

Central Rural Electric Cooperative
Board Meeting Summary
September 8, 2016

The Regular Meeting of the Central Board of Trustees was held September 8, 2016.

FINANCE AND AUDIT COMMITTEE MEETING REPORT *Carol Dvorak*
Carol Dvorak reviewed the recent Finance and Audit Committee Meeting.

EXECUTIVE COMMITTEE MEETING REPORT *Mark Pittman*
Mark Pittman reviewed the recent Executive Committee Meeting.

October Board Meeting Date Change

It was approved to change the October board meeting date from October 6, 2016 to noon on October 27, 2016.

CEO SESSION *David Swank*

David Swank reviewed the following in the CEO session.

Miscellaneous Items

David Swank reviewed Central's financial strategic impact and future strategies.

David Swank reviewed the recent OAEC Managers Meeting.

David Swank reviewed the upcoming OGE Safety Forum.

Strategic Plan Process Review

David Swank reviewed the strategic planning process and tentative agenda.

Load Forecast-AECI

The Associated Electric Cooperative, Inc. load forecast, prepared by Clearsprings, is in process.

Smart Community Source Review

David Swank reviewed the areas of recent growth in Central's territory, annexation and smart technologies.

He reviewed the invitation that will be sent to each community for their Smart Community Work Shop. David Swank reviewed the tentative agenda and technology that will be on hand at these meetings.

David Swank presented the Smart Community app and gateways that will be made available for each community.

Innovation Pointe Cooperative Model

David Swank gave an update on the Innovation Pointe cooperative model. Legal and regulatory evaluation is underway.

Innovation Pointe's cooperative community model will be presented at the NESI-SES Conference and at CoBank.

UAV/Drone Line Inspections

The board observed a demonstration of the newly developed drone launch pod.

NESI-SES Energy Conference

David Swank reviewed the upcoming NESI-SES Energy Conference agenda noting featured speakers, Governor Fallin and Bill Ritter, past governor of Colorado.

Payment Drop Box

David Swank reported Central will provide a payment drop box at the new facility in response to member requests.

Oklahoma Business Roundtable

Power Support, LLC was approved to join Oklahoma Business Roundtable.

Disposal of Old Facility Furniture, Fixtures, Etc.

It was approved to offer at auction the surplus office furniture and fixtures in the former headquarters building.

LEGAL REPORT *Max Myers*

Max Myers shared the legal report.

SAFETY REPORT *David Swank*

The Safety Report was reviewed.

FINANCIAL REPORT *Stephanie Rossander*

Stephanie Rossander presented the variance report and Financial Dashboard.

PATRONAGE CAPITAL RETIRMENT *Stephanie Rossander*

It was approved to retire \$552,497.84 in capital credits using the First In First Out (FIFO) method.

It was approved to change Policy 111 Capital Credits to allow flexibility to retire capital credits First In First Out (FIFO), Last In First Out (LIFO) or Hybrid (LIFO/FIFO).

990 TAX RETURN *Stephanie Rossander*

Stephanie Rossander reviewed the 990 tax return.

LIABILITY INSURANCE *Stephanie Rossander*

Stephanie Rossander reported Central is in the process of the annual insurance renewal application and shared the changes in coverage now available at an additional cost on the applications.

OPERATIONAL / PERFORMANCE REPORT *Michelle Perzee*

Michelle Perzee presented the Operational and Performance report.

2017 NRECA BENEFITS *Michelle Perzee*

The current NRECA benefit plan was approved.

POWER SUPPORTS BENEFITS *Michelle Perzee*

The presented 2017 NRECA Benefit resolution for Power Support was approved.

COMMUNICATIONS REPORT *David Swank*

David Swank made the ads and marketing material provided by the communication department available to the board.

OAEC BOARD MEETING REPORT *Gary McCune*

Gary McCune reported that Congressman Frank Lucas was the guest speaker. He reported that many cooperative managers are changing due to retirements. . Gary McCune reported that power lines build by volunteers in Bolivia were energized August 14, 2016.

KAMO REPORT *Raymond Nettles*

Raymond Nettles reported that Mark Pittman attended the KAMO Board Meeting and gave a presentation on his candidacy for CoBank. He reported that North East Electric Cooperative's change to KAMO from GRDA was reviewed. He presented several photos of Harrington Substation structures.

The meeting adjourned at 3:20 p.m.