

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 21, 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 11:00 a.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, CHRO Angela Bamber and Executive Assistant Debbie Howard. Casey Martin, outside legal counsel, participated via video conference.

2. Agenda Modifications – None.

3. Member and/or Public Participation – None.

4. Board Meeting Minutes

Motion was made and seconded to approve January 17, 2024 Board minutes. **MOTION** carried.

5. Chief Executive Officer – Brandon

- a. Rates with changes from previous version copy added to board packet were reviewed. Following discussion, motion was made and seconded to approved rate schedule as presented (copy added to board packet.) **MOTION** carried.
- Attended Tri-State manager’s meeting in January. Tri-State is waiting on FERC’s ruling on rates. Managers discussed the creation of a member advisory committee, but decision made not to proceed. For transparency, Tri-State is making more materials accessible to member managers.
- Announced La Plata Electric’s CEO has resigned.
- Attended CREA Board meeting held in conjunction with CREA Annual meeting. CREA will offer Strategic Planning services including facilitation. Directors questioned how much CREA will charge for that service.
Dennis Herman, Highline Electric CEO, was elected to serve as the Colorado representative to National Rural Electric Cooperative Association (NRECA.)
SECPA hosted a dinner with guests Senator Rod Pelton and Representative Ty Winter following CREA’s legislative reception. Brandon, SECOM CBDO Jon Saunders, SECPA Board Directors Wright and Rushton attended.
- EideBaily audit engagement letter dated January 16, 2024 for the purpose of reporting findings regarding the results of the procedures performed on SECPA’s 2023 records compared to procedures specified by NRECA benefit plans (total estimated fees \$5,200) was presented. Motion was made and seconded to approve engagement letter. **MOTION** carried.
- Brandon will conduct CFO candidate interviews next month.

Lunch break 12:30 – 1:00 p.m.

Meeting reconvened at 1:00 p.m. Motion was made and seconded to enter into executive session for personnel matter. Employer’s Council attorney, Sara Adey, participated via video conference.

Staff and Attorney Martin left the meeting.

Meeting reconvened at 2:00 p.m. Attorney Adey left the meeting. Staff and Martin rejoined the meeting.

6. Finance & Membership – Brandon

- a. Proposed 2024 Budget (added to board packet) was presented. Motion was made and seconded to approve budget as presented. **MOTION** carried.
- Reviewed December Income Statement, Balance Sheet, various graphs & Check Register. (Included in BOD packet.)
- December Net Margins, \$67,627; YTD, \$2,582,110. 2023 late fee charges totaled \$252k.
- There were 23 new memberships; 28 withdrawals; 11,058 accounts billed.

7. Operations – Hall

- Various kWh graphs, Outages (34), Work Orders, and Line Loss reports reviewed. (Included in BOD packet.)
- Rolling line loss was equivalent to \$53,913.
- Plans to deploy electronic oil circuit reclosers (OCR) periodically. Hall explained the benefits and cost savings.
- Final paperwork has been signed and submitted to FEMA; requested \$272k.
- Update given on area crew projects.
- Working with SECOM personnel to transfer radio from analog to digital.
- Safety Report: Linemen have been registered for hotline school and for meter school. John Parker, Safety Manager, will attend Safety Summit in Kansas City. Darren Davenport, Federated Insurance, did annual review of Safety Records yesterday.

8. Legal–

- Attorney invoice \$3,030; YTD \$3,030.
- Legal fees YTD for SECPA & subsidiary, SECOM total \$5,250.
- A written report (added to board packet) was reviewed.
- An asset acquisition agreement (copy added to the board packet) has been delivered to Springfield attorney.
- Three Board policies (BP110, 111, and 112) will be presented for review in March after Brandon has reviewed. Directors will receive a redlined copy of current policies reflecting recommended revisions and a copy of policies with those revisions for approval.

9. Human Resources – Bamber

- January payroll = \$402,459 (overtime = \$11,068); (other \$33,406 - includes employee on-call time.) 49 employees (includes 1 summer/holiday employee.)
- Staffing Changes & Postings - None to report.

10. Affiliate Organization Board Reports

A. Western United Electric (WUE) - Anderson

- Written report in Board packet.
- Anderson, as SECPA representative, currently serves as Vice President on WUE Board of Directors.

B. Colorado Rural Electric Association (CREA) – Phillips

- Written report in Board packet.
- Phillips will attend CREA meeting tomorrow and Friday.
- CREA Board members have requested Kent Singer, CREA Executive Director, visit co-ops periodically.

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

- Written report in Board packet.
- Duane Highley, T/S CEO, plans to visit member co-ops. He will attend SECPA Annual meeting.
- Announced T/S Annual meeting will be held April 2-3. FERC Chairman will be keynote speaker.
- Contract Committee will meet March 14th.
- New CFO, Todd Telez has replaced Pat Bridges.

11. **Executive Session**

Motion was made and seconded to enter executive session at 3:15 p.m. for personnel matter.
MOTION carried.

Hall & Howard left the meeting.

Meeting reconvened at 4:00 p.m. Bamber and Gardner left the meeting.

12. **Adjourn** - There being no further business, the meeting adjourned at 4:10 p.m.



President



Secretary