

Unofficial Minutes until Board approval

June 9, 2011

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD MAY 12, 2011

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Office, Tupelo, MS, on Thursday, May 12, 2011 at 5:30 p. m. and there were present the following directors:

Class of 2011

Tommy Estes
Jamie Franks
Tommy David Franks
Guy Harris
F. G. Wiygul, Jr.

Class of 2012

Steve Holland
Don Knight
Steve Sheffield
Don Spradling
Cecil Weeks

Class of 2013

Pat Carr
Jimmy Gray
Larry Harris
Jack Johnson
Buddy Palmer

(A)—Not present

Also present were: William W. Long, General Manager; Rudolph Franks, Auditor; Scott Hendrix, Attorney; Bruce Williams, Tupelo Office Manager; Barry Thrasher, Fulton Branch Manager; David Riley, Tupelo Operations Manager, David Kelso, Member Services Director, and Jean Edwards, Secretary and Benefits Coordinator

Michael Callahan, Executive Vice President/CEO, Electric Power Associations of Mississippi

Pat Carr called the meeting to order and called Don Knight to open the meeting with prayer.

Mr. Carr then opened the floor for consideration of the April 14, 2011 Board Meeting Minutes. **Tommy Estes made a motion that the April minutes be approved as written and distributed to Directors by mail.** Tommy Franks seconded the motion and upon vote taken duly carried.

Committee Reports: Mr. Carr then called on those committee chairmen having information to present to the Board.

Insurance: Buddy Palmer, Chairman, briefly addressed the action taken by the Board to invite Mr. Callahan, Executive Director of the Electric Power Associations of Mississippi, to a TEPA Board meeting. Mr. Palmer reviewed with the Board that the reason for the meeting is to address Directors' questions and concerns with the Medical Plan and related topics. Mr. Palmer then called on Bill Long to introduce Mr. Callahan and to state other introductory remarks concerning the topic.

Long then introduced Mr. Callahan and gave a brief recap of the process carried out by Insurance Committee, at the direction of the Board, for comparing other medical benefits

providers (and other related services) coverage levels and premium costs. The result of that process included, along with other information, a request for Mr. Callahan to attend a TEPA Board meeting and to address a group of topics identified by the Board for further discussion and understanding.

Mr. Callahan began his presentation by giving a brief history of his employment at the Statewide, and a history of the origin of the EPA Group Medical plan and some of the related history and performance of the Plan. During his remarks, Mr. Callahan covered and addressed all the pre-identified topics that the Board had previously provided to him by a mailing sent for his preparation before the meeting.

Mr. Callahan addressed several specific questions from Directors concerning the plan including the benefit payment process, individual member Director participation in the plan and anticipated impact to the plan based on known new federal legislations. During discussion, Mr. Callahan agreed to provide to TEPA data comparing premium dollars paid into the plan versus the value of benefits paid on behalf of member/users. There was no other follow-up questions or topics identified by the Board concerning this issue.

Mr. Callahan concluded his remarks after all questions were addressed by reviewing other services offered/sponsored by the Statewide organization such as the Loss Control and Safety Program, the Newspaper "Today in Mississippi", the Credit Union, the Workers Compensation Plan and ACRE (Action Committee for Rural Electrification). Mr. Callahan expanded on the benefits to Coops in general for participation in ACRE and encouraged TEPA to consider expanding its efforts in the support of ACRE.

Buildings and Grounds: Don Knight, Chairman reported on behalf of the committee and confirmed time lines for construction of the new head quarters building project. Notable dates are May 17 for release of the bid specification document, a pre-bid conference scheduled for May 26 and bid opening June 9, 2011, unless amended by request to the architect in conjunction with TEPA.

Attorneys Report: Mr. Carr then called on Scott Hendrix to give the attorney's report. Mr. Hendrix reported that there were no new topics to report on and that service provided this month has been limited to management support. Directors had no questions for Mr. Hendrix concerning TEPA active legal issues.

Auditors Report: Mr. Carr then called on Mr. Rudolph Franks to present the Auditor's Report. Mr. Franks provided the Board with a copy of his TEPA Monthly Highlights Report for March 2011 and commented on several components of the report (for further information and review, a copy of the report is filed at the headquarters office). Directors had no questions for Mr. Franks concerning his report.

Managers Report: Mr. Carr then called on Bill Long to give the Manager's Report. Long reported and provided details on the following topics:

- Reported on estimates of the cost of damage to the TEPA distribution system due to high winds and tornadoes during the time period April 18 through 28. The staff is working on documenting the cost which is expected to be in excess of \$200,000. TEPA will coordinate through the Statewide organization and MEMA in an effort to recoup a portion of the funds approved in the declared disaster county areas.
- During the same period, TEPA provided assistance to neighboring cooperative areas including Tishomingo EPA, 4-County EPA, Natchez Trace EPA and provide assistance

by way of providing construction material to Tombigbee EMC, Guin, Alabama. At the height of the storm, approximately 6,500 TEPA members were affected by the storm and without electric power.

Matters of Mutual Concern: Mr. F. G. Wiygul pointed out to the Board that improvements made at the Fulton Branch Office were complete and that a need had been identified for installation of personal lockers which could also be used for the temporary storage of work uniforms. **Mr. Wiygul made a motion that new lockers be purchased for use by the workers at the Fulton Branch Office.** Steve Sheffield seconded the motion and upon vote taken duly carried.

They're being no further business; **Guy Harris made a motion that the June 2011 Board meeting be held at Centerville Restaurant, Centerville MS.** Larry Harris seconded the motion and upon vote taken duly carried.

Pat Carr, President

F. G. Wiygul Jr., Secretary-Treasurer