

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD April 12, 2018

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Office, Tupelo, MS, on Thursday, April 12, 2018, at 5:00 p. m. The following directors were present:

<u>Class of 2018</u>	<u>Class of 2019</u>	<u>Class of 2020</u>
Jim Gray	Pat Carr	Lynn Turner
Steve Holland	John McFerrin	Guy Harris (A)
Don Knight	Jimmy Gray	Chip Prestage
Pat Spradling (A)	Buddy Palmer	Brenda Shumpert (A)
Cecil Weeks	Malcolm Wesson	F. G. Wiygul, Jr.

(A)—Not present

(T)—Participated by Telephone Conference

Also present: Jonathan Haygood and Bryon Wilemon, representing FFJW, CPA
Steve Tarpley, Member Services Director
Bruce Williams, Tupelo Office Manager
David Kelso, Fulton Branch Office
David Riley, Tupelo Operations Manager
Scott Hendrix, Attorney
William Long, General Manager

Chairman Carr called the meeting to order and called on F. G. Wiygul to lead the Board in offering an opening prayer.

Mr. Carr then opened the floor for consideration of the March 2018 regularly scheduled Board Meeting Minutes. **Don Knight made a motion that the March 2018 meeting minutes be approved as prepared and provided to Directors for review.** Chip Prestage 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 for his report unless the Board raised issues later in the meeting that may require an Executive Session. Mr. Carr asked Mr. Hendrix to continue with any matters that he had to report. Mr. Hendrix stated that he had no matters requiring Board review or approval and that his activities during the last month primarily consisted of his efforts in support of management and other related issues.

Committee Reports:

Mr. Carr then called upon committee chairmen to report to the Board on behalf of their respective committees and committee activities:

Public Relations and Bylaws: Jimmy Gray, Chairman, was recognized for a report from his committee and Mr. Gray called upon Bill Long to give that report. Long provided an update concerning efforts underway to begin a digital version of the Today in Mississippi, ECM Newspaper. Long stated that the review by the Statewide Newspaper Committee had been completed and all the requirements to begin the trial TEPA digital version were complete.

There were no questions for Long or the PR&B Committee concerning the status of the request; however, members of the TEPA committee working on this effort are anxious to begin this project.

Executive: Chairman Carr called upon Bill Long to provide this report. Long stated that the committee had met for the purpose of hearing certain details concerning changes going on within the FFJW CPA firm, which was reconfirmed and hired by the Board last September. Mr. Greg Jarrell, who has been attending TEPA Board meetings in the absence of Mr. Franks due to his health issues, has made the TEPA management aware that he is leaving the FFJW firm and at the present time he is no longer the official representative from the FFJW firm. Long continued with the introduction of Jonathan Haygood and Bryan Wilemon, also representative of the FFJW firm that have been involved with services required by TEPA as provided by the FFJW CPA firm. Both Mr. Haygood and Mr. Wilemon made statements to the Board reinforcing the continued service to the Board by their firm after Mr. Jarrell's departure.

Auditor's Report:

Jonathan Haygood and Bryan Wilemon provided Directors with a copy of the TEPA Monthly Highlights Report, prepared by Franks, Franks, Jarrell and Wilemon for the month ending February 2018. Mr. Haygood explained various details of the report and provided the following specific details and information:

- net income for the eight (8) months in FY 2018 was \$2,100,099 which was \$1,399,906 less than the net income for the same period last year
- for the eight (8) months of FY 2018, compared to the same period last year, kilowatt-hours sold increased by 1.28%, which is a moderate increase from last month's cumulative energy sales.
- Mr. Haygood also highlighted other financial details that affected our monthly report and indicated that the sales for the month of February 2018, were just slightly more than February 2017. No significant cold weather event has been experienced during the previous month which would have produced much higher energy sales. Mr. Haygood reaffirmed that TEPA still maintains a strong financial status.

Manager's Report:

Long reported to the Board on the following matters:

- Long began his report by informing the Board that a video has been obtained and shown to all TEPA employees that emphasizes the constant need to focus on safety especially when working to restore electric service after storm damage. The video shown documents the death of a Mississippi electric power association lineman in 2014. At the Board's request, the video was shown, and afterwards, David Kelso, David Riley and Gerald Harmon spoke and gave examples of TEPA's procedures and work practices that are in place and emphasized to prevent injury or death when working in similar situations. The video shown and comments by Kelso, Riley and Harmon were well received...and Directors had many follow-up questions for the three employees as it related to their job and supervision responsibility.

- Long reported that since the last board meeting, a neighboring cooperative has experienced the death of a lineman due to electrocution while repairing a line after stormy weather. In response, TEPA employees voluntarily took up a collection to give to the spouse of the expired lineman. With this news, **F. G. Wiygul made a motion that the Association provide a contribution also by matching the TEPA employee contribution.** Lynn Turner seconded the motion and upon a vote taken the motion duly carried.
- Our AMI system change out to the new RF type meters is going well and on schedule. To date we have approximately 14,000 new meters in operation (about 38% of our total residential meters), and the new meters are being installed at the rate of approximately 150 per day. Barring unforeseen problems, the project should be finished on schedule. Trouble and repair for the new meters at the present is almost non-existent. We have experience failure of only 3 of 14,000 meters, which is extremely good. Employees required to make meter change out for repair purposes will be drastically reduced.
- Informed the Board that both David Riley and David Kelso have expressed their intention to retire later this calendar year. Their jobs have been posted and applications will be taken during the next two weeks from existing employees.

Matters of Mutual Concern:

Mr. Knight was recognized for an inquiry. Mr. Knight expressed interest as well as several additional Directors asking the staff to look into the availability and cost of using applicable audio equipment to improve communication in the boardroom...and report back to the Board.

There being no further business, **Steve Holland made a motion that the meeting adjourn and that the May 2018 Board meeting be held at the Tupelo headquarters office.** Lynn Turner seconded the motion and upon vote taken a majority vote was observed.

Pat Carr, President

Don Knight, Secretary-Treasurer