

## 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 **December 18, 2024**, at the SECPA headquarters, 27850 Harris Road, La Junta, CO.

#### 1. Call to Order/ Roll Call

President Truman Wright called the meeting to order at 12:30 p.m. Directors present were: Clint Anderson, Lawrence Brase, Brad Buck, Michelle Gardner, Randy Phillips and Merlin Rushton.

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

Casey Martin, outside legal counsel, joined meeting via conference call 12:45 – 1:00 p.m.

#### 2. Agenda Modifications – None.

#### 3. Member and/or Public Participation – None.

#### 4. Board Meeting Minutes

Motion was made and seconded to approve November 20, 2024, Board minutes. **MOTION** carried.

#### 5. Chief Executive Officer – Brandon

- Redline copy and final draft copy of BP 116 were presented. Tabled until January meeting.
- Motion was made and seconded to designate Phillips as delegate and Anderson as alternate delegate for 2025 CREA Annual membership meeting. **MOTION** carried.
- Motion was made and seconded to designate Clint Anderson as delegate and Merlin Rushton as alternate for 2025 Western United Annual meeting. **MOTION** carried.

#### 6. Legal – Martin

- Gave a brief report.

#### 7. Finance & Membership – Johnson

- Reviewed October Income Statement, Balance Sheet, various graphs & Check Register.
- October Net Margins, \$184,383; YTD, \$2,080,513.
- Brase requested that on the Cash Flow Summary report, details be provided for Cash from Investment Activities and Cash from Financing Activities.
- Thirteen disconnects on Nov 13 for nonpayment of September bills; 3 accounts have not reconnected as of December 5.
- Hall responded to Rushton's inquiry regarding cost of poles listed on check register.
- Total YTD delinquent penalty charges \$202,267.
- There were 14 new memberships; 23 withdrawals; 11,116 accounts billed.
- Johnson told Directors that 3,762 capital credit retirement checks totaling \$434,774k will be mailed tomorrow.

##### a) 2025 SECPA Draft Budget

Primary adjustments to preliminary assumptions included: updates to reflect actual results for October 2024 and updates to carryover work plan projects and general plant additions. Explained changes in detail. Motion was made and seconded to approve budget as presented. **MOTION** carried.

##### b) Financial Forecast

A slide presentation of the financial forecast was reviewed and Director questions answered. Directors expressed appreciation to Johnson for his presentation and the beneficial information.

A credit card policy was presented for discussion. Policy was tabled until the January Board meeting allowing Directors time to consider options.

**8. Operations – Hall**

- Various kWh graphs, Outages (41), Work Orders, and Line Loss reports reviewed.
- Rolling line loss was equivalent to \$47,576.
- Reported on status of trucks.
- Claims filed for July 15 Tri-State incident that were originally denied, have now been paid.
- Hall testified in El Paso County meter tampering restitution case; SECPA awarded \$144k.
- Received \$237,766 from FEMA claim for storm damage; should receive an additional \$13k for administrative costs.
- Safety Report
- Apprentice has passed SECPA journeyman test; will take State test soon.
- Quarterly Safety meeting will be held to approve Safety Improvement Plan.

**9. Human Resources – Bamber**

- November payroll = \$491,934; (overtime = \$75,276); (other \$17,217) - includes employee on-call time and unpaid leave for tracking purposes. 51 Employees.

Staffing Changes & Postings:

- Interviewing for Apprentice position in Lamar; received 98 applications. Hall interviewed 6 applicants.

**10. Affiliate Organization Board Reports**

A. Western United Electric (WUE)-Anderson

- Written report in board packet.

B. Colorado Rural Electric Association (CREA) - Phillips

- Written report in board packet. Expressed concerns about CREA meeting dates being inconsistent.
- Phillips asked if any other Director would be interested in being SECPA's CREA board representative.
- Kent Singer, CREA Executive Director, just announced that Curt Graham has been promoted to Director of Safety and Loss Control. CREA will hire a replacement for Graham's current position.

C. Tri-State (T/S) G&T- Brase

- T/S Board report included in board packet.
- Reviewed a revised- proposed timeline for Wholesale Electric Contract (WESC.)
- Discussed whether SECPA wants to move from 5% to 10% self-generation.
- Phillips asked what the benefit of SECPA being a member is if Tri-State non-members are treated better than members.
- Wright is still unhappy when Tri-State treated Lamar and Springfield better than SECPA and does not want it to happen again.
- Recommendation was made that when SECPA signs a new contract to include language to shed non-members first.

**11. Executive Session**

Motion was made and seconded to enter executive session at 2:45 p.m. for personnel matters.

**MOTION** carried.

- Bamber and Howard left meeting at 3:10 p.m.
- Mike Trumble, Line Superintendent joined meeting at 3:10 p.m.

Meeting reconvened at 3:45 p.m.

**12. Adjourn** – Meeting adjourned at 3:45 p.m.

  
President

  
Secretary