

# THE CIRCUIT!

## 2017 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 8th. 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.

#### 2017 Entertainment

**Jim Garling**  
(begins at 5:30)

**DOOR  
PRIZES!!**

### Official Notice

for the 78th Annual Meeting of  
**Southeastern Electric Cooperative, Inc.**

*Southeastern Electric Cooperative, Inc.*  
*6:30 p.m. Tuesday, August 8th, 2017*

**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 7: David Blackburn**

**District 8: James M. Dancer**

**District 9: Jeff Willingham**

# SOUTHEASTERN ELECTRIC COOPERATIVE, INC.

BALANCE SHEET  
DECEMBER 31, 2016 AND 2015

ASSETS	<u>2016</u>	<u>2015</u>
<b>Utility Plant</b>		
Electric plant in service-at cost	\$ 56,779,573	\$ 54,639,523
Construction work in progress	1,837,658	795,634
	<u>58,617,231</u>	<u>55,435,157</u>
Less accumulated provision for depreciation and amortization	18,054,036	17,431,454
	<u>40,563,195</u>	<u>38,003,703</u>
<b>Net utility plant</b>	<b>40,563,195</b>	<b>38,003,703</b>
Investments in associated organizations	12,010,233	11,234,017
Other investments	-	-
	<u>12,010,233</u>	<u>11,234,017</u>
<b>Current Assets:</b>		
Cash	4,882,902	2,171,410
Temporary cash investments	-	-
Accounts receivable-less allowance for doubtful accounts: 2016 - \$198,992 2015 - \$189,744	1,010,391	1,465,072
Accounts receivable unbilled	913,000	873,000
Material and Supplies (at average cost)	324,950	344,409
Other current and accrued assets	90,016	87,890
	<u>7,221,259</u>	<u>4,941,781</u>
<b>Total current assets</b>	<b>7,221,259</b>	<b>4,941,781</b>
Deferred Debits	741,939	860,650
	<u>741,939</u>	<u>860,650</u>
<b>TOTAL ASSETS</b>	<b>\$ 60,536,626</b>	<b>\$ 55,040,151</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
	<u>2016</u>	<u>2015</u>
<b>Equities and margins:</b>		
Memberships	\$ 52,795	\$ 52,135
Patronage capital	35,150,036	33,030,102
Other equities	1,025,124	879,479
	<u>36,227,955</u>	<u>33,961,716</u>
<b>Total equities and margins</b>	<b>36,227,955</b>	<b>33,961,716</b>
<b>Long-term debt:</b>		
Long-term debt less current maturities	19,251,399	16,579,558
	<u>19,251,399</u>	<u>16,579,558</u>
<b>Current Liabilities:</b>		
Current maturities of long-term debt	1,081,000	1,091,000
Accounts Payable	1,986,026	1,638,474
Consumer Deposits	448,786	476,823
Accrued liabilities	1,306,992	1,118,575
	<u>4,822,804</u>	<u>4,324,872</u>
<b>Total current liabilities</b>	<b>4,822,804</b>	<b>4,324,872</b>
Deferred credits	234,198	174,005
	<u>234,198</u>	<u>174,005</u>
<b>TOTAL LIABILITIES and MEMBERS' EQUITY</b>	<b>\$ 60,536,356</b>	<b>\$ 55,040,151</b>

# SOUTHEASTERN ELECTRIC COOPERATIVE, INC.

## STATEMENT OF REVENUE AND PATRONAGE CAPITAL FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<b>Operating revenues</b>	<b>\$ 29,151,479</b>	<b>\$ 28,505,540</b>
<b>Operating expenses:</b>		
Cost of power	18,380,295	18,764,645
Distribution expense-operations	477,384	475,688
Distribution expense-maintenance	3,393,065	2,601,134
Consumer accounts	922,090	864,273
Customer service and information	266,464	69,920
Sales	69,758	255,338
Administrative and general	1,357,586	1,341,190
Depreciation	1,843,228	1,761,835
Interest	641,585	643,199
Other interest and deductions	<u>7,089</u>	<u>4,840</u>
<b>Total operating expenses</b>	<b><u>27,358,544</u></b>	<b><u>26,782,062</u></b>
<b>Net operating margins</b>	<b><u>1,792,935</u></b>	<b><u>1,723,478</u></b>
<b>Nonoperating margins:</b>		
Interest income	223,504	200,195
Other revenue	<u>19,343</u>	<u>16,616</u>
<b>Total nonoperating margins</b>	<b><u>242,847</u></b>	<b><u>216,811</u></b>
<b>Net operating &amp; nonoperating margins</b>	<b><u>2,035,782</u></b>	<b><u>1,940,289</u></b>
Generation & transmission capital credits & other Cooperative capital credits	942,889	1,229,662
<b>Total capital credits</b>	<b><u>942,889</u></b>	<b><u>1,229,662</u></b>
<b>Net margins for year</b>	<b><u>2,978,671</u></b>	<b><u>3,169,951</u></b>
Patronage capital-beginning of year	<u>33,030,102</u>	<u>30,564,675</u>
Retirement of patronage capital	(858,737)	(704,524)
<b>Patronage capital-end of year</b>	<b><u><u>35,150,036</u></u></b>	<b><u><u>33,030,102</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 2016 is \$2,978,671. The allocation factor is .08930027 for residential accounts, .10565181 for irrigation accounts, .09412844 for small commercial accounts, .06704086 for large commercial, and .01412034 for large power accounts.

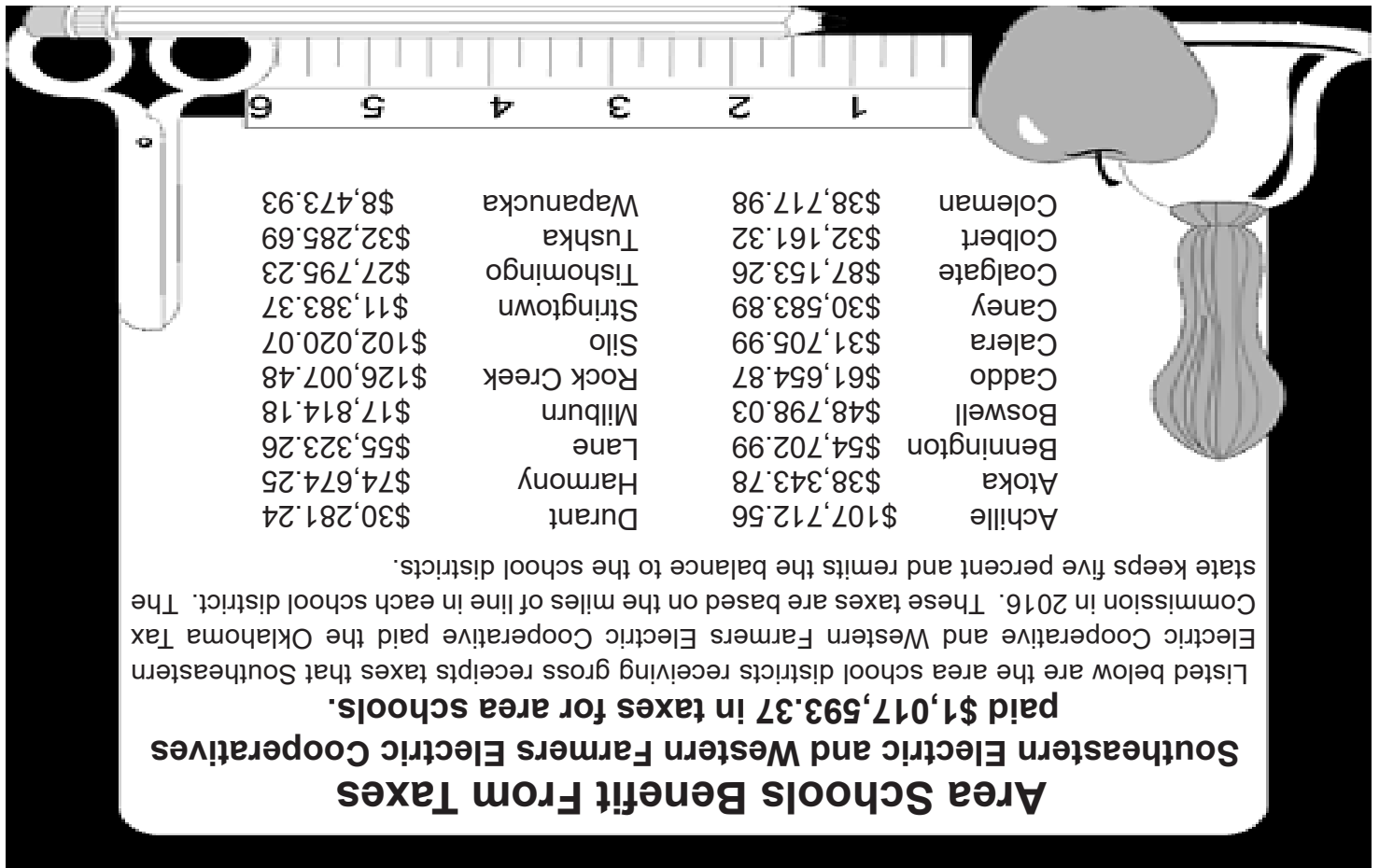
To determine your amount of capital credit allocation, multiply the allocation factor by the total amount of your electric bill for 2016. The amount of your allocation is available from the Cooperative upon request.

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

**Area Schools Benefit From Taxes**  
**Southeastern Electric and Western Farmers Electric Cooperatives**  
**paid \$1,017,593.37 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.

Achille	\$107,712.56	Durant	\$30,281.24
Atoka	\$38,343.78	Harmony	\$74,674.25
Bennington	\$54,702.99	Lane	\$55,323.26
Boswell	\$48,798.03	Milburn	\$17,814.18
Caddo	\$61,654.87	Rock Creek	\$126,007.48
Calera	\$31,705.99	Silo	\$102,020.07
Caney	\$30,583.89	Stringtown	\$11,383.37
Coalgate	\$87,153.26	Tishomingo	\$27,795.23
Colbert	\$32,161.32	Tushka	\$32,285.69
Coleman	\$38,717.98	Wapanucka	\$8,473.93

# MANAGER'S ANNUAL REPORT

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**August 8, 2017**

Southeastern Electric Cooperative's Financial Statement for year ending December 31, 2016, was published in the Cooperative's Newsletter and mailed to all members in July 2017.

The 2016 Financial Statement was printed in comparison to 2015 and the Cooperative's 2016 financial records were audited by the firm of Briscoe, Burke & Grigsby, and Certified Public Accountants of Tulsa, Oklahoma.

During 2016, approximately 32 miles of distribution lines were constructed to provide electric service to 259 new connections. Net Utility plant increased approximately \$2,559,492 over 2015.

Two thousand and twenty miles of right-of-way were cut, trimmed, or sprayed at a cost of approximately \$1,986,730.

The average wholesale cost per Kwh purchased from Western Farmers was 5.80 cents in 2016 compared to 5.82 cents in 2015.

In 2016, twenty schools throughout the Cooperative's service area received a total of \$1,017,593 which consisted of gross receipt taxes paid by Southeastern Electric as well as Western Farmer's; of which, \$427,279 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 2016. 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**

