

CLAIBORNE ELECTRIC COOPERATIVE, INC.
BOARD MEETING MINUTES
JANUARY 28, 2020

- ❖ **Call to Order** – Mr. Elkins asked Mr. Brown to officiate the meeting and Mr. Brown called the meeting to order at 6:30 pm.
- ❖ **Invocation** – Dr. Fincher offered an invocation on behalf of the group.
- ❖ **Pledge** – Dr. Fincher then led the group in the Pledge of Allegiance.
- ❖ **Attendance**
 - Hez Elkins, President – participated via telephone
 - Richard Noles, Secretary/Treasurer
 - Phillip Fincher
 - Rand Killgore
 - Lane Davidson
 - Scott Jones
 - Leroy Perritt
 - Butch Sensley
 - Others in attendance
 - Mark Brown, CEO
 - Bill Dye, CFO
 - Paul E. Kitchens, Corporate Counsel
- ❖ **Request for Items to be Added to the Agenda** – Mr. Brown requested the Board discuss a schedule change for two of the upcoming Member Advisory Committee Meetings. The amended agenda was approved on a motion made by Mr. Davidson and seconded by Mr. Killgore.
- ❖ **Consent Agenda** – Mr. Brown then entertained a motion by Mr. Noles and seconded by Dr. Fincher to approve the Consent Agenda. The motion carried.
 - Approve January 7th, 2020 Regular Meeting Minutes
 - Approve Expense Reports
 - Accept New Members
 - Approve Capital Credits (payments to be made subject to final approval by Counsel)
 - Approve Monthly Loss Control & Safety Report
 - Approve Homer & Farmerville Operations Report
- ❖ **Attorney Report** – Mr. Kitchens made an extensive report on the legal issues currently facing the Cooperative. His report was approved upon a motion made by Mr. Killgore and seconded by Mr. Davidson.
- ❖ **ALEC Report** – Mr. Davidson offered his monthly report of the activities of our statewide association. His report was approved on a motion made by Mr. Sensley and seconded by Dr. Fincher.

- ❖ **1803 Power Supply Cooperative** – Dr. Fincher then detailed the key issues our power supply cooperative is contending with at this time. He also commented on the short-term work that must be completed by June in order to keep the power supply RFP moving through the LPSC’s process. Mr. Brown accepted a motion made by Mr. Noles and seconded by Mr. Perritt to approve the power supply cooperative report. The motion carried.

- ❖ **Financial Report** – Mr. Dye offered his monthly and 2019 year-end reports along with several recommendations:
 - The December 2019 Financial Report was approved on a motion made by Mr. Davidson and seconded by Mr. Perritt.
 - Mr. Dye reported strong financial performance by the Cooperative for the 2020 calendar year. Based upon this performance and the clear guidance offered in the Cooperative’s policies, he then recommended approval of a Capital Credit General Disbursement. The Board of Directors then engaged in a lengthy and extremely detailed discussion of this recommendation. The contents of the Cooperative’s General Policy related to Capital Credits was explored. The Cooperative’s financial position was discussed at length paying particular attention to not only past performance but also its predicted future financial outcomes. After this discussion, the Board approved making an \$800,000 General Disbursement of Capital Credits in accordance with our policies. The motion to take this action was offered by Mr. Killgore and seconded by Mr. Davidson. The motion carried unanimously.
 - The Safe Worker Award Program (SWAP) Renewal for 2020 was approved on a motion made by Mr. Noles and seconded by Mr. Sensley.

- ❖ **CEO’s Report** – Mr. Brown
 - Mr. Brown reported on the need to make a minor change in the schedule for the upcoming Member Advisory Committee Meetings to avoid a conflict with the next ALEC and 1803 Electric Cooperative meetings. There were no objections. The new dates and times are listed below.
 - The Board appointed Mr. Noles as voting delegate and Mr. Davidson as the alternate delegate to represent the Cooperative during the NRECA National Convention. This action was approved upon a motion made by Mr. Davidson and seconded by Dr. Fincher.
 - NRECA
 - CFC
 - Federated
 - The Board reviewed a possible slate of candidates to fill the unexpired portion of the term of the Board Seat in District 5. Filling this seat will follow the procedures set out in the Cooperative’s Bylaws.

- ❖ **Approve Meeting Expenses** – Mr. Brown then entertained a motion made by Mr. Davidson and seconded by Mr. Noles to pay the expenses associated with the meeting. The motion carried.

- ❖ **Confirm Next Meeting Date** – Mr. Brown then confirmed the date of the Board’s next regularly scheduled meeting.
Regular Board Meeting, Tuesday, February 25, 2020

- ❖ **Adjourn** – The meeting was adjourned on a motion made by Mr. Noles and seconded by Dr. Fincher.

Reminder:

Member Advisory Meetings

February 17, 7:00 pm – Elkins, Jones, and Sensley in Farmerville

February 18, 7:00 pm – Fincher, Killgore, and Harmon* in Homer

February 20, 7:00 pm –Noles, Davidson, and Perritt in Homer

The minutes above were approved by the Board of Directors during its regularly scheduled meeting held on February 25, 2020.

Hez Elkins, President

Richard Noles, Secretary - Treasurer