

CHOCTAW ELECTRIC COOPERTIVE, INC.
ANNUAL MEETING OF THE MEMBERS

Pushmataha County Fairgrounds

Antlers, OK

September 27, 2025

1. WELCOME AND CALL TO ORDER

President Brent Franks called the 85th Choctaw Electric Cooperative Annual Meeting of the Members to order at 10:01 am. He welcomed everyone for coming out and attending the meeting.

Upon call from President Franks, the members stood for the Pledge of Allegiance and Invocation. Members remained standing for the National Anthem which was sung by Choctaw Electric employee Paul Berry and his wife Angelia.

Mr. Franks, representing District G, introduced himself and the Choctaw Electric Trustees:

Bill Woolsey, Vice-President, District D

Perry Thompson, Jr., Secretary-Treasurer, District E

Jarred Campbell, District A

Jana Burris, District B

Stacy Nichols, District C

Debbie Cody, District F

Jackson Ferguson, District H

Ken Autry, District I

The CEO and General Manager, Kooney Duncan, and Council for the Cooperative, J. Frank Wolf, III, were also introduced.

Several guests were acknowledged by President Franks that included: Emma Herron, CEC Youth Tour Delegate and participant of the State Ambassador Program; David Sonntag, V.P. of Special Products, WFEC; Emily Maxwell-Herron, District Judge, District 17; Christy Moore, Member Services Specialist, OAEC; Michael Brittingham, Pushmataha County Commissioner, District #1; and Maria Crowder, Information Specialist, WFEC.

2. DECLARATION OF QUORUM

Perry Thompson, Jr., Secretary-Treasurer of the Board, reported the bylaws require at least five percent of the cooperatives' membership for a quorum to conduct business at the annual meeting. Mr. Thompson announced that the total number of members registered exceeded the 778 required. Therefore, a quorum was reached, and the business meeting could proceed.

3. PROOF OF MAILING OF NOTICE OF MEMBER MEETING

Mr. Thompson reported that the Notice of Member Meeting was mailed to each CEC member in accordance with the bylaws. The receipt from the post office in O'Fallon, Missouri verified that 15,530 pieces of mail containing the Official Notice were delivered to the U. S. Post Office and mailed on September 2, 2025.

4. MINUTES OF 2024 ANNUAL MEETING

President Franks reported that the minutes of the business meeting conducted during the 2024 annual meeting were published in the September 2025 Annual Report issue of *"Inside Your Coop"* newsletter. President Franks received a motion from CEC member Paul Wade to approve the 2024 Annual Meeting minutes as printed in the Annual Report. The motion received a second by CEC member Wes Haddox. The motion carried.

5. FINANCIAL REPORT

Mr. Thompson presented the audited financial summary of the cooperative. During 2024, CEC's Net Operating Income totaled \$5,634,750 compared to \$5,033,940 in 2023. Total assets totaled \$151,234,182 at the end of 2024 compared to \$148,026,336 in 2023. In 2024 Choctaw Electric grew in asset size by \$3,207,846. The cooperatives' long-term debt at the end of 2024 was \$45,330,619, which gave Choctaw Electric the 2nd highest equity percentage among cooperatives in the state.

6. PRESIDENT'S REPORT

President Franks reminded members that Choctaw Electric is celebrating its 85th anniversary this year. He then recapped some of Choctaw Electric's history from when it was formed to when the first lines went up. In June 1940 Choctaw Electric was created and it took five months to find enough applicants who wanted electric service to justify applying for a federal loan. In January 1941, a loan was secured. A few months later in March 1941, the first section of line was built. It was 45 miles long and served 250 customers. To compare, Choctaw Electric Cooperative currently has approximately 4000 miles of line and serves around 22,000 households.

Next, he noted that today we often take some luxuries like lights and air conditioning for granted. He stated that Choctaw Electric is unique in that we are spread out and serve about 5.7 people per mile yet remain cheaper than privately owned electric companies. Current Key Ratio Trend Analysis (KRTA) results show Choctaw Electric Cooperative has the second-best equity ratio in the state compared to other cooperatives. President Franks thanked the staff and other board members for keeping up the standard of service Choctaw Electric provides. He stressed that we are building for the future and want to leave behind a stronger cooperative for the next generation.

7. CEO'S REPORT

CEO, Kooney Duncan thanked everyone for attending the 85th Choctaw Electric Cooperative annual meeting. 2024 was a year marked by financial strength, operational excellence, and unwavering commitment to our members. He reminded everyone that their decisions are what makes our cooperative and pondered what the original board members from 1940 would think about where the cooperative is today.

Mr. Duncan talked about the growth Choctaw Electric Cooperative has experienced. CEC currently serves over 22,000 meters across six counties. During 2024, our membership grew 1.4 % and electricity sales were at an all-time high with 521 million kWh of electricity delivered. Our average residential member uses 1,215 kWh per month for an average cost of \$158.61. Choctaw Electric is among the cheapest electricity in this area among cooperatives and investor-owned utilities, and we have not had a rate increase in over 8 years.

The financial condition of Choctaw Electric remains strong. Our equity as a percentage of assets is 60%, which is the 2nd best in the state among cooperatives. We have allocated millions of dollars in excess margins to our members' capital accounts. In 2024, we paid back \$1,778,990 in capital credits and in 2025 we paid back \$1,960,986 in capital credits. This equates to approximately one month of paid electricity per year for each household.

Choctaw Electric's Operations and maintenance expenses in 2024 were 1.27 cents per kWh. The Oklahoma median rate was 1.56 cents per kWh. CEC operates and maintains our system at a cost of 23% less than the average Oklahoma Cooperative. We are trying to be efficient with every dollar. These numbers represent a prime example of how CEC staff and employees maximize efficiency and optimize our resources to better serve you at the lowest cost possible while not jeopardizing your reliability.

We work diligently to maintain and upgrade our electric system, and we believe it shows. During 2024, our reliability was 99.99%. The total outage time per member for the year was only about 34 minutes. This is due to the continued efforts of all our Choctaw Electric employees. The state cooperative average is 5 to 6 hours. Safety is also very important to us. We have had no OSHA reportable accidents in the last 5 years.

Community engagement also remains a top priority for us. We continue to invest in the communities we serve through several programs. Our second annual Buddy Ball game is coming up Oct. 18. This is a fun day for special needs individuals who get to play a non-competitive game of baseball. For the last two years we have also been part of a Wired Up for Safety event. This event educates the community about potential dangers and how to respond to them safely.

Our strength lies in our members. The doors are always open at Choctaw Electric if you have a question. Thank you for being a part of this journey.

8. ELECTION RESULTS

Frank Wolf, co-op attorney, announced the Board of Trustee Election results.

Trustee Elections

Members approved the re-election of the unopposed candidates for trustee.

District A – Jarred Campbell

District H – Jackson Ferguson

District I – Ken Autry

9. PRIZE DRAWINGS – *Kooney Duncan*

\$500 Bill Credit – Velma Griffin, Atoka

\$500 Bill Credit – Neal Mussett, Rufe

\$500 Bill Credit – Wesley Cusher, Watson

Grand Prize \$1000 Bill Credit – Matthew & Martha Arnold, Antlers

10. NEW BUSINESS

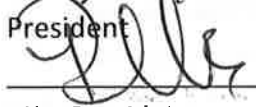
President Franks asked if there was any new business to be discussed. A member from the audience raised his hand and asked if it was possible to bring back the Crockett Program. When asked what he referred to, he explained this program paid for the first 50 feet of line extension when running a new line to a residence. President Brent Franks stated he had never heard of the Crockett Program, but that Choctaw Electric currently will construct up to 300 feet of line with no monetary contribution required from the customer.

11. ADJOURNMENT OF MEETING

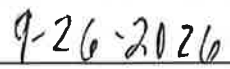
There being no further business and no objection, the 2025 Annual Meeting of the members was adjourned at 10:33 a.m.



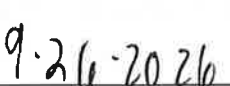
President



Vice-President



Date



Date

