

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE  
TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD JUNE 10, 2021

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, June 10, 2021, at 5:00 p.m. The following directors were present:

<u>Class of 2021</u>	<u>Class of 2022</u>	<u>Class of 2023</u>
Jim Gray	Pat Carr (A)	Lynn Turner
Steve Holland	John McFerrin	Mike Irwin
Don Knight	Buddy Palmer	Chip Prestage
Andy Spradling	Malcolm Wesson	Brenda Shumpert
Cecil Weeks	T. J. Adams	F. G. Wiygul, Jr. (A)

(A)—Not present  
(P)—Phone/Zoom

Also, present were        Scott Hendrix, CEO  
                                 Jonathan Hagood, Auditor  
                                 Bruce Williams, Tupelo Office Manager  
                                 Matt Fennell, Manager of Fiber Services  
                                 Toby Mask, Engineering Manager  
                                 Michael Dickinson, Fiber Construction/Operations  
                                 Ken Brown, Fulton Branch Manager  
                                 Stevie Humble, Tupelo Operations Manager

Buddy Palmer called the meeting to order and called on John McFerrin to open the meeting with prayer.

Mr. Palmer opened the floor for consideration of the May 2021 Board Meeting Minutes. **Chip Prestage made a motion that the May meeting minutes prepared and distributed be approved.** Don Knight seconded the motion for approval and upon vote taken, a majority vote was observed.

Scott Hendrix, CEO, introduced Tombigbee Electric's new employees. Each employee was given time to introduce themselves, give background information and the job they are hired to do for TEPA.

Mr. Palmer then inquired of the Board and Mr. Hendrix if there was a need for an Executive Session. Mr. Hendrix stated there was a need for an executive session. Chip Prestage made a motion, Lynn Turner seconded, and the board entered Executive Session.

**Attorney's Report:**

After exiting Executive Session, Mr. Hendrix reported a need to update Tombigbee EPA's trustees for its employer sponsored 401K plan. William W. Long, former General Manager, retired March 1, and was replaced by Scott R. Hendrix. There is a need to update TEPA's 401K plan to reflect that change. Don Knight made a motion to remove William W. Long as trustee

and replace with Scott R. Hendrix, effective March 1, 2021. Chip Prestage seconded and a vote was duly taken. A majority vote was observed.

**Committee Reports:**

Mr. Palmer then called upon committee chairmen of various working committees to present their reports:

**Purchasing Committee:** Chairman John McFerrin reported on the Purchasing Committee work the rolling stock budget for fiscal year July 2021-June 2022. The board reviewed cost estimates for new vehicles and heavy machinery for the coming year. After reviewing cost projects and delivery timelines, a recommendation from the committee was made. Since the recommendation came from a committee, no motion is needed. After discussion had taken place, a vote was taken, and a unanimous vote was observed.

**Insurance Committee:** Chairman Malcolm Wesson reported on the upcoming Federated Rural Electric Insurance quote for the upcoming fiscal year. Mr. Wesson reported, meeting with Kenny Marvin, Federated Rural Electric Insurance account executive, on May 28, 2021. Mr. Wesson reviewed with Mr. Marvin; the different deductible options available for TEPA. Mr. Wesson made a recommendation for changing deductible and increase coverage in certain areas of our insurance quote. After reviewing these changes with the board, Chip Presage made a motion to accept the changes and quote from Federated. Lynn Turner seconded the motion, and a vote was duly taken. A majority vote was observed.

**Fiber Update:**

Matt Fennell, Manager of Fiber Services, gave an update of our broadband project. Mr. Fennell stated that there was a total of 3,379 fiber customers connected and 500 members waiting to be installed. The board was also updated on the following: take rate of 37%, 1,012 total number of miles constructed, with some additional information given about the Cares Act.

**Engineer Report:**

Toby Mask, Manager of Engineering, informed the board that the substation transformer purchased from 4-County EPA was delivered and set on June 9, 2021. Toby updated the board on progress to update the outage map to include fiber outages.

**Auditor's Report:**

Mr. Hagood provided the board with a copy of the TEPA Monthly Highlights Report, prepared by Franks, Franks, Wilemon and Hagood for the month ending April 2021 and explained various details of the report. Specific details and information were gross margins from electric sales are up more than 10% for the same period last year; net income for this month has decreased slightly as compared to the same period last year; kilowatt-hours sales are approximately 1.91% more than the ten months ending April 2021; and operating expenses are approximately 9% more than the April reporting period last year. Mr. Hagood further presented financial statements relative to Tombigbee Fiber, LLC.

**CEO Report:**

Scott R. Hendrix, CEO, reported to the board progress in hiring new employees to fill vacant positions. Mr. Hendrix informed the board a need for the nominating committee to meet next month in preparation of the annual meeting in August. Mr. Hendrix informed the board a request by Mr. Tommy Lee Ivy to meet with members regarding our fiber build. That meeting took place

and was well received by all members present. Mr. Hendrix discussed the upcoming ECM Annual Meeting in September and to gauge interest in who would like to attend.

**Matters of Mutual Concern:**

No matters of mutual concern were observed.

Chip Prestage made a motion to adjourn the board meeting; Don Knight seconded, and the board meeting was adjourned.

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Don Knight, Secretary-Treasurer

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Buddy Palmer, Vice-President