motion to approve the Write-Off of Uncollected Accounts for June 2017. The motion was seconded by Mr. Brewer. 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 progressing
- Camp Ranch Road 3-phase is progressing.
- West side crews completed 29 construction projects
- East side crews completed 26 construction projects
- East and west service crews worked 485 cases.
- A total of 51 jobs were staked and 49 jobs released for construction

B. Right of Way and Service Quality

- Right-of-Way at the Valliant Sub Feeder 2 is nearing completion.
- Spraying is taking place in the Redland and Felker communities.
- Contract crews continue working on Rattan Sub Feeder on Ethel Road North.
- Contract crews will begin cutting in the Haworth area.

Right-of-Way cut in 2017 was approximately 500 vehicle miles. Projected Right-of-Way cut in 2018, is 700 vehicle miles.

C. Safety and Technical Operations

- No lost time accidents for 496 days
- Testing and repairing closers
- Installed a new repeater on Carter Mountain radio tower.
- Rebuilt the management tool on the metering system.

D. Customer Service and Billing

- Worked 1257 service orders.
- A combined total of 4,453 office transactions taken for 3 offices.
- Continue to monitor tampering
- The number Kiosk payments in Smithville and Clayton is improving

E. Member Services

- Involved in several school and community projects
- Planning for fair booths at the County Fairs
- Energy audits are ongoing.

Following the department reports Mr. Ranger gave a summary of the CoBank Meeting that he, Mr. Burns and Mr. Franks attended.

6. Financial Report

Form 7, WFEC Power Bill

Tiffany Hempsted gave the June 2018 Financial Presentation.

- The Form 7
 - YTD Revenue \$22,647,094
 - Patronage Capital and Operating Margins thru June \$1,467,210
 - YTD Operating Margins \$1,467,210
 - Revenue from Electric Sales for June \$3,992,611
 - Total active services 19,058
- WFEC Cost of Power
 - June kWh Purchased 45,013,132
 - June Power Cost \$2,468,136
 - June Average Cost per kWh \$0.0548
- CEC Equity and the 2017 KRTA report was discussed.

At the end of the Finance Report, Mr. Duncan reviewed the WFEC Power Bill.

7. Quality Management Report

A. CEC Credit Card accounts

Mr. Duncan gave the process and procedures for the credit card accounts.

8. CEC Policy Review

Mr. Duncan and Jen Parker, CEC HR and Benefits Specialist reviewed policy revisions. Board action on policy will take place at the August meeting.

9. Attorney's Report

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

10. CEO Report

Current Activities

- Workers Compensation Report was given.
- Purple Wave Auction Update: The GMC Chipper did not sell at auction. Repairs will be made to the truck and used as a back-up.
- WFEC has called 3 Peak Days, July 19, 20th and 21st. These days could possibly be used for our wholesale billing determinates for 2019.
- Reviewing 2018 year to date kWh and kW. This allows us to forecast the impact our 2018 usage will have on our 2019 wholesale cost of power.
- Staff working on the Annual Meeting Election Packet documents.
- Staff is working on a plan to review outages and offer feedback for better response time.
- New Bill design has been well received
- General Capital Credit Retirement will begin in August for the years 1988-Co-op and 1993-WFEC.
- All Estate Capital Credits have been paid to date.

11. Executive Session

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

At 11:30 am, Mr. Ranger made a motion to enter executive session. The motion was seconded by Mr. Woolsey. The motion carried.

At 1:06 pm, Mr. Burns made a motion to exit executive session. The motion was seconded by Mr. Ranger. The motion carried.

The meeting was reconvened in regular session.

12. Action Items

a. Proposed Bylaw Amendments

1. **Article I: Membership - Section 1.06 Purchase of Electric Power and Energy.** The Attorney's opinion views these additions to subsection (c) IV and V to be illegal and discriminatory.
 - (a) In an effort to promote renewable energy, the Cooperative shall, at minimum,
 - i. Credit the Member for any/all excess kilowatt hours at the retail rate.
 - ii. Allow any/all excess kilowatt hours to be credited to the next billing period for 12 months.
 - iii. Allow the Member to designate the starting month of the 12-month billing period

Section 1.06 (c) iv. and v. Language Added.

iv. Allow the Member to apply any/all excess kilowatt hours credit to any meter associated with that Member.

v. Never impose additional tariffs, surcharges, rates or fees to a Member in relation to that Member having distributed generation.

The Board takes the position of disapproval for this bylaw.

Mr. Woolsey made a motion on the boards position to disapprove this bylaw amendment per the attorney's opinion being illegal and discriminatory and it will not be submitted for a majority vote of the members as it is written. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The motion carried.

2. Article I: Membership – Section 1.06 Purchase of Electric Power and Energy

(a) Each Member shall, as soon as electric energy service shall be available, purchase from the Cooperative all electric energy used on the premises specified in the Application for Service and Membership, except in such cases as a Member may have interconnected his/her own generation resource with the Cooperative, and shall pay therefore at rates which shall be fixed by the Board. Each Member shall pay all amounts owed to the Cooperative as and when the same shall become due and payable.

(b) The Cooperative shall use its best efforts to furnish its members with adequate and dependable electric service, although it cannot, and therefore does not, guarantee a continuous and uninterrupted supply of electricity.

~~(c) In an effort to promote renewable energy, the Cooperative shall, at minimum,~~

- ~~i. credit the Member for any/all excess kilowatt hours at the retail rate~~
- ~~ii. Allow any/all excess kilowatt hours to be credited to the next billing period for 12 months.~~
- ~~iii. Allow the Member to designate the starting month of the 12-month billing period.~~

- (c). **Recognizing the increase in and presence of renewable energy resources, the Cooperative's Board of Trustees, acknowledging its fiduciary responsibilities to all members of the Cooperative, will develop rates, service rules and regulations, and policies which treat each case on an individual and non-discriminatory basis, balancing the interests of individual members who want to install renewable energy facilities with the overall financial good of the entire membership.**

The Board takes the position of approval for this bylaw.

Mr. Burns made a motion on the boards position to approve this bylaw and submit for a majority vote of the members. The motion was seconded by Mr. Brewer. The motion was affirmatively voted upon by all. The motion carried.

3. Article III: Meeting of Members – Section 3.03 Notice of Member Meetings

Written or printed notice of the place, day and hour of the meeting and, in the case of a special meeting or of an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes of the meeting shall be delivered to each member not less than ten (10) days nor more than twenty-five (25) days prior to the date of the meeting, by any reasonable means, by the Secretary **of the Board.**

The Board takes the position of approval for this bylaw.

Mr. Autry made a motion on the boards position to approve this bylaw and submit for a majority vote of the members. The motion was seconded by Mr. Nichols. The motion was affirmatively voted upon by all. The motion carried.

4. Article IV: Trustees – Section 4.02 (a) 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 **as is used in these Bylaws, "close relative" means a person who by blood, or in-law, including step and adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew, or niece of the principal up to but not including niece-in-law and nephew-in-law. (Currently in Section 4.13 "Close Relative" Defined**

The bylaw amendment was drafted and submitted by Debbie Cody. She requested before the Board, the amendment be withdrawn as per the Attorney's opinion; "close relative" applies to more than qualifications and should remain in the existing bylaw section 4.13.

The Board takes the position to withdraw the bylaw as requested by Debbie Cody.

Mr. Nichols made a motion to withdraw this Bylaw as requested by Mrs. Cody and not submit for a majority vote of the members. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The motion carried.

5. Article IV: Trustees – Section 4.02 (b) (c) (d) 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:

(b) is not a member of the Cooperative for at least 1 (one) year and receiving service there from at his primary residential abode ~~or~~ **within the district which he or she is to represent;**

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

~~(d) (c) is not at least twenty-one (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 sixty 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;~~

(d) does not have at least a high school diploma or GED equivalent;

(e) or is or has been within the past sixty months, in any way employed by or financially interested in the cooperative or in a competing enterprise or;

The Board takes the position of approval for this bylaw.

Mr. Burns made a motion on the boards position to approve this bylaw and submit for a majority vote of the members. The motion was seconded by Mr. Silk. The motion was affirmatively voted upon by all. The motion carried.

6. Article IV: Trustees – Section 4.02 (e) and (f) 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:

~~e) is the incumbent or candidate for an elective public office in connection with which a salary or compensation in excess of one hundred dollars per annum is paid or;~~

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

(f) is the incumbent or candidate for an elective public office in connection with which a salary or compensation in excess of one hundred dollars per annum is paid or;

(g) is a convicted felon or who has pled guilty to a felony or who has pled nolo contendere to a felony charge.

The Board takes the position of approval for this bylaw.

Mr. Autry made a motion on the boards position to approve this bylaw and submit for a majority

vote of the members. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The motion carried.

7. Article IV: Trustees – Section 4.02 (g) 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:

~~g) (h) is not willing to become a certified trustee within the first term of office by participating in **an OAEC or NRECA** a 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, it shall be the duty of the chairman presiding at the meeting at which such nominee would otherwise be voted upon to disqualify such nominee. Upon the establishment of the fact that 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 therefrom, 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~~

(i) The board will declare a vacancy exists if a trustee does not attend 75% of the regularly scheduled monthly meetings in a consecutive 12-month period starting from election date.

(j) 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, it shall be the duty of the chairman presiding at the meeting at which such nominee would otherwise be voted upon to disqualify such nominee. Upon the establishment of the fact that 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 therefrom, 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.

The Board takes the position of being neutral for this bylaw.

Mr. Autry made a motion on the boards position as being neutral and submit the bylaw for a majority vote of the members. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The motion carried.

8. Article IV: Trustees – Section 4.04 Tenure

If for any reason an election of trustees shall not be held at an annual meeting of the members duly fixed and called pursuant to these Bylaws, such election may be held at a subsequently held special **meeting** or at the next annual meeting of the members. No member shall serve as a trustee for more than four (4) terms.

The Board takes the position of approval for this bylaw.

Mr. Nichols made a motion on the boards position to approve this bylaw and submit for a majority vote of the members. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The motion carried.

9. Article IV: Trustees – Section 4.06 Nominations

Not less than sixty days (60) 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 twenty-five (25) members of the voting district for which office of the trustee shall expire and said petition shall be filed with the Secretary **of the Board**. All candidates and nominees must file a signed statement of intent with the Secretary **of the Board**. The secretary shall thereupon cause the name of the candidate 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.

The Board takes the position of approval for this bylaw.

Mr. Silk made a motion on the boards position to approve this bylaw and submit for a majority vote of the members. The motion was seconded by Mr. Nichols. The motion was affirmatively voted upon by all. The motion carried.

10. Article IV: Trustees – Section 4.10 Compensation, Expenses, Indemnification

For their attendance at meetings of the Board of Trustees, trustees, shall, on a per diem basis, receive such fee as is fixed by the members. The per diem basis of payment is calculated at \$550, for the first per diem each month and then \$50 per day thereafter for all meeting attended within the Cooperative's service area. Per diem for meetings attended out of the Cooperative's service area shall be calculated at \$100.00 per day.

Trustees may participate in cooperative health benefits at their own expense. They shall also receive reimbursement for travel and out of pocket expenses incurred as a result of performing necessary duties relative to their positions as trustee. No trustee or relative of a trustee shall receive compensation for serving the cooperative in any other capacity.

Trustees will get the current IRS rate for food.

The Board takes the position of being neutral for this bylaw.

Mr. Burns made a motion on the boards position as being neutral and submit the bylaw for a majority vote of the members. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The motion carried.

11. Article V: Meeting of Trustees – Section 5.01 Member Right of Attendance

Section 5.01 Agenda

Agenda must be posted within five (5) business days.

- a. In the event of an emergency, the Board may meet in good faith and must provide notice in as much time as possible to the membership.**

~~Section 5.01~~ **Section 5.02 Member Right of Attendance**

A member has the right to attend every regular, special, or a called meeting of the Board of Trustees or committees except for Executive Sessions as allowed by this bylaw or by federal or state law.

The Board takes the position of approval for this bylaw.

Mr. Autry made a motion on the boards position to approve this bylaw and submit for a majority vote of the members. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The motion carried.

12. Article VI: Officers, Miscellaneous – Section 6:10 CEO/General Manager

The Board of Trustees may appoint a Chief Executive Officer/General Manager, who may be, but who shall not be required to be, a member of the Cooperative, **who must reside in one of the counties that the Cooperative serves.** Such officer shall perform such duties as the Board of Trustees may from time to time require and shall have such authority as the Board of Trustees may from time to time vest in him.

- (a) The Choctaw Electric Board of Trustees may give the Chief Executive Officer/General Manager no greater than 5% increase in salary or a \$10,000 bonus annually. The Board of Trustees is at their discretion to give either the salary raise, the bonus or nothing.**

The Board takes the position of disapproval for this bylaw.

Mr. Brewer made a motion on the boards position of disapproval of the bylaw and submit it for a majority vote of the members. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The motion carried.

13. Article XV: Amendments – Section 15.01 General Provisions

Each proposed amendment must be examined by an attorney selected by the coop 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 thirty (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 forty-five (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 By-Law change to be noticed or acted upon, or permit any amendment to a proposed~~

~~By-Law change to be acted upon, if it determines that such, if adopted, would be illegal or a legal nullity.~~

The Board takes the position of disapproval for this bylaw.

Mr. Nichols made a motion on the boards position of disapproval of the bylaw and submit it for a majority vote of the members. The motion was seconded by Mr. Silk. The motion was affirmatively voted upon by all. The motion carried.

14. Article XV: Amendments – Section 15.01 General Provisions

Each proposed amendment must be examined by an attorney selected by the coop to determine if it violates any state or federal laws; **and if any proposed amendments will have an adverse financial impact on the Cooperative, the amendment must be approved by a majority of the Cooperative's Board of Trustees.** If it violates law it will be returned to the member who proposed it within thirty (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 forty-five (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 By-Law change to be noticed or acted upon, or permit any amendment to a proposed By-Law change to be acted upon, if it determines that such, if adopted, would be illegal or a legal nullity

The Board takes the position of approval for this bylaw.

Mr. Silk made a motion on the boards position to approve this bylaw and submit for a majority vote of the members. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The motion carried.

14. WFEC Report

Mr. Burns gave a brief report.

15. New Business

Mr. Franks discussed a request for installation of a sound system and football field lights for an area high school outside of CEC service. There was substantial discussion, recommendations and questions. There was no action taken.

15. Adjourn

At 2:35 pm Mr. Brewer made a motion to adjourn. Mr. Woolsey seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

Board Expenses Reported July 1, 2018 to July 31, 2018

Mike Brewer	\$550.00
George Burns	\$65.40
Joe Silk	\$615.40
Norman Ranger	\$608.86
Bill Woolsey	\$582.70
Ken Autry	\$602.32
Stacy Nichols	\$635.02
Brent Franks	\$1,278.56



President

8-28-18

Date



Secretary/Treasurer

8/28/18

Date

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

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo Oklahoma
October 30, 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 a. Shawnda Cox Pomana	<i>Brent Franks</i>	
4.	Consent Items a. Approval of September 25, 2018 Board Minutes b. Authorization to Write off Uncollected Accounts for September 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 2018 Annual Meeting Update	<i>Kooney Duncan</i>	
6.	Financial Reports a. Financial Presentation b. Form 7 c. WFEC Power Bill d. Review of Check Register e. Budget Review f. Form 990 Review	<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. Choctaw Mountain Construction Project b. Hurst Foundation Construction Project c. Member Release d. Energy Camp e. Youth Tour f. Annual Meeting Venue g. OAEC Alternate		
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 October 30, 2018.

1. Call to Order and Roll Call

The following Trustees were present:

Brent Franks, District G	Stacy Nichols, District C
Joe M. Silk, District B	Bill Woolsey, District D
Mike Brewer, District H	Perry Thompson, Jr. District E
George Burns, District A	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, and Director of Public Relations, Jia Johnson.

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, Judy Bell, Misti Lytle and Shawnda Cox Pomana.

Two weeks prior to the board meeting Ms. Pomana submitted a request to address the board concerning Bylaws. Ms. Cox gave some background information about the group called “We Own It” and their campaign involvement in the Board of Trustee election that took place in September. She also informed the board that she is a “We Own It” participant her chosen project is Solar Energy and renewables in the community.

Ms. Pomana read a letter that was sent to the Board of Trustees and voiced her concerns to the board about the Bylaw Amendment election at the Annual Meeting.

4. Consent Items

A. Approval of September 25, 2018 Regular Board Meeting Minutes.

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

Mr. Burns made a motion to approve the September 25, 2018 Regular Board Meeting minutes, and to Write-Off uncollected accounts for September 2017. The motion was seconded by Mrs. Cody. The motion was affirmatively voted upon by all. The Motion carried.

5. Department Reports

Before Mr. Duncan gave the Department Reports he asked for a motion to move;

Action Items

d. Energy Camp

e. Youth Tour

under MRPR Reports. Mr. Autry made a motion to move these Action Items under the MRPR Report section. The motion was seconded by Mr. Silk. The motion was affirmatively voted upon by all.

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

A. Service and Construction

- Working on projects for Choctaw Nation
- Working on regulator controls in the field.
- Three-phase underground feeder complete at Hochatown sub.
- Pole change out at Sub 24 Feeder 1 Frogville
- East and west service crews worked 302 cases
- East and west construction crews complete a total of 50 cases.
- Bid solicitation were sent for Timber Creek Trails Phase VII and Pine Lake Resort Development projects in Hochatown.
- ODOT Bridge project at Black Sulphur Canyon
- A total of 53 staking appointments and 28 jobs released for construction.

B. Right of Way and Service Quality

- CEC Right-of-Way crews cleared 2.81 miles on Frogville Sub, Feeder 1 and 15.31 miles on Feeder 2.
- Contract crews continue to work on Rattan Sub Feeder 1. Progress was slowed due to equipment breakdown.
- Contract crews working on Haworth Sub Feeder 1 have completed cutting 15.59 and Sub Feeder 5.42 miles for a total of 21.01 for the month.

C. Safety and Technical Operations

- Bucket Rescue and Pole Top rescue took place at Safety meeting. This is an OSHA annual safety training requirement.
- Fiber being installed at Mt. River Substation
- Large power reading and reports.
- 94,890 miles driven in October and 557,260 for the calendar year, 1 accident, no lost time.

D. Customer Service and Billing

- A total of 4,711 Active Smarthub accounts.
- 1,699 paperless accounts
- 4,020 incoming calls taken. Daily averages calls were 201.

E. Member Services

Jia Johnson, Director of Public Relations gave a breakdown of the Annual Meeting expenses. Total savings of \$20,000 this year. Total cost included ballot mailings.

Members were asked to complete a short survey this year to give the board and management an idea how to plan a more cost effective and valuable Annual Meeting. Overall surveys were positive and informative and will be used to help plan the 2019 Annual Meeting. The board discussed the benefit of the surveys and information received from our members. Including surveys in the election packets next year was discussed in addition to being available at the Annual Meeting and each office.

Energy Camp and Youth Tour action items were then brought to the table to act on.

d. Energy Camp

e. Youth Tour

Mr. Woolsey made a motion to send 3 students to the 2019 Energy Camp and 3 students to the 2019 Youth Tour. The motion was seconded by Mr. Brewer. The motion was affirmatively voted upon by all. The Motion carried.

6. Financial Report

Form 7, WFECE Power Bill

Tiffany Hempsted gave the September 2018 Financial Presentation.

- The Form 7
 - YTD Revenue \$35,339,995
 - YTD Cost of Power \$20,539,395
 - YTD Cost of Electric Service \$32,081,176
 - YTD Patronage Capital and Operating Margins \$3,258,819
 - YTD Net Margins \$3,854,088
 - September Revenue from Electric Sales \$4,140,111
- WFECE Cost of Power
 - September kWh Purchased 39,382,725
 - September Power Cost \$2,057,909
 - September Average Cost per kWh \$0.0523
 - Number of Active Services 18,761
 - Revenue/kWh sold (Avg.) \$0.094404
 - Cost of Power/kWh Purchased (Avg.) \$0.052254
- CEC YTD Equity Ratio 49.4%

The Form 990 was included in the Board Report for review.

7. Attorney's Report

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

8. CEO Report

Current Activities

- CFC Key performance indicators were reviewed at the WFEC Committee Meeting.
- At the OAEC Managers meeting a cooperative unified process for pole attachments was discussed.
- Attended a class that focused on Analytical Data to identify sources in the field and how to breakdown our system to determine line loss and system loading on transformers.
- Staff is working on the 2019 projections for the CEC Large Power Contracts.
- Continuing to review 2018 kWh usage and the impact on Wholesale Power Cost.
- Hugo Maintenance crews resumed changing out poles.
- Idabel crew is working to change out bad poles off Hwy 259 in the Hochatown area. These structures are located on the side of a ravine making this a challenge to the crews.
- New Billing cycle due dates will take effect with November billing, with December due dates. The new due dates will help eliminate confusion with members in addition to saving \$1,200.00 per month in postage.

9. Executive Session

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

At 10:50 am, Mr. Woolsey made a motion to enter executive session. The motion was seconded by Mr. Thompson. The motion carried.

At 12:06 pm, Mr. Autry made a motion to exit executive session. The motion was seconded by Mr. Burns. The motion carried.

The meeting was reconvened in regular session.

10. Action Items

a. Choctaw Mountain Construction Project

Mr. Burns made a motion to award the Choctaw Mountain Construction project bid to Brad Garrett Construction. The motion was seconded by Mr. Woolsey. The motion was affirmatively voted upon by all. The Motion carried.

b. Hurst Foundation Construction Project

Mr. Nichols made a motion to award the Hurst Foundation Construction project bid to Brad Garrett Construction. The motion was seconded by Mrs. Cody. The motion was affirmatively voted upon

by all. The Motion carried.

c. Member Release

Mr. Autry made a motion to release service based upon the location and cost of new service. The motion was seconded by Mr. Nichols. The motion was affirmatively voted upon by all. The motion carried.

d. Energy Camp

Action was taken on Energy Camp during the MRPR Department Report as per the motion made.

e. Youth Tour

Action was taken on Youth Tour during the MRPR Department Report as per the motion made.

f. 2019 Annual Meeting Venue

Mr. Autry made a motion the 2019 Annual Meeting be held in Hugo. The motion was seconded by Mr. Silk.

Upon the motion being made discussion followed.

Mr. Autry moved to amend his motion the 2019 Annual Meeting be held in Hugo and rotate yearly between Idabel and Hugo. The motion was seconded by Mr. Silk. The motion was affirmatively voted upon by all. The motion carried.

g. OAEC Alternate

Mr. Autry made a motion to designate Mr. Duncan as the OAEC alternate in Mr. Silk's absence. The motion was seconded by Mrs. Cody. The motion was affirmatively voted upon by all. The Motion carried

11. OAEC Report

Mr. Silk gave a brief OAEC Report.

12. WFEC Report

Mr. Burns gave a brief WFEC report.

13. New Business

Mr. Autry briefly discussed some issues and ideas concerning;

- CEC newsletter
- Broadband
- NRECA
- Clayton payment kiosks
- Electric vehicle charging stations

The board determined that these items will be discussed at future board meetings or a Strategic Planning meeting.

14. Adjourn

At 12:35 pm Mr. Woolsey made a motion to adjourn. Mr. Burns seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

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

Mike Brewer	\$550.00
George Burns	\$65.40
Joe Silk	\$1,920.03
Bill Woolsey	\$582.70
Ken Autry	\$927.95
Stacy Nichols	\$635.02
Brent Franks	\$1,113.40
Deborah Cody	\$571.80
Perry Thompson, Jr.	\$558.18



President



Secretary/Treasurer



Date



Date

CHOCTAW ELECTRIC COOPERATIVE
Regular Meeting of the Board of Trustees
Held in the Board Room of CEC in Hugo, Oklahoma
November 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 October 30, 2018 Board Minutes b. Authorization to Write off Uncollected Accounts for October 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. 2017 Form 990 Review – Bill Miller, CPA, Tax Partner; Bolinger, Segars, Gilbert & Moss b. Financial Presentation c. Form 7 d. WFEC Power Bill e. 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. Health Insurance Renewal b. Employee Salary and Wages c. 2019 Operating and Capital Budget d. Board Training <ul style="list-style-type: none"> • New Director Training, OKC • Director's Winter School, Nashville 		
11.	WFEC Report	<i>George Burns</i>	
12.	New Business		
13.	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
- WFEW 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

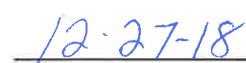


President



Date





Date

Secretary/Treasurer

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 December 27, 2018.

1. Call to Order and Roll Call

The following Trustees were present:

Brent Franks, District G	Stacy Nichols, District C
Joe M. Silk, District B	Debbie Cody, District F
Mike Brewer, District H	Ken Autry, District I
George Burns, District A	

Perry Thompson, Jr. District E was absent. Bill Woolsey, District D was absent due to medical reasons. The Board called Mr. Woolsey so they could all wish him well.

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, Executive Assistant, Jennifer Boling, and Rickey Bowen, Information System Administrator.

2. Invocation and Pledge of Allegiance

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

3. Introduction of Guests

There were no guests present at this time, however Judy Bell arrived a little later.

4. Consent Items

A. Approval of November 2018 Regular Board Meeting Minutes.

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

Mr. Burns made a motion to approve the November 27, 2018 Regular Board Meeting minutes, and to Write-Off uncollected accounts for November 2017. The motion was seconded by Mrs. Cody. 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

- All service crews cut hot spots and worked 372 cases in November
- East end construction worked 16 cases, west end construction worked 18 cases

- Contract crews at the Hurst Foundation project has begun laying wire.
- Maintenance crew continues pole change-out on Frogville Sub 24 Feeder 1.

B. Right of Way and Service Quality

- CEC Right-of-Way crews worked on a couple areas off Craig Road at Broken Bow Sub Feeder 3. Machines then moved to the Bethel Sub to work Feeder 1.
- Contract Right-of-Way jobs are nearing completion.

C. Safety and Technical Operations

- 153 days since a lost time accident
- Safety meeting included Hazard Communication and Recognition. WFEC Switch recertification took place.

D. Customer Service and Billing

- 4,797 active Smarthub accounts
- 338 Kiosk payments made.
- 4,014 incoming calls taken with a daily average of 212.
- A total of 4,129 walk-in consumers.

E. Member Services

- Large Power accounts visits took place with discussion on 2019 projections.
- Visited the Agri-plex in Hugo to plan for the 2019 Annual Meeting.

6. Financial Report

A. Financial Presentation

Mr. Duncan gave the November 2018 Financial Presentation.

- Form 7
 - YTD Revenue \$42,118,202
 - YTD Cost of Power \$24,621,615
 - YTD Cost of Electric Service \$38,741,774
 - YTD Net Margins \$3,985,627
 - November Revenue from Electric Sales \$3,413,491
- WFEC Cost of Power
 - November kWh Purchased 40,268,800
 - November Power Cost \$2,152,520
 - November Average Cost per kWh \$0.0535
 - Number of Active Services 18,814
 - Revenue/kWh sold (Avg.) \$0.094143
 - Cost of Power/kWh Purchased (Avg.) \$0.053454

7. Attorney's Report

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

8. CEO Report

Current Activities

- WFEC and OAEC Board meetings were discussed
- 2019 Farm Bill and the impact on electric cooperatives
- 2019 Budget Items
- Employee Performance Evaluation are complete
- WFEC Wholesale rate evaluation and impact study complete
- Key Account visits are complete

9. Executive Session

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

At 9:33 am Mrs. Cody made a motion to enter executive session. The motion was seconded by Mr. Burns. The motion carried.

At 9:48 am, Mr. Autry made a motion to exit executive session. The motion was seconded by Mr. Burns. The motion carried.

The meeting was reconvened in regular session.

10. Action Items

A. 2019 Right of Way Contracts

Mr. Autry made a motion to award the 2019 Right of Way Contract to Kenny's Dozer Service. The motion was seconded by Mr. Brewer. The motion was affirmatively voted upon by all. The Motion carried.

B. Strategic Planning Date

Mr. Burns made a motion to schedule the Strategic Planning Meeting January 23 at 9:00 am at the Hugo Office. The motion was seconded by Mrs. Cody The motion was affirmatively voted upon by all. The Motion carried.

C. Approval of the 2019 Board Meeting Dates

Mr. Nichols made a motion to approve the 2019 Regular Board Meeting dates. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The motion carried.

Executive Session

Upon approval of the 2019 Board Meeting Dates President Brent Franks announced the board

would convene in Executive Session to discuss personnel, legal matters, and contracts.

At 9:58 am Mr. Autry made a motion to enter executive session. The motion was seconded by Mr. Silk. The motion carried.

At 11:03 am, Mr. Autry made a motion to exit executive session. The motion was seconded by Mrs. Cody. The motion carried.

The meeting was reconvened in regular session.

D. CEO Performance Appraisal

There was no action taken.

11. OAEC Report

Mr. Silk gave the OAEC report that included a feasibility study concerning broadband.

12. WFEC Report

Mr. Burns gave the WFEC Report.

13. New Business

Mr. Burns made a motion to approve Mr. Nichols attending WFEC board meetings as the WFEC alternate. Mr. Autry seconded the motion. The motion was affirmatively voted upon by all.

13. Adjourn

At 11:47 am Mr. Burns made a motion to adjourn. Mr. Nichols seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

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

Mike Brewer	\$550.00
George Burns	\$1126.20
Joe Silk	\$984.63
Bill Woolsey	\$0
Ken Autry	\$602.87
Brent Franks	\$582.70
Deborah Cody	\$571.80
Perry Thompson, Jr.	\$0
Stacy Nichols	\$635.02



1-29-19

President

Date



1/29/19

Secretary/Treasurer

Date