

# THE CIRCUIT!

## 2016 Annual Meeting Official Notice

A Publication of Southeastern Electric Cooperative, Inc.

Atoka · Bryan · Choctaw · Coal · Johnston · <http://www.se-coop.com>

### Annual Meeting Registration

Registration will take place at Durant High School beginning at 5:00 p.m. on August 2nd. Businesses and other non-residential accounts should designate someone to represent them at the annual meeting. These individuals should bring written authorization to represent their organization to the meeting. Residential members should be prepared to provide the name that the service is listed under. If possible, please bring this newsletter to the meeting with you.

#### 2016 Entertainment

**Tanner Young**  
(begins at 5:30)

**DOOR  
PRIZES!!**

### Official Notice

for the 77th Annual Meeting of  
**Southeastern Electric Cooperative, Inc.**

*Southeastern Electric Cooperative, Inc.*  
*6:30 p.m. Tuesday, August 2nd, 2016*

#### **•NEW LOCATION•NEW LOCATION•**

**Durant High School**  
**950 Gerlach Drive**  
**Durant, OK 74701**

**\*Map provided on back of "Manager's Comments" insert.**

*Lloyd Owens, Secretary*

### TRUSTEES

The following members have filed notice of their candidacy to the Board of Trustees in accordance with Article IV, Section 3 of the Cooperative's By Laws:

District 4: William J. Haddock

District 5: Ted Dosh

District 6: Anthony Dillard

# SOUTHEASTERN ELECTRIC COOPERATIVE, INC.

BALANCE SHEET  
DECEMBER 31, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
<b>Utility Plant</b>		
Electric plant in service-at cost	\$ 54,639,523	\$ 52,716,907
Construction work in progress	795,634	828,908
	<u>55,435,157</u>	<u>53,545,815</u>
Less accumulated provision for depreciation and amortization	<u>17,431,454</u>	<u>16,796,439</u>
<b>Net utility plant</b>	<b><u>38,003,703</u></b>	<b><u>36,749,376</u></b>
Investments in associated organizations	11,234,017	10,052,325
Other investments	-	-
	<u>11,234,017</u>	<u>10,052,325</u>
<b>Current Assets:</b>		
Cash	2,171,410	3,648,937
Temporary cash investments	-	-
Accounts receivable-less allowance for doubtful accounts: 2015 - \$189,744 2014 - \$190,997	1,465,072	1,106,063
Accounts receivable unbilled	873,000	1,031,000
Material and Supplies (at average cost)	344,409	343,452
Other current and accrued assets	87,890	82,412
<b>Total current assets</b>	<b><u>4,941,781</u></b>	<b><u>6,211,864</u></b>
Deferred Debits	<u>860,650</u>	<u>979,360</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 55,040,151</u></b>	<b><u>\$ 53,992,925</u></b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
	<u>2015</u>	<u>2014</u>
<b>Equities and margins:</b>		
Memberships	\$ 52,135	\$ 51,970
Patronage capital	33,030,102	30,564,675
Other equities	879,479	717,601
<b>Total equities and margins</b>	<b><u>33,961,716</u></b>	<b><u>31,334,246</u></b>
<b>Long-term debt:</b>		
Long-term debt less current maturities	<u>16,579,558</u>	<u>17,808,801</u>
<b>Current Liabilities:</b>		
Current maturities of long-term debt	1,091,000	1,217,000
Accounts Payable	1,638,474	2,023,562
Consumer Deposits	476,823	518,544
Accrued liabilities	1,118,575	967,769
<b>Total current liabilities</b>	<b><u>4,324,872</u></b>	<b><u>4,726,875</u></b>
Deferred credits	174,005	123,003
<b>TOTAL LIABILITIES and MEMBERS' EQUITY</b>	<b><u>\$ 55,040,151</u></b>	<b><u>\$ 53,992,925</u></b>

# SOUTHEASTERN ELECTRIC COOPERATIVE, INC.

## STATEMENT OF REVENUE AND PATRONAGE CAPITAL FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<b>Operating revenues</b>	<b>\$ 28,505,540</b>	<b>\$ 31,073,443</b>
<b>Operating expenses:</b>		
Cost of power	18,764,645	22,084,290
Distribution expense-operations	475,688	511,657
Distribution expense-maintenance	2,601,134	2,498,701
Consumer accounts	864,273	843,710
Customer service and information	69,920	84,061
Sales	255,338	262,462
Administrative and general	1,341,190	1,459,051
Depreciation	1,761,835	1,678,919
Interest	643,199	716,301
Other interest and deductions	<u>4,840</u>	<u>4,033</u>
<b>Total operating expenses</b>	<b><u>26,782,062</u></b>	<b><u>30,143,185</u></b>
<b>Net operating margins</b>	<b><u>1,723,478</u></b>	<b><u>930,258</u></b>
<b>Nonoperating margins:</b>		
Interest income	200,195	192,542
Other revenue	<u>16,616</u>	<u>38,157</u>
<b>Total nonoperating margins</b>	<b><u>216,811</u></b>	<b><u>230,699</u></b>
<b>Net operating &amp; nonoperating margins</b>	<b><u>1,940,289</u></b>	<b><u>1,160,957</u></b>
Generation & transmission capital credits & other Cooperative capital credits	1,229,662	1,695,930
<b>Total capital credits</b>	<b><u>1,229,662</u></b>	<b><u>1,695,930</u></b>
<b>Net margins for year</b>	<b><u>3,169,951</u></b>	<b><u>2,856,887</u></b>
Patronage capital-beginning of year	<u>30,564,675</u>	<u>28,259,233</u>
Retirement of patronage capital	(704,524)	(551,445)
<b>Patronage capital-end of year</b>	<b><u><u>33,030,102</u></u></b>	<b><u><u>30,564,675</u></u></b>

### Capital Credit Allocation

The Patronage Capital Credit Allocation Notice is issued in accordance with the Bylaws of Southeastern Electric Cooperative. The total amount allocated from Southeastern Electric Cooperative for the calendar year of 2015 is \$3,169,951. The allocation factor is .08308165 for residential accounts, .10523478 for irrigation accounts, .08908651 for small commercial accounts, .06385684 for large commercial, and .00932669 for large power accounts.

To determine your amount of capital credit allocation, multiply the allocation factor by the total amount of your electric bill for 2015. The amount of your allocation is available from the Cooperative upon request.

This amount is not available as either cash or credit on your electric bill. Refund of this amount, in full or in part, at any time in the future, shall be based on the decision of the Board of Trustees that the financial condition of the Cooperative shall not be impaired by making such refund. This notice is for your information only. If you cease to be a member, please keep us advised of your current address.

**Southeastern Electric Cooperative, Inc.**

PO Box 1370

Durant, Oklahoma 74702

A Touchstone Energy<sup>®</sup> Cooperative 

**Area Schools Benefit From Taxes**  
**Southeastern Electric and Western Farmers Electric Cooperatives**  
**paid \$1,074,604.37 in taxes for area schools.**

Listed below are the area school districts receiving gross receipts taxes that Southeastern Electric Cooperative and Western Farmers Electric Cooperative paid the Oklahoma Tax Commission in 2016. These taxes are based on the miles of line in each school district. The state keeps five percent and remits the balance to the school districts.

School District	Amount
Achille	\$113,937.53
Atoka	\$40,423.70
Bennington	\$57,617.84
Boswell	\$51,530.70
Caddo	\$65,055.60
Calera	\$33,380.13
Caney	\$32,164.61
Coalgate	\$92,644.71
Colbert	\$33,824.23
Coleman	\$40,889.97
Durant	\$31,822.84
Harmony	\$78,979.52
Lane	\$58,582.38
Milburn	\$18,585.38
Rock Creek	\$133,169.69
Silo	\$107,687.77
Stringtown	\$11,888.56
Tishomingo	\$29,420.90
Tushka	\$34,060.17
Wapanucka	\$8,878.35

# MANAGER'S ANNUAL REPORT

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**August 2, 2016**

Southeastern Electric Cooperative's Financial Statement for year ending December 31, 2015, was published in the Cooperative's Newsletter and mailed to all members in July 2016.

The 2015 Financial Statement was printed in comparison to 2014 and the Cooperative's 2015 financial records were audited by the firm of Briscoe, Burke & Grigsby, Certified Public Accountants of Tulsa, Oklahoma.

During 2015, approximately 29 miles of distribution lines were constructed to provide electric service to 179 new connections. Net Utility plant increased approximately \$1,254,327 over 2014.

Seven hundred forty-seven miles of right-of-way were cut, trimmed, or sprayed at a cost of approximately \$1,112,968.

The average wholesale cost per Kwh purchased from Western Farmers was 5.82 cents in 2015 compared to 6.64 cents in 2014.

In 2015, twenty schools throughout the Cooperative's service area received a total of \$1,074,604 which consisted of gross receipt taxes paid by Southeastern Electric as well as Western Farmer's; of which, \$446,947 was contributed by Southeastern Electric.

Southeastern Electric participates in numerous Community events and activities throughout its service area, as Mr. Coleman has reported earlier.

The cooperative's financial condition is strong, and all loan obligations are being met at the present time. All necessary financial ratios required by our lenders were met for the year 2015. We intend to continue present maintenance programs in order to provide good, dependable electric service. The Board of Directors and Employees of Southeastern Electric Cooperative will continue to strive to give the best quality of service to our members in the future.

# Durant High School

950 Gerlach Drive

Durant, OK 74701

**Shuttle transportation available after parking**

