

## MINUTES OF MEETING OF FEBRUARY 3, 2026

The regular meeting of the Board of Directors of Southwest Tennessee Electric Membership Corporation was held at the office of the Cooperative in Brownsville, Tennessee, on Tuesday, February 3, 2026, at 8:53 A.M.

All the Directors were present. Also present were Clint Malone, Scott Sims, Anna Jackson, and Shawn Lillie.

David McDaniel, Chairman, presided over the meeting.

Anna Jackson kept the minutes of the meeting.

Clint Malone led the room in prayer and David McDaniel led the Pledge of Allegiance.

The meeting began with a motion to adopt the agenda. Upon motion by Tim Hanks, seconded by Audrey Blue, the meeting agenda was adopted.

1. Clint Malone discussed governance by showing a short video provided by NRECA.
2. Scott Sims explained the mileage reimbursement rate is 90% of the 72.5 cent IRS rate. We currently reimburse 63 cents per mile. Upon motion by David McDaniel, seconded by Teri Robinson, the Board approved the new mileage rate to be 65 cents.
3. Sims also reviewed the 1099's that were given to each Board member and how they were calculated.

Next, there were 7 policies that were discussed and needed approval following the IBEW negotiations. Malone thoroughly explained each policy and what was being changed or updated in each one.

4. Policy CP-AD-003-04 Employee Uniforms was approved upon motion by Scott McCaskill and seconded by Jackie Butler.
5. Policy CP-AD-021-07 Holidays was approved upon motion by David Kinney and seconded by Tim Hanks.

6. Policy CP-AD-022-08 Annual Leave was approved upon motion by Teri Robinson and seconded by Allan Ferguson.
7. Policy CP-AD-023-09 Sick Leave was approved upon motion by Teri Robinson and seconded by Tim Hanks.
8. Policy CP-AD-024-00 Bereavement Leave is a new policy put in place allowing employees to have 3 days off for a death in the family without using time off. This policy was approved upon motion by Audrey Blue and seconded by Marilyn Means.
9. Policy CP-AD-039-02 Moonlighting was approved upon motion by David Kinney and seconded by Scott McCaskill.
10. Policy CP-OP-003-00 Storm Restoration Work and Rest is another new policy. This policy was put in place to ensure health and safety during storm work by limiting the number of consecutive hours worked. The policy was approved upon motion by Jackie Butler and seconded by Audrey Blue.
11. Clint Malone discussed the changes to the IBEW Labor Agreement that were made during negotiations. Upon motion by Jackie Butler, seconded by Teri Robinson, the labor agreement was approved.
12. The Board next discussed the Consent Agenda and upon motion by Marilyn Means, seconded by Tim Hanks, the December 30<sup>th</sup> minutes were approved, the February write-offs in the amount of \$6,712.98 were approved, and the vendor payment list and the comparative statement were reviewed and discussed.
13. The President's Report was discussed. This included a financial summary, current events, company news, outage reports, etc. Malone gave an update on the strategic plan and also discussed the creation of a culture task force made up of STEMC employees. Recipients of Southwest Members Care grants were listed.

There being no further business to come before the Board, and upon motion by Tim Hanks, seconded by David Kinney, the meeting was duly and regularly adjourned.

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Secretary-Treasurer

APPROVED:

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Chairman