

Minutes
Meeting of Trustees of the Arab Electric Cooperative, Inc.
Monday, March 23, 2026, at 6:00 pm
Arab Electric Cooperative, Inc. Boardroom

1. Roll Call—Trustees Present: Janet Bright-District 1, Dewayne Shedd-District 2, Dianne Prestridge-District 3; Bill Stricklend-District 4; Jeff Warren-District 6; and Nathan Clark-District 7. Absent: Tyler Barnes-District 5; Charles W. Whisenant-District 8; and Ty Smith-District 9. Also present were Stacey White-General Manager, Seth Selby-Assistant Manager, Clint Maze-Board Attorney, Cooperative Employees, and other members of the public.
2. Invocation (Agenda Item #2)—Clint Maze
3. Pledge of Allegiance (Agenda Item #3)—Bill Stricklend
4. Approval of the Agenda (Agenda Item #4)—Due to illness, the Board President, Charles W. Whisenant, was absent. Dianne Prestridge, the Board Vice President, presided over the meeting. The Board Vice President called for a motion to approve the agenda as presented. Bill Stricklend made the motion to approve the agenda, duly seconded by Janet Bright. The motion was approved with 5 ayes and 0 nays.
5. Approval of February 23, 2026, minutes as emailed (Agenda Item # 5): Upon review of February 23, 2026 minutes, Dewayne Shedd made a motion to approve, seconded by Janet Bright. The motion passed 5 ayes and 0 nays.
6. Management Update (Agenda Item #6)—The General Manager began her update by presenting the monthly Cooperative operating budget report for February 2026. For February 2026, the gross revenues were \$4,658,853.80, and expenses of \$4,613,029.13, for a net monthly profit of \$45,824.67. The calculation of net profit included a \$200,000 payment to Marshall Medical Center North for the Rural Hospital Investment Program, which will be realized as a tax credit for April's quarterly payment of the 2.2% gross receipts tax. When presenting the monthly budget, the General Manager advised the Board that Tippah had reimbursed the Board for the storm pay, which resulted in \$63,000 less for the gross pay in personnel cost for the Cooperative.

The February 2026 invoice was for \$3,376,069.07, and the early payment credit was based on a 3.65% interest rate, and resulted in a credit of \$9,479.54. The TVA Monthly Report net income calculated using the operating income, less operating expenses, was \$1,016,690.85 for February 2026.

The general manager also presented the Monthly Collection and Meter Department Report, the Three-Month Cash/Investment Balances Report, and the Monthly Report to TVA, all for February of 2026. The reports are made a part of the minutes. There were 99 disconnects for February, and of those 86 were reconnected. There were no diversions reported for February. The Cooperative received \$3,893.41, collected in both active and previously written off accounts, and there was \$11,655.42 submitted to the collection agency in past due balances, for February 2026. There are now 161 accounts that are enrolled for repayment.

Additionally, the General Manager reported to the Board:

- The Cooperative purchased a table for the Arab Chamber of Commerce Banquet.

- The Cooperative met with Brian Quillen on scam prevention recommendations and procedures for the Cooperative.
- The planning is underway for the second annual Watts Up camp for 5th graders.
- AREA had selected 2 scholarship recipients from Arab High School and 1 recipient from Brindlee Mountain High School.
- The General Manager's Tahoe has been ordered, and it is expected to be delivered by April 6, 2026.
- A review of the Cooperative's operating procedures revealed that there is no "oil spill" procedure, and Fisher Arnold will be proposing a draft policy for the Board's consideration.
- Spectrum/Charter paid the Cooperative \$480,000 for its pole attachments.
- There will be a gate installed on the Old Huntsville Highway brush dump/mulching site to prevent unauthorized dumping, which has become a problem.
- The Cooperative was able to purchase a used "backyard machine" in good condition and at a good price.
- Premier Power out of Georgia has been awarded the contract for power pole replacements for the Georgia Mountain circuit.
- The President of the United States issued a memorandum proposing a salary cap for TVA employees at \$500,000.
- The Auditorium remodel is progressing, and the contractor will be hanging sheetrock the first week of March 2026.

7. Sundown Substation Update (Agenda Item #7)—The needed FA switchers were "involved in a traffic accident" while coming through US Customs and delivered has been delayed for an unknown period.

8. Arab Primary Substation Update (Agenda Item #8)—There was no update.

9. Committee Updates (Agenda Item #9)—

Personnel Committee Update—The General Manager advised that there was nothing to report.

Finance Committee Update—The chairman of the Finance Committee advised that there was nothing to report.

Right of Way Committee Update— The General Manager advised that there was nothing to report.

10. Old Business—The General Manager stated that there was no Old Business (Agenda Item #10)—
11. Discussion Item: Retail Payments Through PayGo (Agenda Item #11)—The Cooperative has been selected to be a test site for PayGo, where members of the Cooperative will be able to pay their power bills at Family Dollar, CVS, and Dollar General. Because the Cooperative is a test site, there will be no fee charged to the Cooperative, but there will be a convenience charge to any member using the PayGo service at one of the aforementioned retailers. There is no action required by the Cooperative, unless the Board wants to decline to participate with PayGo. After a brief discussion, the Board supported participation as a test site.
12. Action Item: Auto Payment with Credit Card (Agenda Item #12)—The General Manager reminded the Board that a member had requested that the Cooperative consider waving the service charges collected by the Cooperative, so that Members could set up their account to auto pay with credit cards. The General Manager reminded the Board that Auto Pay is charges are not presently possible due to a member paying with a credit card being required to click each time to “accept” the service charge each time a credit or debit card is used to pay an account. This matter was discussed by the Board in the February 2026 Board Meeting and the Board expressed that it was not interested in incurring the charges to allow for auto payments. Bill Stricklend made a motion that the Cooperative should not waive the credit card fees, due to the cost to the other members of the Cooperative, and his motion was duly seconded by Jeff Warren. The motion passed 5 ayes and 0 nays.
13. Declaration of Surplus Items: (Agenda Item # 13)—None.
14. Member comments: (Agenda Item # 14)—The Board Vice President gave an opportunity to member comments, and none were received. The Board Attorney took the opportunity to update the Board on the recently filed lawsuit in which the Cooperative was named as a defendant, Alexander Tomas & Associates, Inc. v. Huntsville Hospital Systems and Arab Electric Cooperative, Inc., not pending in Madison County Circuit Court. The lawsuit is a breach of contract action in which Alexander Tomas & Associates, Inc. alleges that Huntsville Hospital Systems breached a contract, and that Arab Electric Cooperative, Inc. intentionally interfered with the Alexander Tomas & Associates, Inc. and Huntsville Hospital Systems contract. The Board Attorney advised the Board that he believed that the Cooperative would be dismissed from the suit on summary judgment. There was no action for the Board to take based on the Board Attorney’s update.
15. There was an announcement that the next regularly scheduled Board of Trustees meeting is April 27, 2026, at 6:00 pm at the AEC Headquarters Board Room, due to ongoing renovations to the Auditorium.
16. Adjourn—There was a motion by Nathan Clark, seconded by Jeff Warren, to adjourn. The motion passed 5 ayes, 0 nays.