

February 2 -

EASY MONEY - Some of you who follow the only show in town, the shenanigans of the Socorro Electric Co-op board, and their army of lawyers, may remember the financial records were in disarray and suspect under the old regime. The auditors had serious concerns going back several years and those concerns were from just the financial data they were given at the time. One can only speculate at what data was hidden from view.

An outside consultant who was previously employed by Bolinger, Segars, Gilbert & Moss, L.L.P., the accounting that has been responsible for auditing the SEC books for the past dozen or so years, Bryce Wilson, was hired last June to assist in cleaning up the records and training staff. The cost of that effort was the subject of inquiry in the January 23rd board meeting. (see video) When questioned on the matter as the co-op has hired a Chief Financial Officer, Mgr. Herrera responded that the CFO was cleaning up the books and past material weakness which were brought to light in May, 2010 and Mr. Bryce was training SEC accounting staff in procedures. Mr. Herrera also stated that Mr. Wilson began work in Sept. 2013 although billings are available from June, 2013. There is no finish date for this work.

For those interested in the cleanup costs to date, here are the numbers:

June \$14,155.66

July \$14,200.48

August \$14,028.57 + \$11,262.95

Sept thru Nov \$23,979.17

December \$19,519.24

TOTAL so far \$97, 146.07

As you can see in the video, the General Manager will retain the consultant until he is "satisfied" the records are up to par. Final cost to get the books in compliance with acceptable accounting procedures is anybody's guess.

The need, and cost, of a special accountant can be traced back to secrecy going back decades at least, and still goes on. For example ... The release of financial records to owners, trustees and the press are still being refused, no doubt under the direction of the Board's lawyers. The legal fees are considerable and secret. The refusal to release those fees are in violation of Federal, State, and By-laws. Even in violation of recent court decisions to release requested information. That brings us to why the non-compliance? The answer is easy, profit. The co-op is a profit center for the many lawyers as well as most board members.

There are legal decisions in the pipeline that are going to cost the co-op an enormous amount of money and may put it at risk of losing insurance coverage.