

## **MAY 2021 BOARD MINUTES**

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Monday, May 24, 2021 at noon at 2470 Volunteer Parkway, Bristol, Tennessee.

### **Call to Order**

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

### **Board Members Present**

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

### **Staff Present**

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

### **Minutes**

Chairman Downs asked if there were any corrections to the minutes of the April board meeting, which had been previously distributed. The minutes were approved by general consensus.

### **Safety Report**

Ms. Ellis reported that BTES has completed 465,502.85 safe working hours as of April 30, 2021 without a lost time accident. A safety meeting was held on May 4 for outside employees on Pole Top Rescue. She also reported that BTES had a TOSHA inspection that went very well. There were only three minor violations that have all been corrected. Ms. Ellis also reported that BTES received the APPA Safety Award of Excellence.

### **Financial Reporting**

#### **Electric Business Unit**

Ms. McVey presented the April 2021 financial reports. She reported that year-to-date we sold and purchased more kWh than the previous year.

Part of the expenses related to the 2021 Right of Way Improvement Process are in the Operating and Maintenance expense for April with more planned by the end of the fiscal year.

There are 189 PrePay customers as of April 30, 2021.

The financial highlights are as follows:

<b>\$(000)</b>	<b>YTD Actual</b>	<b>YTD Budget</b>
Electric Sales	\$ 68,788.6	\$ 70,327.0
Other Electric Revenue	\$ 5,543.9	\$ 5,707.9
Other Income	\$ 290.2	\$ 736.9
Total Operating Expense	\$ 69,787.1	\$ 73,675.1
Non-Operating Expense	\$ 1,051.2	\$ 865.6
<b>Electric Net Income (Loss)</b>	<b>\$ 3,784.4</b>	<b>\$ 2,231.1</b>
Operating & Maintenance Expense	\$ 8,659.4	\$ 9,168.5
Broadband Net Income	\$ 2,871.2	\$ 1,645.8

#### **Advanced Broadband Services Business Unit**

Ms. McVey reported that Net Income is ahead of budget because Internet revenue is over budget due to the growth of that service. The number of customers in the Advanced Broadband Services (ABS) Business Unit increased by 40 in April 2021. The number of Internet only customers increased by 85 for the month of April.

#### **TVA Monthly Fuel Cost**

Dr. Browder indicated that the June 2021 monthly fuel cost will increase to \$.01858 per kWh for residential (RS) customers.

	<b>May 1, 2021</b>	<b>June 1, 2021</b>
	<b>Fuel Cost</b>	<b>Fuel Cost</b>
<b>500 kWh</b>	\$9.26	\$9.29
<b>1000 kWh</b>	\$18.51	\$18.58
<b>1500 kWh</b>	\$27.77	\$27.87
<b>2000 kWh</b>	\$37.02	\$37.16

#### **Approval of CEO Succession Plan**

Chairman Downs reported that she sent a proposed draft of the CEO Succession Plan. There were no further changes. Mr. Turner made a motion to adopt the plan as proposed. Mr. Akard seconded and the motion passed.

#### **Approval of Wage and Salary Plan**

Ms. Ellis presented a revised Wage and Salary Plan. After discussion, Mr. Clarke made a motion to have SESCO review the draft to make sure it is in compliance with labor laws. Mr. Akard seconded the motion and the Board voted unanimously to approve the motion.

### **Strategic Business Plan Discussion**

Ms. McVey presented an overview of the Strategic Business Plan including the purpose of the strategic plan, Strategic Goals, major capital projects, five year Electric Capital Plan and the calculation for the Revenue Less Power Costs for the Electric budget. She also presented the Electric Operating Budget for fiscal year 2022 and explained that this is part of the City of Bristol's budget package to the State of Tennessee. To meet the City of Bristol's deadline, this page of the Strategic Business Plan needs to be approved today. Mr. Akard made a motion to approve the Electric Operating Budget for fiscal year 2022 and submit it to the City of Bristol to be included in their budget package to the State of Tennessee. Mr. Turner seconded and the motion passed.

### **Right of Way improvement Process Discussion**

Megan Clark, BTES customer, joined the meeting. She addressed the Board about her issues with the Right of Way Improvement Process. The Board will respond to Mrs. Clark.

### **CEO Report**

Dr. Browder reported that the new BTES website is in place. He also reported that we are evaluating a new piece of tree trimming equipment to be brought to the Board later.

### **Board Comments**

There were no further Board comments.

Chairman Downs adjourned the meeting.

Respectfully Submitted,

A handwritten signature in cursive script that reads "David Akard III". The signature is written in black ink and includes a stylized flourish at the end.

David Akard III, Secretary