

AUGUST 2020 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, August 19, 2020 at noon. The meeting was held pursuant to Governor Bill Lee's Executive Order No. 16, which allows members of the governing body subject to the Tennessee Open Meetings Act to meet and conduct essential business by electronic means if the body determines meeting electronically is necessary to protect the health, safety and welfare of Tennesseans in light of the COVID-19 pandemic. The public could attend the meeting live via telephone and was notified of the process for joining remotely with detailed instructions on the BTES website, including the opportunity to address the Board on any matter of BTES business.

Call to Order

Erin Downs called the meeting to order at 12:00.

Board Members Present

Erin Downs, Vince Turner, David Akard, Larry Clarke and Doug Harmon

Staff Present

CEO Dr. Mike Browder, Director of Engineering Clayton Dowell, Director of Management Services Tara Ellis, Director of Accounting and Finance Lola McVey and Business Development Manager April Eads

Minutes

Ms. Downs presented the minutes of the July board meeting. Mr. Harmon made a motion to approve the minutes. Mr. Turner seconded the motion and the minutes were unanimously approved.

Safety Report

Ms. Ellis reported that BTES has completed 363,724.55 safe working hours as of July 31, 2020 without a lost time accident. A safety meeting was held on August 4 for outside crews that covered Golden Rules – Ground or Glove and Cover.

Financial Reporting

Electric Business Unit

Ms. McVey presented the June 2020 financial reports. She reported that for fiscal year 2020, kWh sales were lower than the previous year due to weather. All year end entries for the Other Post-Employment Benefits Trust and the Tennessee Consolidated Retirement System have been completed pursuant to GASB 68 and 75. She also reported that as of August 14, 2020, there were 29 customers on PrePay.

Ms. Ellis reported that Help Your Neighbor contributions were \$9,237.44. She reported that of the accounts that were delinquent when the suspension of residential connects ended, 45 accounts were disconnected and did not reconnect. BTES is still owed \$26,328.62 from these accounts. She reported that we have had twelve families referred for the BTES COVID-19 Educational Support Program and eight are currently receiving services.

The financial highlights are as follows:

\$(000)	YTD Actual	YTD Budget
Electric Revenue	\$ 81,163.4	\$ 84,419.7
Other Electric Revenue	\$ 6,577.6	\$ 6,664.6
Other Income	\$ 969.8	\$ 1,169.7
Total Operating Expense	\$ 85,149.4	\$ 90,076.2
Non-Operating Expense	<u>\$ 1,430.6</u>	<u>\$ 1,062.2</u>
Electric Net Income (Loss)	\$ 2,130.8	\$ 1,115.6
Operating & Maintenance Expense	\$ 10,261.1	\$ 10,632.0
Broadband Net Income	\$ 3,402.7	\$ 1,313.1

Advanced Broadband Services Business Unit

Ms. McVey reported that the number of customers in the Advanced Broadband Services (ABS) Business Unit increased by 694 in fiscal year 2020. The revenue for ABS was more than budgeted because we lost fewer customers than anticipated for cable and telephone and gained more than budgeted for Internet.

TVA Monthly Fuel Cost

Dr. Browder indicated that the September 2020 monthly fuel cost will decrease to \$.01363 per kWh for residential (RS) customers.

	August1, 2020	September 1, 2020
	Fuel Cost	Fuel Cost
500 kWh	\$7.58	\$6.82
1000 kWh	\$15.16	\$13.63
1500 kWh	\$22.74	\$20.45
2000 kWh	\$30.32	\$27.26

Identity Theft Prevention Policy Annual Approval

Annual review of the Identity Theft Prevention Policy is required by the FACT Act of 2003. It requires the safeguarding of customer information to help prevent identify theft. This policy requires Board approval annually. There are no changes this year. Mr. Akard moved for approval of the policy. Mr. Clarke seconded the motion and it was approved unanimously.

Economic Development Update

Ms. Eads reported on the TVA Community Livability presentation presented by her; Tom Anderson, Economic Development Director for the City of Bristol, TN; and Clay Walker, CEO of NETWORKS Sullivan Partnership. Our community was one of only ten communities selected by TVA.

Pending Items**Cybersecurity Report**

Mr. Dowell reported that BTES is continuing to monitor cybersecurity as employees work remotely. He has a follow-up scheduled next week with a vendor for a cybersecurity assessment. He has also identified cybersecurity training that will take place after COVID-19 restrictions are lifted.

Carina Updates

Mr. Dowell reported approximately 60 CPMD relays opened during a storm on July 27. Most were able to be closed from the office. BTES is working with Carina to get alarm notifications.

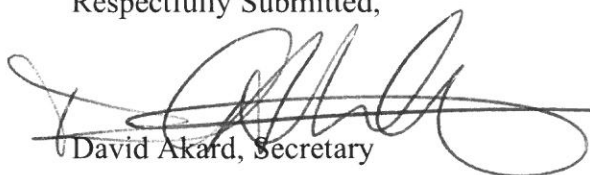
CEO's Report

Dr. Browder reported that the TVA One Ownership Study for the South Bristol Delivery Point has been revised to provide more redundancy.

Board Comments

Ms. Downs reported that the Rotary Teacher Awards will be broadcast on Power 7.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'David Akard', with a long horizontal line extending to the right.

David Akard, Secretary

