

Unofficial Minutes until Board Approval

December 13, 2018

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD NOVEMBER 8, 2018

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, November 8, 2018, at 5:00 p. m. The following directors were present:

Class of 2019

Pat Carr
John McFerrin (A)
Jimmy Gray
Buddy Palmer
Malcolm Wesson

Class of 2020

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

Class of 2021

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

(A)—Not present

Also present were: Scott Hendrix, Attorney
Jonathan Hagood, Auditor
Ken Brown, Fulton Branch Manager Elect
Stevie Humble, Tupelo Operations Manager Elect
Steve Tarpley, Member Services Director
Bruce Williams, Tupelo Office Manager
David Riley, Member and recently retired)
William Long, General Manager

Chairman Carr called the meeting to order (Mr. Carr acknowledged that a prayer was offered in the Executive meeting just prior to the Board meeting).

Mr. Carr then opened the floor for consideration of the October 2018 regularly scheduled Board Meeting Minutes. **Don Knight made a motion that the October 2018 meeting minutes be approved as prepared and provided to Directors for review.** Lynn Turner 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 not needed.

Mr. Hendrix continued with his report to the Board and stated that he had no other 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:

Personnel: Chairman Carr, reporting on behalf of the committee made a recommendation that the Board approve the following benefits for TEPA employees and others as applicable and in the same manner as in previous years:

- Organize and conduct a Christmas party on December 8, 2018, for employees and retirees
- Provide a bonus to all employees equal to one week's pay, except prorated pursuant to actual number of normal workdays worked during the year if not employed the entire year
- Implement a three (3) percent cost of living adjustment beginning January 2019 for all employees, including the Board Attorney and the Board CPA.

Hearing Mr. Carr's recommendation on behalf of the Personnel Committee, and since the recommended action is coming from the committee, no second is required, and upon a vote taken, a majority vote was observed to approve the recommendation made by the committee.

Auditor's Report: Jonathan Hagood provided Directors with a copy of the TEPA Monthly Highlights Report, prepared by Franks, Franks, Wilemon and Hagood for the month ending September 2018. Mr. Hagood explained various details of the report and provided the following specific details and information:

- net income for the 3rd month in FYE 2019 was \$1,364,659 which was \$180,364 more than the net income for the same period last year
- for the 3rd month of FYE 2019, compared to the same period last year, kilowatt hours sold decreased by 550,088 kilowatt hours or -0.16%
- Mr. Hagood also highlighted other accounting details that affected our monthly report.

Directors had no questions or comments for Mr. Hagood.

Manager's and Staff Reports: Long and Office Manager Bruce Williams reported to the Board on the following matters:

- Mr. Williams reported to the Board concerning two (2) specific questions that Director Wesson had asked about during the October Board meeting. Mr. Williams provided information supporting his answers to the questions raised (see the October 2018 questions identified by Director Wesson).
- Mr. Williams also provided information to the Board to support the use of company credit cards sponsored through the Electric Cooperatives of Mississippi (ECM) rather than the credit card services we are using now through Renasant and American Express. This change will simplify and expedite the use of the cards while our crews are participating in the Mutual Aid Program and to illuminate the need for special approval and use process while passing through neighboring states.

After hearing the recommendation by Mr. Williams, **Chip Prestage made a motion that the credit card program offering by ECM be utilized rather than the present credit**

card system. Don Knight seconded the motion and upon vote taken a majority vote was observed.

Long provided the remaining information:

- Reminded Directors of Director Training available in Nashville conducted by NRECA. There is still time to register if your schedule allows.
- Reported that we have received payment for equipment and building damage which occurred during the storm this spring causing damage to the Fulton Branch Office facility.
- The status of the power line control (PLC) meters changing to radio frequency (RF) is progressing. To date, we have 33,000 new meters in operation with approximately 9,000 meters remaining to change. Full completion of the project is expected at the end or shortly after the first of the year. The new system is working well and only a minor number of problems are occurring.
- Reported that the retiree appreciation meeting was well received and all enjoyed the meeting and fellowship.
- Reminded the Board of the meeting scheduled during the next Board meeting on December 13 to hear the presentation by Conexon of a preliminary feasibility study of broadband application.
- Provided the Board with information concerning new industry considering new plant facilities in the TEPA service area. All of these are prospects at this time.

Matters of Mutual Concern:

There being no further business, **Cecil Weeks made a motion that the December 2018 Board meeting be held at the Tupelo Headquarters.** Lynn Turner seconded the motion and upon vote taken a majority vote was observed.

Pat Carr, President

Don Knight, Secretary-Treasurer