

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING
HELD ON JUNE 23, 2011

The Regular Board Meeting of the Board of Trustees was held on June 23, 2011. Mr. Daniel Romero, Board Chairman, called the meeting to order at 12:30 P.M.

CALL TO ORDER:

1. ROLL CALL AND DETERMINATION OF QUORUM

Members Present: Daniel Romero, Chairman
Robert Baca, Vice-Chairman
Mary Lou Roybal, Secretary/Treasurer
Robert Quintana, Member

2. Invocation – The invocation was led by Mary Lou Roybal, Secretary/Treasurer.

3. Pledge of Allegiance – The Pledge of Allegiance was recited.

4. Approval of Agenda – The Agenda was presented and reviewed. The following amendments were made to the Agenda: **Add 12 – d – Approval of 2010 Audit Report; and 12 – e – District 3 Election. Motion was made by Robert Baca and seconded by Mary Lou Roybal to approve the Agenda as amended. Motion carried unanimously.**

5. Recognition of Guests

a. Invited Speakers –

1. Albert Romero – Regional Manager, Altec Industries (14 – a Correspondence) – Mr. Albert Romero gave a presentation and proposal on a 2012 Freightliner AM60 bucket truck for consideration of approval and purchase by MSMEC. Purchase price of this 6 x4 unit would be approximately \$185,000.

b. General Public Comment (5 minute time limit)

- 1. Virginia “Gina” Mondragon – Questions and concerns related to the Coop** – Ms. Mondragon withdrew her name from agenda.
- 2. Diego Quintana – Cooperative concerns** – Mr. Quintana passed on his time to speak at first. Mr. Quintana then became very vocal and angry concerning what Mr. Tapia had to say, so discussion moved on to other business/consumer.
- 3. Abran Tapia – Cooperative concerns** – Mr. Tapia spoke about items related to Mr. Quintana and not necessarily related to the Cooperative.
- 4. Jacob Regensberg** – Mr. Regensberg spoke about the Cooperative looking out for its consumers and the by-law changes that were submitted for the Annual Meeting.
- 5. Bridget Maloney** – Ms. Maloney commented/asked questions on the following subjects: 1) Not providing adequate notice for May meeting; 2) Postings of meetings on website; 3) Letter from the Attorney on election challenge; 4) Ratio of consumers/members; and 5) Determination on Dan Romero’s investigation.

6. Action of Minutes of Regular Meeting held on May 24, 2011 – The Board Minutes of the Meeting of May 24, 2011 were presented and reviewed. **A motion to approve the Minutes of May 24, 2011 was made by Robert Baca and seconded by Mary Lou Roybal. Motion carried unanimously.**

Action of Minutes of Special Meeting held on May 2, 2011 – The Minutes of the Special Meeting held on May 2, 2011 were presented and reviewed. **A motion to approve the Minutes of the Special Meeting held on May 2, 2011 was made by Robert Baca and seconded by Robert Quintana. Motion carried unanimously.**

7. Approval of New Memberships (Mora 30 – Pecos 29) and Membership Refunds - 121 - The new Memberships and Membership Refunds were presented and reviewed. **A motion to accept the new Memberships and Membership Refunds was made by Robert Baca and seconded by Mary Lou Roybal. Motion carried unanimously.**

8. Manager’s Report

- a. Delinquent Report** – Abran H. Romero, General Manager, reviewed the Delinquent Report for the month of May and April 2011.

b. Agenda Amplification – The General Manager reviewed the RUS Form 7. MSMEC’s Operating Revenue and Patronage Capital equaled \$726,339 and Total Operation and Maintenance Expense totaled \$681,629. Total Cost of Electric Service for the month of May 2011 was \$820,184.

c. Outage Report/Maintenance Log – General Manager also reviewed the Outage Report and Maintenance Log for the month of May 2011.

A motion to approve the Manager’s Report was made by Mary Lou Roybal and seconded by Robert Quintana. Motion carried unanimously.

9. Finance Report – The Minutes of the Finance Meeting held earlier today were reviewed by the full Board. Everything was found to be in order. **A motion to approve the Finance Report and Minutes was made by Robert Baca and seconded by Robert Quintana with the following recommendations: 1) Donations – Mora Fiesta/Rodeo Queen – Julianne Mendoza – Committee recommends a donation of \$50; Pecos Little League – Committee recommends a donation of \$350; and High Country 4-H Club – Committee recommends a donation of \$500; 2) Sponsorships – Mora County request to sponsor Mora Valley Fiestas – Committee recommends sponsorship of \$500; 3) Committee recommends approval of RFP for annual general liability and property insurance from AON @ \$125,506; 4) Committee recommends approval on bid from Sofia’s Plumbing @ \$5935 for new water lines from meter to all fixtures and installing of new water heater; and 5) Committee recommends bid on Panasonic Toughbook, GPS Unit, Printer and Bag to utilize E-Staking package @ \$4947. Motion carried unanimously.**

10. Tri-State Trustee Report – Tri-State Trustee, Robert Baca, reported on the June 2011 Tri-State Board Meeting. Some of the items discussed included:

- Rate Plans and Design
- Rate structure to take us into the future
- Going paperless
- Effect on Springerville Plant due to fire in Arizona
- Rainsville Transmission Sale – on-going issue

A motion was made by Mary Lou Roybal and seconded by Robert Quintana to approve the Tri-State Trustee Report. Motion carried unanimously.

11. NMRECA Trustee Report – Abran H. Romero, General Manager, reported that Statewide did not have a monthly meeting in May because of the Legislative Conference in Washington, DC and the Annual Meeting which was held in Taos at the end of the month of May. At the Annual Meeting in Taos, new officers were named. The theme of the Annual Meeting was “Regulatory Pressures”. **A motion to approve the NMRECA Report was made by Mary Lou Roybal and seconded by Robert Baca. Motion carried unanimously.**

A ten minute break was taken at this time.

12. On-Going Business

a. Ratification of CoBank RUS refinancing loan documents and loan closing – Board approval was given on CoBank proposal in April 2011 for \$3 million. **A motion for ratification of CoBank RUS refinancing loan documents and loan closing was made by May Lou Roybal and seconded by Robert Baca. Motion carried unanimously.**

b. Approval of 2011 Strategic Plan tabled during the May Board Meeting – After a short discussion, a motion was made by Robert Quintana and seconded by Mary Lou Roybal to approve the 2011 Strategic Plan. **Motion carried.**

c. Tri-State Power Bill – For information only.

d. 2010 MSMEC Audit Report – The final draft of the 2010 MSMEC Audit Report was presented to the Board. After some review, a motion was made by Mary Lou Roybal and seconded by Robert Baca to approve the final draft of the 2010 MSMEC Audit Report. **Motion carried unanimously.** General Manager reported that all adjusting journal entries, recommended by LaDonna LaRan, CFO, will be approved by him and LaDonna LaRan, CFO, will no longer be signing checks except in an emergency; but will arrange to have Virginia Mondragon, District 1 Board Member, sign checks.

e. District 3 Election – A short discussion was held concerning the District 3 Election to be held on Tuesday, July 12, 2011 at the San Miguel Parish in San Miguel, New Mexico. Being that there is only one candidate, the Cooperative will not make the expense of having ballots made or rent the ballot machine. Ballots will be made by office staff.

13. New Business

- a. MSMEC Board Policy 102 – Election Procedures – A motion was made by Robert Baca and seconded by Robert Quintana to approve MSMEC Board Policy 102 – Election Procedures with new Entity Designation Form. Motion carried unanimously.**
- b. Certification of Election to Tri-State Board – A motion was made by Robert Quintana and seconded by Robert Baca that no reorganizational meeting be held until the July Board Meeting and that Daniel Romero serve as Tri-State Trustee for one month until the reorganizational meeting is held. Motion carried unanimously.**
- c. NRECA Training Courses – For information only.**
- d. Annual Energy and Water Executive Forum – For information only.**

14. Correspondence

- a. Altec – Unit Description and Quotation – Correspondence for presentation.**
- b. Thank you letter – Tarnoff Art Center – For information only.**

15. Information

- a. Calendar of Events – Statewide will meet in Santa Fe on June 30th and July 1st, 2011. Tri-State will meet in Denver on July 6th and 7th, 2011. The District 3 Special Election will be held on Tuesday, July 12, 2011 from 4 to 7 P.M. in San Miguel, NM. Tri-State Manager’s Meeting is scheduled for July 13th and 14th, 2011. The Finance and Regular Board Meeting will be held on Thursday, July 28th, 2011. The Finance Meeting will begin at 10:00 A.M and the Regular Board Meeting at 12:30 P.M.**
- b. News Clippings – For information only.**
- c. Annual Tri-State Golf Tournament – For information only.**
- d. Moraelectric.org – Web-site Hits/Visits – For information only.**

A motion to move into Executive Session was made by Robert Quintana and seconded by Mary Lou Roybal. Motion carried unanimously.

16. Executive Session

- a. Attorney’s Report**
 - 1. Litigation Update**
- b. Personnel Issues**

A motion to return into Regular Session was made by Robert Baca and seconded by Mary Lou Roybal. Motion carried unanimously.

17. Action on Items Discussed in Executive Session


Based on its investigation, the Audit Committee found no evidence of any violation by Daniel Romero of any MSMEC policy regarding conflicts of interest or ethical standards.

18. Other Business to come before the Board

19. Adjournment – A motion to adjourn was made by Mary Lou Roybal and seconded by Robert Baca. Motion carried unanimously.


Meeting adjourned at approximately 5:30 p.m.

ATTEST:



Secretary/Treasurer

Trustee



Board Chairman

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
FINANCE COMMITTEE MEETING
July 28, 2011

Daniel Romero called the meeting to order at 10:08 A.M.

Present: Virginia Mondragon
Diego Quintana
Robert Quintana
Daniel Romero
Peter Sena

Abran H. Romero, General Manager

1. Review of Payables – Found to be in order.

2. Review of Cash Analysis

June 30, 2011

Cash Balance	\$245,851.94
Outstanding P.O.'s	<u>-14,615.75</u>
Ending Balance	\$231,236.19

3. Advance in Aid of Construction

June 30, 2011

Payments on Pending Work Orders	\$31,993.46
Payments on Closed Work Orders	595.11
Miscellaneous Cash Payments	-0-
Total	\$32,588.57

4. Customer Refunds –

June 30, 2011 = \$4,573.96

5. Donations

Committee recommends the following:

- **San Miguel/Mora County Fair Chile Cook-Off - \$50**
- **St. Gertrude Catholic Church - \$50**
- **Mora County 4-H Council - \$500**
- **Endure Believers Boot Camp - \$50**
- **Historic Mora Valley Foundation - \$50**

6. Investments – June 30, 2011

Interest Income = \$1921.65

7. Request to Purchase a Fireproof 4-Drawer File Cabinet – Committee recommends approval of purchase.

8. Bid Proposal by Moss Adams LLC to prepare the 2010 IRS Form 990 for Cooperative - \$3000 – Committee recommends approval.

9. Request for Proposal for T & D to provide cost estimate to extend Guadalupita line to Colfax County – Committee recommends approval.

10. NRUCFC Interest Rate Reprising – Committee recommends approval of 4-year term at 3.7%.

11. Discussion on lighting costs for Digger Unit #16 based on original estimate

- a) **Costs for just unit #16**
- b) **Provide original estimate for all trucks - \$25,000**

Manager to address this issue with vendor.

12. RUS Form 605 – Current Reserve in Balance Up-date

13. Proposals for Rain Gutters for Pecos Office

- 1) **Joe's Seamless Rain Gutters and accessories**
- 2) **Alex's Seamless Rain Gutters**

Tabled – required to get additional bids from Santa Fe.

14. Additional cost request by Manager related to Accounting System Upgrade – Tabled.

15. CFO Discussion on IRS Form 990 for Board Members – Tabled.

16. CFO request for approval to write-off balances for uncollectible Promissory Notes and False Calls

1) Uncollectible Promissory Notes = \$21,429.25

2) False Call Bills that we could not collect because of rate being disputed by consumer = \$2,547.00

Committee recommends approval.

17. Review of Board Member and General Manager expenses for June 2011 – Found to be in order.

Motion to adjourn was made Robert Quintana and seconded by Daniel Romero. Meeting adjourned at 12:30 p.m.