

# Unofficial Minutes until Board Approval

## September 8, 2016

### MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD AUGUST 11, 2016

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Office, Tupelo, MS, on Thursday, August 11, 2016, at 5:00 p. m. and there were present the following directors:

<u>Class of 2016</u>	<u>Class of 2017</u>	<u>Class of 2018</u>
Pat Carr	Myra Estes	Jim Gray
Jimmy Gray	Guy Harris	Steve Holland
Jack Johnson	Chip Prestage	Don Knight
John McFerrin	Brenda Goff Shumpert	Don Spradling
Buddy Palmer	F. G. Wiygul, Jr. (A)	Cecil Weeks

(A)—Not present

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

Pat Carr called the meeting to order and called upon Bill Long to open the meeting with prayer.

Chairman Carr then introduced and welcomed to the service of the Board Mrs. Myra Estes, spouse of the recently deceased Director Tommy Estes. Mrs. Estes was appointed by action of the Board at the July 2016, Board Meeting in accordance with the provisions of the bylaws to fill the vacancy created by the death of Director Tommy Estes.

Mr. Carr opened the floor for consideration of the July 2016 regularly scheduled Board Meeting Minutes. **Chip Prestage made a motion that the July meeting minutes be approved as prepared and mailed to Directors for review.** Don Spradling seconded the motion and upon vote taken, a majority vote was observed.

Mr. Carr then inquired of the Board and staff if there was a need for an Executive Session. Mr. Hendrix responded that he did have matters that should be reported in executive session. As a result, **John McFerrin made a motion that the Board enter into Executive Session.** Chip Prestage seconded the motion and upon vote taken, a majority vote was observed.

After completion of information provided by Mr. Hendrix and completion of discussions in Executive Session, **Buddy Palmer made a motion that the Board conclude the Executive Session.** Don Knight seconded the motion and upon vote taken, a majority vote was observed.

### **Committee Reports:**

Mr. Carr then called upon committee chairmen to present information to the Board on behalf of their respective committees and other meetings and work sessions held by their committees:

**Nominating:** Cecil Weeks, Chairman, reported to the Board and provided general information concerning the development of the ballot from proceedings conducted during the Annual Meeting held on the previous Saturday. Mr. Weeks then requested that Bruce Williams provide an update for the Director Ballot production process.

Office Manager Williams gave a cursory review of the ballot production and distribution process after candidates are determine and approved from the Annual Meeting activity. Mr. Williams also fielded questions from Directors requesting the number of votes that each member has based upon the number of electric meter accounts that member may have. These answers were supported by comments from Messrs. Hendrix and Jarrell. Mr. Williams also confirmed that, barring no complication within the Weatherall's ballot printing and preparation for mailing process, all ballots will be mailed to members for their vote by the following Friday next. There were no additional questions for Mr. Williams.

**Personnel:** Mr. Spradling, Chairman, stated that the committee has studied additional features and details of the sick leave benefits provided to full-time employees. Mr. Spradling stated that the committee has additional recommendations to place before the Board for its consideration. Mr. Spradling asked Scott Hendrix to present those details for consideration and discussion.

After general remarks describing the process and facts used by the Committee in its study of the employee sick leave policy and its use, Mr. Hendrix recapped and summarized the following revised features of the sick leave policy:

- The provision for new employees not being allowed to use accrued sick leave during the first year of employment shall be removed,
- With the approval of management or the unit supervisor, employees may use up to 3 days (24 hours) of sick leave accrued added to the time off granted for funeral leave due to the death of a spouse or child of the employee (this provision shall be incorporated into the Funeral Leave Policy); and
- All full time, current employees shall be credited 50 percent of the balance of their un-used sick leave hours accrued, but not used, for the period January 2001 through July 2016, subject to the new maximum sick leave accrual balance of 1040 hours. These hours will be determined and provided for each employee on their individual payroll record as soon as this process can be completed within the payroll process.

After presentation of the recommended change, as presented by Mr. Hendrix, and after questions and concerning the changes were addressed by Mr. Hendrix and the staff, **Mr. Spradling reaffirmed that these are the recommendations of the**

**committee to the Board for approval and immediate implementation.** Hearing the recommendations from the committee and after sufficient discussion, and upon vote taken, a majority vote was observed to approve revisions to the sick leave policy.

**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 June 2016. Mr. Jarrell explained various details of the report and emphasized that this report marks the end of the FY 16 reporting period. Mr. Jarrell provided comments from several components of his report including that the Net Revenue is at a good level but lower than end of FY 15. Contributors to this reduction among other factors include a reduction in the late payment penalty charge being reduced from 10% to 5% during the year, and an increase in the amount of depreciation. Mr. Jarrell reported that his review of TEPA financials continue to show good and healthy results for the 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:

- Reminded Directors that there is still to make plans and to participate in the EPA of MS Annual Meeting to be conducted in mid-September. All travel details will be coordinated by the TEPA staff. Contact Cindy DeV Vaughn or Bill Long to confirm your attendance.
- Reminded the Board that the Executive Committee meeting for certification of Director Election results is scheduled for September 6, 2016. Contact will be made to all candidates immediately after the certification is done as well as a mail-out to the Board and a posting to employees on all internal TEPA bulletin boards.
- Provided to the Board a list that includes Director names, phone numbers and other contact information. A request was also made to Directors to update their personal email address.
- Made a request to the Board that without objection, that the staff by approved to prepare the publication of an article in the Daily Journal and The Times recognizing the area high school students that attended the EPA of MS Youth Leadership program this year.
- Provided the Board with information provided by the local TVA staff that the TVA will be presented with a recommendation from TVA staff that an increase in wholesale power by implemented in October of this year and that this increase by in the 1-2% range. If the TVA Board approves this wholesale increase, it will be passed along to TEPA's members. Even though expressed on a Retail basis, no part of the increase will be utilized by TEPA.
- Provided the Board with information concerning the planning and development of "Project Helois" by the CDF. If the project elects to locate in the TEPA service area, it is expected to have an approximate electric load of 5,000 kW and provide approximately 200 jobs for the region.

**Matters of Mutual Concern:** There being no further business, **Don Knight made a motion that the September 2016 Board meeting be held at the Tupelo Headquarters.** John McFerrin seconded the motion and upon vote taken a majority vote was observed.

---

Pat Carr, President

---

F. G. Wiygul, Jr., Secretary-Treasurer