

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, June 30, 2026.

1. Call to Order and Roll Call

President Brent Franks called the meeting to order at 9:07 a.m.

The following trustees were present:

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

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, Bill Woolsey gave the invocation followed by the Pledge of Allegiance.

3. Introduction of Guests

No guests were present.

4. Consent Items

- a. Approval of the May 26, 2026, Regular Board Meeting Minutes
- b. Authorization to Write Off the May 2025 Uncollected Accounts

Motion by Debbie Cody

Seconded by Perry Thompson, Jr.

To approve the May 26, 2026, Regular Board Meeting Minutes, and authorization to write off the May 2025 Uncollected Accounts in the amount of \$23,025.48.

Approved without discussion. The motion carried.

5. Department Reports

a. Service and Construction:

- The Operations Department East & West Service Crews completed 347 cases in May.
- A total of 27 new services were built this month.
- 71 staking appointments were completed system wide.
- 40 jobs were released for construction.

b. Right of Way & Service Quality

- The Choctaw Electric in-house crew worked in the Smithville area, clearing 10.3 miles on the Bethel sub and have moved on to the Beachton Road tap.

- Due to wet conditions, Withers Construction's right of way crew did not work during the month of May.
- c. **Safety & Technical Operations**
 - Outside employees attended an on-site training by Justin Marsh on Work Zone Protection & Trenching.
 - 13 trucks were serviced in the shop.
 - 9,803 hours were worked in May.
- d. **IT System Report**
 - The IT department is configuring a map layer for the district borders in the mapping system.
 - AVL integration is now in the production stage with NISC and Samsara and will be up and running by the first of July.
- e. **Customer Service and Billing**
 - 135 average calls were taken per day during May.
 - 828 courtesy calls were made.
 - 758 contact tracking cases created by Customer Service.
- f. **Member Services**
 - There are 106 active storm shelter loans.
 - Two of our youth tour participants made the Youth Tour Council Top 5 Finalists: Emerson McElroy & Clay Loard.

6. **Financial Report**

Michael Melton gave the May 2026 Financial report.

- May Revenue \$4,248,422; YTD revenue \$24,241,566
- May Cost of Power \$2,777,429; YTD Cost of Power \$15,121,353
- May Total Cost of Electric Service \$4,230,759; YTD Total Cost of Electric Service \$23,089,050
- May 2026 kWh Sales 35,201,777; May 2025 kWh Sales 35,334,733
- May 2026 Revenue from Electric Sales, \$4,215,995; May 2025 Revenue from Electric Sales, \$4,117,388
- May 2026 WFEC kWh Purchased 40,543,500; May 2025 kWh Purchased 39,258,411
- May 2026 WFEC Average Cost per kWh \$0.0685; May 2025 WFEC Average Cost per kWh \$0.0683

7. **Attorney's Report**

No report.

8. **CEO Report**

- WFEC Committee/Board Meeting – June 10th and 11th, 2026
 - WFEC had damage to the 345kv Tenaska Line. Currently expenses are \$985,615.13, however this is 100% CIAC.
 - Hugo Plant is available after an extensive outage.
 - Approval of the 2026 Overall Structure and Pay Adjustment
 - 4% was approved.
- WFEC Managers Meeting – June 10th, 2026
 - New R-17 rate review (January 2028 projected implementation)

- Winter and Summer Peaks
 - Goal to keep cooperative costs within close range of each other within a (.001)
 - Discussed load control, and different seasons.
- Cost of Power expectation through June 19th, 2026
 - Actual sales were budgeted at 1,041,402 MWh, with actual projections at approximately 1,059,500 MWh.
 - Market purchases were in the low range of 89,000 MWh.
 - The actual fuel cost is projected in the \$34-\$35 per MWh range, but with a billing range of \$36-\$37.
- OAEC Board Meeting—June 9th, 2026
 - Annual Self-Insured Fund meeting was conducted.
 - Several committee reports were given.
 - Safety Manual and Mutual Aid apps are being created.
 - Shoot for the Nations has been scheduled to support the International Electrification Projects
 - Healthy Financials
 - Possible lease of an OAEC building to Arkansas Electric (AECI) for a warehouse.
- OAEC Managers Planning Meeting
 - Managers' Summer Meeting is scheduled for July 29 & 30.
 - Created a working agenda (Oklahoma Corporation Cross-State Permitting requirements, Load Switching Challenges, Drone Inspections, Safety App, and AI for Co-Ops).
- CEC Operations
 - Spray crews have completed our annual spraying of approximately 1000 miles of line.
 - Hochatown to Creekside RV project is underway, crews have completed the double circuit outside of the Hochatown substation.
 - Crews are working on the underground for the Gates Creek Rock Quarry.
- CEC Finance and Accounting
 - Capital Credit process and allocation approved.
 - Increase minimum distribution from \$5 to \$20.
 - Received Audit Engagement Letter from Bolinger, Segars, Gilbert, and Moss, LLP
 - Form 990 is in final review.
- CEC Staff
 - Met with NRECA to review CEC/NRECA benefits.
 - Staff continues to review policies, which includes employee sections 400 – 410.

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 10:14 a.m.
Seconded by Bill Woolsey to enter Executive Session.

The motion carried. The board convened into Executive Session.

Motion by Jana Burris at 11:07 a.m.
Seconded by Debbie Cody to reconvene in regular session.

The motion carried. The meeting was reconvened in regular session.

10. Action Items

a. Capital Credit Policy Amendment

Motion by Ken Autry
Seconded by Bill Woolsey

To approve adjusting the Capital Credit Policy from a minimum check amount of \$5.00 to \$20.00.

The motion was approved. Motion carried.

b. Capital Credit Retirement FY2026

Motion by Jarred Campbell
Seconded by Jana Burris

To approve the retirement of CEC Capital Credits for the years 2004 (100%) and 2005 (11.7%) in the amount of \$1,916,271.82 and to retire WFEC's Capital Credits for the years 2000 and 2001 in the amount of \$267,000.13, for a grand total of \$2,183,271.95.

The motion was approved. Motion carried.

c. 2025 Capital Credit Allocation

Motion by Ken Autry
Seconded by Perry Thompson, Jr.

To approve the 2025 CEC Capital Credit Allocation of \$5,898,132.21 in excess margins.

The motion was approved. Motion carried.

d. 2026 Audit Engagement Letter

Motion by Stacy Nichols
Seconded by Jana Burris

To approve Bolinger, Segars, Gilbert, & Moss, L.L.P. to conduct the 2026-year end financial audit.

The motion was approved. Motion carried.

e. CEC Two-way Radio System

Motion to table the CEC Two-way Radio System by Stacy Nichols until the next meeting.
Seconded by Debbie Cody

The motion to table the project until the next meeting was approved. Motion carried.

f. Additional R.O.W. Clearing

Motion by Jana Burris
Seconded by Debbie Cody

To approve the 2026 Right of Way Contract for Holly Creek Sub with Withers Construction based on pricing and current availability.

Roll call bid called for:

Brent Franks—yes
Perry Thompson, Jr.—yes
Debbie Cody—yes

Jarred Campbell—yes
Stacy Nichols—yes
Jana Burris—yes

Ken Autry—yes
Bill Woolsey—yes

The motion passed unanimously. Motion carried.

11. WFEC Report

Kooney Duncan gave the WFEC report. He indicated that the WFEC summer peak season has begun and will continue through the end of September. Daily notices will be sent out over social media when needed. Multiple substation work orders were approved. Due to the new SPP reserve capacity requirements, WFEC had to buy winter credits previously, but recently sold 75 MW of 2027 summer capacity.

12. OAEC Report

Jana Burris stated that various committee reports were given. The Safety & Loss Committee are focusing their efforts on injury prevention. The External Communications committee chair, Robert Travis, reported that a Media Day will be hosted in conjunction with the Essential Skills & Climbing Skills training programs. Local media will be invited to attend and learn more about the electric cooperative business model. Jana also noted that registration is now open for the Shoot for the Nations fundraiser that will benefit the Guatemala electrification project.

13. Other Business

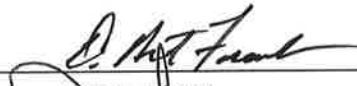
No other business to discuss.

14. Adjournment

There being no further business to discuss, upon motion made by Jana Burris and seconded by Perry Thompson, Jr., the meeting was adjourned at 12:02 p.m.

Board Expenses Reported for June 1-30, 2026

Bill Woolsey	\$593.50
Ken Autry	\$619.60
Stacy Nichols	\$633.10
Brent Franks	\$581.42
Debbie Cody	\$549.52
Perry Thompson, Jr.	\$548.80
Jarred Campbell	\$622.50
Jana Burris	\$1103.84
Jackson Ferguson	\$0


President

Secretary/Treasurer




7-28-26
Date
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Date