

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 **April 17, 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 10:00 a.m. Directors present were Clint Anderson, Lawrence Brase, Michelle Gardner, Randy Phillips and Merlin Rushton. Brad Buck was absent.

Staff present: CEO Kevin Brandon, COO Mark Hall, CHRO Angela Bamber and Executive Assistant Debbie Howard. Casey Martin, outside legal counsel, participated via conference call.

3. Member and/or Public Participation – None.

4. Board Meeting Minutes

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

5. Chief Executive Officer – Brandon

10-10:45 a.m. - Southeast Colorado Power & Subsidiary (SECOM) Consolidated 2023 Financial Audit was presented via PowerPoint by Aaron Clayton (EideBailley).

- Audited financials showed SECPA with a \$2.7M net margin and SECOM \$216k net income.
- Anderson asked if EideBailley provided “Risk Advisory” services for SECPA, would it be an issue since they are our auditors.

Wright asked Directors that since they did not have a chance to review the audit and it is in “draft” form, should they wait until they receive the final audit to approve. Motion was made and seconded to approve “Draft” audited financials. **MOTION** carried.

- Brandon informed Directors that SECPA needed to increase its Cooperative Finance Cooperation (CFC) Line of Credit (LOC) from \$5M to \$6M. Following discussion, motion was made and seconded to approve Resolution 24-01 *Certificate of Resolutions and Incumbency* and to update the original *Amendment to As-Offered Uncommitted LOC Agreement* to reflect the \$1M increase to the LOC. **MOTION** carried.
- Reminded everyone the annual meeting is April 25th.
- Waiting on Martin to get a better map to complete the Springfield Annexation.

Meeting recessed at 10:45 a.m.

Meeting reconvened at 12:40 p.m.

6. Finance & Membership – Brandon

- Reviewed February Income Statement, Balance Sheet, various graphs & Check Register. (Included in BOD packet.)
- March Net Margins, \$317,575; YTD, \$ 532,625.
- There were 25 new memberships; 27 withdrawals; 11,085 accounts billed.
- A Net Metering Refund YTD Adjustment (payout) report showed 61 accounts with a total of \$5,754 refunded.
- The new Chief Financial Officer, Aaron Johnson, will start April 29th. He was previously employed by CoBank and Rural Utilities Service

7. Operations – Hall

- Various kWh graphs, Outages (45), Work Orders, and Line Loss reports reviewed. (Included in BOD packet.)
- Rolling line loss was equivalent to \$38,024.
- Hall gave an update on Vilas Solar, a 1MW Tesla charging station in Springfield, a 10 MW load in Yoder

area for a data center; possible new load in McClave area and a 5 MW load for hemp oil extraction site in Campo.

- Update given on area crew projects.
- Safety Report: Mike Trumble and Hall attended CREA Operations and Engineering Conference in Monte Vista in March.
John Parker, Safety Director, accompanied fire extinguisher provider to all SECPA and SECOM facilities for indoor fire extinguisher inspection.
- Parker will attend Safety Summit in Kansas City.
- Hall and Trumble will attend Hotline School in Grand Junction in May.

8. Legal –

- Attorney invoice \$2,475.
- Martin reviewed his written report.
- Brandon has invited Martin to participate in the monthly SECPA/SECOM C-Team employee meetings.
- Martin will attend CREA Attorney Legal Seminar in May.
- Board policies will be reviewed by staff and then forwarded to Martin for review before presenting to Directors for approval.

9. Human Resources – Bamber

- March payroll = \$395,205; (overtime = \$17,806); (other \$13,706 - includes employee on-call time.) 50 Employees (includes 2 summer/part-time employees.)
- Explained January Benefits report (to match check register) was shown and included in Board packet.
- Staking Engineer, Lamar, has resigned; advertising internally.

10. Affiliate Organization Board Reports

A. Western United Electric (WUE)

- Written report in Board packet.

B. Colorado Rural Electric Association (CREA)

- Next meeting scheduled May 4-6 in Grand Junction.

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

- Brase reported on T/S annual meeting.
- T/S anticipates \$682M from United Power buyout; possibly use to pay off \$512M debt.
- Contract Committee has been postponed.

11. Executive Session – None.

Wright announced that Directors will conduct CEO evaluation at May meeting.

12. Adjourn – Meeting adjourned at 2:15 p.m.


President


Secretary