

Unofficial Minutes until Board Approval

November 10, 2016

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD OCTOBER 13, 2016

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, October 13, 2016, at 5:00 p. m. The following directors were present:

Class of 2017

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

Class of 2018

Jim Gray
Steve Holland
Don Knight
Don Spradling
Cecil Weeks

Class of 2019

Pat Carr (A)
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

Vice-president Don Spradling (in Mr. Carr's absence) called the meeting to order and called on Don Knight to open the meeting with prayer.

Mr. Spradling opened the floor for consideration of the September 2016 regularly scheduled Board Meeting Minutes. **John McFerrin made a motion that the September meeting minutes be approved as prepared and mailed to Directors for review.** Buddy Palmer 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 did have matters that should be reported in executive session. As a result, **Guy Harris made a motion that the Board enter into Executive Session.** John McFerrin seconded the motion and upon vote taken, a majority vote was observed.

After completion of information provided by Mr. Hendrix and completion of discussions in Executive Session, **Buddy Palmer made a motion that the Board conclude the Executive Session.** Don Knight seconded the motion and upon vote taken, a majority vote was observed.

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:

Executive: Bill Long reported for Mr. Carr, in his absence. Long stated that he and President Carr had worked together to prepare for the committee assignments. Long further stated that Directors submitting information to Mr. Carr and Long was utilized by Mr. Carr in his appointments to the committee assignments. A list of the committee assignments will be provided to the Board when Mr. Carr is present.

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 2016. Mr. Jarrell explained various details of the report and provided specific information that he and Office Manager Williams had worked on this month concerning the proper accounting of certain operation expenses. 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 August.

Directors had no questions or comments for Mr. Jarrell concerning his report.

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

- Provided information to the Board for the clarification of information printed recently in the Daily Journal concerning conflict between the North Mississippi Medical Center and an insurance company by the name of United Health (not to be confused with United American, the underwriter of medical insurance plan provided to TEPA retirees through the AmWins Program). There were no questions from Directors on this topic.
- Provided general information to the Board concerning minor changes that will be occurring with the active employee health plan and the retiree's health care plan beginning in January 2017. Most of the changes concern premium amounts or administrative cost charges. Specific information will be provided after an information meeting provided by the statewide benefits staff which will occur later in October this year.
- Provided to the Board a copy of the article that was sent to area newspapers for printing that documented the recent results of the 2017 Director election. Information was published by the Daily Journal, the Itawamba Times and the Lee County Courier.
- Reminded the Board that the TVA Wholesale rate increase has gone into effect and is included on TEPA member bills for all meters read after October 1, 2016. The amount of the increase across all member rate classes is approximately 1.5 % expressed on a retail dollar basis.
- Reminded the Board that the Personnel Committee will be meeting prior to the November Board meeting for the purpose of studying and considering upcoming employee benefit and COLA for the ensuing year.
- Provided to the Board current news for large industry expansion in the service territory and region.
- Provided the Board with general information for a construction and system upgrade project in the Mantachie and Centerville community. This project will allow TEPA more flexibility to continue uninterrupted electric service to the residents and businesses in that

area when TVA is required to discontinue its normal power supply arrangements due to their system maintenance schedules.

- Provided the Board with general information provided at the Electric Power Association's Annual Meeting this year in Biloxi. Directors and staff attending that meeting were Cecil Weeks, Jimmy Gray, Brenda Shumpert, Steve Holland, Scott Hendrix and Bill Long. Highlights of the meeting included an unveiling of the collective Electric Power Associations new logo, ECM (Electric Cooperatives of Mississippi), and the ECM staff provide details of all the work and effort that went into the successful development and passage on new legislation governing the operation of the 25 electric power associations that exist and operate in the state of Mississippi. Mr. Holland was individually recognized by the statewide staff for his support and contribution to the new legislation and the associations as a group who provide a much needed service to their individual communities.
- Bill Long called upon Bruce Williams who gave a general report concerning the application of the new member/applicant credit check procedure where it is applicable. Mr. Williams provided statistics for the quantity of credit checks that have been completed since the implementation of TEPA's revised Service Policy Practices as well as the general process used for administering the member credit check effort. No policy revision effort was identified by this staff review.

Matters of Mutual Concern:

F. G. Wiygul was recognized by the chair and made **a motion that information be gathered by the staff for presentation to and study by the Buildings and Grounds Committee concerning the installation of work counter security measures in certain areas of the Tupelo and Fulton facilities where services are provided to TEPA members.** Don Knight seconded the motion and upon vote taken a majority vote was observed.

Director McFerrin requested a report of the status of the industrial under billing case that is being worked by Mr. Hendrix and the staff. Mr. Hendrix provided the status of that effort.

Director Knight was recognized by the chair and recalled the topic he presented for discussion at the September Board meeting. **Mr. Knight re-emphasized his support of this effort by making a motion that the Board adopt the practice of nominating and approving the hiring of certain services for the Cooperative (specifically the auditor, the attorney and the general manager) for a three year period.** Buddy Palmer seconded the motion. Discussion ensued. Upon final discussion and upon a vote taken on the motion, the motion failed.

They're being no further business, **John McFerrin made a motion that the November 2016 Board meeting be held at the Tupelo Headquarters.** Cecil Weeks seconded the motion and upon vote taken a majority vote was observed.

Pat Carr, President

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