

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD JUNE 13, 2019

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, June 13, 2019, at 5:00 p. m. The following directors were present:

<u>Class of 2019</u>	<u>Class of 2020</u>	<u>Class of 2021</u>
Pat Carr (A)	Lynn Turner	Jim Gray
John McFerrin	Guy Harris	Steve Holland (A)
Jimmy Gray	Chip Prestage	Don Knight
Buddy Palmer	Brenda Goff Shumpert	Andy Spradling
Malcolm Wesson	F. G. Wiygul, Jr.	Cecil Weeks

(A)—Not present

Also present were: Scott Hendrix, Attorney
 Jonathan Hagood, Auditor
 Ken Brown, Fulton Branch Manager
 Stevie Humble, Tupelo Operations Manager
 Bruce Williams, Tupelo Office Manager
 Steve Tarpley, Member Services Director
 Mitzi Hinds, Member Services Director (elect)
 William Long, General Manager

In Chairman Carr's absence, F. G. Wiygul chaired the meeting. Mr. Wiygul called the meeting to order and called upon Buddy Palmer to offer an opening prayer.

Mr. Wiygul then opened the floor for consideration of the April 2019 Special Called Meeting (via email and phone) board meeting minutes conducted for the purpose of approving application of USDA/RUS ReConnect Broadband Program grant funds. **Chip Prestage made a motion that the April 2019 Special 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. Wiygul then opened the floor for consideration of the May 2019 regularly scheduled Board Meeting Minutes. **Don Knight made a motion that the May 2019 board 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. Wiygul inquired of Directors and Mr. Hendrix if there was a need for an executive session. Mr. Hendrix responded that there was a need for an Executive Session. **Chip Prestage made a motion that the Board enter into Executive Session.** Buddy Palmer seconded the motion and upon a vote taken a majority vote was observed.

Upon the completion of discussions during Executive Session, **Lynn Turner made a motion that the Executive Session be terminated.** Buddy Palmer seconded the motion and upon a vote taken a majority vote was observed. There was no need for action by the Board after board member discussions held during the Executive Session.

Mr. Wiygul continued with the agenda and requested that Mr. Hendrix continue with his monthly report. Mr. Hendrix provided his report and stated that most of his efforts during the month had been in support to management and that he had no additional information to report to the Board at this time.

Committee Reports:

Continuing with the agenda, Mr. Wiygul then called on those committee chairmen having information to report to the Board:

Public Relations and Bylaws: Committee Chairman Jimmy Gray called upon committee member John McFerrin to present a recommendation from the committee. Mr. McFerrin proceeded to summarize information presented to the committee by the staff concerning program details for implementation of the previously approved electric bill Pre-pay Program for member payment of electric bills. All Directors were provided with a summary page outlining program participation requirements by members. Questions from the Board concerning implementation of the program were presented to the Committee and the staff. After sufficient discussion, **Mr. McFerrin recommended on behalf of the committee that the participation details developed and presented by the staff be implemented as soon as all program details are complete.** Requiring no second of the recommendation by the committee, and upon a vote taken, a majority vote for approval was observed.

SmartGrid: Chairman Palmer reported on several matters being studied by the Committee and presented details known concerning a recommendation by the committee that a trip be organized to visit an electric cooperative in Missouri that has been providing broadband service to its members for more than 10 years. Mr. Palmer stated that the committee will continue to organized details of the trip and provide more information to board members for their election to participate in the trip. After discussion among directors, the best schedule for making the trip was identified to be the week of July 22-27, with the cooperative selection a group of two days that best suited their operation. Other details of the trip would be proposed by the SmartGrid Committee as more information is known.

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 April 2019. Mr. Hagood explained various details of the report. Generally, financial indicators and key statistics remain on a good trend when compared to last year's fiscal year data. For the same period last year, Gross Margins from all Sources are approximately 6.8% higher; and Operating Expenses are approximately 1% lower. Energy Sales and Net Income remains on a good track for completion of the fiscal year. New member account growth remains steady at 212 as tracked on an annual basis and compared to the same period last year.

Directors had no questions or comments for Mr. Hagood concerning the financial information presented by Mr. Hagood.

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

- Provided the Board with a summary of new employees hired since February of this calendar year. A projection of additional positions to be filled in the coming months was also provided.
- Presented the introduction of Mitzi Hinds who has been selected to be the Member Services Director upon the retirement of Steve Tarpley. Mr. Tarpley is planning his retirement for later this calendar year.
- Reported to the Board that the TEPA staff completed an application to USDA/RUS for use of grant funds for implementation of Broadband service in certain areas of the TEPA service territory with no service or very poor internet service. A general description of the application process was described.
- Provided the Board with a reminder that July 16 is still on schedule for conducting a meeting among various agencies working to promote economic growth in the TEPA service area to solicit their input if there is a need for improved broadband service that is not presently being provided.
- Reminded the Board that a similar session to item 3 is planned for the E-Medicine load sector application for broadband use to improve service for available use to members in the TEPA service area. No date is set yet for that meeting.
- Provided the Board with electric load and job growth plans underway in the area at various industrial parks to include: a proposed 16 MW wood processing facility; and a 2-4 MW plastics and building component facility.
- Long recognized Office Manager Bruce Williams to present an item of business for Board approval. Mr. Williams proceeded to present information to the Board concerning the need to revise certain documents and records with Renasant Bank which reflect changes in office positions for the Association. **Don Knight made a motion that Mr. Williams proceed with the documentation that Renasant Bank is requesting.** Chip Prestage seconded the motion and upon vote taken a majority vote was observed.

Matters of Mutual Concern:

For the next order of business, **Mr. Wiygul made a motion that the Board enter into executive session with only Directors remaining.** Guy Harris seconded the motion and upon vote taken a majority vote was observed.

After the executive session was concluded, Guy Harris made a motion that the executive session be concluded. Don Knight seconded the motion and upon a vote taken, a majority vote was observed.

After returning to regular session, Mr. Wiygul called upon Guy Harris to present a motion to the Board. **Mr. Harris made a motion that all full-time employees be granted July 5, 2019 as a paid holiday in recognition of the hard work of our employees and their dedication to the Association.** Andy Spradling seconded the motion and upon vote taken a majority vote was observed.

There being no further business topics expressed, **Chip Prestage made a motion that the July 2019 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

Don Knight, Secretary-Treasurer