

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 March 26, 2019.

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
Bill Woolsey, District D	Perry Thompson, District E
George Burns, District A	

There being a quorum present, President Brent Franks presided and called the meeting to order at 9:04 a.m.

Co-op Attorney, J. Frank Wolf, II was present. Choctaw Electric staff present: CEO/Kooney Duncan, CFO/Tiffany Hempsted, MRPR/Jia Johnson, HR/Melissa Gregg, and IT/Rickey Bowen.

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 introduced CEC member, Judy Bell.

4. Consent Items

- A. Approval of February 26, 2019 Board Meeting Minutes
- B. Authorization to Write Off Uncollected Accounts for February 2018

Mr. Brewer made a motion to approve the February 26, 2019 Board Minutes and to Write-Off uncollected accounts totaling \$9,683.92 for February 2018. The motion was seconded by Mrs. Cody. The motion was affirmatively voted upon by all. The motion carried.

5. Department Reports

A. Service and Construction

- East construction crew labeled Timber Creek Trails
- East and west service crews worked 295 cases
- East and west construction crews completed 32 cases

- Maintenance crew completed 8 cases, performed outage restoration and changed out poles
- Noile Loop road project
- 40 staking appointments
- Hidden Valley subdivision – 13 meters
- Carter Mountain Development – 53 lots
- ODOT bridge project – Black Sulphur Canyon
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B. Right of Way and Service Quality

- Bethel Sub, feeder 1 – 12 miles
- Rattan Sub, feeder 2 – 10 miles

C. Safety and Technical Operations

- 1 lost time accident
- Large power meters and substation readings and reports
- Monitor and maintain connections and readings

D. IT System Report

- Upgrading and installing new network system

E. Customer Service and Billing

- 4,051 incoming calls, daily average of 203
- \$16,694.28 February kiosk payments
- 857 service orders and 826 contact tracking cases created
- 4,911 members using SmartHub
- 721 members using prepaid billing

F. Member Services

- Youth Tour and Energy Camp winners announced
- Hosted OK Southeast meeting
- Owa-Chito planning
- Judged Science Fair
- Lt. Governors Turkey Hunt

6. Financial Reports

Mrs. Hempsted presented the January 2019 and February 2019 financial reports.

- January 2019 Form 7:
 - Revenue \$4,151,747
 - Cost of Power \$2,638,167
 - Total Cost of Electric Service \$3,846,412
 - Operating Margins \$305,335

- 40,506,086 kWh sold
- Average Cost per kWh \$0.0554
- Average Revenue/kWh sold \$0.102497
- Active Services 18,801
- YTD Equity Ratio 50.1%
- February 2019 Form 7:
 - YTD Revenue \$8,468,549
 - YTD Cost of Power \$5,087,925
 - YTD Total Cost of Electric Service \$7,552,677
 - YTD Operating Margins \$915,871
 - 44,291,677 kWh sold
 - Average Cost per kWh \$0.0620
 - Average Revenue/kWh sold \$0.097463
 - Active Services 18,804
 - YTD Equity Ratio 50.3%

7. Quality Management Report

Mr. Duncan reviewed the current credit card statements and went over the CEC credit card process. He also gave the credit card statements to the board for review.

8. Attorney's Report

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

9. CEO Report

- Financial audit
- Policy committee meeting
- Community Connect Grant Program webinar
- Met with John Redman and Lance Browder regarding broadband

10. Executive Session

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

Mr. Burns made a motion to enter executive session. The motion was seconded by Mr. Silk. The motion carried.

Mr. Autry made a motion to exit executive session. The motion was seconded by Mr. Thompson. The motion carried.

The meeting was reconvened in regular session.

11. Action Items

A. **Union Contract** - contract was reviewed. Mr. Brewer made a motion to approve the contract. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The motion carried.

B. **Engineering Services: Allgeier, Martin & Assoc., Inc – ODOT SH-3 Road Project** – project 5 miles west of Broken Bow was discussed. Mr. Brewer made a motion to approve Allgeier, Martin & Assoc. Inc. for engineering services. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The motion carried.

12. WFEC Report

Mr. Burns gave the WFEC Report.

13. Other Business

A. **January 2019 Minutes** – the following trustees were omitted from the January 29, 2019 minutes: Mr. Thompson and Mr. Woolsey. Mr. Nichols made a motion to rescind the previous adopted January 29, 2019 minutes. Mr. Brewer seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

Motion was made to add Mr. Thompson and Mr. Woolsey to the January 29, 2019 minutes by Mr. Autry. Mr. Silk seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

B. **OAEC Annual Meeting** – The OAEC Annual Meeting will be held April 1 & 2, 2019 in Norman, OK. Mr. Brewer made a motion to send Mr. Duncan, Mr. Autry and Mr. Franks to the meeting. The motion was seconded by Mr. Burns. The motion was affirmatively voted upon by all. The motion carried.

C. **IT System** – The IT infrastructure upgrade was discussed. Mr. Silk made a motion to approve the upgrade. Mrs. Cody seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

14. Adjournment

At 12:38 p.m. Mr. Autry made a motion to adjourn. Mrs. Cody seconded the motion. The motion was affirmatively voted upon by all. The motion carried.

Board Expenses Reported March 1, 2019 to March 31, 2019

Mike Brewer	\$ 600.00
George Burns	\$ 69.60
Joe Silk	\$ 619.60
Bill Woolsey	\$ 584.80
Ken Autry	\$ 711.36
Stacy Nichols	\$ 640.48
Brent Franks	\$ 804.40
Deborah Cody	\$ 646.40
Perry Thompson, Jr.	\$ 558.70



President

4-30-2019

Date



Secretary/Treasurer

4/30/19

Date