

# Unofficial Minutes until Board Approval

## January 11, 2017

### MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD DECEMBER 7, 2017

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, December 7, 2017, at 5:00 p. m. The following directors were present:

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

Class of 2020

Lynn Turner  
Guy Harris  
Chip Prestage  
Brenda Shumpert  
F. G. Wiygul, Jr.

(A)—Not present

(T)—Participated by Telephone Conference

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

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

Mr. Carr then opened the floor for consideration of the November 2017 regularly scheduled Board Meeting Minutes. **Chip Prestage made a motion that the November 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 inquired if there was a need for an Executive Session. Mr. Hendrix confirmed that an Executive Session was needed. **Guy Harris made a motion that the Board enter into an Executive Session.** John McFerrin seconded the motion and upon a vote taken a majority vote was observed.

Upon the conclusion of discussion in Executive Session, **Guy Harris made a motion that the Board go out of Executive Session.** Chip Prestage seconded the motion and upon vote taken a majority vote was observed. Mr. Hendrix continued to report to the Board and stated that he had no legal matters or business items requiring Board consideration at this time.

#### Committee Reports:

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

**Buildings and Grounds:** Malcolm Wesson, Chairman, provided a report to the Board concerning the status of certain security measures approved by the Board for installation at the Fulton and Tupelo Offices. Mr. Wesson reviewed the individual security measures approved by the Board for installation and stated that all have been installed at both offices and are operating. There were no follow-up questions to Mr. Wesson by the Board concerning his report.

Bill Long then provided the Board with updated information concerning the agreement entered into with the UPS Company to use the pole storage area at the South Gloster Street property on a temporary basis. Long presented details of the rental agreement. Long also reported that there had been some additional interest in the property by a party studying development of the property a combined fueling and convenience store location.

**Insurance:** Buddy Palmer, Chairman, reported concerning the AmWins insurance supplement program and luncheon for TEPA retirees and eligible dependents that was held this past November 30. Mr. Palmer reported that the meeting was well attended by retirees, that several Directors also attended the meeting, that there were a few questions concerning application of the plan for coverage of benefits. Mr. Jim Ball, representative for AmWins, was in attendance and fielded questions from retirees. All in all, it was a successful meeting and not many complaints by the plan users.

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

- net income for the four (4) months in FY 2018 was \$1,750,236 which was \$1,775,025 less than the net income for the same period last year
- for the four (4) months of FY 2018, compared to the same period last year, kilowatt hours sold decreased by 6.06%
- Mr. Jarrell also highlighted other accounting details that affected our monthly report and indicated that the sales for the month of October 2017 even though less than October of 2016, mostly due to milder weather conditions, were still strong and that TEPA continues to enjoy a positive statement of income beginning fiscal year 2018.

Directors had no questions or comments for Mr. Jarrell.

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

- Reminded the Board of the schedule and other details for the employee Christmas party to be held on December 9, 2017.
- Informed the Board that TEPA has been asked to participate in the ICC Annual Blue Grass Concert again in 2018. Proceeds from the activity goes directly to the benefit of the ICC Foundation for use with student scholarships. After Board discussion, **Steve**

**Holland made a motion that TEPA participate at the same level as last year.** F. G. Wiygul seconded the motion and upon vote taken a majority vote was observed.

- Provided the Board with information concerning a local industries decision to expand their manufacturing facility in an adjoining state and not to expand their operation in the TEPA service area. The expansion involved an additional electric load of approximately 2 MW and more than 100 new jobs.
- As a matter of general information, Bruce Williams provided and explained to the Board information concerning details of over-time payroll costs experienced by TEPA. One of Mr. Williams' major points was that even though TEPA worker overtime cost have increased due to participation in the Emergency Assistance Program, sponsored by the Electric Cooperatives of Mississippi, those added costs are offset by reimbursement of labor costs billed directly to the Cooperative receiving the assistance, along with charges for use of trucks and equipment provided by TEPA.

Matters of Mutual Concern:

There were no matters discussed.

There being no further business, **Guy Harris made a motion that the January 2018 Board meeting be held at the Tupelo Headquarters.** Chip Prestage seconded the motion and upon vote taken a majority vote was observed.

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Pat Carr, President

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Don Knight, Secretary-Treasurer