

SOUTHEAST COLORADO POWER ASSOCIATION
Minutes of Regular Board Meeting

The regular meeting of the Board of Directors of Southeast Colorado Power Association (SECPA) was held **February 15, 2023**, at the SECPA headquarters, 27850 Harris Road, La Junta, CO.

1. Call to Order/ Roll Call

Vice President Clint Anderson called the meeting to order at 12:50 p.m. Directors present were Brad Buck, Kevin Karney, and Merlin Rushton. Truman Wright, Lawrence Brase, and Randy Phillips participated via video conference.

Staff present: CEO Kevin Brandon, CFO Craig McBrain, COO Mark Hall, CHRO Angela Bamber, and Executive Assistant Debbie Howard.

2. Agenda Modifications - None.

3. Member and/or Public Participation – None.

4. Board Meeting Minutes

Motion was made and seconded to approve January 18, 2023 minutes. **MOTION** carried.

5. Chief Executive Officer – Brandon

- Brandon has received claim forms from Xcel Energy for the high voltage damage in Baca County. Forms will be completed by members who incurred damage and submitted to SECPA, who will then forward to Xcel Energy.
- Attended Eastern Manager’s meeting at Highline Electric. It was reported that Tri-State will finish 2022 with a loss and there will be no allocations; 2023 budget reflects no margins.
- Attended two Rate Design Committee meetings. Because Tri-State is a cooperative, committee recommended to the Tri-State Board of Directors no direct assignment in filing, unless Federal Energy Regulatory Commission (FERC) directs it.
- Discussed changing the date of Board of Directors meetings. Brandon offered two options; the 4th Wednesday of each month or the last Wednesday of each month. The benefit would be to close the financials for the same month. Issue was tabled to March meeting.

6. Finance & Membership – McBrain

- Reviewed December Income Statement, Balance Sheet, various graphs & Check Register. (Included in Board packet.)
- December Net Margins, \$486,304; YTD, \$3,168,099.
- January new memberships, 21; withdrawals, 39.
- Comparison of December delinquent penalty charges YTD 2021 - \$ 264,051; YTD 2022 - \$260,245.
- 33 meters were disconnected for non-payment and totaled \$21,185 (20 were reconnected.)
- Brase related that Tri-State is considering an estimated 9% increase in power cost effective January 2024.
- In response to questions last month: Paycheck Protection Program (PPP) moved equity up by \$1M. Property taxes are not a single line item; allocations are functional line items.

7. Operations –

- Various kWh graphs, Outages, Work Orders, and Line Loss reports reviewed. (Included in Board packet.)
- Rolling line loss was equivalent to \$55,089.
- Stampede Construction does approximately 1/3 or less of the total work normally done by SECPA crews.
- An update was given on the purchase of a bucket truck.
- Hall gave a brief Safety report (included in Board packet.)

8. Legal –

- Attorney invoice \$4,913 (Copy in Board packet.)

- Reminder: SECPA Board policies 101-106 which were scheduled for review today will be reviewed at March Board meeting; 107-112 at April meeting and 113-118 at May meeting.

9. Human Resources – Bamber

- January payroll = \$373,170 (overtime = \$17,651); (other \$12,131 includes employee on-call time); 50 employees (includes 1 holiday part-time employee.)
- New Hires:
Troy Plagge – Staking Engineer, Springfield 1/23/23.
- Employee Transfer
Connie Fernandez – SECOM Accounting Supervisor to Southeast Colorado Power Association Accounting Specialist, La Junta, effective 5/2023.

10. Affiliate Organization Board Reports

A. Western United Electric (WUE) - Anderson

- Written summary included in Board packet.
- Anderson attended the last WUE meeting.

B. Colorado Rural Electric Association (CREA) - Karney

- CREA meeting notes in Board packet.

C. Tri-State G&T- Brase

- February Board report included in Board packet.
- Reported on Rate Design Committee. After 13 meetings, a 65-35 vote was taken on committee's recommendation to Tri-State Board for the new rate design to be filed at FERC. Brandon added that direct assignment of transmission costs is not the cooperative model.
- Continue to work with Public Utilities Commission on Responsible Energy Plan.
- Conducted CEO evaluation.

11. Executive Session

Motion was made and seconded to go into Executive Session at 2:05 p.m. for legal matters.

MOTION carried.

Meeting reconvened at 2:10 p.m.

12. Adjourn - There being no further business, the meeting adjourned at 2:10 p.m.



President



Secretary