

MINUTES OF MEETING OF JANUARY 31, 2023

The regular meeting of the Board of Directors of Southwest Tennessee Electric Membership Corporation was held in the office of the Cooperative in Brownsville, Tennessee, on Tuesday, January 31, 2023, at 8:00 A.M.

All the Directors were present except David McDaniel. Also present were Kevin Murphy, Scott Sims, Billy Gordon, Shawn Lillie, and Anna Jackson.

Robert Kendrick, Chairman, presided over the meeting.

Anna Jackson kept the minutes of the meeting.

Greg Jones led the room in prayer via audio recording and Kevin Murphy led the Pledge of Allegiance.

The meeting began with a motion by Robert Kendrick, seconded by Jackie Butler, to adopt the agenda.

Billy Gordon gave a year end update on fiber. He discussed several topics such as 2022 project progress, 2023 hurdles, and upcoming opportunities. As of now, the fiber project is 18 months ahead of schedule, and the wait list for drops is just under 1,000 customers.

Next, Scott Sims presented the Board with their 1099's and explained to them how this number was calculated. Also, the IRS increased the mileage rate to 65.5 cents per mile driven. Our policy states we set our mileage rate at 90% of the IRS allowance. Upon motion by Audrey Blue, seconded by Marilyn Means, the mileage rate is changed from \$0.56 to \$0.59 effective February 1.

The Board next discussed the Consent Agenda and upon motion of Tim Hanks, seconded by Allan Ferguson, the December minutes were approved, the February write-offs in the amount of \$6,411.09 were approved, and the vendor payment list and the comparative statement were reviewed and discussed. The President reported a negative margin of (\$523,014.33).

Lastly, the current events were discussed. The STEMC Annual Meeting will be on August 11, 2023, and the Board will receive a polo shirt for the event. A schedule change for nonunion members was discussed and upon motion by Jackie Butler, seconded by David Kinney, the nonunion members will begin a schedule of Monday-Thursday 9 hour days and Friday will be a 4 hour day. Another topic was moving the February board meeting to Thursday the 23rd at Dyersburg State Community College in Covington, TN to coincide with the strategic planning meeting. Upon motion by David Kinney, seconded by Teri Robinson, this change was approved. Lastly, a change to policy 1-10 was made upon motion by Jackie Butler and seconded by Allan Ferguson. The new policy Part A reads as follows:

Subject to the provisions of the Bylaws, vacancies occurring in the Board of Directors due to death or retirement, shall be filled by a majority vote of the remaining Directors. This newly appointed Director shall serve until the next Annual Meeting of the members, or until their successors shall be elected. Any vacancy shall be filled by a successor Director who is a member residing in the same voting District as his/her predecessor Director. After the death or retirement of a Director, remaining Directors shall:

- 1) submit resumes to Board Chairman by end of business day 14 days after vacancy.
- 2) vote to fill the vacancy at the next Board of Directors meeting.

There being no further business to come before the Board, the meeting was duly and regularly adjourned.

Secretary-Treasurer

APPROVED:

Chairman