

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

January 31, 2024

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC) was held on Wednesday, January 31, 2024, at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Leroy Anaya, President.

ROLL CALL

Manager Herrera called the roll and reported those present and attending as follows:

TRUSTEES PRESENT: Leroy Anaya, President
 Representative, District 3

 Ron Burnett, Vice-President
 Representative, District 5

 Stephen Rosas, Secretary/Treasurer
 Representative, District 3

 Ward McCartney, Trustee*
 Representative, District 1

 M Kenneth Bowden, Trustee
 Representative, District 3

 Dave Wade, Trustee
 Representative, District 4

TRUSTEE(S) ABSENT: None

ALSO PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 Jimmy Capps, Chief Financial Officer
 David Montoya, Safety Compliance Officer
 Darren Thomas, Line Superintendent
 V. Todd Unruh, Engineering Manager
 Jerrid Williams, Director of Communications and Public Affairs

SEC MEMBERS PRESENT: David L Wade; Eileen Latasa

QUORUM

Manager Herrera declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

President Anaya led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

Trustee Burnett moved to approve the Agenda as presented; the motion was seconded by Trustee McCartney. The motion carried unanimously.

President Anaya approved the Agenda as presented.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

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Trustee Rosas moved to approve the Minutes from December 27, 2023, as presented; the motion was seconded by Trustee Burnett. The motion carried unanimously.

President Anaya approved the Minutes from December 27, as presented.

MEMBER COMMENTS

No Member Comments were brought forth.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$2,607,344.18 for December 2023 and proceeded to answer questions posed by the Trustees.

President Anaya thanked Manager Herrera for the Expenditure Report for December 2023.

Manager Herrera reported the Visa credit card expenditures, complete with supporting receipts, made available to the Board of Trustees for December 2023.

President Anaya thanked Manager Herrera for the credit card report for December 2023.

Manager Herrera concluded that SEC had received a patronage allocation from Meridian Cooperative. Manager Herrera also reported on the PACE Grant program and answered questions posed by the Trustees.

President Anaya thanked Manager Herrera for the Manager's Report for December 2023.

FINANCIAL REPORT

Mr. Capps carefully reviewed the RUS Form 7 Report for December 2023 RUS Form 7 in detail and answered questions the Trustees posed.

President Anaya thanked Manager Herrera for the RUS Form 7 Report for December 2023.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the December Safety Report.

JOB BRIEFING

Mr. Montoya reviewed the December Job Briefing Reports.

President Anaya thanked Mr. Montoya for the Safety Report for December 2023.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Thomas reported on December activities, with crews completing 50 service orders and 34 work orders.

OUTAGE REPORTS

Mr. Thomas reviewed the outages that occurred in December 2023.

President Anaya thanked Mr. Thomas for the Operations and Maintenance Report for December 2023.

ENGINEERING REPORT

Mr. Unruh reviewed the December Engineering.

President Anaya thanked Mr. Unruh for the Engineering Report for December 2023.

MEMBER SERVICES REPORTS

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ENERGY DELINQUENT REPORT

Manager Herrera reported that due to being short-staffed, Ms. Madrid could not be present. Manager Herrera presented the Energy Delinquent Report for December 2023.

NM PRC MEMBER CONCERNS

Manager Herrera reported that SEC had one Member complaint filed with the NM PRC in December 2023. Manager Herrera stated that NM PRC reviewed the complaint and found that SEC was not in any violation, and the case was closed.

President Anaya thanked Ms. Madrid for the Member Services Report for December 2023.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Williams reviewed the December Communications and Public Affairs Report.

President Anaya thanked Mr. Williams for the Communications and Public Affairs Report for December 2023.

TRI-STATE REPORT

President Anaya gave the Tri-State Board of Directors' activities report for January 2024 and answered questions posed by the Trustees.

NMREC REPORT

Manager Herrera gave the NMREC activities report for January 2024 and proceeded to answer questions posed by the Trustees.

PRESIDENT'S REPORT

President Anaya reported that the 2023 Trustee Expense reports had been provided for all Trustees, which are used for the yearly 1099. President Anaya stated that the Form 990 questionnaires had been provided for all Trustees to complete and return with timesheet logs by the February Board meeting.

President Anaya stated that Guzman Energy had contacted Manager Herrera requesting a meeting with the Board of Trustees to provide introductions and information on their organization. President Anaya reported that after checking availability, Guzman Energy was available on February 16, 2024; therefore, as per SEC By-Laws 6.02 – Special Meetings, there would be a Special Board Meeting held on February 16, 2024, at 2 p.m. for this purpose.

NEW BUSINESS

RUS Loan Withdraw Resolution

Manager Herrera reported that with the upcoming cost of the upcoming projects SEC has, and with the current interest, it is recommended that SEC withdraw from RUS \$4 million to pay for these costs.

After discussion, Trustee McCartney moved to approve the board resolution requesting an FFB Loan of \$4 million; the motion was seconded by Trustee Burnett. The motion carried unanimously.

(copy of Resolution attached hereto and made a part hereof)

Consideration of 2024 Credentials & Elections Committee

Manager Herrera reported that a list of names for the Credentials & Elections Committee had been provided for the Board of Trustees to consider. Manager Herrera stated that all members are willing to participate in the Committee.

Trustee McCartney moved to accept the Credentials & Elections Committee as stated; the motion was seconded by Trustee Bowden. The motion carried unanimously.

District II Trustee Vacancy

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Manager Herrera reported at the December 27, 2023, Board meeting that it was announced the vacancy to fill the District II seat for the remainder of the term after the resignation of Trustee Judith Holcomb, with a deadline of January 24, 2024. Manager Herrera reported that SEC received two Affidavit Declaring Candidacy forms and the resumes for the District II seat from James Nelson and Eileen Latasa, with both candidates in good standing.

After discussion, Trustee Rosas moved to accept the Affidavit Declaring Candidacy and resume from Eileen Latasa and to make her term effective immediately following today's Board meeting; the motion was seconded by Trustee McCartney. The motion carried unanimously.

Consideration of Trustee Travel

There was no Trustee Travel brought forth for consideration.

EXECUTIVE SESSION

Trustee Burnett moved to go into Executive Session to discuss employment matters and strategic and long-range business plans; the motion was seconded by Trustee Bowden. The motion carried unanimously.

President Anaya called for an Executive Session.

The Board adjourned to Executive Session at 3:15 p.m.

* Trustee McCartney was excused from Executive Session at 3:15 p.m. and did not return after Regular Session.

REGULAR SESSION

Trustee Bowden moved and was seconded by Trustee Burnett to return to the Regular Session at 3:59 p.m.

President Anaya stated that no action was taken during the Executive Session.

BOARD ACTION ON GM EVALUATION

Trustee Rosas moved and was seconded by Trustee Bowden to approve the General Manager's evaluation. The motion carried unanimously.

Trustee Burnett moved to give Manager Herrera a 5% salary increase; the motion was seconded by Trustee Bowden. The motion carried unanimously.

SET DATE/TIME FOR REGULAR MEETING

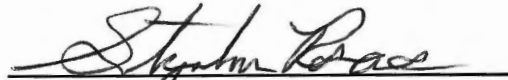
After discussion, Trustee Burnett moved to set the date and time of Committee meetings for February 21, 2024, at 1:00 p.m. and the next regularly scheduled Board Meeting for February 28, 2024, at 2:00 p.m.; the motion was seconded by Trustee Bowden. The motion carried unanimously.

ADJOURNMENT

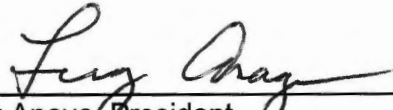
With no other items open for discussion, Trustee Burnett moved to adjourn; the motion was seconded by Trustee Bowden. The motion carried unanimously.

President Anaya adjourned the meeting at 4:03 p.m.

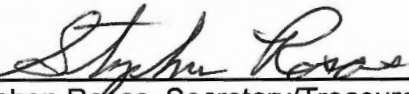
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Stephen Rosas, Secretary/Treasurer

APPROVED:


Leroy Anaya, President

I, Stephen Rosas, 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 January 31, 2024. 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.

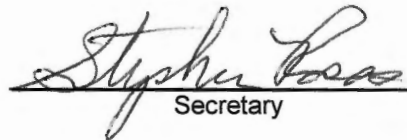

Stephen Rosas, Secretary/Treasurer

Form of Resolution to Accompany
RUS Form 675

Resolved, That Joseph Herrera, General
Manager, Leroy Anaya, President, and
Stephen Rosas, Secretary -Treasurer, be
authorized to sign RUS Form Number 595, Financial Requirement and
Expenditure Statement.

CERTIFICATE OF SECRETARY

I, Stephen Rosas, hereby certify that I am
Secretary-Treasurer of The Socorro Electric Cooperative, Inc.
and that the foregoing is a true and exact copy of an excerpt from the minutes of the
board meeting of the directors held January 31, 2024
and that a quorum was present and acted throughout the meeting.


Secretary

