

**Tri-County Electric Cooperative, Inc.**  
**May 21, 2021**

The regular meeting of the Board of Trustees of Tri-County Electric Cooperative, Inc. was held at the cooperative office in Hooker, Oklahoma, beginning at 10:00 a.m. on Friday, May 21, 2021.

**Business Items:**

**Audit**

Earl Ridlen III, CPA and Auditor with LWG was onsite to present the 2020 Year-End Audit and the 2020 FEMA Audit results for approval by the Board.

**Minutes**

Minutes, and the Summary Minutes, from the Board Meeting on April 23, 2021, were reviewed and approved.

**Cybersecurity Insurance Coverage**

Motion to obtain an additional \$100k in prorated cybersecurity coverage was approved by the Board.

**2021 Contribution to CFC Cooperative System Integrity Fund**

Consideration of a contribution to the CFC Cooperative System Integrity Fund was tabled until the June meeting.

**2021 Board Districts**

Motion to accept the district changes only made to Districts #4 (Beau Rapp), #8 (Marvin Headrick), and #9 (Richard Radcliff), making the difference between the smallest and the largest district well below the ten percent allowed in the TCEC Bylaws, Article IV. Trustees, Section 4.02(B) to 8.49%, and the proposed changes were approved as presented. Members affected by the district changes will be notified via letter from TCEC.

**Personnel Policy 12 – Employee Assistance Program**

Motion to accept the policy as presented by staff with minor changes, was approved.

**Presentation**

Amanda Huxman, Supervisor Member Services, provided a demonstration of the added option on the TCEC phone system that can be left on all the time or added when the call volume is heavy. The change provides the member the option of pressing #1, which is reserved to report an outage utilizing either their meter number, account number or phone number on the member's account.

**Committee Reports**

**Oklahoma Association of Electric Cooperatives (OAEC)**

Ronny White reported that the OAEC Board did not meet in May, but the Steering Committee met virtually on May 11<sup>th</sup> and he attended.

**Kansas Electric Cooperatives (KEC) – Larry Dunn**

Larry Dunn reported that the KEC Board met on May 4<sup>th</sup> and Zac Perkins attended virtually.

**Golden Spread Electric Cooperative (GSEC) – Shawn Martinez**

Shawn Martinez reported that Zac Perkins attended the GSEC Committee meetings on May 11<sup>th</sup> and they both attended the Board meeting on May 12<sup>th</sup>.

The audit results, plant maintenance outages on the Elk units to cost \$18M in June and July, Mustang Station steam turbine damage issues to cost approximately \$8M, all was discussed. The main topic of discussion was the financial impact of URI and the bridge loan.

### **Accounting Review Committee – Larry Dunn**

Larry Dunn reported that the Accounting Review Committee met on May 23<sup>rd</sup> prior to the Board meeting with Earl Ridlen III, CPA and Auditor with LWG.

The Trustees Expenses and Professional Services 923 Reports for the first quarter of 2021 were provided to the Board for review.

Motion to accept the Trustee Expenses and Professional Services 923 Report and was approved.

### **Benefits Committee – Ronny White**

Ronny White reported that the Benefits Committee did not meet in May.

### **Discussion Items:**

#### **CEO Update**

Zac Perkins reported on the following topics:

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- GSEC PowerPoint showing the impact of the URI storm and staff's recommended course of action with GSEC financing and carrying the \$35M loan on their books and TCEC adding 3 mils to bills for 10 years, or until collected, was accepted.
- Advised the Board of the plan to closely monitor the interest rates, with a plan to pull down the line of credit to cover TCEC's percentage of the FEMA projects before the interest rates start moving higher.

The Departmental Reports were provided in the Board Book.

### **Legal Update**

Jim Fletcher provided that TCEC is preparing to file suit a small claims suit (less than \$5k) against two members for a line move that remains unpaid.

### **Member Contacts**

Member contacts received by the Trustees in May:

Kyle Hawkins                      Received an inquiry about providing electricity to a rent house for less than 30-days, which was referred to staff; and,

Kyle Hawkins also provided a photo from the dedication ceremony from Thursday, May 20<sup>th</sup> for artwork added at the site of the Bank of the Panhandle in Guymon, Oklahoma. The structure was a joint effort of many panhandle citizens including two employees of TCEC, Dewaine and Kyle Osborn, who contributed their plasma welding expertise toward the creation of the sculpture. TCEC Communication department will be highlighting the creation through social media. A copy of the photo is attached as "Exhibit A" and made a part hereof.

### **Old Business**

None to discuss.

**New Business**

None to discuss.

**Next Meeting**

The next regular meeting will be on Friday, June 25, 2021 at 10:00 a.m.