

MINUTES
REGULAR MEETING
BOARD OF TRUSTEES
THE SOCORRO ELECTRIC COOPERATIVE, INC.

April 28, 2018

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The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), held on Saturday, April 28, 2018 at Macey Center, New Mexico Tech Campus, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 4:40 p.m. by Bruce Wiggins, Attorney.

ROLL CALL

Attorney Wiggins called roll and reported those present and attending as follows:

TRUSTEES PRESENT: Anne L. Dorough, Trustee
 Representative, District V

 David Wade, Trustee
 Representative, District IV

 Mary Lucy Baca, Trustee
 Representative, District I

 Judith Holcomb, Trustee
 Representative, District II

 Luis Aguilar, Trustee
 Representative, District III

 Leroy Anaya, Trustee
 Representative, District III

 Donald Wolberg, Trustee
 Representative, District III

TRUSTEES ABSENT:

ALSO PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 Jimmy Capps, Director of Communications and Public Affairs
 Bruce Wiggins, Wiggins, Williams & Wiggins

SEC MEMBERS PRESENT: Jimmy Dorough, David L Wade

QUORUM

Attorney Wiggins declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

Attorney Wiggins led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

There being no additions or deletions to the Agenda, Trustee Wolberg motioned to accept the Agenda as presented; motion seconded by Trustee Aguilar. Motion carried unanimously.

Attorney Wiggins approve the Agenda as distributed.

April 28, 2018

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

There being no additions or deletions to the March 21, 2018 minutes, Trustee Aguilar moved to accept the minutes as presented; motion seconded by Trustee Anaya. Motion carried unanimously.

Attorney Wiggins approved the March 21, 2018 minutes as distributed.

PUBLIC COMMENTS

There were no comments brought forth by SEC Members.

OATH OF OFFICE

Attorney Wiggins administered the Oath of Office to all Trustees present.

ELECTION OF OFFICERS

PRESIDENT

Attorney Wiggins called for the election of the Office of President by secret ballot.

After all Trustees cast their secret ballots, Attorney Wiggins announced that Trustee Dorough had been elected as President, unanimously.

Attorney Wiggins invited Trustee Dorough to chair the remainder of the meeting.

VICE-PRESIDENT

President Dorough called for the election of the Office of Vice-President.

After all Trustees cast their secret ballots, Attorney Wiggins announced that four (4) ballots had been cast for Trustee Aguilar and three (3) ballots had been cast for Trustee Wade. Attorney Wiggins declared Trustee Aguilar as Vice-President.

SECRETARY/TREASURER

President Dorough called for the election of the Office of Secretary/Treasurer.

After all Trustees cast their secret ballots, Attorney Wiggins announced that Trustee Baca had been elected as Secretary/Treasurer, unanimously.

ELECTION OF REPRESENTATIVE OF TRI-STATE BOARD OF DIRECTORS

Trustee Wolberg mentioned that Tri-State Board of Directors had an upcoming meeting on Monday, April 30, 2018

President Dorough called for the election of the Representative of Tri-State Board of Directors by secret ballot.

After all Trustees cast their secret ballots, Attorney Wiggins announced that Trustee Anaya had been elected as Representative of Tri-State Board of Directors.

ELECTION OF REPRESENTATIVE OF NMRECA BOARD OF DIRECTORS

President Dorough called for the election of the Representative to the NMRECA by secret ballot.

After all Trustees cast their secret ballots, Attorney Wiggins announced that Trustee Holcomb had been elected as Representative to NMRECA.

President Dorough called for the election of the Alternate Representative to NMRECA by secret ballot.

After all Trustees cast their secret ballots, Attorney Wiggins announced that Trustee Baca had been elected as Alternate Representative of NMRECA.

SPECIAL ORDERS

REGULAR BOARD MEETING

April 28, 2018

Trustee Wolberg made a motion to adjourn the meeting to Wednesday, April 30, 2018 at 2:00 p.m. and for the Board to postpone any action and stand in abeyance; motion seconded by Trustee Anaya. Motion carried unanimously.

Trustee Aguilar made a motion for the Board to postpone any action and stand in abeyance until April 26, 2017; motion seconded by Trustee Wolberg. Motion carried unanimously.

President Dorough adjourned the meeting until Monday, April 30, 2018 at 2:00 p.m.

MINUTES
REGULAR MEETING CONTINUATION
BOARD OF TRUSTEES
THE SOCORRO ELECTRIC COOPERATIVE, INC.

April 30, 2018

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The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), continued Monday, April 30, 2018 at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Anne L. Dorough, President.

ROLL CALL

Secretary Baca called roll and reported those present and attending as follows:

TRUSTEES PRESENT: Anne L. Dorough, President
 Representative, District V

 Luis Aguilar, Vice-President
 Representative, District III

 Mary Lucy Baca, Secretary/Treasurer
 Representative, District I

 Judith Holcomb, Trustee
 Representative, District II

 Dave Wade, Trustee
 Representative, District IV

 Leroy Anaya, Trustee
 Representative, District III

 Donald Wolberg, Trustee
 Representative, District III

TRUSTEES ABSENT:

ALSO PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 David Montoya, Safety Compliance Officer
 Tony Lopez, Line Foreman
 Marilyn Madrid, Member Service Supervisor
 Jimmy Capps, Director of Communications and Public Affairs

SEC MEMBERS PRESENT: Jimmy Dorough, David L Wade

QUORUM

Secretary Baca declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

President Dorough led everyone in the Pledge of Allegiance.

PUBLIC COMMENTS

There were no comments brought forth by SEC Members.

MANAGER'S REPORT

April 30, 2018

Manager Herrera reported on the expenditures check register totaling \$960,377.20 for the month of March 2018 and proceeded to answer questions posed by the Trustees concerning the Expenditure Report.

President Dorough thanked Manager Herrera for the Expenditure Report for March 2018.

Manager Herrera reported that all American Express and Master Card credit card statements with supporting receipts were made available to the Board of Trustees.

President Dorough thanked Manager Herrera for the Credit Card Expenditures for March 2018.

Manager Herrera carefully reviewed the RUS Form 7 Report for March 2018 and proceeded to answer questions posed by the Trustees concerning the RUS Form 7.

President Dorough thanked Manager Herrera for the RUS Form 7 Report for March 2018.

Manager Herrera reported that the Engineering Department completed 29 site visits in March with 5 of those being from our West area and 4 being from our North area. Manager Herrera also reported that our consultant from Tierra ROW had been diagnose with cancer, so it is being transition over to someone else.

President Dorough thanked Manager Herrera for the Engineering Report for March 2018.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the March Safety Report and proceeded to answer questions posed by the trustees.

JOB BRIEFING

Mr. Montoya reviewed the March Job Briefing Report and proceeded to answer questions posed by the Trustees.

President Dorough thanked Mr. Montoya for the Safety Compliance Report for March 2018.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Lopez reported that the crews completed several commercial and residential line extensions during March 2018; answering questions posed by the Trustees.

OUTAGE REPORTS

Mr. Lopez went over the Cooperative Response Center report for March 2018 stating that all crews have been restoring all outages in a safe manner. Mr. Lopez answered questions posed by the Trustees.

President Dorough thanked Mr. Lopez for the Operations and Maintenance Report for March 2018.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid reported on the Energy Delinquent Report for March 2018 and proceeded to answer questions posed by the Trustees.

Ms. Madrid also shared about a few notes that had been received from SEC members thanking us for the good service we provided

NM PRC MEMBER CONCERNS

Ms. Madrid reported that SEC had two-member complaints filed with the NM PRC in March 2018, with one of the cases being closed by the PRC with a finding of "no wrongdoing" by SEC. Ms. Madrid stated that the other case is still being processed.

April 30, 2018

President Dorough thanked Ms. Madrid for the Member Services Report for March 2018.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Capps reviewed the March Communications and Public Affairs Report and proceeded to answer questions posed by the Trustees.

President Dorough thanked Mr. Capps for the Communications and Public Affairs Report for March 2018.

TRI-STATE REPORT

Trustee Wolberg gave the Tri-State Board of Directors activities report for March 2018.

President Dorough thanked Trustee Wolberg for the Tri-State Report.

NMRECA REPORT

Trustee Anaya gave the NMRECA Board of Directors activities report for March 2018.

President Dorough thanked Trustee Anaya for the NMRECA Report.

PRESIDENT'S REPORT

President Dorough reported that the 2018 Trustee Expense reports for the first quarter had been provided for all trustees to review as well as reminded about the expense limits.

TRUSTEE REPORTS

There were no Trustee Reports brought forth.

FINANCE COMMITTEE REPORT

Committee Chair Trustee Baca reported on the Committee meeting held March 21, 2018.

President Dorough thanked Committee Chair Trustee Baca for the Finance Committee Report.

MRGEDA REPORT

Trustee Holcomb reported on the MRGEDA activity for March 2018.

President Dorough thanked Trustee Holcomb for the MRGEDA Report.

NEW BUSINESS

Consideration and Approval of 2017 SEC Audit Completed by BSGM

Manager Herrera stated that the David Copeland, CPA Partner with BSGM was joining them via teleconference.

Mr. Copeland thanked the Board for allowing him to present via teleconference and proceeded to go over the December 31, 2017 and 2016 Audit report stating that BSGM did not have any findings related to significance deficiencies, or material weaknesses offering a clean opinion of the Cooperative financials. Mr. Copeland answered questions posed by the Trustees.

After discussion, Trustee Wolberg made a motion to approve the 2017 SEC Audit as presented; motion seconded by Trustee Baca. Motion carried unanimously.

Consideration and Approval of 2017 Form 990 Completed by BSGM

Manager Herrera stated that the 2017 Form 990 had been completed by BSGM and had been presented to the Board for review.

After discussion, Trustee Aguilar made a motion to approve the 2017 Form 990 as presented; motion seconded by Trustee Wolberg. Motion carried unanimously.

Policy 307 – Patronage Capital Retirements

April 30, 2018

Manager Herrera reported that Policy 307 – Patronage Capital Retirements had been discussed at the Strategic Planning where it was sent to the Standing Committee to review. Manager Herrera stated that the Standing Committee reviewed that policy where it was sent to the Finance Committee to review. Manager Herrera stated it was the recommendation from the Finance Committee to approve Policy 307 – Patronage Capital Retirements with revisions.

After discussion, Trustee Anaya made a motion to accept the Finance Committee’s recommendations on Policy 307 – Patronage Capital Retirements; motion seconded by Trustee Holcomb. Motion carried unanimously.

Policy 312 – Financial Forecast

Manager Herrera reported that Policy 312 – Financial Forecast had also been discussed at the Strategic Planning where it was sent to the Standing Committee to review. Manager Herrera stated that the Standing Committee reviewed that policy where it was sent to the Finance Committee to review. Manager Herrera stated it was the recommendation from the Finance Committee to approve Policy 312 – Financial Forecast with revisions.

After discussion, Trustee Aguilar made a motion to accept the Finance Committee’s recommendations on Policy 312 – Financial Forecast; motion seconded by Trustee Wade. Motion carried unanimously.

Consideration of Capital Credit Estate Retirements

Manager Herrera reported that SEC General Counsel Bruce E. Wiggins Esq., had previously reviewed the Patronage Estate Capital Retirement as provided in the Trustee’s Boardpaq. Mr. Wiggins reviewed the retirement documents and stated that they appeared to be in order and were ready for the Board’s consideration:

ESTATE RETIREMENTS:

	Operating Margins	Plains G&T	Investment in Associated Organizations	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
None at this time									

JOINT ACCOUNT ESTATE RETIREMENTS:

	Operating Margins	Plains G&T	Investment in Associated Organizations	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
Jimmy Guerro, Sr.	\$119.92	\$2.60	\$8.47	\$3.94	\$51.92	\$13.43	\$0.00	\$200.28	\$148.36
Ernest Ralph Perry	\$198.06	\$9.73	\$11.53	\$3.86	\$49.91	\$0.00	\$0.00	\$273.09	\$223.18
Jose L Morales	\$376.68	\$9.45	\$21.97	\$9.63	\$135.22	\$8.10	\$0.00	\$561.05	\$425.83
Gordon S Wolfel	\$480.19	\$16.39	\$24.74	\$9.61	\$118.78	\$0.00	\$0.00	\$649.71	\$530.93
George Osterman	\$125.99	\$0.00	\$8.19	\$4.51	\$60.81	\$0.00	\$0.00	\$199.50	\$138.69
Rebecca Funkhouser	\$1,082.55	\$55.14	\$46.52	\$14.77	\$138.11	\$0.00	\$0.00	\$1,337.09	\$1,198.98

After discussion, Trustee Aguilar made a motion to approve the Retirement of Patronage Capital as presented, absent any Tri-State allocations, to the above-mentioned estate accounts; motion seconded by Trustee Wolberg. Motion carried unanimously.

Consideration of Line Extension Contracts

Manager Herrera reported that there was one Line Extension however it has not been signed by the member yet.

Consideration of Trustee Travel

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President Dorough presented and congratulated Trustee Holcomb with her NRECA Gold Board Leadership Certificate.

There were no Trustee travel requests to consider.

EXECUTIVE SESSION

Trustee Wolberg made a motion to go into Executive Session to discuss potential litigation matters; motion seconded by Trustee Aguilar. Motion carried unanimously.

President Dorough called for an Executive Session.

The Board adjourned to Executive Session at 3:57 p.m.

REGULAR SESSION

A motion was made by Trustee Wolberg and seconded by Trustee Anaya to return to Regular Session at 4:41 p.m. President Dorough stated that there was no action taken during Executive Session.

SET DATE/TIME FOR REGULAR MEETING

Manager Herrera stated the due to the upcoming NMRECA Annual Meeting being held in Ruidoso, New Mexico which would be the same week as our next regular scheduled Board meeting.

After discussion, President Dorough stated that the next Standing Committee meeting would be held Wednesday, May 16, 2018 at 1:00 p.m. with the next regular scheduled meeting following at 2:00 p.m.

ADJOURNMENT

There being no further items open for discussion, Trustee Wolberg moved to adjourn; motion seconded by Trustee Aguilar. Motion carried unanimously.

President Dorough adjourned the meeting at 4:46 p.m.


REGULAR BOARD MEETING

April 30, 2018



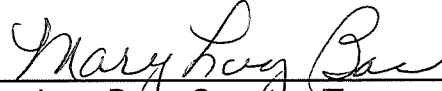
Mary Lucy Baca, Secretary/Treasurer

APPROVED:



Anne L. Dorough, President

I, Mary Lucy Baca, do hereby certify that I am the Secretary of the Board of Trustees of The Socorro Electric Cooperative, Inc., herein called the "Cooperative" and the above is a true and exact copy of the Minutes of the Regular Meeting held on April 28, 2018 and the Regular Meeting Continuation held on April 30, 2018. A Quorum of Trustees was present and acted upon throughout the meeting and none of the Minutes of the above have been rescinded or modified.



Mary Lucy Baca, Secretary/Treasurer