

Watt's Happening



A Publication of the Red River Valley Rural Electric Association August 2023

Meet the Co-op's Next General Manager, Mike Mathis



Mike Mathis

Mike Mathis, a 26-year employee of Red River Valley REA is set to be named General Manager in September 2023, upon the retirement of Brent Sykora.

Mathis will become only the sixth General Manager in the co-op's 86 years. "My goal is to keep electric rates as low as we can," he said.

"We have very good employees and

a family atmosphere.

"My job is to support them and help them do the best in their jobs that they can. I want to continue to attract highly-qualified employees and keep work safety as the top job priority.

"Another legacy to maintain is the co-op's reputation for stepping up and doing whatever needs to be done to fix outages.

"Financially, if every decision we make is in the best interest of the members, we will be fine."

Mathis, age 49, joined the co-op in 1997 as Data Processing Supervisor. He was promoted in 2003 to Director of Office Services, in 2019 to Vice President of Office and Member Services, and in 2023 to Assistant Manager.

In the community, Mathis is president of the Madill Public Schools Board

of Education and a representative of Region 13 schools in the leadership of the Oklahoma State School Board Association. He served his home community of Lebanon as a volunteer firefighter for 20 years.

Mathis and his wife, Christie, recently celebrated their 25th wedding anniversary. They are graduates of Madill High School, along with their sons, Jared and Conner. Daughter Mackenzie is an MHS senior.

Career Tied To Technology

Today most members pay their bills online. Electric meters are read remotely. Service can be turned on or off from the office, eliminating or reducing site visits.

But the enabling technology was in its infancy in 1997, when Mathis was hired to teach computer literacy to the staff. He had just graduated from Southeastern Oklahoma

(Continued on page 2)



**Come to the REA
Annual Meeting
Monday, August 14!**
(See pages 2, 7, and 8)



June Storms: The entire co-op area endured severe thunder storms June 15-17. Rain, hail, 10,000 lightning strikes, and high winds combined to knock out power and take down over 100 poles. The co-op staff and crews worked in shifts around the clock to restore power. Crews from WFEC, and contract crews from Red Dirt Construction and Force Electric helped out. Members stayed informed about outages through calls to the co-op and through the rrvrea.com website and Facebook page.

DEAR MEMBER

This is your official notice of the 86th Annual Meeting of the Red River Valley Rural Electric Association.

The business meeting will begin at 7:30 p.m. Monday, August 14, 2023, at Red River Valley REA Headquarters, 8574 State Highway 32, Marietta, OK.

View Online

The business meeting portion will be streamed online from the co-op's Facebook and Website www.rrvrea.com.

Registration

Registration for the Annual Meeting will be from 2 p.m. to 7 p.m. Register from your car.

The "drive-thru" starts at the east entrance of REA headquarters.

Bringing your personalized registration card (back page) with you will save time.

To avoid backup on Highway 32, please do not arrive before 2 p.m. but do try to arrive before 5 p.m.

All members who register will receive a gift bag from the co-op and have their names added to a drawing for valuable door prizes.

Voting

Voting will be limited to the item on page 7. Voting for candidates will not take place because the incumbent office holders (page 3) drew no challengers.

86TH ANNUAL MEETING AGENDA

1. Quorum Call
2. Notice of Meeting and Place of Meeting
3. 2022 Annual Meeting Minutes
4. Election Results
5. Reports of Officers, Trustees, and Committees
6. Unfinished Business
7. New Business
8. Adjournment



Salute to Recent Co-op Retirees

Danny Hays (above) retired after 20 years as a fleet mechanic for Red River Valley REA.

Eddie Buckaloo (left) receives a retirement plaque from General Manager Brent Sykora. Buckaloo served 21 years as a plumbing/air conditioner specialist, an electric meter tester, and an energy audit specialist.

Next Manager's Career Tracks With Gains in Technology

(Continued from page 1)

State University with a bachelor's degree in technology and a master's degree in technology with an emphasis in occupational health and safety. While a student, he did summer work at the co-op.

The landmark Windows 95 Operating System was new, the Internet was new, email was new, and websites were new.

Mathis taught employees how to operate the mouse device, use business software for word processing, spread sheets, and other applications, and log on to the Internet. He helped the co-op establish a web page and an email address. Desktop computers were linked and their records backed up on a new main-frame computer.

In 2001, new accounting and billing software was installed, and consumers were enabled for the first time to pay bills by bank draft.

Phones and Ipad systems went into trucks, so outside workers could log data from the field, eliminating paperwork and the later typing from paperwork into a desktop computer.

With each successive generation of hardware and software technology, the co-op's operations have become increasingly sophisticated and appealing to consumers.

Now Mathis finds himself redistributing his workload among four other staff members so he can begin to take on the unique responsibilities of General Manager. "I've come full circle back to teaching," he said.

Board Candidates Running Unopposed

The following incumbents are running unopposed for three-year terms on the Red River Valley REA Board of Trustees:

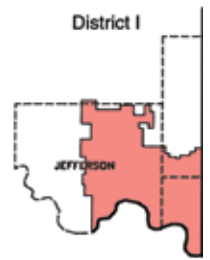


Allen Wade

District I, Office 3: Allen Wade

Allen Wade was first elected to the Board in 2014. He raises stocker cattle south of Ringling, his lifelong home. He has served on the Board of Education for Ringling Public Schools and on the Farm Service Agency county committee.

He has been a school teacher. He holds a bachelor's degree in mathematics from Cameron University.

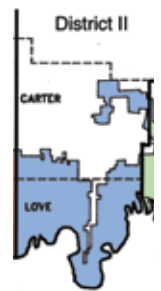


Larry Hicks

District II, Office 3: Larry Hicks

First elected to the Board in 1999, Hicks is a past president of the Southwestern Peanut Growers Association and a recipient of the Outstanding Young Farmer award from Oklahoma Farm Bureau.

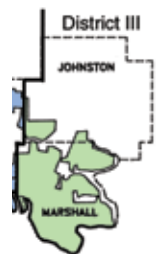
He grows pecans and cattle on the family's Breezy Hill Farm/Ranch at Jimtown. He has been a deacon and Sunday School teacher for more than 50 years.



Phillip Landgraf

District III, Office 3: Phillip Landgraf

Phillip Landgraf of Madill is marking his 25th year as a Board member. He joined the Board in 1998. Landgraf's fertilizer business serves rural customers throughout the Red River Valley area. He also farms wheat, raises stocker cattle, and serves on the Audit Committee of the Oklahoma AgCredit Board. Landgraf holds a degree in agricultural economics.



Rebates Offered in 2023 For Energy-Efficient Electric Purchases

Red River Valley REA is issuing rebates, while funds last in 2023, to members who install new qualifying energy-efficient air source heat pumps, ground source heat pumps, or electric water heaters.

Here are the rebate amounts:

- New Geothermal:** \$1,000/ton up to 5 tons*
- Retrofit Geothermal:** \$500/ton up to 5 tons*
- Air Source Heat Pump:** \$200/ton up to 5 tons*
- Gas to Electric Water Heater:** \$250 per site*
- New Construction Electric Water Heater:** \$250 per site*

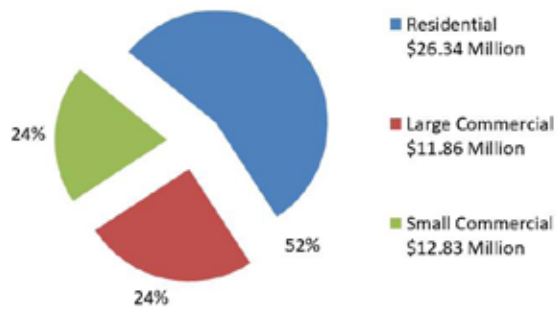
*Minimum energy ratings apply

The website rrvrea.com/member-services-rebates has more information. **Important:** Before making a purchase, call the Member Services Department at (580) 276-3364 to confirm the product's eligibility.

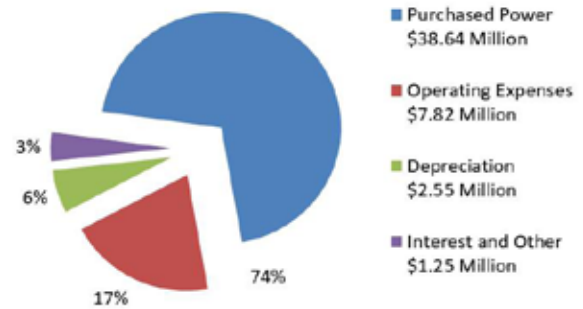


Geothermal Loop

WHERE THE DOLLAR COMES FROM



WHERE THE DOLLAR GOES



Red River Valley REA Balance Sheet

What We Own:

	2022	2021
Lines, Buildings, Equipment	90,481,659	85,736,610
Construction work in progress	1,085,389	499,264
<i>Total property</i>	91,567,048	86,235,874
Less: Reserve for Depreciation	-29,802,325	-27,999,143
<i>Net Value of Property</i>	61,764,723	58,236,731
Investments Due from Associated Organizations	17,198,831	16,673,274
Cash on Hand	3,389,066	2,051,240
Owed to Us for Electrical Service	4,871,098	4,238,557
Short-term recoverable Storm URI costs	307,106*	460,000*
Material & Supplies in Stock	38,653	45,712
Deferred Debits	2,809,768	4,725,902
Long-term recoverable Storm URI costs	864,977*	1,016,268*
Owed to us for Loans	110,613	124,687
Other Assets	167,708	115,800
TOTAL ASSETS	\$91,522,543	\$87,688,171

What We Owe (Liabilities):

Long Term Debt	38,591,434	37,501,971
Line of Credit	73,104	118,050
Accounts Payable	3,735,307	2,947,948
Consumer Deposits	1,664,510	1,494,682
Deferred Credits	1,257,156	861,143
Other Liabilities	4,031,011	4,041,284
TOTAL OWED	49,352,522	46,965,078

Our Net Worth (Equity):

Membership Fees	57,450	56,585
Patronage Capital	36,896,809	35,975,817
Other Comprehensive Income	360,289	378,053
Other equities	4,855,473	4,312,638
TOTAL EQUITY	42,170,021	40,723,093
Total Liabilities & Net Worth	\$91,522,543	\$87,688,171

*The co-op is in the second year of WREC's five-year program for recovering \$6,787,463 for the increased cost of power during Storm URI, the severe cold weather event of February 2021.

Red River Valley REA Income Statement

	2022	2021
TOTAL OPERATIONAL REVENUE RECEIVED:		
Residential, Commercial, and Other Sales and Fees	\$51,624,037	\$42,536,028
Cost of Electric Service:		
Purchased Power	38,642,532	30,694,109
Line Operations & Maintenance	4,390,440	4,020,619
Consumer Accounting & Collecting	1,511,124	1,439,263
Administrative & General Expenses	1,915,422	1,857,247
Depreciation	2,550,597	2,444,440
Interest on Long Term Debt	1,083,167	1,024,023
Other Interest and Deductions	148,490	41,124
Taxes	22,513	23,556
TOTAL COST OF ELECTRIC SERVICE	\$50,264,285	\$41,544,381
Patronage Capital & Operating Margins:		
<i>Net Operating Margins (Total Revenue Minus Total Cost)</i>	1,359,752	991,647
Nonoperating Margins Including Interest & Other Income	133,216	73,835
G&T & Other Capital Credits	974,127	834,949
NET MARGINS FOR YEAR	\$2,467,095	\$1,900,431
Plus: Patronage Capital at Beginning of Year	35,975,817	35,012,662
Retirement of Capital Credits	-1,546,103	-937,276
TOTAL PATRONAGE CAPITAL END OF YEAR	\$36,896,809	\$35,975,817

To ask questions or receive a copy of the complete financial statements, contact the co-op at (580) 276-3364.

System Statistics

	2022	2021	2020
Meters Served	17,378	17,077	16,601
Miles of Line	2,816	2,806	2,795
Total kWh Purchased	498,488,762	437,630,050	433,907,066
Average Monthly Residential Usage-kWh	1,201	1,103	1,097
Average Monthly Residential Bill	\$143	\$121	\$115
Peak Usage (kw) summer	98,898	88,819	87,282
Peak Usage (kw) winter	132,426	135,946	86,300
Full Time Employees	42	40	40
Average Wholesale Power Cost-kWh	\$.078	\$.067	\$.058
Average Residential Price-kWh	\$.119	\$.110	\$.105

Minutes of the 2022 Annual Meeting

The Eighty-fifth Annual Meeting of the members of Red River Valley Rural Electric Association was held virtually at the Red River Valley REA Headquarters in Marietta, Oklahoma, at 7:30 p.m. on the 8th day of August 2022. President Larry Hicks welcomed cooperative members watching online and the meeting was called to order.

President Hicks declared a quorum present with a count of one thousand one hundred seventy-six (1,176) members registered in person, these being more than five (5) percent of all 11,418 members of Red River Valley Rural Electric Association. Upon call from the President, co-op employee Mike Mathis gave the invocation.

President Hicks then called on Johnny Dewbre, Secretary of the Cooperative, to present and read copies of the Notice of the Meeting and Proof of Due Mailing thereof. Dewbre brought for consideration and action the Minutes of the Eighty-fourth Annual Meeting of the Members held on August 8, 2021. He stated that a copy of these minutes had been included with the 2021 Independent Auditor's Annual Report and mailed to all members on July 25, 2022, within the *Watt's Happening*. Dewbre then declared the 2021 Annual Meeting minutes approved based on a majority vote by the membership.

Election of Trustees

President Hicks then called upon Willis McKay, Chairman of the Credentials and Election Committee appointed by the Board of Trustees on May 24, 2022 as required by Article III-Section 3 of the official bylaws of the Cooperative. McKay recognized the members of the Committee as follows:

Willis McKay, Chairman; Francis Nelson, Vice-Chairman; Ramona Willis, Secretary; Wetona McCarty, Terry Eldridge, Donna Hicks, and Allen Woody.

McKay then gave a report of the Committee's actions prior to the Annual Meeting. He reported that the Committee met on July 15, 2022, in the boardroom of the Cooperative to discuss the voting process and to examine the records of Nomination by Petition and the Filings of Notification and Declaration of those persons standing for election at the 2022 Annual Meeting.

McKay reported that the Committee found and declared of record that the following named petitioners had filed all required documents to stand for election as required by the Cooperative's bylaws for District 3 Office 2 seat:

Dan Childs and Pepper Melton

Next, McKay reported that the Committee found and declared of record that the following named incumbent board members of Red River Valley Rural Electric Association had filed a Notification and Declaration to stand for election as required by the Cooperative's bylaws:

District 1	Office 2	Johnny Dewbre
District 2	Office 2	Jerry McGill
District 3	Office 2	OPEN

McKay declared that the Election was conducted in all respects according to the rules and regulations as set forth in the bylaws of the Cooperative, under complete jurisdiction of the properly formed said Committee; the voting being conducted with printed ballots being issued and cast during the hours of 2:00 pm and 7:00 pm on the 8th day of August 2022 for District 3, Office 2 director.

McKay then declared of record that the results of said voting was as follows:

Dan Childs 474 total votes

Pepper Melton 690 total votes

Upon certification of the election by the Elections & Credentials Committee it was determined that **Pepper Martin** won the election for the District 3, Office 2 seat with 690 votes.

Financial Report

President Hicks then called Roger Rhoades, Director of Accounting, to present the 2021 Audited Financial Statements for consideration and approval. Mr. Rhoades stated that each member had received the financial report by mail along with the minutes of the 2021 Annual Meeting. He asked for any questions or comments concerning the report. There being none, he declared the 2021 Financial Statements approved based on a majority vote by the membership.

Manager's Report

The President next called CEO Brent Sykora to give the Manager's Report. Sykora welcomed the members to the Annual Meeting and expressed appreciation to the Love County Sheriff's Department, Love County Commissioners, State Highway Department, Lone Grove American Nation Bank, the Credentials & Elections Committee, Ballot Counters, Ken Delashaw, Computing Edge, the vendors and contractors that donated prizes for the drawings, Dan and Tricia Willis and Wanda Smith for phone answering services, and the REA Employees for everything they have done to help with this Annual Meeting. He also thanked the cooperative members for being allowed to serve on their behalf in such a great organization. Sykora next introduced the directors of the Cooperative and their spouses.

Sykora briefly spoke on storms earlier in the year that shattered our pole loss record for any one single event and how our employees rose to the challenge to restore power to our members as quickly and safely as possible. Other challenges this year have included inflation, supply chain issues, and increased wholesale power costs due to surging fuel prices and limited supplies of natural gas.

Sykora also spoke on the higher wholesale power costs and how they are passed on to the membership through a power cost adjustment. This and higher usage due to the summer heat have resulted in higher electric bills.

Despite the rising costs, Red River Valley REA stands in great financial shape and because of that we are able to allocate margins to our members in the form of Capital Credits. This past December, the Board of Trustees approved a retirement of Capital Credits of almost \$1,000,000 to be allocated back to the members. We ended 2021 with margins of \$1.9 million dollars while serving 17,100 meters across almost 2,800 miles of line spread over five counties.

Sykora thanked the members for attending the 2022 Drive-Thru Annual Meeting and wished them luck in the prize drawing.

Other Business

There being no further business to conduct, the meeting was adjourned.

President Hicks then announced that the prize drawing for the grand prize would be streamed the next morning at 10:00 am on RRVREA's Facebook page. All other prizes would be drawn following that, and the winners would be posted on the co-op's Facebook page and contacted.

These minutes were recorded by Ashley Hambrick at the request of Johnny Dewbre, Secretary of the Cooperative.

Your Annual Meeting Registration Card

Approval of the 2022 Annual Meeting minutes and 2022 financials as mailed in this month's newsletter?

YES

NO

- Each member of the co-op may vote.
- A member is an individual, business, or association that has paid a membership for electric service.
- A husband and wife are considered one member and may cast a single ballot between them. **Note:** If spouse is not listed on the account, proof of marriage must be provided.
- A member who has more than one account is considered an individual member with one vote.
- The person designated in writing by a corporate entity to cast its vote must present the authorization to the election committee at the voting area.

NOTE: Co-op Business Office Closes at Noon, August 14

Co-Op Sees Residential, Commercial Loads Grow

Red River Valley REA has added 2,000 metered accounts since 2017, compared to 1,000 new accounts from 2012-2017.

Greg Winchester, who oversees service installations in his position as Vice President of Engineering and Operations, says the growth surge of the past five years is unprecedented.

"I'm working on 33 years here in January and no time has been as busy. My whole career we have had two crews that handled new construction with occasional help from a contractor. Right now we have three contract crews here fulltime, plus our two."

Materials, especially underground wire and transformers, are in short supply, a legacy of the COVID-19 pandemic. "I spend a lot of my time making sure we can get materials," Winchester said.

Also, when major storms strike and large-scale outages occur, all crews are reassigned to service repairs.

The current growth hotspot is around Lake Texoma where several

housing additions and RV parks are being constructed. The Pointe Vista Development, a planned community of up to 1,200 homes, is driving development along miles of Texoma shoreline in Oklahoma.

Housing starts also are underway in the WinStar Casino area of Thackerville.

At WinStar Casino, the co-op is connecting electricity for a new hotel, entertainment center, parking garage, and chilled water plant.

Another Chickasaw Nation gaming center, West Bay Casino and Resort, opened in Kingston in May as a new co-op member.

Oklahoma voters approved State Question 788 in 2018, which created state law for growing and dispensing medical marijuana.

The medical marijuana industry has added to the growth of the co-op's small to medium classes, Winchester said.

Photos (above) Greg Winchester, Vice President of Engineering and Operations. (below) Underground line goes in at WinStar Casino near Thackerville.





RED RIVER VALLEY

P.O. Box 220
Marietta, OK 73448

PRSR STD
POSTAGE & FEES PAID
Tulsa, OK
Permit No. 2146

Annual Meeting Registration
2-7 p.m. August 14, 2023
8574 State Hwy 32,
Marietta, OK
- Please bring this card -

MEMBER BARCODE

RED RIVER VALLEY REA ANNUAL MEETING DRIVE-THRU
2 TO 7 P.M. MONDAY, AUGUST 14
at Co-op Headquarters
8574 State Hwy 32, Marietta, OK

Cash, Electric Appliances in Drawing

Every member who registers and is eligible to vote at the Drive-Thru Annual Meeting on August 14, 2023, will receive a gift bag from the co-op, containing assorted useful items. In addition, their names will be entered in a drawing for the awarding of valuable door prizes. Here is a partial list of valuable prizes:

- fans
- shop tools
- blenders
- cookware
- microwaves
- electric drills
- crock pots
- coffeemakers
- electric saws
- electric weed eaters
- electric griddles
- wet/dry vacuums

GRAND PRIZE: 2023 Bad Boy Magnum Lawn Mower with a 42" deck.

CASH PRIZE: \$250

REA DOLLARS: \$50 in credit to the electric bills of 10 consumers whose names are drawn.

Entry August 14: Entry into the drawing is from 2 to 7 p.m. on August 14, 2023, at co-op headquarters at 8574 State Hwy 32, Marietta, OK. **To stay safe on Hwy 32 try to avoid arriving before 2 p.m. or after 5 p.m.**

Drawing August 15: The drawing for grand and cash prize winners will take place live on the Red River Valley REA Facebook page at 11 a.m. All other drawing winners' names will be posted to the Facebook page, and they will be notified by telephone. They may make plans to pick up their prizes from the co-op.



co-op

CONTACTS

BY PHONE



**To Report Outages 24 Hours a Day
Or Ask About Electric Services**

(580) 276-3364

Marietta, OK Office

8574 State Highway 32

P.O. Box 220

(580) 276-3364

Weekdays

7:00 a.m.-3:00 p.m. (lobby)

7:00 a.m.-4:00 p.m. (drive-thru)

Kingston, OK Branch

801 State Highway 32

(580) 564-1800

Weekdays

8:00 a.m.-4:00 p.m.

Find Us
ONLINE

www.rrvrea.com

