

# Unofficial Minutes until Board Approval

## January 12, 2017

### MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD DECEMBER 8, 2016

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, December 8, 2016, 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. (A)

Class of 2018

Jim Gray  
Steve Holland  
Don Knight  
Don Spradling  
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  
                                  David Kelso, Fulton Branch Manager  
                                  David Riley, Tupelo Operations Manager  
                                  Steve Tarpley, Member Services Director  
                                  Bruce Williams, Tupelo Office Manager  
                                  William Long, General Manager

Chairman Carr called the meeting to order and made a request to Vice-president Don Spradling that he act as chairman of today's meeting. Mr. Spradling agreed to do so and called upon Buddy Palmer to open the meeting with prayer.

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

Mr. Spradling then inquired of the Board and staff if there was a need for an Executive Session. Mr. Hendrix responded that he had no matters for discussion requiring an executive session unless the Board had any new business matter for discussion. Hearing none, Mr. Hendrix proceeded with his report which consisted of a statement that his efforts since the last board meeting have been limited to staff support for matters already under study and consideration.

Directors had no questions for Mr. Hendrix concerning matters under study.

#### Committee Reports:

Mr. Spradling 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:

**Buildings and Grounds:** Mr. Knight, Chairman of the committee reported on two (2) matters that were addressed by the committee during a recent work session. Mr. Knight provided a general summary of details considered by the committee then asked General Manager Long to provide more details.

The first item Long reported on was the status of progress toward finalizing details for the provision of a security guard to be posted at both the Fulton and Tupelo offices. Work has progressed by identifying and contacting seven (7) security agencies in the north Mississippi area, four (4) of which offer a standing presence security guard service. Three (3) of which offer armed security guards as approved by the Board. The staff is in the process of discussing the various services offered by the three agencies to see which may provide the best service needed by the Association. There were no additional questions on this matter presented by directors.

The second item reported by Long concerned the old headquarters site located on south Gloster Street. Long reminded the Board that it had approved the advertisement and the sale of the property in two (2) parcels. The original parcel, an approximate six (6) acre site with improvements consisting of an office/warehouse complex for \$500,000 and the second parcel of approximately six (6) acres (the green field) immediately north of the original office complex site for \$400,000. Long further reported that at the present site there are two parties interested in the original 6 acre site with the office complex. After discussion, the Board approved to allow the staff to proceed with selling the original 6 acres for a combined undisclosed amount to be documented at the close of the sale. The subject amount was set as a floor or minimum amount for the sell. If this amount cannot be achieved, then the committee recommends that a realty agency be secured for advertising and selling the property.

**Hearing this recommendation of the committee to set a minimum amount for the original 6 acre site, and a similar amount for the 6 acre green field sight to the north, and if these amounts cannot be achieved, a realty agency will be secured, and upon vote taken for this committee recommendation, a majority vote was observed.**

**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 October 2016. Mr. Jarrell explained various details of the report and provided the following specific details and information:

- net income for the 4 months of FYE 2017 was \$966,175 greater than for the same period last year
- net income for the month of October 2016 was very strong when compared to October 2015. Net income increased 71.2% when compared to the same period in 2015
- for the 4 months of FYE 2017, compared to the same period last year, kilowatt hours sold increased by 6.39%
- the mild fall weather so far this season continues to play a major roll and has been a major positive factor in the positive sales and income results for the month of October 2016

- Mr. Jarrell also highlighted other accounting details that affected our monthly report. Mr. Jarrell emphasized that TEPA enjoyed a strong and steady report for the month of October 2016

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 of the employee Christmas party scheduled for Saturday, December 10, 2016, to be held at the Summit in Tupelo. Visitation and other activities will begin at 5:00 pm.
- Provided general information for a group of TEPA employees and retirees that are experiencing significant health issues recently.
- Provided information to the Board concerning assistance provided to CDF and TVA concerning a very large industrial load that is considering locating in the TEPA service area. It is likely that due to the size of the load, that if the industry decides to locate in this region of the state, the electric needs will be serviced directly by TVA.
- Provided the Board with other general information concerning the expansion plans for an industry located in the Lee County service area and the Tupelo-Lee Industrial Park. The customer plans to double the size of their existing load which presently utilizes 3,000 KVA of capacity.

**Matters of Mutual Concern:**

Director Holland was recognized for an announcement/statement. Mr. Holland stated that beginning in January 2017, he will again be serving in the Mississippi legislature and may not be able to attend the Board meetings in person. In that case he requested that he be able to attend the meeting via teleconference as he has done in the past. There were no objections to Mr. Holland's request.

Director McFerrin was recognized for an announcement/statement. Mr. McFerrin stated that during one of his recent director training seminars that he had learned of information provided by the Cooperative Finance Corporation (CFC) and some of the goods and services provided by that organization. From the information and favorable input provided by Mr. McFerrin, **Mr. Knight made a motion that the CFC representative be invited to a Board meeting for the purpose of learning more about the organization and for considering possible TEPA membership by joining the organization.** Buddy Palmer seconded the motion and upon vote taken, a majority vote was observed.

They're being no further business, **Guy Harris made a motion that the January 2017 Board meeting be held at the Tupelo Headquarters.** Jim Gray seconded the motion and upon vote taken a majority vote was observed.

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Don Spradling, Vice-President

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