

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, March 26, 2024.

1. Call to Order and Roll Call

President Brent Franks called the meeting to order at 9:02 am.

The following trustees were present:

Brent Franks, District G	Jackson Ferguson, District H	Jana Burris, District B
Stacy Nichols, District C	Debbie Cody, District F	Ken Autry, District I
Perry Thompson, Jr., District E	Bill Woolsey, District D	

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

2. Invocation and Pledge of Allegiance

Upon call from President Franks, Jackson Ferguson gave the invocation followed by the Pledge of Allegiance.

3. Introduction of Guests

Brenda Dollarhide, guest of Jana Burris was present.

4. Consent Items

- a. Approval of February 27, 2024, Regular Board Meeting Minutes
- b. Authorization to Write Off February 2023 Uncollected Accounts

Motion by Debbie Cody
Seconded by Bill Woolsey

To approve the February 27, 2024, Regular Board Meeting Minutes, and authorization to Write Off the February 2023 Uncollected Accounts in the amount of \$5,653.22.

Approved without discussion. The motion carried.

5. Department Reports

Kooney Duncan gave an account of department activities.

- a. Service and Construction:
 - Greenwood Road, east of Antlers, 80% cleared.
 - Pole changeouts have been completed.
 - Operations completed 468 cases for the month of February.
 - Five large developments are currently left in staking department.
- b. Right of Way and Service Quality
 - In-house crew cleared 19.5 miles in February.

- Contract crews cleared 34.7 miles during the month of February.
- c. Safety and Technical Operations
 - No lost time accidents were reported in February.
 - Focus has been on safety.
 - In-house committee formed to review Safety policies.
- d. IT System Report
 - Gathering transformer information and putting into IVUE and the map.
- e. Customers Service and Billing
 - 1,298 service orders made in February.
 - 6,588 total paperless accounts.
- f. Member Services
 - Buddy Ball planning continues in preparation for the April 20, 2024, game.
 - Legislative Brunch was successful.
 - Hosted OK Southeast meeting.

6. **Financial Report**

Michael Melton gave the February 2024 Financial report.

- February Revenue \$5,740,157, YTD revenue \$11,330,506
- February Cost of Power \$2,632,774, YTD Cost of Power \$6,645,672
- February Total Cost of Electric Service \$4,000,300, YTD Total Cost of Electric Service \$9,339,558.
- February 2024 kWh Sales 51,704,077, February 2023 kWh Sales 49,458,712
- Revenue from Electric Sales, February 2024 \$5,706,485, February 2023 \$5,373,789
- February 2024 WFEC kWh Purchased, 41,891,304, February 2023 kWh Purchased, 41,544,083
- February 2024 WFEC Average Cost per kWh \$0.0605, February 2023 WFEC Average Cost per kWh \$0.0682

Michael Melton also gave a presentation on Storm Uri Expense Recognition and how Choctaw Electric can manage its strong margins by accelerating power costs from Storm Uri that have been pushed over to future years. Choctaw Electric Management recommends accelerating the expense recognition of Storm Uri for years 2025-2026 in fiscal year 2023 & 2024. Choctaw Electric Management recommends that \$100,423.86 be expensed in January and February, \$485,331.40 in March, and \$100,423.86 in April – December for a total of \$1,589,993.86 being expensed in 2024 for Storm Uri.

7. **Attorney's Report**

No report

8. **CEO Report**

Mr. Duncan reported on several topics and meetings he attended.

- WFEC Committee and Board meeting
 - Fuel costs are low, in the \$30 to \$32 range.
 - Supplemental power is being generated from the SWPA lakes as they slowly return to near normal levels.

- NRECA Power Exchange/Tech Advantage
 - Presentation given on Electric Cooperatives vs. Ransomware: Comparing Attacks Over Half a Decade.
- Choctaw Electric Cooperative
 - 20-year easement for the Chahta Substation Feeders was signed by the Board President and Secretary.
 - 2023 Financial Audit completed.
 - Two open positions currently: Purchasing Agent (Supervisor) and Electrical Engineer or Electric Technician.
 - Allgeier, Martin and Associates continue to review our system's substation and feeder loads.

9. Executive Session

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

Motion by Jana Burris at 10:31 a.m.
 Seconded by Debbie Cody to enter Executive Session. The motion carried.

Motion by Jana Burris at 11:26 a.m.
 Seconded by Perry Thompson, Jr. to reconvene in regular session. The motion carried.

The meeting reconvened in regular session.

10. Action Items

a. Accounts Receivable Write-Off Request & Reserve Targets 2024

Motion by Ken Autry
 Seconded by Debbie Cody

To authorize approval for CEC Management to write down \$34,484.87 of uncollectable debits owed to the Cooperative and to approve a reserve target of \$65,000 for electric accounts and \$33,500 for all other miscellaneous accounts for future expected losses owed to the Cooperative.

The motion was approved without discussion. Motion carried.

b. Housing Authority Report & Commissioner's Appointment

Motion by Jackson Ferguson
 Seconded by Jana Burris

To approve the appointment of Kendra Ingram as resident commissioner, for a one-year term and to approve the three-year reappointments of board members, Curtis Rose and Larry Brown.



The motion was approved without discussion. Motion carried.

c. Approval of the Sale of Surplus Capital Assets--Vehicle

Motion by Perry Thompson, Jr.

Seconded by Bill Woolsey

To approve the sale of a 2007 Ford F-750, 55' bucket, diesel truck to Kiamichi Technology Center for the same price as the current truck of the same make and model sells for on Purple Wave Auctions when it closes on March 28,2024.

The motion was approved without discussion. Motion carried.

11. WFEC Report

Ken Autry gave a short report. WFEC signed a purchase agreement for sales. A DOE application is now available for grants. Natural gas prices are low and coal stockpiles are full. Ken attended the WFEC retreat on March 20 & 21 but could not share much information because most of the meeting was confidential.

12. Other Business

There was no other business to discuss.

13. Adjournment

There being no further business to be discussed, upon motion made by Jana Burris and seconded by Perry Thompson, Jr. The meeting was adjourned at 11:51 a.m.

Board Expenses Reported for March 1-26, 2024.

Bill Woolsey	\$590.20
Ken Autry	\$1228.08
Stacy Nichols	\$654.52
Brent Franks	\$1757.32
Debbie Cody	\$548.64
Perry Thompson, Jr.	\$535.89
Jana Burris	\$599.56
Jackson Ferguson	\$558.71





President



Secretary/Treasurer

4-30-24

Date

4-30-24

Date