

Unofficial Minutes until Board Approval

October 11, 2018

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD SEPTEMBER 13, 2018

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, September 13, 2018, at 5:00 p. m. The following directors were present:

Class of 2019

Pat Carr
John McFerrin
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
Don Knight
Andy Spradling
Cecil Weeks

(A)—Not present

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

Scott Hendrix, representing the Association as legal counsel, called the meeting to order and called on Bill Long to open the meeting with prayer.

Mr. Hendrix called for nominations for the position of President of the Association. **Guy Harris was recognized and nominated Pat Carr for President of the Board.** Jim Gray and other Directors seconded the nomination. Upon a vote taken a majority vote in support of the motion was observed.

Mr. Carr expressed his thanks and appreciation to the Board for the vote of confidence for being re-elected to continue to serve the Association as Board President. Mr. Carr then welcomed newly elected director Andy Spradling from Mantachie, and congratulated incumbent directors re-elected; Jim Gray, Steve Holland, Don Knight and Cecil Weeks. These directors were re-elected during the recent annual board election process. Directors elected also expressed their appreciation for the opportunity to return to the service of the Board.

Mr. Carr then called upon Jonathan Hagood who gave a report to the Board of results of information presented to the Executive Committee concerning the director election results and

various other statistics of member voting. This years' voting results was slightly higher than most previous years and well above the average number of ballots returned. Directors had various questions concerning the results of the election for which Mr. Hagood provided answers.

Mr. Carr then opened the floor for nominations for the position of Vice-president. **John McFerrin made a motion that persons serving in the positions of Vice-president, Secretary-Treasurer, Executive Committeeman for Itawamba and Lee Counties, for Auditor and for Attorney during the 2017-2018 year be the same persons or nominees.** Lynn Turner seconded Mr. McFerrin's motion, and upon vote taken, a majority vote was observed.

General discussion ensued and several directors recognized that Mr. McFerrin's motion did not include the position of General Manger. After recognition of the fact, **F. G. Wiygul made a motion that the position of General Manager continue to be filled by William Long.** Don Knight seconded the motion and upon a vote taken a majority vote was observed.

Mr. Carr then opened the floor for consideration of the August 9, 2018, Board Meeting Minutes. **Buddy Palmer made a motion that these 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. Carr then inquired if there was a need for an Executive Session. Mr. Hendrix confirmed that an Executive Session was not needed. At the request of Chairman Carr, Mr. Hendrix continued his report by stating that he had no business items for presentation to and requiring Board consideration at this time; however, Mr. Hendrix took this opportunity to express his thanks for being re-hired to serve the membership and the Board and for being allowed to be of service for these many years.

Committee Reports:

Mr. Carr 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:

Nominating: Jim Gray, Chairman, reported to the Board and provided general information and remarks concerning the recent director election process. Mr. Gray continued and expressed that his committee had discussed other measures that may be incorporated into next year's director election and ballot presentation details to the Tombigbee membership that may increase member participation

Auditor's Report:

Mr. Hagood provided Directors with a copy of the TEPA Monthly Highlights Report, prepared by Franks, Franks, Wilemon and Hagood for the month ending July 2018 and explained various details of the report. Mr. Hagood provided comments from several components of his report. Specific details and information are:

- net income for the 1st month in FYE 2019 was \$445,871 more than for the same period last year
- net income for the month of July 2018 was a net gain of \$264,441 compared to a loss of \$181,429 for the month of July 2017
- for the 1st month of FYE 2019, compared to the same period last year, kilowatt hours sold increased by 5.14%

There were no questions from Directors to Mr. Hagood concerning his report.

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

- Informed the Board that TEPA has been alerted through the Electric Cooperatives of Mississippi (ECM) Emergency Assistance Program to expect requests for assistance to the North and South Carolina region of the US due to the expected landfall of Hurricane Florence. TEPA staff is preparing to send the construction crews being requested.
- Provided the Board with highlights of some of topics presented at the ECM Annual Meeting this year. Long also identified those directors that participated and attended the meeting.
- Provided information to the Board that notification to TEPA members of the upcoming nominal 1.5% retail rate increase assessed and applied for TEPA's use (not levied by TVA) will appear on electric bills for meters read after October 1, 2018. Announcement to TEPA members of the action as required by TEPA's Service Practice Policies will be included as a component in the publication of TEPA's Annual Meeting report in area newspapers.
- Reminded Directors that the TVA facility tour planned for this fall will be conducted September 17-18. Departure will occur early on the 17th to tour Brown's Ferry Nuclear Plant then travel to Chattanooga, TN., for overnight stay. A tour of the Control Center at the TVA headquarters will start on the morning of the 18th followed by a tour to the Raccoon Mountain Pumped Storage facility later that day.
- The AMR/AMI upgrade project is still going well with expected project completion near the end of the calendar year or early next year depending on delivery of meters and other system components. More than 29,500 meter/units have been replaced to date with approximately 13,000 units remaining. All of the meters have been changed out in the Fulton branch office and the system is working well.

Matters of Mutual Concern:

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

Pat Carr, President

Don Knight, Secretary-Treasurer