

BOARD OF TRUSTEES MEETING MINUTES

HELD ON
July 24, 2025

The meeting was called to order by Board President, Robert Baca, at 11:16 a.m.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: Robert Baca, President
James Ortiz, Vice -President
Virginia Mondragon, Secretary/Treasurer
Joe C de Baca, Trustee
Samuel Ramirez, Trustee
Les Montoya, General Manager
Irinea Valdez, Administrative Assistant

2. INVOCATION – Robert Baca, Board President, led us in prayer.

3. PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was recited.

4. APPROVAL OF AGENDA – The agenda for today's meeting was presented. A motion was made by Virginia Mondragon to approve the Agenda, Seconded by James Ortiz. Motion carried.

5. RECOGNITION OF GUESTS –

6. Introduction of New Employee – Mora Office New Journeymen, Tristan Trujillo

7. SAFETY REPORT/MINUTES – July 23, 2025

8. ACTION OF REGULAR MEETING MINUTES HELD ON May 22, 2025 – The Board Minutes for the meeting held on June 25, 2025 were presented for review. James Ortiz, motioned to approve the minutes as presented. Sam Ramirez seconded the motion. Motion carried.

9. APPROVAL OF NEW MEMBERSHIPS (MORA 16 – PECOS 15) A total of Thirty-one memberships was presented. After review, a motion was made by Sam Ramirez, seconded by Virginia Mondragon, to approve all new memberships. Motion carried.

10. MANAGER'S REPORT – Manager's report was approved with a motion by Sam Ramirez and seconded by Virginia Mondragon. Motion carried.

11. Delinquent report – AS of May 2025 there were \$281,990.99 total delinquents and as of June 2025 there were \$121,520.78 total delinquents.

12. RUS FORM 7 – The month ending **June 30, 2025** shows a margin of \$(134,746) for the month. We are at \$1,065,244 in Revenue, \$912,905 Total Expenses and \$114,926 in Depreciation. Interest on long term debt \$153,233 and interest expenses \$21,940. Total cost for the month \$1,204,441. Non-Operating margins interest is \$4,452. Operating Margins are \$(134,746) for year-to-date. Tier 1.63 YTD and 0.12 for the Month.

13. Outage report – June 2025

14. FINANCE REPORT –Approval of Finance Report along with Manager’s report was motioned by James Ortiz and Seconded by Sam Ramirez. Motion Carried.

15. TRI-STATE TRUSTEE REPORT – Robert Baca, Tri-State Trustee, reported on the July, 2025 virtual meeting. Some topics covered included the following:

- CEO updates, Financial and Performance Updates and some of Government relations.
- Discussion on Basin Electric, District #05
- Discussion on A-41 Rate, Bigger Coops will be affected more, will keep us updated
- Tri-state was downgraded on their rating agency, our long term is now a better rating of BBB+

16. NMREC TRUSTEE REPORT – James Ortiz, NMREC Trustee reported no meeting for July 2025.

- David Spradlin reported that there is not going to be any increases on the dues, but health insurances will be increasing due to pharmacy costs. Costs could increase from 8 to 12% in 2026.
- Esther Simon went over interest rates
- Esther Simon also reported that Sharing Success programs is opened.
- Vince Martinez updated the Board on the Buildings and grounds upgrades
- Committees are in full swing collecting as much information
- October Board meeting will be held in Ruidoso at the Convention Center
- Vince Martinez stated that the Statewide contributed to the National PAC
- Talia Storch reported that the Annual meeting was very successful in terms of content, participation and financial performance. The next Annual meeting will be held again at Isleta on May 26-29th, 2026.
- Talia Storch also reported the success of the Youth Tour in Washington D.C.
- Carmen Campbell provided a Grant update.

- The Reserve fund has been set up with Carlsbad National Bank.
- Evelyn reminded the Board that the regional meeting registration is now open. The meeting will be held in Round Rock, TX. And the deadline is September 19, 2025.
- Director's training is scheduled for August 12-13, 2025 (261.1 Understanding the electric business and 925.1 Co-op Bylaws), on December 11-12 2025 (2640.1 Financial Decision Making and 913.1 Cooperative Fundamentals, Legacy, and Economic Impact.)
- Ted Smith with Nuvue battery storage presented to managers.
- The Managers also met Shanelle Chavez with EMNRD on emergency response coordination. She has offered to facilitate tabletop exercises for the group as a whole regional coop.
- Esther Simon gave updates.
- Managers met with USFS Supervisors. They want to work with the Coops.
- Jennifer Peabody stated that everything is lined up with the Credit card.
- Communications Committee went over the Enchantment Magazine. There was a discussion on pros and cons of hard copy and digital versions of the magazine. Also discussed other advertising options.
- Bylaws and Resolutions Committee will be reviewing and updating different policies for the next several months.
- The OCEC golf tournament is scheduled September 13, 2025 in Ruidoso.

17. ON-GOING BUSINESS-

- Tri-State Generation and Transmission, Inc., and MSM Solar, LLC. Invoices.**

18. NEW BUSINESS –

- Written complaint from the Thal Ranch LLC. Reported on July 14, 2025 regarding continued interruptions of electricity to their irrigation operations.** The Thal Ranch is served by the Rainsville Substation. MSMEC crews have patrolled lines feeding the Thal Ranch and have addressed issues identified during these patrols. The outages continued. T & D was hired to work on identifying what may be contributing to these interruptions. Replacement of re-closers at the Rainsville substation occurred in January 2025. T & D crew are contracted to perform monitoring of the private side of the system (Thal irrigation), Monitoring has not been completed as of this date. This information is being presented for information purposes to the Board as the Thal Ranch by copy of their complaint informed Senator Campos, Ryan Jimenez, PRC, and Las Vegas Optic.
- Audit Agreement for the year end December 31, 2025 submitted by Bolinger, segars, Gilbert & Moss, LLP.** Bolinger, segars, Gilbert & Moss, LLP has submitted a written audit agreement describing services that will be provided to Mora-San Miguel Electric Cooperative when conducting 2025 audit. Board is asked to review and recommended to approve Audit Agreement for the year end December 31, 2025 received from Bolinger, segars, Gilbert & Moss, LLP. Motion was made by Virginia Mondragon to approve and seconded by James Ortiz. Motion was carried.

- c. **Audit Agreement submitted by Bolinger, segars, Gilbert & Moss, LLP.** The agreement covers the audit of expenditures of federal awards for the year ending **December 31, 2025**. Bolinger, segars, Gilbert & Moss, LLP has submitted a written audit agreement describing services that will be provided to Mora-San Miguel Electric Cooperative when conducting 2025 audit of expenditures of federal awards for the year ending December 31, 2025. Board is being asked to approve Audit Agreement submitted by Bolinger, segars, Gilbert & Moss, LLP for audit expenditures of federal awards for the year ending December 31, 2025. Motion was made by Samuel Ramirez to approve Audit Agreement and seconded by Joe C de Baca. Motion was carried
- d. **83rd Annual Meeting Report Background information.** The 83rd Annual 2024 MSMEC meeting was held on June 28, 2025. A quorum of members attended the meeting that began at 10:00 am. Presentations were provided by Lee A. Boughey of Tri State, Vincent Martinez, CEO of NMRECA, NM State Representative Joseph Sanchez, Jason Trujillo, GRIP Grant, Adam Roybal, T&D, Hazard Tree Project, Randy Robbins of Bolinger, Segars, Gilbert & Moss, LLP and Lorna Wiggins, Attorney. Gifts were presented to Members by staff members. Gifts were exceptional this year thanks to our vendors and firms supporting MSMEC. Melissa Cordova won the \$450.00 of free electricity, Ida Vasquez and Chris Vigil wont the \$225.00 free electricity granted by MSMEC. Music at the beginning of the meeting was provided by Lorenzo "Larry" Morales. Lunch was served by Hatcha's. In all the meeting went well, however notice of the meeting was delivered to some members after the meeting took place. No Actions required. Just for information.

A motion was made to adjourn regular meeting by Sam Ramirez and seconded by Joe C de Baca Motion carried.

19. MSMEC EDUCATIONAL FOUNDATION- None

20. GENERAL INFORMATION:

- a. Co-Bank 2026-2027 Nominating Committee Election Form

21. CORRESPONDENCE

- a. Ariana Sanchez – Thank you letter for Scholarship
- b. TA Pecos Rodeo – Thank you for Sponsorship
- c. Big Brothers Big Sisters Mountain Region- Thank You for Support

22. Events: Calendar:

- a. Grand Opening invite of the historic restoration of the El Macho Mission Church August 2, 2025

- b. Registration is open for Directors Training Course, August 12 & 13, 2025 at Hyatt Place Albuquerque/Uptown

- 1. **EXECUTIVE SESSION-** Motions was made to go into executive session at 11:00 p.m. by James Ortiz and seconded by Virginia Mondragon. Motion to adjourn executive session at 12:10 p.m. was made by James Ortiz and seconded by Joe C de Baca. No action was taken.

- a. Personnel Matters
- b. Update on Union Matters
- c. Litigation Matters

- 1. **OTHER BUSINESS TO COME BEFORE THE BOARD** – None

- 2. **ADJOURNMENT** – A motion to adjourn today's meeting was made by Samuel Ramirez and seconded by James Ortiz. Motion carried unanimously. Meeting adjourned at approximately 2:56 p.m.

ATTEST:



A handwritten signature in dark ink, appearing to read 'Samuel Ramirez', written over a horizontal line.



A handwritten signature in dark ink, appearing to read 'James Ortiz', written over a horizontal line.