

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE  
TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD MAY 11, 2023.

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, May 11, at 5:00 p.m. The following directors were present:

Class of 2024

Jim Gray  
Steve Holland  
Don Knight  
Andy Spradling  
Danny Riley

Class of 2025

Sammy Reed  
John McFerrin  
Buddy Palmer  
Randy Letson  
T. J. Adams (P)

Class of 2023

Lynn Turner  
Mike Irwin  
Chip Prestage  
Brenda Shumpert  
F. G. Wiygul, Jr.

(A)—Not present

(P)—Phone/Zoom

Also, present were      Scott Hendrix, CEO  
Jonathan Hagood, Auditor  
Bruce Williams, CFO  
Michael Dickinson, Safety, Loss and Prevention  
Jeff Godfrey, Tupelo Electric Operations Manager  
Matt Fennell, Manager of Fiber Services  
Ken Brown, Fulton Branch Manager  
Toby Mask, Manager of Engineering  
Mitzi Hinds, Manager of Member Services  
Brian Wood, Manager of Fiber Operations

F.G. Wiygul called the meeting to order and called on Don Knight to open the meeting with prayer.

Scott Hendrix introduced two existing employees to the board. Each employee was given a few minutes to introduce themselves and tell a brief work history. Each employee explained their job responsibilities at Tombigbee EPA.

Mr. Wiygul opened the floor for consideration of the April 2023 Board Meeting Minutes. **Chip Prestage made a motion that the April 2023 meeting minutes prepared and distributed be approved.** Don Knight seconded the motion for approval and upon vote taken, a majority vote was observed.

Mr. Wiygul asked if an executive session was needed, Scott Hendrix indicated there was a need for the board to enter into executive session for an attorney report and discussion. Chip Prestage

made a motion to go into executive session, and Don Knight seconded the motion. A vote was duly taken, and the motion passed.

Chip Prestage made a motion to exit the executive session, Don Knight seconded the motion, a vote was duly taken, and the motion passed, board resumed board meeting.

**Committee Reports:** Rate Committee, T.J. Adams-Chairman.

The committee met earlier in the week to discuss potential rate action this year. Some of the factors that the committee was presented with were that the overall material, equipment and fuel costs have increased over 80% in the last 2-3 years, and margins have decreased to the lowest level in many years. Another primary factor is that the TVA pandemic relief credit is scheduled to go away in October of this year, which would negatively affect margins overall by 1.5%. After much deliberation, the committee made a recommendation to increase rates by 4%, that would take effect in October of this year, to help offset the loss of the credit and increases in material. This comes as a recommendation from the committee to the board and needs no motion or second. A vote was duly taken, and a unanimous vote of the board was observed.

**Fiber Update:**

Matt Fennell, Manager of Fiber Services, gave an update on our broadband project. Mr. Fennell stated that there was a total of 18,772 fiber customers connected, an increase of 658 from last month. There are 1,137 members waiting to be installed. The board was also updated on the following: take rate of 37%, and 3,290 total number of miles constructed. Mr. Fennell also updated the board on the number of voice customers 1,096 and revenue generated by both internet and voice customers. Mr. Fennell also gave an update on fiber construction. Mr. Fennell informed the board that all main line fiber has been built, with the exception of some off legs. The main work left to do is splicing and testing.

**Youth Leadership** Mitzi Hinds, Manager of Member Services, updated the board on the youth leadership trip to Jackson in March. She gave a power point presentation and explained to the board the different activities and events that was held at this year's legislative event. Ms. Hinds informed the board of the upcoming trip to Washington D.C., that the leadership group will attend in the coming weeks.

**Engineer Report:** Scott Hendrix, reported for Toby Mask. The transformer repair for the Fulton Transformer has been approved and should be completed in a few weeks. The engineering department is working on a construction project in Ingomar along a railway spur line. We are currently in the planning stages of two substation building projects.

**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 March 2023 and explained various details of the report. Specific details and information where down gross margins from electric sales are down 4% for the same period last year; net income for this month has decreased

as compared to the same period last year; kilowatt-hours sales are down 2.3%, compared to the month ending March 2022; and operating expenses have increased 5% from this time last year. Mr. Hagood further presented financial statements relative to Tombigbee Fiber, LLC.

**CEO Report:**

Scott Hendrix reminded the board of the date change for the next board meeting, from June 8 to June 1, 2023. Mr. Hendrix updated the progress on the EV charging station in the mall area. Scott informed the board of a 50-year celebration for Steve Holland, on May 15, at 4 pm.

**Matters of Mutual Concern:**

There were no matters of mutual concern. Lynn Turner made a motion to adjourn, Don Knight seconded, and a vote duly taken, and a majority vote was observed.

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Don Knight, Secretary-Treasurer

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F.G. Wiygul-President