

Unofficial Minutes until Board Approval

May 11, 2017

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD APRIL 13, 2017

The Board of Directors of the Tombigbee Electric Power Association met at the Fulton Branch Office, Fulton, MS, on Thursday, April 13, 2017, at 5:00 p. m. The following Directors were present:

<u>Class of 2017</u>	<u>Class of 2018</u>	<u>Class of 2019</u>
Myra Estes	Jim Gray	Pat Carr
Guy Harris	Steve Holland	John McFerrin
Chip Prestage	Don Knight	Jimmy Gray
Brenda Goff Shumpert	Pat Spradling	Buddy Palmer
F. G. Wiygul, Jr.	Cecil Weeks	Malcolm Wesson (A)

(A)—Not present

Also present were: Scott Hendrix, Attorney
Greg Jarrell, Auditor
David Kelso, Fulton Branch Manager
David Riley, Tupelo Operations Manager (A)
Steve Tarpley, Member Services Director
Bruce Williams, Tupelo Office Manager
William Long, General Manager

Chairman Carr called the meeting to order and called on Bill Long to open the meeting with prayer.

Mr. Carr opened the meeting and began by recognizing Mrs. Pat Spradling, spouse of the late Mr. Don Spradling, and all welcomed Mrs. Spradling to the meeting. This was Mrs. Spradling's first meeting since the passing of Mr. Don.

Mr. Carr then opened the floor for consideration of the March 2017 regularly scheduled Board Meeting Minutes. **Buddy Palmer made a motion that the March 2017 meeting minutes be approved as prepared and provided to Directors for review.** Chip Prestage seconded the motion and upon vote taken a majority vote was observed.

Committee Reports:

Mr. Carr deviated from the planned agenda and called upon Bill Long to present information considered by the Executive Committee for presentation to the Board for action:

Executive: Long reviewed revisions to the Employee Gift Leave Policy and provided the Board with the revised language to be added to the existing policy that would provide for a clearer definition of “a catastrophic medical condition” as contained in the subject policy. After a significant amount of discussion, and some reconsideration for application and administration of the policy to be revised, **F. G. Wiygul made a motion to table the recommendation subject to recall based upon the recommendations for revisions made by the Executive Committee.** Buddy Palmer seconded the motion and upon vote taken a majority vote was observed.

At this point, Mr. Carr resumed with the prepared agenda format and asked if there was a need for an Executive Session. Scott Hendrix responded that the session was needed. **Guy Harris made a motion that the Board enter into Executive Session.** F. G. Wiygul seconded the motion and upon vote taken a majority vote was observed.

Once the Executive Session was complete, **Guy Harris made a motion that the Board come out of Executive Session.** Chip Prestage seconded the motion and upon vote taken a majority vote was observed. There were no business transactions taken by the Board as a result of the Executive Session.

Scott Hendrix continued with his report and stated that he had no matters under study of review that needed consideration of the Board at this time.

Auditor’s Report: Greg Jarrell provided Directors with a copy of the TEPA Monthly Highlights Report, prepared by Franks, Franks, Jarrell and Wilemon for the month ending January 2017. Mr. Jarrell explained various details of the report and provided the following specific details and information:

- net income for the 8 months of FYE 2017 was \$911,943 greater than for the same period last year
- net income for the month of February 2017 was \$3,500,005 compared to a \$2,588,062 for the month of February 2017
- for the 8 months of FYE 2017, compared to the same period last year, kilowatt hours sold increased by 2.7%
- Mr. Jarrell also highlighted other accounting details that affected our monthly report and indicated that the sales for the month of February were strong and that TEPA continues to enjoy a strong eight (8) months during this fiscal year.

Directors had no questions or comments for Mr. Jarrell concerning his report.

Manager’s Report: Long reported to the Board on the following matters:

- Provided a report to the Board concerning the meeting held for retirees and others on April 5, 2017 for all using the AmWins medical plan. The meeting and materials presented by Mr. Jim Ball, AmWins representative, were well received by the group. There were no major problems identified by the plan users that need attention or review.
- Provided general information for further negotiations with the vendor selected and approved by the Board for upgrading our present AMR system. Additional savings in the system were negotiated along with an enhanced warranty period. The new system

conversion should begin in May 2017 and expected to be completed in approximately 2-3 years.

- Provided general information concerning the need to review the present retail rate structure and cost components. TEPA has not raised the TEPA rate adder component since 2009. The Rate Committee will be reviewing the need, if any, for a retail rate increase.
- Provided general information concerning new electric load expansion and new businesses announcing for the region. Approximately 7-8 MW of load of commercial and industrial load will occur.
- Provided the Board with information that there may be some interest among City of Tupelo government representatives for acquiring the TEPA remaining south Gloster Street property for use by the City and the services it provides. **Steve Holland made a motion that the General Manager be authorized to pursue discussions with City representatives concerning a possible sales and purchase agreement for the south Gloster Street property.** John McFerrin seconded the motion and upon vote taken a majority vote was observed.

Matters of Mutual Concern:

They're being no further business, **Guy Harris made a motion that the meeting adjourn and that the May 2017 Board meeting be held at the Tupelo Office.** Chip Prestage seconded the motion and upon vote taken a majority vote was observed.

Pat Carr, President

Don Knight, Secretary-Treasurer