2025 SECPA
ANNUAL REPORT

SOUTHEAST COLORADO POWER ASSOCIATION

A Touchstone Energy® Cooperative

APRIL 23, 2026
LA JUNTA, COLORADO

FROM THE BOARD PRESIDENT

On behalf of the Board of Directors, I would like to welcome you to our Annual Meeting and thank you for your continued support of Southeast Colorado Power Association (SECPA).

The Board is pleased to welcome our new CEO, Mark Hall. After many years of dedicated service to SECPA and leadership in previous roles, Mark brings valuable experience and a strong understanding of our operations. We look forward to his continued leadership.

As a member-owned electric cooperative, the Board strives to ensure that our cooperative remains strong, responsive, and focused on providing safe, reliable, and affordable electricity to you – the members we serve.

SECPA continues to remain financially strong while maintaining stable rates. We are proud to provide important jobs throughout our service territory and to support the communities we serve through local projects and initiatives.

Over the past year, our team has continued investing in maintaining and improving the electric system that powers homes, farms, ranches, and businesses across our region. Strengthening infrastructure and enhancing reliability remain top priorities as we work to deliver the dependable energy you count on every day.

SECOM, a wholly owned subsidiary of SECPA, was the recipient of several grants allowing their expansion into parts of SECPA's service territory. With this expansion, SECOM is adding value to SECPA member-owners. Due to this growth, the Board thought it necessary for SECOM to have a dedicated CEO and promoted SECOM's COO, Scott Monarco to the CEO position.

None of this would be possible without the dedication of our employees, who work every day - often in difficult conditions - to keep the lights on. I would also like to thank my fellow board members for their service and commitment.

Most importantly, thank you - our members - for your continued trust and confidence. We appreciate the opportunity to serve you and look forward to another year of working together to power our communities.

Clint Anderson, Board President

FROM THE CEO

I believe the best word to describe Southeast Colorado Power Association in 2025 is “Change”. In March, the Board of Directors decided that SECOM has grown to the point that SECOM needed their own CEO and appointed Scott Monarco to that position. In July, the Board of Directors decided to make a change with the Southeast Colorado Power Association CEO position, and I was named Interim CEO.

Since July, I have made several changes to better enhance consumer experience at Southeast Colorado Power Association, starting with implementing a call tree to give the consumers options when calling into the offices. The call tree is an automated system that allows consumers the ability to decide whether to report an outage themselves or pay their bill without talking with a representative, however if consumers want to talk to a representative that is an option as well. The next thing that I changed is extending the due date on electric bills five days to give the consumers more time to pay before a bill is delinquent. Our mailing address was also changed so that mail is received directly to our office in La Junta eliminating a daily trip to the post office.

The radio system used to communicate with outside personnel was converted to digital from analog in 2025 for better coverage and safety. The Apprenticeship Standards through the State of Colorado were also changed to a new program to enhance the apprenticeship training. Southeast Colorado Power Association changed over 2,000 poles on our system for new services, maintenance or “make ready” for SECOM fiber.

2025 was a busy year for Southeast Colorado Power Association with all the changes but I believe this must happen to make sure that our members are given the highest quality safe electrical service at an affordable cost. Without the members of Southeast Colorado Power Association, we would not be in business. It is our job to take the utmost pride in what we all do every day to make sure you, the members, are given the best service Southeast Colorado Power Association can provide.

Mark Hall, Chief Executive Officer

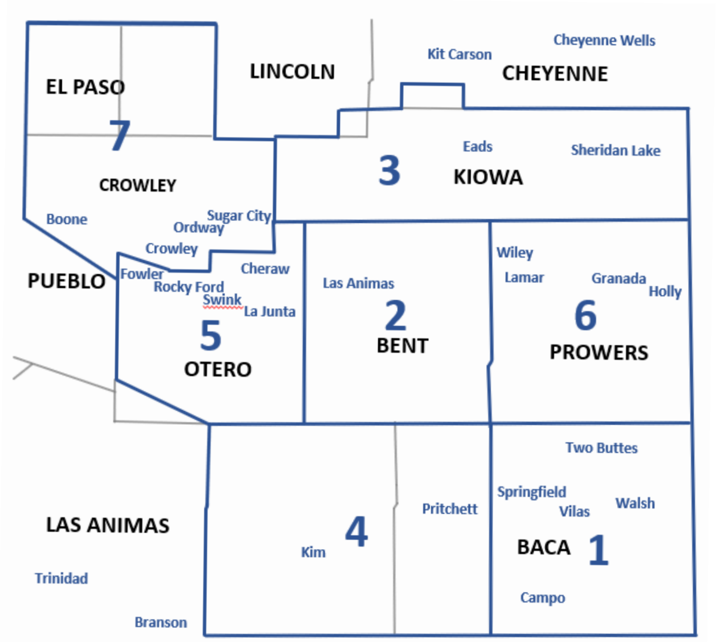
BOARD OF DIRECTORS

Truman Wright
District 1

Lawrence Brase
District 2

Brad Buck
District 3

Randy Phillips
District 4



Michelle Gardner
District 5
Secretary/Treasurer

Merlin Rushton
District 6
Vice President

Clint Anderson
District 7
President

MANAGEMENT STAFF

SOUTHEAST COLORADO POWER ASSOCIATION

A Touchstone Energy® Cooperative

Mark Hall
Chief Executive Officer

Aaron Johnson
Chief Financial Officer

Angela Bamber
Chief Human Resources Officer

Debbie Howard
Executive Assistant

PRIZE DRAWINGS - Brandon announced five $100 cash prize winners and one $500 winner.

ANNOUNCEMENT of SCHOLARSHIP WINNERS - Brandon announced the 2025 Scholarshi recipients and Wright presented scholarship certificates to the following:

*Tri-State $1,000 Scholarship: **Traven Sharon** (Sharon Home School – Ordway)
*Basin $1,000 Scholarship: **Ashlynn Hancock** (Rocky Ford High School)
*SECPA $1,000 Scholarships: **Delaney Bond** (Home School/Cheraw High School); **Sadie Buhr** (La Junta High School); **Kolter Cranson** (Kim High School); **Ryan Day** (Fowler High School); **Bay Ellis** (Springfield School); **Callie Hinds** (Campo High School); **Kinsley Mayo**, (La Junta High School); **Case Nelson** (Eads High School); **Colin Nelson** (Eads High School); **Jorji Ratzla** (Pritchett High School). Four $1,000 scholarships donated in memory of **JIM & LIZZIE REHF** were awarded to: **Dalton Casper**, Swink School; **Jacob Gearhart**, Las Animas School; **Lars Gr** Vilas Undivided School; and **Tavin Watkins**, Kim Undivided School.

CREDENTIALS & TELLERS COMMITTEE (Chairman Terry Laird, Donald Peck & Leon Golden) certified the following: - 52 members present; 613 mail-in ballots; and 2 in-person ballot grand total of 615 ballots cast. Total membership as of April 24, 2025, was 5,354.
Motion was made and seconded to approve the Certificate of Credentials Committee report. **MOTI** carried.

Brandon announced election results: District 1 - Tyson Chick 238 votes; Truman Wright 372 votes; incumbent & unopposed District 3 Brad Buck 478 votes. Brandon congratulated winners Wright an Buck.

OLD BUSINESS or NEW BUSINESS - Wright asked if there was any old or new business anyo wanted to bring forth.

ADJOURNMENT - Motion was made and seconded to adjourn the meeting at 7:20 p.m. **MOTIO** carried.

Wright announced next year's annual meeting will be held in Springfield, Colorado.

____________________________ President

____________________________ Secretary

MINUTES OF 2024 ANNUAL MEETING

of SOUTHEAST COLORADO POWER ASSOCIATION (SECPA) SHAREHOLDERS
April 24, 2025

The 2024 Annual Meeting of SECPA was held on Thursday, April 24, 2025, at The Community Building, 610th Street, Lamar, CO. with registration beginning at 5:00 p.m.

CALL TO ORDER - Board President Truman Wright called the meeting to order at 6:00 p.m. Following the invocation, attendees recited the Pledge of Allegiance.

WELCOME – **Ron Cook,** Prowers County Commissioner, welcomed everyone and expressed appreciation for the infrastructure for electric service provided by SECPA to Southeast Colorado.

INTRODUCTION of Board of Directors – Wright introduced Board Directors: Clint Anderson, Lawrence Brase and wife Tressa, Brad Buck and wife Dreama, Michelle Gardner, Randy Phillips and wife Reva, and Merlin Rushton. Wright remarked that the Directors take their responsibility very seriously and at times can be very passionate about expressing their views on specific issues.

INTRODUCTION of LEADERSHIP TEAM – CEO Kevin Brandon introduced SECPA & SECOM leadership teams. Brandon recognized the employees assisting with the meeting.

INVITATION to DINNER - Brandon invited everyone to enjoy the meal and thanked the Prowers County 4-H Council for preparing it.

READING of OFFICIAL MEETING NOTICE – Secretary/Treasurer Rushton read the Official Notice of SECPA Annual Meeting.

DETERMINATION of QUORUM - Rushton made a determination of quorum. (Quorum was certified according to Article III, Section 4 of the SECPA bylaws.) Motion was made and seconded to declare a quorum present to transact business. **MOTION** carried.

MINUTES of 2023 ANNUAL MEETING - Rushton then asked for a motion to dispense with the reading of the minutes and to approve the 2023 Annual Meeting minutes. He told members a copy of the minutes is included in the Annual Meeting booklets distributed to members at tonight's meeting. Motion was made and seconded to dispense with the reading of the minutes and approve the minutes. **MOTION** carried.

YEAR-in-REVIEW & Financial Report - Brandon presented the 2024 Year-In-Review via PowerPoint. SECPA highlights: 10,935 electric accounts served; 3% increase in kilowatt hours sold from 2023; total electric plant in service $138,898,531; total miles energized lines 5,825; retired capital credits totaling $568,082; total wages paid $5,341,211. He explained that cooperatives operate on a not-for-profit basis.
Brandon informed member-owners that SECPA implemented a rate increase in 2024 and will not have a rate increase in 2025. He displayed the new bill format.

Aaron Johnson, CFO, reviewed 2024 Financial Summary via PowerPoint**:** Net Margins & Patronage $3.5M, including income from SECOM (subsidiary) of $314K.

SECOM (SECPA's wholly owned broadband subsidiary) has 2,404 miles of fiber, 4,768 wireless circuits, 3,156 fiber circuits, and 3,824 phone lines. Wages paid $3.8M. SECOM had a positive margin of $314K. SECOM partnered with Southern Colorado Economic Development District (SCEDD) and was awarded approximately $30M which will enable SECOM to expand broadband service to additional residents in rural Southeast Colorado.

2026 SCHOLARSHIP WINNERS

SECPA $1,000 SCHOLARSHIP WINNERS

MADELYN BAMBER

Swink High School

Parents – Robert & Lisa Bamber

JENNIFER GARDNER

Swink High School

Parents – Matthew & Michelle Gardner

MADDOX GOURLEY

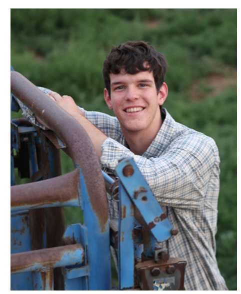
Walsh High school

Parents – Blake & Chelsea Gourley

MERISSA HERMAN

Rocky Ford Academy

Parents – Scott & Sherry Herman



LAYTON HOMM

McClave High School

Parents – Justin & Shelby Homm

JOCELYNN JAMES

Swink High School

Parents – Walter & Megan James

AUTUMN JOHNSTON

Swink High School

Parents – Mark & Amanda Johnston

TAYLOR MENDENHALL

Swink High School

Parents – David & Laura Mendenhall

2026 SCHOLARSHIP WINNERS

WESTON MORGAN

McClave High School

Parent– David Morgan

ALEXIS RUSHER

Crowley County High School

Parent – Mark Rusher

LEXI SHOTTON

Eads High School

Parents – Derek & Biana Shotton

ASHLYNN STEINBRUNN

McClave High School

Parents – Thomas & Melissa Steinbrunn

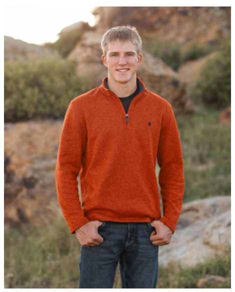
BASIN ELECTRIC SCHOLARSHIP

KELSI HARR

Simla High School

Parents – Brad & Kari Harr

TRI-STATE G&T SCHOLARSHIP



BRAXEN SHELTON

Lamar High School

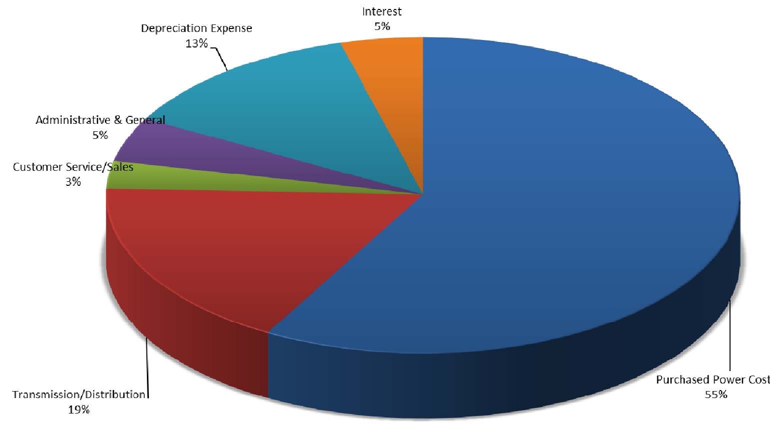
Parents – Brett & Meena Shelton

YOUTH TOUR WINNERS

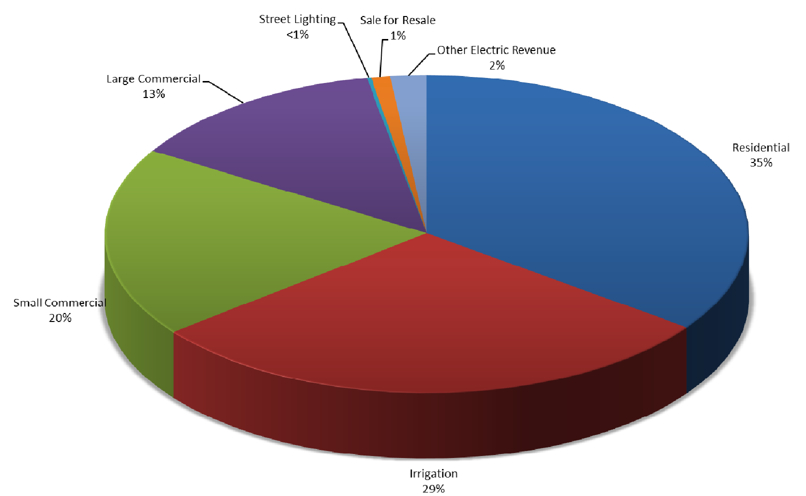
LAYTON HOMM

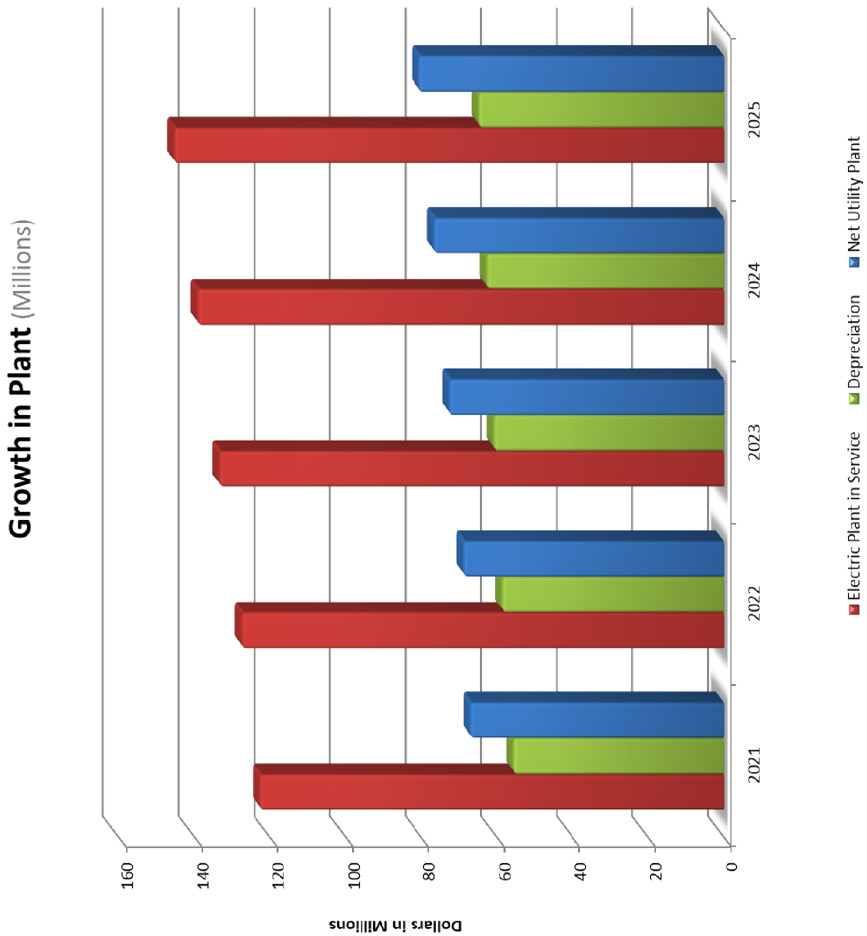
LARKIN ANDERSON

2025 Cost of Power Breakout



2025 Revenue Sources





FACT SUMMARY

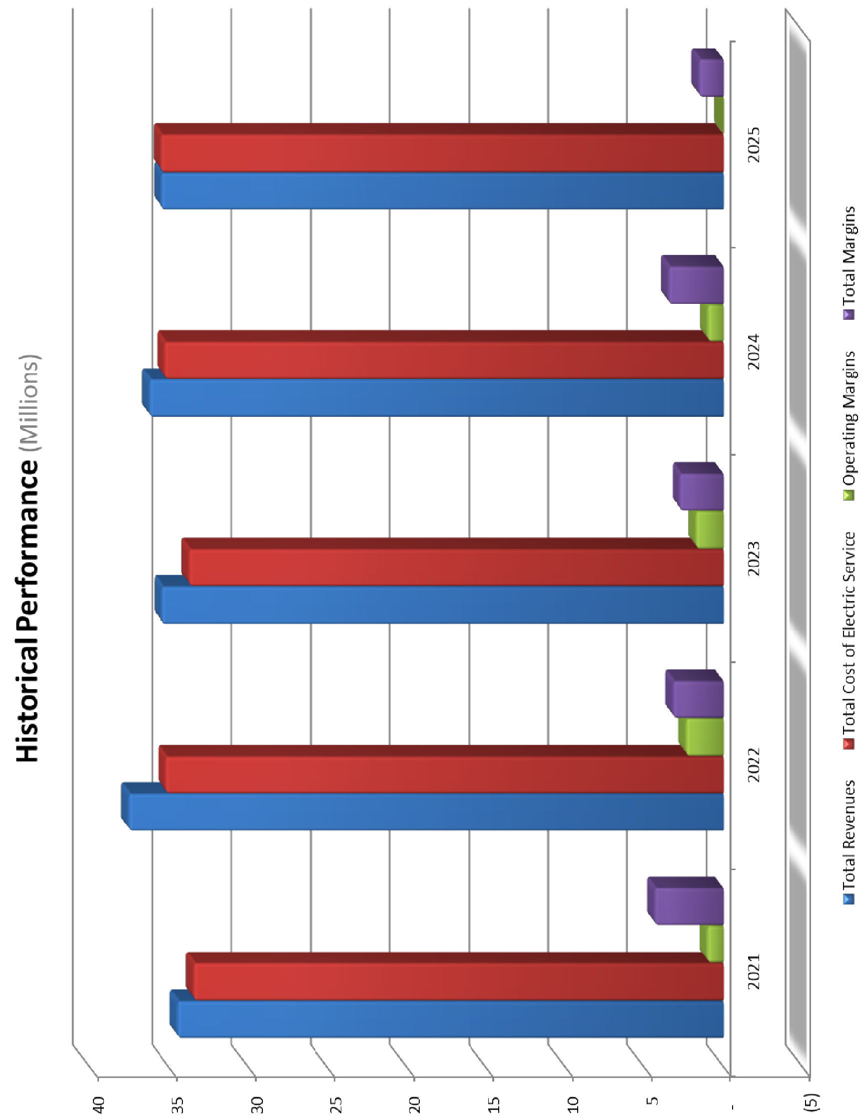
Southeast Colorado Power Association is a rural electric distribution cooperative providing electricity to approximately 10,935 meters in rural southeast Colorado. Additionally, SECOM, a wholly owned subsidiary of SECPA, provides high-speed telecommunication circuits, wireless internet and voice services.

YEAR ORGANIZED:	1937
POWER SUPPLIER:	Tri-State Generation & Transmission, Inc. Denver, Colorado.
TERRITORY:	Southeast Colorado Power's 13,000 square-mile service territory includes all or portions of Baca, Bent, Cheyenne, Crowley, Kiowa, Las Animas, Lincoln, Otero, El Paso, Prowers and Pueblo counties.
WORK FORCE:	44 full-time employees.
2025 ASSETS:	Southeast Colorado Power Association's total assets as of December 31, 2025 are $123,203,587
DISTRIBUTION:	5,729 miles of distribution line.
TRANSMISSION:	304 miles of transmission line.
FIBER OPTIC:	2,519 miles of fiber optic cable.
2025 PROPERTY TAXES:	$685,442
2025 ELECTRIC REVENUE:	$35,446,246
2025 TELECOM REVENUE	$13,176,066
2025 kWh SOLD:	249,437,633 kWh
2025 NET MARGIN & PATRONAGE	$1,517,125
TYPES OF SERVICE:	Farms, ranches, irrigation, residential, oil and gas pumping.

INCOME STATEMENT

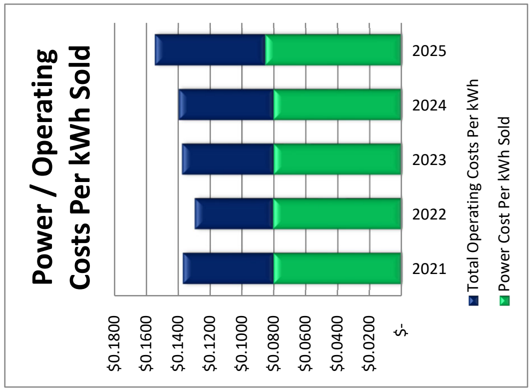
Income Statement ------------------ (unaudited) *Audited*

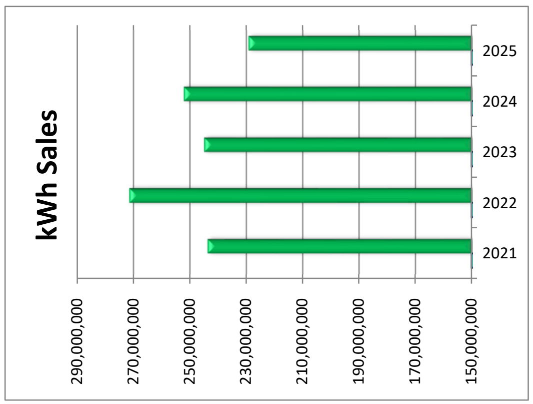
OPERATING REVENUES	2025	2024	2023	2022	2021
Residential	$12,430,973	$12,390,036	$11,854,906	$12,028,820	$11,765,118
Irrigation	$10,386,160	$10,915,817	$9,596,151	$10,328,707	$9,645,520
Small Commercial	$6,850,551	$6,660,347	$6,288,687	$6,903,240	$6,907,983
Large Commercial	$4,712,847	$5,467,062	$6,311,207	$6,761,767	$5,372,326
Street Lighting	$78,960	$75,931	$73,896	$73,900	$73,899
Sale for Resale	$341,877	$335,840	$317,686	$322,451	$321,411
TOTAL ELECTRIC SALES	$34,801,368	$35,845,033	$34,442,533	$36,418,885	$34,086,257
Other Electric Revenue	$644,878	$378,842	$983,516	$1,088,616	$350,300
TOTAL REVENUES	**$35,446,246**	**$36,223,875**	**$35,426,049**	**$37,507,501**	**$34,436,557**
EXPENDITURES					
Purchased Power	$19,637,407	$20,285,238	$19,691,118	$21,920,918	$19,610,325
Transmission Expense	$152,471	$149,522	$128,547	$116,994	$143,891
Distribution-Operations	$2,793,813	$2,435,378	$2,539,643	$2,303,894	$2,392,752
Distribution-Maintenance	$3,707,589	$3,506,248	$2,990,391	$2,597,108	$2,873,706
Consumer Accounts Expense	$828,808	$904,514	$807,807	$734,836	$781,567
Consumer Serv. & Info. Expense	$57,199	$57,830	$77,385	$60,894	$39,503
Sales Expense	$52,370	$28,445	$13,300	$24,093	$16,445
Administrative & General Expense	$1,626,169	$1,589,105	$1,452,191	$1,664,765	$1,847,665
Depreciation & Amortization	$4,596,735	$4,460,515	$4,214,950	$4,099,663	$3,957,505
TOTAL OPERATING EXPENSE	$33,452,561	$33,416,795	$31,915,332	$33,523,165	$31,663,359
Interest on Long Term Debt	$1,472,016	$1,363,017	$1,213,762	$1,220,059	$1,286,538
Interest Expense - Other	$151,221	$116,568	$423,507	$27,110	$13,341
Other Deductions	$403,505	$350,516	$167,494	$416,987	$467,041
TOTAL COST OF ELECTRIC SERVICE	$35,479,303	$35,246,896	$33,720,095	$35,187,321	$33,430,279
Operating Margins	($33,057)	$976,979	$1,705,954	$2,320,180	$1,006,278
Non-Operating Margins - Interest	$29,742	$36,901	$34,689	$35,106	$10,845
Income (Loss) from Equity Investments	$143,756	$314,143	$192,166	$26,221	$1,002,787
Non-Operating Margins - Other	$444,891	$491,231	$338,825	$432,169	$1,621,095
G & T Capital Credits	$550,066	$1,224,163	$138,550	$370,849	$444,471
Other Capital Credits & Patronage Div.	$381,727	$411,652	$310,476		$238,292
Extraordinary Items	$0				($1,000)
TOTAL NET MARGINS & PATRONAGE	**$1,517,125**	**$3,455,069**	**$2,720,660**	**$3,184,525**	**$4,322,768**

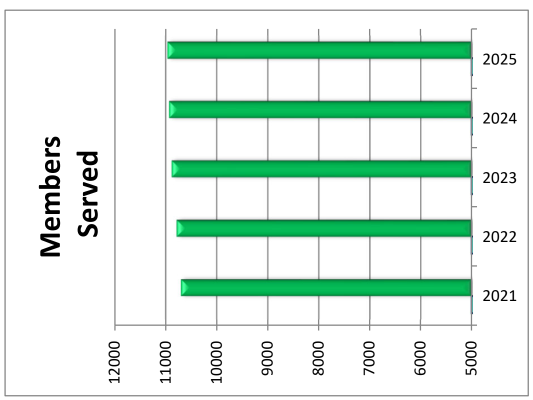


Comparative Statistics

	2025	2024	2023	2022	2021	Change
Active Member Accounts Served	10,971	10,935	10,886	10,789	10,702	36
Miles of Line	5,841	5,825	5,812	5,789	5,786	16
Member Accounts per Mile of Line	1.88	1.88	1.87	1.86	1.85	0.00
Total kWh Sold	229,372,713	252,244,449	245,049,959	271,556,915	243,772,811	(22,871,736)
Revenues	35,446,246	36,223,875	$35,426,049	$37,507,501	$34,436,557	$ (777,629.00)
Average Selling Price per kWh Sold	$ 0.1545	$ 0.1421	$ 0.1406	$ 0.1381	$ 0.1413	$ 0.0124
Power Cost Per kWh Sold	$ 0.0856	$ 0.0804	$ 0.0804	$ 0.0807	$ 0.0804	$ 0.0052
Operating Cost Per kWh Sold	$ 0.0691	$ 0.0593	$ 0.0572	$ 0.0489	$ 0.0567	$ 0.0098

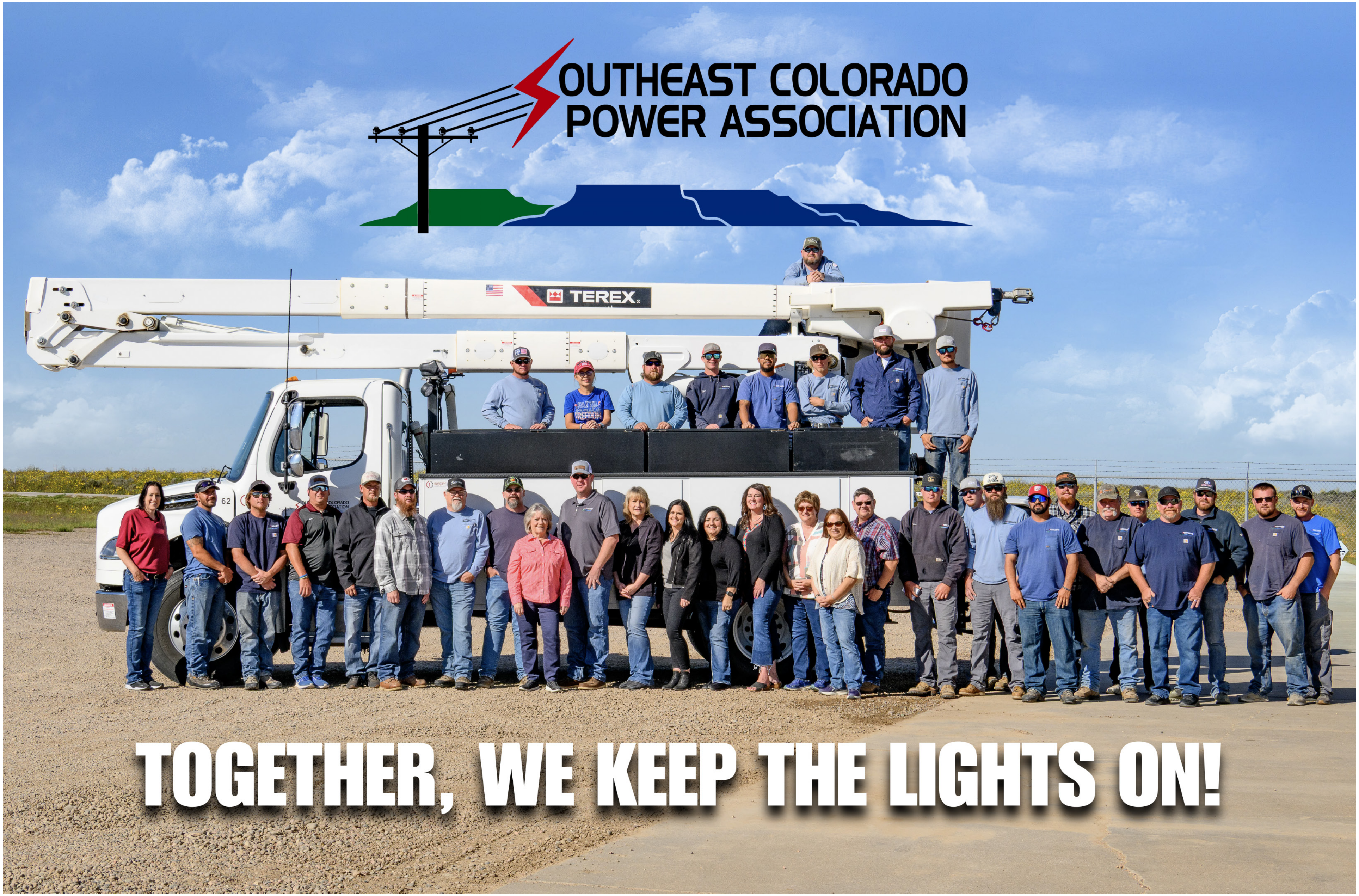






BALANCE SHEET

Balance Sheet ---------------------	*(unaudited)*	***Audited***			
	2025	**2024**	**2023**	**2022**	**2021**
ASSETS					
Electric Plant in Service	$145,261,205	$139,121,787	$133,283,339	$127,448,553	$122,630,007
Less Depreciation	$64,691,272	$62,570,922	$60,741,889	$58,587,380	$55,676,837
Net Utility Plant	$80,569,933	$76,550,866	$72,541,450	$68,861,173	$66,953,170
Non-Utility Property (Net)	$1,382,383	$1,424,315	$1,466,248	$1,508,181	$1,550,113
Investment in Subsidiary Companies	$9,349,572	$9,205,817	$8,886,779	$8,694,613	$8,668,392
Invest. in Assoc. Organizations - Pat. Capital	$20,219,777	$19,659,692	$18,448,419	$18,366,954	$18,369,914
Invest. in Assoc. Organizations - Other	$245,102	$244,946	$244,946	$244,946	$244,946
Invest. in Economic Development Projects	$20,000	$50,000	$80,000	$110,000	$140,000
Other Investments	$7,787	$8,099	$8,061	$7,865	$7,548
Special Funds	$1,064	$1,064	$1,057	$2,307	$3,708
Cash - General Funds	$879,177	$710,438	$1,243,449	$1,339,102	$740,139
Special Deposit	$241	$241	$241	$241	$241
Temporary Investments	$54,479	$52,509	$55,417	$52,528	$50,322
Notes Receivable (Net)	$481,743	$636,433	$674,549	$711,418	$747,081
Accounts Receivable (Net)	$2,678,583	$2,768,256	$2,653,464	$2,889,192	$2,991,446
Materials & Supplies - Electric	$2,079,488	$2,155,070	$1,838,888	$1,771,533	$1,265,069
Prepayments	$176,547	$142,245	$139,549	$222,867	$208,473
Other Current & Accrued Assets	$143	$173	$216	$103	$7
Deferred Debits	$5,057,569	$5,387,251	$5,762,869	$6,194,094	$6,710,763
TOTAL ASSETS	**$123,203,587**	**$118,997,414**	**$114,045,602**	**$110,977,117**	**$108,651,332**
LIABILITIES AND OTHER CREDITS					
Memberships					
Patronage Capital	$70,632,672	$67,069,069	$64,703,803	$62,205,146	$58,065,351
Operating Margins	$517,008	$2,201,143	$1,844,504	$2,320,180	$1,449,749
Non-Operating Margins	$1,000,116	$1,234,839	$876,156	$864,344	$2,873,019
Other Margins & Equities	$4,869	$4,869	$4,869	$4,869	$4,869
Long Term Debt - CFC	$40,131,237	$41,424,339	$38,246,925	$38,422,044	$40,204,344
Long Term Debt - Econ. Develop.	$0	$0	$0	$0	$0
Long Term Debt - Other	$0	$20,000	$50,000	$80,000	$110,000
Notes Payable	$4,761,525	$700,000	$2,449,670	$1,557,922	$0
Accounts Payable	$2,430,025	$2,574,430	$2,412,839	$2,184,962	$2,362,354
Consumer Deposits	$556,339	$582,587	$578,187	$633,823	$743,985
Current Maturities Long-Term Debt	$2,110,484	$2,036,580	$1,899,915	$1,812,300	$1,744,684
Other Current & Accrued Liab.	$1,059,312	$1,085,937	$915,114	$827,906	$1,029,355
Deferred Credits	$0	$63,621	$63,621	$63,621	$63,621
TOTAL LIABILITIES AND OTHER CREDITS	**$123,203,587**	**$118,997,414**	**$114,045,602**	**$110,977,117**	**$108,651,332**


SOUTHEAST COLORADO
POWER ASSOCIATION
TEREX
TOGETHER, WE KEEP THE LIGHTS ON!