

Unofficial Minutes until Board Approval September 14, 2017

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD AUGUST 10, 2017

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, August 10, 2017, at 5:00 p. m. The following Directors were present:

Class of 2017

Myra Estes
Guy Harris
Chip Prestage
Brenda Goff Shumpert
F. G. Wiygul, Jr.

Class of 2018

Jim Gray
Steve Holland
Don Knight
Pat Spradling (A)
Cecil Weeks

Class of 2019

Pat Carr
John McFerrin
Jimmy Gray
Buddy Palmer
Malcolm Wesson

(A)—Not present

Also present were: Scott Hendrix, Attorney
 Greg Jarrell, Auditor
 Steve Tarpley, Member Services Director
 Bruce Williams, Tupelo Office Manager
 William Long, General Manager

Chairman Carr called the meeting to order and called on Buddy Palmer to lead the Board in offering an opening prayer.

Mr. Carr then opened the floor for consideration of the July 2017 regularly scheduled Board Meeting Minutes. **Steve Holland made a motion that the July 2017 meeting minutes be approved as prepared and provided to Directors for review.** Don Knight seconded the motion and upon vote taken a majority vote was observed.

Mr. Carr then presented for director consideration if there were any need for an Executive Session. Hearing no recommendation Mr. Carr requested that Mr. Hendrix continue with his report to the Board. Mr. Hendrix reported that he had no new topics to report to the Board nor any issues that require Board review or approval at this time.

Committee Reports:

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

Nominating: Jim Gray, Chairman, reported that the committee had met for the purpose of finalizing the committee's obligation for completing details for the 2017 Annual Meeting and Director Election event, as required by the bylaws. Mr. Gray provided the Board with the slate of nominees as determined by the committee. Mr. Gray also reported that one candidate for the ballot had presented a petition for nomination to the ballot and that all details of the petition had been reviewed by the committee and approved for incorporation into the ballot for this year. There were no questions from the Board concerning the work that the Nominating Committee had completed.

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 2017. Mr. Jarrell explained various details of the report and provided the following specific details and information:

- net income for the 12 months of FYE 2017 was \$1,127,148 greater than for the same period last year
- net income for the month of May 2017 was \$3,154,097 compared to a \$2,026,949 for the month of June 2016
- for the 12 months of FYE 2017, compared to the same period last year, kilowatt hours sold increased by 1.59%
- Mr. Jarrell also highlighted other accounting details that affected our monthly report and indicated that the sales for the month of June were strong and that TEPA continues to enjoy a strong twelve (12) months during this fiscal year.

Director McFerrin had a question for Mr. Jarrell concerning the electric system energy losses for the month. Mr. Jarrell explained that typically during summertime months with more severe weather (hotter) conditions, as the summer progresses, losses for the ending month generally climb somewhat higher as the summer months progress. This is due to different billing periods between the Wholesale Billing month as compared to the Retail Billing month and the multitude of retail sales billing periods ending on different days of the month. Mr. McFerrin's question was answered successfully by Mr. Jarrell and the staff.

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

- Reminded the Board that TEPA Annual Meeting is scheduled for Saturday, August 12, 2017, at 10 a.m. An agenda for the meeting was provided to directors and some general information on specific events was provided. Arrangements have been made for Bruce Williams to substitute for Bill Long for making an operational report for the Association.
- Provided additional information to the Board concerning the Electric Cooperative of Mississippi (ECM) Annual Meeting in Biloxi this year on September 11-12. Director training meetings will occur on September 11 that will allow Directors to complete elements of the CCD training sponsored by the ECM and conducted by the NRECA. Main events of the Annual Conference will be conducted on September 12 and will conclude the same day. Long further reported that, at the present time, seven (7) directors are registered to attend the meeting and accommodations have been arranged for their stay. Long reminded the remaining directors that there is still time to register to attend if decisions to attend are made by Friday 8/11.

- Provided the Board with information concerning the need to execute two (2) items of business associated with the Electric Power Associations of Mississippi (EPA of MS) changing its official name to the Electric Cooperatives of Mississippi (ECM), in connection to the operation of the ECM, Workers Compensation Self-Insurance Group Indemnity Plan. Hearing Long's explanation of the topic, **Steve Holland made a motion that the Board approve the following items:**
 - a.) **that TEPA continue to participate in and utilize the ECM Workers Compensation plan along with its continued unchanged rules and regulations which remain the same even though the name of the Program has changed; and,**
 - b.) **that Bill Long, as General Manager, be designated and authorized as TEPA's representative to conduct the required responses to the Statewide staff in association with the WC name change process.**

Buddy Palmer seconded the motion and upon vote taken a majority vote was observed.

- Provided the Board with a general update of jobs being filled and that TEPA has an active job announcement at the WIN Job Center. At least two (2) remaining introductory positions remain to be filled before the end of the calendar year.
- Provided an update for the removal and salvage of outdated meter apparatus.
- Provided information and a thank you for services note from the Fulton First Baptist Church for temporary assistance provided to the church project in the community.
- Provided change of address information to Directors so that the NRECA publication would be sent to director home addresses instead of delivered to the Association headquarters.

Matters of Mutual Concern:

Chip Prestage reported to the Board that some employees had expressed to him concerns about the quality of security service being provided by the Advert Security Group and other related matters associated with the provider's staff.

Long and other staff members provided general information and explanation of recent security provider activities. Long expressed to Mr. Prestage and the Board that the staff is fully aware of the events reported to Mr. Prestage and the staff has met with company management to seek a remedy. Additional action will be taken if the activities taken so far do not correct the problem.

There were no additional matters brought forth for consideration. **F. G. Wiygul made a motion that the meeting adjourn and that the September 2017 Board meeting be held at the Tupelo Office.** Guy Harris seconded the motion and upon vote taken a majority vote was observed.

Pat Carr, President

Don Knight, Secretary-Treasurer