

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

APRIL 24, 2013

A Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc., was held on Wednesday, April 24, 2013 in Socorro, New Mexico.

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The meeting was called to order at 5:30 p.m., by Luis Aguilar, President.

CALL TO ORDER

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

ROLL CALL

MEMBERS PRESENT: Luis Aguilar, President
 Representative, District III

 Prescilla Mauldin, Vice-President
 Representative, District III

 Donald Wolberg, Secretary
 Representative, District III

 Leo C. Cordova, Treasurer
 Representative, District I

 Charles Wagner, Trustee*
 Representative, District II

 David Wade, Trustee
 Representative, District IV

 Anne L. Dorough, Trustee
 Representative, District V

MEMBERS ABSENT: None

ALSO PRESENT: Joseph Herrera, General Manager
 Eileen Latasa, HR Manager/Executive Assistant
 Bruce Wiggins, Attorney
 Aaron Viets, Attorney
 Darin Foster, Attorney
 Ira Bolnick, Investigative Counsel
 Jack Moss, Auditor
 Randy Robbins, Auditor

SEC MEMBERS PRESENT: Jimmy Dorough, Cyndi Mae Wade, David L. Wade,
 Richard Tafoya, Sr., James Cherry, Elva Osterreich,
 Charlene Wagner, Marie Watkins, Dave Bockenstette,
 Johnny Pack, Mary Gillard

Secretary Wolberg declared a Quorum of Trustees present.

QUORUM

President Aguilar led everyone in the Pledge of Allegiance.

PLEDGE OF
ALLEGIANCE

After review of the Agenda, a motion was made by Trustee Wolberg and seconded by Trustee Wade to approve the agenda as presented. Motion carried unanimously.

APPROVAL OF
AGENDA

After review of the draft of the Minutes of the Reorganization Meeting held on March 28, 2013, a motion was made by Trustee Mauldin and seconded by Trustee Wolberg to approve the draft of the Minutes of the Reorganization Meeting. Motion carried unanimously.

REVIEW OF
PREVIOUS
MINUTES

After review of the draft of the Minutes of the Regular Meeting held on March 28, 2013, a motion was made by Trustee Mauldin and seconded by Trustee Wolberg to approve the Draft of the Minutes of the Regular Meeting. Motion carried with Trustee Wagner opposed.

Ms. Mary Gillard expressed her dismay with the Annual Member's Meeting being scheduled for a weekday which would be difficult for people who work to attend.

PUBLIC
INPUT

Mr. Randy Robbins, auditor from Bolinger, Segars, Gilbert and Moss, LLP., reviewed at length and answered questions from the Board regarding the Financial Statements for Year Ended December 31, 2012 and 2011.

AUDIT REPORT

Trustee Wagner commended Manager Herrera for doing an outstanding job on the Audit and for having it completed in a timely fashion.

A motion was made by Trustee Wolberg and seconded by Trustee Mauldin to approve the Financial Statements for Year Ended December 31, 2012 and 2011 as presented. Motion carried unanimously.

After review of the Resolution to approve the Patronage Capital Retirement, a motion Was made by Trustee Mauldin and seconded by Trustee Wolberg to approve the Resolution on the Patronage Capital Retirement in the amount of 1,034,762.30. Motion carried unanimously.

ARROVAL OF
RESOLUTION-
PATRONAGE
CAPITAL
RETIREMENT

Manager Herrera informed the Board the expenditures totaled \$1,048,432.70 for the Month of March, 2013.

REVIEW OF
EXPENDITURES

There being no questions from the Board, a motion was made by Trustee Mauldin and seconded by Trustee Cordova to approve the Expenditure Report for March, 2013 as information. Motion carried unanimously.

There were no questions from the Board on the Credit Card Expenditures.

CREDIT CARD
EXPENDITURES

Manager Herrera reviewed the RUS Form 7 Report with the Board and reported that Margins for the month totaled -\$60,125 and \$264,476 Year to Date.

RUS FORM 7

There being no questions from the Board, a motion was made by Trustee Wolberg and seconded by Trustee Cordova to approve the RUS Form 7 for March, 2013 as presented. Motion carried with Trustee Wagner opposed.

Manager Herrera reported that the Winter Liheap Moratorium ended on March 16, 2013. 30 day collections increased for the month and are being worked on diligently

DELINQUENT
REPORT

Manager Herrera briefly reviewed the Outage Report for March 18 to April 13, 2013.

OUTAGE REPORT

Manager Herrera reported that there were no loss time accidents for March, 2013.

SAFETY REPORT

Manager Herrera reported that new construction on line extensions was picking up.

CONSTRUCTION
REPORT

Manager Herrera also reported that a meeting with New Mexico Tri-State Cooperative Managers was held in Santa Fe. Discussion centered on developing a resolution to get out of NMPRC jurisdiction on an all-requirements contract as a result of the merger with Tri-State G&T.

OTHER

Manager Herrera updated the Board on a joint meeting with officials from the White Sand Missile Range which was very productive in attempting to identify facilities that belong to the SEC or the WSMR.

Secretary reported on the Member Application/Cancellation Report as follows:

APPLICATION/
CANCELLATION
REPORT

	March	Year to Date
• New Connects	9	23
• Reconnects	43	206
• Disconnects	45	250

A motion was then made by Trustee Cordova and seconded by Trustee Mauldin to approve the Member Application/Cancellation Report for March, 2013 as presented. Motion carried unanimously.

Trustee Wolberg reviewed the NMRECA Report. Trustee Wolberg added that Columbus Electric Coop had been hit with identity theft recently; the U.S. House of Representative passed a Cyber-Security Protection Act; and Jemez Mountains Electric Coop's attempt to take over an ethnic entity which could lead to major fines.

NMRECA
REPORT

President Aguilar opened the floor for nominations for Voting Delegate to the 2013 NMRECA Annual Meeting.

ELECTION OF
VOTING
DELEGATE -
2013 NMRECA
ANNUAL
MEETING

Trustee Wagner nominated Trustee Cordova.

There being no further nominations, a motion was made by Trustee Wagner and seconded by Trustee Mauldin to close nominations and to elect Trustee Cordova as the Voting Delegate to the 2013 NMRECA Annual Meeting. Motion carried unanimously.

President Aguilar opened the floor for nominations for NMRECA Representative to the NMRECA Board of Directors.

ELECTION OF REPRESENTATIVE NMRECA BOARD OF DIRECTORS

Trustee Cordova nominated Trustee Wolberg.

Trustee Dorough nominated President Aguilar, who declined the nomination.

Trustee Wade made a motion that nominations cease and that Trustee Wolberg be elected as NMRECA Representative to the NMRECA Board of Directors by acclamation. Motion carried with Trustee Wagner opposed.

Trustee Wolberg reported that Rick Gordon was re-elected President of the Tri-State Board of Directors during the recent Annual Meeting.

TRI-STATE REPORT

Trustee Wolberg also reported that the Tri-State Strategic Planning Committee was once again going to review rates and that RUS would not be approving loans as in the past due to a 20% reduction in funding by Congress and loans would only be issued for green energy projects.

Manager Herrera reviewed each of the employee policy revisions as recommended by The By-Law/Policy Committee as follows:

BY-LAW/POLICY COMMITTEE REPORT

- Policy 201-3 Introductory Period
- Policy 201-9 Absence With Pay – Sick and Accident Leave
- Policy 201-9 Absence With Pay - Absenteeism
- Policy 201-19 Rest Periods
- Policy 222 Dress Code

A motion was made by Trustee Wagner and seconded by Trustee Wolberg to adopt the recommended employee policy revisions. Motion carried with Trustee Wagner opposed.

Trustee Mauldin, Chairman of the Finance/Audit/Bid Committee read the minutes Of the meeting held on April 15, 2013.

FINANCE/AUDIT/ BID COMMITTEE REPORT

There was no action necessary by the Board regarding the report on the Finance/ Audit/Bid Committee.

Trustee Wolberg reported that \$25 million had been earmarked by Congress for funding of solar collectors for hot water heaters

OTHER BUSINESS

Attorney Wiggins recommended the Retirement of Patronage Capital to the Following Estates:

B.M, Williamson	\$ 534.72	Mamie Trujillo	\$2,264.01
Mona Guerro	\$ 66.89	Dale Gallaher	\$3,231.67
Alamanis Guerro	\$ 216.50	Eufrasia Torres	\$ 849.13
Michael D. Chavez	\$ 807.25	Holm Bursum, Jr.	\$3,448.10
Jose A.S. Chavez	\$ 349.86	Robert J. Lawless	\$ 170.01
Marvin Few	\$ 501.53	L.S. Brown	\$ 538.04
L.F. Guin	\$ 51.57	Wilma Kelly	\$4,512.13
Mildred Caldwell	\$ 465.60	J.W. McCracken	\$1,305.29
Maxine Chancellor	\$ 401.92	Florentino Garcia	\$ 574.57
Amalia Armijo	\$ 285.35	Betty Gutierrez	\$ 519.85
Benny Romero	\$ 591.12	I.M. Founlenfont	\$ 521.94
Mrs. Ethel Ward	\$ 204.94	Eliazim Baca	\$1,432.88
Emilia G. Fajardo	\$ 808.57	Mrs. Joe Montano	\$ 276.76
Narciso Piasso	\$1,565.74	Alice Broach	\$ 249.99

A motion was made by Trustee Wolberg and seconded by Trustee Wade to approve The Retirement of Patronage Capital to the above-mentioned estates. Motion carried Unanimously.

Trustee Wolberg gave a brief history of the establishment of the SEC taken from articles from the El Defensor Chieftain from 1945.

Trustee Wolberg asked the Board to consider making a donation to a family that lost their home in a fire earlier in the year.

After discussion, a motion was made by Trustee Cordova and seconded by Trustee Wolberg to make a donation of \$200 to the family.

Trustee Wagner amended the motion to donate that amount to every family that has a catastrophe. Trustee Wagner withdrew his motion to amend.

President Aguilar then called for the vote on Trustee Wolberg's motion. Trustee Cordova, Wade, and Wolberg voted in favor of the motion. Trustees Wagner Dorough and Mauldin opposed the motion. President Aguilar voted against the Motion due to the fact that there is no policy regarding donations.

A motion was made by Trustee Mauldin and seconded by Trustee Wolberg calling for an Executive Session. Motion carried unanimously.

EXECUTIVE
SESSION.

President Aguilar called for an Executive Session and the Board adjourned to Executive Session at 7:35 p.m.

*Trustee Wagner made a parting comment about the competence of counsel as he was escorted from the Executive Session following his refusal to excuse himself as requested. Trustee Wagner departed the meeting under protest.

President Aguilar called for a 5 minute break.

The Board returned to Regular Session at 9:08 p.m.

REGULAR
SESSION

President Aguilar reported that no action was taken by the Board during Executive Session.

After discussion, a motion was made by Trustee Mauldin and seconded by Trustee Cordova to set the date of May 22, 2013 at 5:30 p.m. for the Regular Meeting. Motion carried unanimously.

SET DATE & TIME
FOR REGULAR
MEETING

There being no further items open for discussion, a motion was made by Trustee Wolberg and seconded by Trustee Mauldin to adjourn the meeting. Motion carried unanimously.

ADJOURNMENT

President Aguilar adjourned the meeting at 9:10 p.m.

Donald Wolberg, Secretary

APPROVED:

Luis Aguilar, President

I, Don Wolberg, do hereby certify that I am the Secretary of the Board of Trustees of The Socorro Electric Cooperative, Inc., hereinafter called the "Cooperative" and the above is a true and exact copy of the Minutes of the Regular Meeting held on April 24, 2013. 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.

Donald Wolberg, Secretary