



THE BUZZ

for members of CKenergy Electric Cooperative

Holiday Hours: CKEC offices will close Friday, July 3 to observe Independence Day.

CKEC Annual Meeting: July 31

July 2020

A SUPPLEMENT TO OKLAHOMA LIVING

CKENERGY ELECTRIC COOPERATIVE

ANNUAL ²⁰¹⁹ REPORT & ANNUAL MEETING



A non-traditional, modified annual meeting will be held on **Friday, July 31, 2020** in Weatherford at the Pioneer Cellular Event Center. Drive-through registration will be available.

From the CEO

“Coming together is a beginning; keeping together is progress; working together is success.”

- HENRY FORD



Clint Pack, CKEnergy CEO

Due to COVID-19 pandemic precautions, CKEnergy will hold a non-traditional, modified Annual Meeting of Members on **Friday, July 31** at the Pioneer Cellular Event Center in Weatherford with registration beginning at 10:00 a.m.

“This was not an easy decision for the board to make,” CKEC CEO Clint Pack says. “Many ideas were discussed at length. Ultimately, it came down to keeping our members safe and healthy while at the same time adhering to our bylaws.”

Registration will begin at 10:00 a.m. at the Pioneer Cellular Event Center with a drive-through registration option available. Members will register and receive their \$20 bill credit on their electric account.

A meal will not be served and entertainment will not be provided, but all registered members will receive a \$20 bill credit on their account.

If members want to register inside, you can do so in the lobby of the Pioneer Cellular Event Center or you can utilize

the drive-through registration option. Your registration card is located on page 8. Please fill it out and bring it with you.

If a quorum is present, the business meeting will begin promptly at 11:00 a.m. in the Pioneer Cellular Event Center. The business meeting can also be accessed online (via a live stream on our Facebook page). The meeting agenda will address the essential business required by the CKEC bylaws. It will not include the education and social components normally part of our meeting; however, we look forward to celebrating these values with our members again next year.

“This was not a decision that our Board or management took lightly,” explained CKEC Board President, Gary Brewster, “and we appreciate our member’s understanding in our choosing to uphold one of our seven guiding Cooperative Principles — Concern for Community. On behalf of the board, we want to thank our members for their patronage and their understanding of the method of this year’s CKEC Annual Meeting.”

“This was not an easy decision for the board to make. Many ideas were discussed at length. Ultimately, it came down to keeping our members safe and healthy while at the same time adhering to our bylaws.”

Giving *Back*



There are many benefits to being a member of an electric cooperative, including the significant positive impact it can have on your community.

Electric cooperatives are known for their dedication to the betterment of the communities in which they are located. A couple of ways that we are proud to give back to our communities are through gross receipts tax to local school districts and Operation Round Up.

On a percentage basis, electric cooperatives contribute more tax dollars to local school districts than do other utilities. In Oklahoma, a 2 percent gross receipts tax on revenue is paid by both the wholesale and retail level.

Investor-owned utilities pay ad valorem taxes instead of a gross receipts tax. Only a percent of this tax goes to school districts with which they own property. Municipal utilities contribute no tax money to public schools in Oklahoma.

As a member of CKenergy Electric Cooperative, you have the opportunity to participate in the Operation Roundup program. The program works by allowing co-op members to round up their monthly electric bills to the nearest dollar amount. The spare change is transferred to CKenergy's Operation Round Up fund and dispersed to local charitable causes.



Our foundation approved a total of **\$107,649.63** in grants for 2019.

Those funds were used to improve the liveliness of individuals, fund school programs, help volunteer fire departments purchase new equipment, and so much more!

We are proud to be able to provide a program like Operation Round Up that is actively improving lives and communities in our service territory. For more information about Operation Round Up, contact us at 405-656-2322.

2019 Tax Disbursement for Schools *based on miles of electric line.*

School	CKEC Tax
Anadarko	\$ 50,353.01
Apache/Boone	\$ 40,722.64
Arapaho	\$ 66,242.14
Banner	\$ 5,102.49
Binger/Oney	\$ 81,033.33
Burns Flat/ Dill City	\$ 36,746.38
Cache	\$ 2,837.66
Calumet	\$ 157.35
Canute	\$ 14,702.79
Carnegie	\$ 64,815.35
Cement	\$ 22,421.94
Clinton	\$ 35,308.98
Cordell	\$ 89,963.57
Cyril	\$ 26,707.60
El Reno	\$ 11,446.12
Elgin	\$ 8,458.17
Fletcher	\$ 17,434.37
Ft. Cobb/Broxtton	\$ 48,876.72
Geary	\$ 2,862.41
Gracemont	\$ 38,459.58
Hammon	\$ 15,892.67
Hinton	\$ 81,102.29
Hobart	\$ 26,500.74
Hydro/Eakly	\$ 67,976.56
Indiahoma	\$ 311.17
Lawton	\$ 51.27
Leedey	\$ 26,626.27
Lone Wolf	\$ 28,675.40
Lookeba/Sickles	\$ 42,800.06
Maple	\$ 15,045.79
Minco	\$ 18,341.37
Mt. View/Gotebo	\$ 68,321.32
Mustang	\$ 50,314.11
Riverside	\$ 10.61
Sentinel	\$ 37,863.76
Snyder	\$ 30,719.22
Sterling	\$ 4,206.10
Taloga/Oakwood	\$ 24,707.98
Thomas/Fay/Custer	\$ 85,319.00
Union City	\$ 28,100.80
Verden	\$ 15,943.94
Weatherford	\$ 45,229.30
Yukon	\$ 297.03

Total: \$1,379,009.36

Board Of *Directors*



Gary Brewster
President
Ft. Cobb, OK
District 6



Jack Sawatzky
Vice President
Cordell, OK
District 12



Fred Reuter
Secretary- Treasurer
El Reno, OK
District 1



Tony Setzer
Colony, OK
District 2



Greg Little
Carnegie, OK
District 3



Glenn Propps
Sickles, OK
District 4



Mark Slemple
Gracemont, OK
District 5



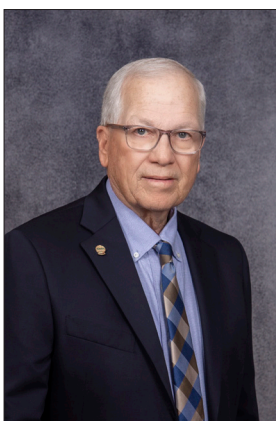
Don Payne
Mountain View, OK
District 7



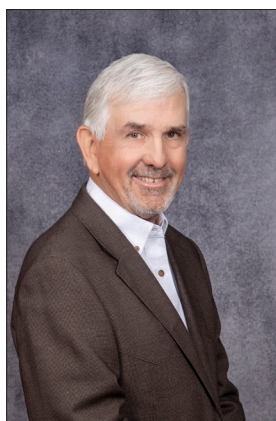
Walter Hrbacek
Apache, OK
District 8



Steve Sweeney
Apache, OK
District 9



Robert Travis
Thomas, OK
District 10



John Schaufele
Lone Wolf, OK
District 11

CKenergy is not owned by far-away investors, and it is not run by an appointed board of directors.

We are run by a democratically elected board of directors—a board who is given the privilege to serve because of **your vote.**

Board District Map



OFFICIAL NOTICE

THIS IS THE OFFICIAL NOTICE OF THE ANNUAL MEETING OF THE MEMBERS OF CKENERGY ELECTRIC COOPERATIVE, INC. PURSUANT TO THE BY-LAWS YOU ARE HEREBY NOTIFIED THAT THE 2020 ANNUAL MEETING OF THE MEMBERS OF CKENERGY ELECTRIC COOPERATIVE WILL BE HELD FRIDAY, July 31ST, AT THE PIONEER CELLULAR EVENT CENTER, 900 N 7TH ST., WEATHERFORD, OK, AT 11:00 A.M.

THE PURPOSE OF THIS MEETING IS TO PRESENT:

1. THE OPERATING STATEMENT AND FINANCIAL REPORT.
2. THE REPORTS OF THE PRESIDENT AND CEO.
3. OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING.

REGISTRATION BEGINS AT 10:00 A.M.

7 Cooperative Principles



1 VOLUNTARY AND OPEN MEMBERSHIP

DEMOCRATIC MEMBER CONTROL



3 MEMBERS' ECONOMIC PARTICIPATION

AUTONOMY AND INDEPENDENCE



5 EDUCATION, TRAINING AND INFORMATION

COOPERATION AMONG COOPERATIVES



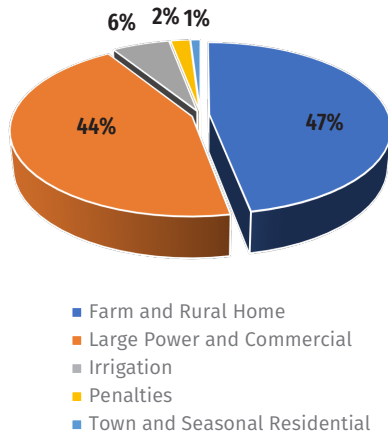
7 CONCERN FOR COMMUNITY



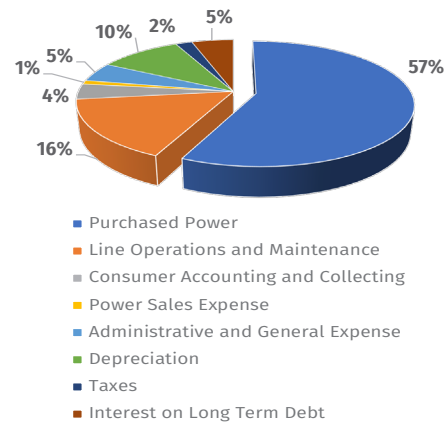
STATEMENT OF INCOME & EXPENSES

		2018	2019
Operating Revenue			
WHAT WE RECEIVED	Farm and Rural Home	\$32,597,170	\$33,040,831
	Town and Seasonal Residential	885,969	882,163
	Large Power and Commercial	30,625,157	31,117,486
	Public St. Light and Highway Light	68,296	72,040
	Irrigation	4,426,838	3,763,774
	<u>Penalties and other Operating Revenue</u>	<u>1,684,101</u>	<u>1,531,830</u>
	Total Operating Revenue	\$70,287,531	\$70,408,124
Cost of Electric Service			
HOW IT WAS SPENT	Purchased Power	\$38,887,760	\$39,408,089
	Line Operations and Maintenance	9,621,996	12,143,809
	Consumer Accounting and Collecting	2,795,088	2,656,899
	Power Sales Expense	828,035	585,185
	Administrative and General Expense	3,169,972	3,186,033
	Depreciation	8,750,562	5,121,737
	Taxes	1,374,689	1,379,326
	Interest on Long Term Debt	3,615,073	3,630,899
	<u>Other Deductions and Short Term Interest</u>	<u>20,691</u>	<u>28,244</u>
	Total Cost of Electric Service	\$69,063,866	\$68,140,221
Our Margins			
WHAT WE HAVE LEFT	Patronage Capital and Operating Margins	\$1,223,665	\$2,267,903
	Plus Non-Operating Margins Including	139,562	133,440
	Earned Interest		
	Generation and Transmission	1,105,537	992,283
	Equity Investments	0	0
	<u>Other Capital Credits</u>	<u>341,369</u>	<u>239,021</u>
	Total Patronage Capital and Margins	\$2,810,133	\$3,632,647

Where the Dollar Comes From



Where the Dollar Goes





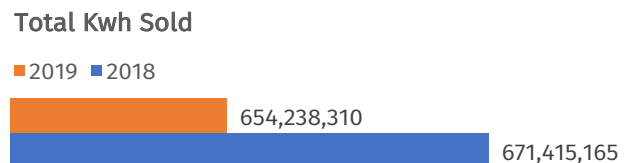
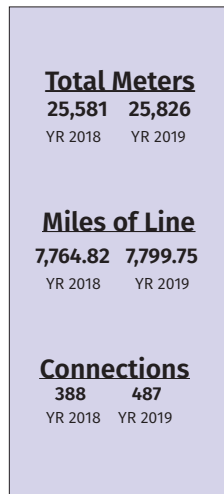
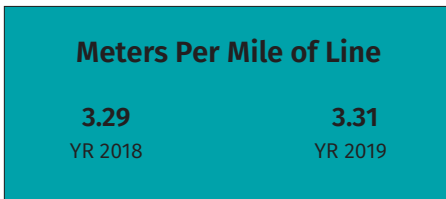
BALANCE SHEET

	2018	2019
Assets		
	\$177,256,826	\$183,709,845
Lines, Buildings, Equipment	(53,578,538)	(55,261,154)
Less: Reserve for Depreciation	123,678,288	128,448,691
Net Value of Property	11,123,799	14,597,709
Cash on Hand and Temporary Investments	27,615,272	28,264,097
Investments and Capital Credits Due from Associated Organizations	5,675,214	5,110,726
Owed to us for Electrical Service and Loans	987,833	1,174,547
Material and Supplies in Stock	9,684,439	5,865,555
Deferred Debits, Other Assets and Prepayments		
Total Assets	\$178,764,845	\$183,461,325
Liabilities & Equity		
	\$21,582,035	\$20,364,050
Other Long-term debt	560,717	509,604
Economic Development Loan	80,805,568	86,088,296
Rural Utility Service (RUS)	312,623	0
Notes Payable	946,569	1,018,398
Consumer Meter Deposits	653,910	658,701
Accounts Payable	3,329,473	3,387,556
Operating Provisions (FASB 106)	9,878,899	10,310,790
Other Deferred Credits and Liabilities		
Total Liabilities	\$118,069,794	\$122,337,395
	\$74,245	\$75,170
Membership Fees	60,620,806	61,048,760
Patronage Capital and Other Equity	60,695,051	61,123,930
Total Equity		
Total Liabilities and Net Worth	178,764,845	\$183,461,325

WHAT WE OWN

WHAT WE OWE

OUR NET WORTH





CKenergy's Annual Meeting is fast approaching! This year's meeting will be held Friday, July 31, at the Pioneer Cellular Event Center in Weatherford, OK. Due to the recent pandemic, the meeting will look a little different this year. Member registration will begin at 10:00 a.m. with drive through registration an option. Members may also register inside the Pioneer Cellular Event Center. All registered members will receive a \$20 credit on their electric account.

If a quorum is present, the business meeting will begin at 11:00 a.m. and will be streamed via Facebook live. The meeting agenda will address the essential business required by the CKEC by laws. Unfortunately, it will not include the social components normally part of our meeting. We look forward to celebrating these values with our members again next year.

Agenda

CKenergy Electric Cooperative, Inc.
July 31, 2020
Pioneer Cellular Event Center

10:00 a.m.Registration
11:00 a.m.Business Meeting

Call To Order Board Member
Invocation
Pledge of Allegiance
National Anthem
CEO ReportClint Pack, CKEC CEO



Capital Credit Allocation

In June, CKenergy retired or paid by cash or bill credit—
\$2,173,042.30 to **8,856** members across portions of ten counties served by CKEC.

As a member-owner of a not-for-profit electric cooperative, your share of co-op margins is based on the amount of electricity you use during the year.

The decision to refund capital credits rests solely with the CKEC board and is dependent on the financial condition of the co-op and the provisions of its bylaws.



OFFICIAL MEMBER REGISTRATION CARD 2020

Please fill out and present this card at the drive-through or inside registration

5th Annual Meeting of Members
Friday, July 31, 2020

PLEASE UPDATE YOUR CONTACT INFORMATION

Name: _____

Address: _____

Phone # _____ Cell # _____

CKEC Acct # _____

Email: _____