

## 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 **November 20, 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 12:55 p.m. Directors present were: Clint Anderson, Lawrence Brase, Brad Buck, Michelle Gardner, and Merlin Rushton. Randy Phillips participated via conference call.

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 1:00 -1:10 p.m.

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

#### 4. Board Meeting Minutes

Motion was made and seconded to approve October 16, 2024, Board minutes. **MOTION** carried.

#### 5. Chief Executive Officer – Brandon

- BP 114 and BP 115 have been reviewed by legal counsel and were presented with proposed revisions for approval. Motion was made and seconded to approve BP 114 & BP 115 as presented. **MOTION** carried.
- BP 116 will be reviewed at December board meeting.
- Heavy snow caused some damage to building ceiling tiles.
- Strategic Planning will be conducted by Cooperative Finance Cooperative (CFC) January 22 8:00 a.m. – 4:00 p.m. and January 23 8:00 a.m. – 2:00 p.m. at the Cow Palace in Lamar. Directors and staff should have received a survey.

#### 6. Legal – Martin

- October invoice totaled \$1,976.
- Gave a brief report.

#### 7. Finance & Membership – Johnson

- Reviewed September Income Statement, Balance Sheet, various graphs & Check Register.
- September Net Margins, \$394,140; YTD, \$1,896,130.
- There were 26 new memberships; 31 withdrawals; 11,107 accounts billed.
- Thirty-one disconnects on October 9 for non-payment of August bills; 12 have not reconnected. Thirteen disconnects on Nov 13 for nonpayment of September bills. Total YTD delinquent penalty charges \$180,862.
- Motion was made and seconded to approve CoBank Resolution 24-06 designating SECPA as guarantor and giving SECPA full power and authority to guarantee SECOM's (SECPA's wholly owned subsidiary) loan obligations. **MOTION** carried.

#### a) 2025 Preliminary Budget (added to board packet)

Assumptions addressed: Revenues, Power Cost, Operating Expenses, Plant Investments, and Capital Credits. Budget showed Margins \$1,558,439; Operating Revenue & Patronage Capital \$37,632,429; Power Cost \$22,040,894; Operating & Maintenance Expense \$30,669,489 (includes \$9,393,000 payroll expense); Plant Investments – Workplan Projects \$7,120,000 and General Plant Additions \$810,000; retire 1984 Capital Credit allocation of \$1,227,675 (SECPA \$1,032,74/Tri-State \$194,926.) Assume 65% of retirement checks cashed resulting in \$800k actual outlay.

- Johnson will provide a financial forecast at the December board meeting.

## 8. **Operations – Hall**

- Various kWh graphs, Outages (41), Work Orders, and Line Loss reports reviewed.
- Rolling line loss was equivalent to \$68,737.
- Annual inventory has been completed.
- Hall described situation with recent snowstorm. Anderson asked if SECPA has a contract with Stampede Powerline. Hall explained the storm rate with Stampede is expensive and only utilized as necessary.
- Safety Report:  
SECPA hosted a training orchestrated by Eaton. Training was held in Lamar. Border States Equipment paid for training and lunch; sixty-six (66) attendees including City of Lamar and La Junta employees.
- Gardner related concerns she received from members as to whether SECPA has adequate equipment necessary to handle recent snowstorm. Hall responded crews do their jobs by doing whatever they have to do and the primary problem for line crews was mobility. He elaborated at length on various responses to historical weather situations (i.e. using airplane to locate power problem areas.)

## 9. **Human Resources – Bamber**

- October payroll = \$446,375; (overtime = \$16,250); (other \$33,499) - includes employee on-call time and bonuses. 51 Employees.  
Staffing Changes & Postings:
- Preston VanCampen, Apprentice in Lamar, resigned 11/11/24.
- Apprentice Lineman position in Lamar has been posted externally.
- Employee Appreciation Day was held October 24 in Lamar. Pictures of employees receiving anniversary awards were shown. SECPA group photos were also shown.

## 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. Phillips didn't attend CREA meeting.
- C. Tri-State (T/S) G&T- Brase
  - T/S Board report included in board packet.
  - Attended Contract Committee meeting.
  - La Plata Electric and Mountain Parks Electric still plan to withdraw from Tri-State.


## 11. **Executive Session**

Motion was made and seconded to enter executive session for confidential business development and personnel matter at 2:45 p.m. **MOTION** carried.

- Staff, except Brandon, Hall & Bamber was excused at 2:50 p.m.
- Brandon, Hall & Bamber were excused at 3:00 p.m.
- Exec Session with Board only for conference call with Employer's Council attorney 3:00 – 3:35 p.m.
- Brandon and Bamber joined exec session 3:35 – 4:00 p.m.
- Board only exec session 4:00-5:10 p.m.
- Brandon joined exec session 5:10-5:45 p.m.

Meeting reconvened at 5:45 p.m.

## 12. **Adjourn** – Meeting adjourned at 5:45 p.m.

  
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President

  
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Secretary