

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 was held in the board room of the cooperative in Hugo, Oklahoma, August 26, 2025.

1. Call to Order and Roll Call

President Brent Franks called the meeting to order at 9:03 am.

The following trustees were present:

Brent Franks, District G	Jackson Ferguson, District H	Ken Autry, District I
Debbie Cody, District F	Stacy Nichols, District C	Jana Burris, District B
Jarred Campbell, District A	Bill Woolsey, District D	

Council for the cooperative, J. Frank Wolf, III, was present. Choctaw Electric Cooperative staff present were: Kooney Duncan, CEO & General Manager; Tanya Roebuck, Executive Assistant; Rickey Bowen, System Administrator; and Michael Melton, Director of Finance and Accounting.

2. Invocation and Pledge of Allegiance

Upon call from President Franks, Stacy Nichols gave the invocation followed by the Pledge of Allegiance.

3. Introduction of Guests

Stacy Franks, wife of Board President Brent Franks, was present. Trevor Barnett from National Rural Utilities Cooperative Finance Corporation (CFC) was also present.

4. Consent Items

- a. Approval of July 29, 2025, Regular Board Meeting Minutes
- b. Authorization to Write Off the July 2024 Uncollected Accounts

Motion by Stacy Nichols
Seconded by Debbie Cody

To approve the July 29, 2025, Regular Board Meeting Minutes, and authorization to write off the July 2024 Uncollected Accounts in the amount of \$3,417.35.

Approved without discussion. The motion carried.

5. Department Reports

a. Service and Construction:

- The Engineering department programmed and deployed the 3 new Line Defender breakers for BETA testing.
- Tyson Foods was thermal imaged to look for hot spots and schedule corrective actions.
- The Garvin & Haworth Pole Inspection is 41% complete with a current rejection rate of 25.5%.

b. Right of Way and Service Quality

- Our in-house crew cleared 6.5 miles on the Bethel sub, feeder 1 in the Honobia area.

- Texar crews cleared a total of 28.5 miles for the month on the Garvin sub, feeder 3.
 - A second Texar crew cleared 28.75 miles on the Westbank sub, feeder 1.
- c. Safety and Technical Operations
- Crews drove a total of 11,403.82 miles during the month of July.
 - Employees attended training courses that included: Altec Sentry training, a Hubbell Defender demonstration, & Arrestor Installation & Safety.
 - 12 trucks were serviced in the shop, and a total of 37 field service calls were taken.
- d. IT System Report
- The IT department is waiting on a vendor for an assessment of our service area to begin a truck & dispatch radio system replacement.
 - Working on installing a device at all substations that will reboot cellular devices when they lose internet connections.
- e. Customer Service and Billing
- 3,431 incoming calls were taken in July, with a daily average of 156 calls.
 - 9,582 current Smarthub customers.
 - The average call wait time was 16 seconds.
- f. Member Services
- There are 121 active storm shelter loans.
 - Working on Buddy Ball—Season 2.
 - Planning for all 3 local county fairs in Choctaw, Pushmataha, & McCurtain counties.

6. Financial Report

Michael Melton gave the July 2025 Financial report.

- July Revenue \$5,303,849; YTD revenue \$34,966,740
- July Cost of Power \$3,457,119; YTD Cost of Power \$21,708,898
- July Total Cost of Electric Service \$5,026,318; YTD Total Cost of Electric Service \$32,433,234
- July 2025 kWh Sales 47,367,673; July 2024 kWh Sales 49,014,054
- Revenue from Electric Sales July 2025 \$5,262,304; July 2024 \$5,095,686
- July 2025 WFEC kWh Purchased, 53,663,772; July 2024 kWh Purchased, 51,573,354
- July 2025 WFEC Average Cost per kWh \$0.0644; July 2024 WFEC Average Cost per kWh \$0.0583

7. Attorney's Report

Attorney Frank Wolf stated he has been working with Michael Melton, Director of Finance and Accounting, on completing loan documents for CoBank.

8. CEO Report

- WFEC Committee and Board meeting, August 19-20, 2025
 - Hugo Power Plant Air Heater maintenance and generator overhaul.
 - Several line conversions, sub, & switch station construction projects were approved.
 - Fall Strategic Retreat is scheduled for Sept. 16-19, 2025.
- Cost of Power through August 11, 2025
 - August budgeted sales were 1,173,000 MWh with projection near 1,183,000 MWh. Summer peak demands are averaging about 60 MW below last year.

- Coal generation is forecasted at 43,153 MWh which is low; the unit is selected for shorter periods of time usually when there are resource advisories because of higher load and less renewable energy.
- Fuel base projections are estimated to be in the 38-mills range. WFECC could potentially bill at a higher amount to increase the fuel account balance.
- Overall, the actual fuel cost is estimated to be between 36 and 37 mills, with a likely fuel billing cost around \$38/MWh but there is quite a bit of the month left.
- Choctaw Electric Cooperative
 - Annual meeting preparations have begun.
 - Annual Report is complete.
 - CEC staff met with both CoBank & CFC to discuss financial trends and interest rate expectations.
 - Finance Department
 - The Finance Department continues to work on the Work Order Process.
 - Working with NISC on a Bank reconciliation project and an Accounts Payable authorization project, which will improve efficiency.
 - Received CFC's retirement and allocation notification to be processed in September. Allocation amount for 2025 is \$22,245.56 and the retirement amount is \$30,839.09.
 - Operations Department
 - Construction (C&M) is nearing completion on the 3-phase overhead line extension for the new rock quarry (Gates Creek). CEC will then have to complete the underground portion of the project once their electrical plans are completed.
 - Meter change out is nearing completion with less than 100 meters remaining to be changed.
 - Maintenance crews have been changing out bad poles and special equipment (breakers).
 - Construction (JCL) will soon begin on the 1-mile conversion project that will support the Golden Wood Development. The first phase of this project will be for 27 lots, which will also soon be under construction.

9. Executive Session

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

Motion by Jackson Ferguson at 9:58 a.m.

Seconded by Jana Burris to enter Executive Session. The motion carried.

Motion by Jana Burris at 10:31 a.m.

Seconded by Bill Woolsey to reconvene in regular session. The motion carried.

The meeting was reconvened in regular session.

10. Action Items

a. KRTA Review

Trevor Barnett gave a brief presentation highlighting Choctaw Electric's 2024 KRTA results which cover our financial and operational ratios compared to 25 other cooperatives in Oklahoma and 815 cooperatives across the United States.

No action was needed.

b. 2026 Youth Tour & Energy Camp Numbers

Motion by Jana Burris

Seconded by Bill Woolsey

To authorize CEC staff to send 3 students to the 2026 Youth Tour program and 3 students to the 2026 Energy Camp.

The motion was approved without discussion. Motion carried.

c. Shoot for the Nations Attendance

Motion by Ken Autry

Seconded by Jarred Campbell

To approve board member Jana Burris, to attend the Shoot for the Nations fundraising event in Guthrie, OK on September 26, 2025.

The motion was approved. Motion carried.

d. 401(k) and RS Plan Amendment—Resolution 2025-002

Motion by Ken Autry

Seconded by Debbie Cody

To authorize CEC staff to amend the current 401(k) & RS plan documents to exclude Interns from being able to contribute to a CEC 401(k) while working for Choctaw Electric.

The motion was approved. Motion carried.

11. WFEC Report

Ken Autry gave a brief report concerning the WFEC meeting this month. He noted that when peak reduction days are announced, some natural gas companies curtail their usage which in turn causes a significant reduction for the day. This benefits everyone. FERC approved a base accreditation change that will increase the winter storage capacity. FEMA also made changes that will help speed up reimbursement times.

12. OAEC Report

Jana Burris reported that Choctaw Electric was recognized two times at the meeting, once when they showed portions of our Wired Up for Safety video, and when they showed pictures from our recent Legislative Brunch. She reported the OAEC Annual Meeting location will be changed this year

due to safety concerns with the area that last year's meeting was held in. The October meeting date was also changed to the 20th to accommodate Nikki Fuller attending other engagements.

13. Other Business

Kooney Duncan advised the board that a one-ton fleet truck that was due to be replaced in next year's budget has developed a mechanical issue. The vehicle has over 190,000 miles and is in need of thousands of dollars of repairs. CEC staff recommends replacing the vehicle now.

Motion by Jackson Ferguson

Seconded by Jana Burris

To authorize CEC staff to purchase a new chassis, bed and boxes at \$55,000 for a chassis and \$5000 for the bed and boxes, for a total of \$60,000.

The motion was approved. Motion carried.

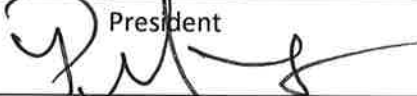
14. Adjournment

There being no further business to be discussed, upon motion made by Jackson Ferguson and seconded by Jana Burris, the meeting was adjourned at 11:43 a.m.

Board Expenses Reported for August 1-26, 2025

Bill Woolsey	\$592.00
Ken Autry	\$615.80
Stacy Nichols	\$659.20
Brent Franks	\$671.92
Debbie Cody	\$549.12
Jarred Campbell	\$620.00
Jana Burris	\$853.52
Jackson Ferguson	\$559.10



President


Secretary/Treasurer

9-30-25

Date
9-30-25

Date



