

October 7, 2024
6:00 p.m.
Regular Monthly Meeting
Ripley City Courtroom

Mayor Fitzhugh called the meeting to order and requested Recorder Buckner to issue roll call.

Board members present: Fitzhugh, Alston, Chipman, Fraizer, Keeley, Long and Thompson

Board members absent: none

Also present: Donna Buckner, Attorney Rachel Jackson, Captain Mark Crook, Chief Tracey Worlds, Superintendent Mike Worlds, Superintendent Johnie Ford, Sergeant Herbert Gwynn, Superintendent Scott Nelson and Superintendent Mike Allmand

Visitors: Linda Love, Kaye Jordan, Ron Goforth, Doris Montgomery, Debbie Jenkins, Kami Wright, Jessica Lee, Stacy Nolen, Lucy Harrison, Toni Gay, Eunice Jenkins, Larry and Teresa Trospen, Ty Buckner, Ronnie Hunter, Allen Deloach, David Deloach, Chris Sanders, Caleb Wright, C. Brasfield, Matthew Rey, Greg Thurmond, Joey Beavers, Dallas Midkiff, Mary Ann Jarrett, Shannon Morgan, Deondre Dewalt, Kayla Keeley, Marcus Keeley, Kimberly Taylor, Jay Heath and Pastor Rev. Terry D. Barlow, Sr.

Invocation: Scott Nelson

Pledge of Allegiance

1. Motion by Alderman Chipman and second by Alderman Frazier to approve September 3, 2024 Board of Mayor and Aldermen meeting minutes as printed and delivered in agenda package. All aye.
2. Motion by Alderman Frazier and second by Alderman Thompson to approve September 2024 financial statement as printed and delivered in agenda package. All aye.

Correspondence: none

Public Comments: Linda Love

Linda Love stated she is signed up for two (2) public comments and asked that she be heard after item #14 regarding restrictions for public comments to one (1) minute. When they did the House bill in 2023 it stated that you are to allow people to comment but you are saying two (2) minutes. If you are going to limit comments to one (1) minute it means to her that you are not wanting the citizens to say anything and that would not be a good look.

Mayor Fitzhugh responded the city charter provides when we set these particular times and public comments have been at the same place, at the same time. However, the legislature has now put that into a statute and we are obeying that statute. That's the reason we publicize the agenda so that you will know what the agenda items are.

Ms. Love stated her question is are you limiting public comments to one (1) minute.

Attorney Jackson stated the board is going to deliberate on an amendment to the public comments later and all of that will be resolved.

Mayor Fitzhugh reminded everyone that public comment request must be turned in by noon on the day of the meeting.

Department Reports

Mayor comments: Community Fall Cleanup Day – November 2, 2024 8:15 a.m. – 12:00 p.m.

Mayor Fitzhugh stated liaison appointments with changes from previous appointments:

- Police Department – Alderman Thompson
 - Fire Department – Alderman Long
 - Public Works Department – Alderman Alston
 - Park & Recreation Department – Alderman Chipman
 - Ripley Gas, Water & Wastewater – Alderman Keeley
 - Ripley Housing Authority – Alderman Alston
 - Ripley Planning Commission – Alderman Frazier
 - Ripley Board of Zoning Appeals – Alderman Chipman
3. Motion by Alderman Alston and second by Alderman Chipman to approve department liaison appointment as so stated. All aye
 4. Motion by Alderman Chipman and second by Alderman Long to approve department reports as printed and delivered in agenda package. All aye
 5. Motion by Alderman Long and second by Alderman Alston to approve Memorandum of Understanding for Rural Fire Defense between the City of Ripley Fire Department and the Tennessee Department of Agriculture Division of Forestry. All aye
 6. Motion by Alderman Chipman and second by Alderman Keeley to approve resolution of the City of Ripley adopting amended restrictions for public comments, pursuant to Chapter 300, Public Acts of 2023, State of Tennessee General Assembly.

Attorney Jackson stated the city has an existing policy for public comments, as required by 2023 Public Chapter 300, which required that each local government body commit on its agenda a period for public comment. It also provided that there be a policy, not necessarily a written

policy, and there could be reasonable restrictions placed on the public comment period. In July 2023 the board did pass provisions addressing the public comment period. Two of those provisions are items 4 and 5 which is what the board would be modifying tonight. The existing item 4 states “the public comment segment is limited to an aggregate of 3 comments on actionable items on that meeting agenda or other current issues that fall within the jurisdiction of the Board of Mayor and Aldermen”. It would change that provision so that the public comment section is limited to an aggregate of 3 comments on actionable items for that meeting. In other words, the public comments being made would address the specific items on this specific agenda. The other item to change would be item 5 “in order to provide for a more diverse pool of comments and views for opposing views priority among those signing up shall be as follows: members of the public who have not commented during the preceding 3 meetings and if those described by foregoing subsection are more than 3 then they would be prioritized in order of sign up. So, it would be eliminating items that aren’t on the agenda. This is to address the fact that there have been public comments over a series of meeting that have been both repetitive and have not discussed items that are actionable items on that specific agenda which seems not to be productive in the context of those monthly meetings. This would keep them confined to the meeting and the issues at hand. Attorney Jackson stated that she drafted this resolution some time ago and if Ms. Love had come to City Hall at some point and asked to see a copy of what was being amended, she would have well known the city is not limiting the time limit for those comments. To clarify, Ms. Love did ask specifically about whether it was being reduced to one (1) minute, there is nothing about the duration period that is being modified.

Mayor Fitzhugh confirmed with Attorney Jackson their conversation and that Attorney Jackson looked at other cities and talked with MTAS.

Attorney Jackson stated MTAS considered this reasonable and in-line with other policies.

Alderman Fraizer asked if she (Ms. Love) could only come to 3 meetings and speak and she can’t after 3 meetings.

Attorney Jackson state no, it means that anyone wanting to make a public comment has to sign up to make a comment about an item that is on this meeting’s agenda and there is an aggregate of 3 people who can sign up and priority is given in order of sign up which isn’t any different. The only change addressed by these 2 sections are that the comments have to address an actionable item on this meeting’s agenda.

Alderman Frazier asked what if any individual has anything other than what’s on the agenda?

Attorney Jackson stated they can speak to their alderman just like they have always done in the past.

Attorney Jackson stated that the 2 items Ms. Love had on the agenda tonight would have been allowed to be asked as both items are on the agenda. This change would not have prevented her from making her comments tonight.

Mayor Fitzhugh stated to Ms. Love that he didn’t mind her taping the meeting but don’t turn around

and make comments with your hands especially when you are standing because no one else is standing. So that we can have some decorum.

Ms. Love stated that every time she has spoken at a meeting here it has been on something that is on the agenda.

Attorney Jackson stated, as parliamentarian for the board, it is inappropriate for Ms. Love to be speaking out during the meeting past the public comments section and when there is a motion on the floor.

Mayor Fitzhugh stated that the state legislature put in more qualifications on this policy and so is the City. We don't want to prevent anyone from making comments but we have to have rules and decorum in the way it's done.

Motion passed with all aye.

7. Motion by Alderman Frazier and second by Alderman Thompson to approve resolution of the Industrial Development Board of the Town of Ripley authorizing the submission of an application to the Board of Mayor and Aldermen of the City of Ripley, Tennessee seeking permission to amend the certificate of incorporation; approving the form of the amended and restated certificate of incorporation and the amended and restated bylaws; and electing officers of the Board as recommended and approved by the Industrial Development Board and to appoint Reverend Mario Hayslett to fill unexpired term of George Hallock. All aye
8. Motion by Alderman Thompson and second by Alderman Alston to approve purchase of four (4) pre-owned vehicles from Missouri State Highway Patrol in the amount of \$97,000 for Police Department. Roll call. All aye
9. Motion by Alderman Chipman and second by Alderman Keeley to approve Community Development Partners, LLC statement of qualifications received for administrative services for the City of Ripley Community Development Block grant program site development application and award to Community Development Partners, LLC as recommended by Ripley Gas, Water & Wastewater Board. Roll call. All aye
10. Motion by Alderman Long and second by Alderman Chipman to approve TLM Associates and A2H statement of qualifications received for engineering services for the City of Ripley Community Development Block grant program site development application and award to TLM Associates as recommended by Ripley Gas, Water & Wastewater Board. Roll call. All aye
11. Motion by Alderman Keeley and second by Alderman Alston for the Mayor and Board of Aldermen to hold the funds that are intended for the Rice Park Trust from the City due to management of funds and lack of leadership by the Trustees and current board members.

Alderman Keeley stated an election, by the community, for new board members is scheduled for October 17, 2024. As of now, there is no trust account so the funds the City gives is being shared

by another entity at the park and one person is over that account. One person is the treasurer for both the trust and the leadership account.

Mayor Fitzhugh stated that this is part of a transformation of a trust into a 501c3 organization. The trust was set up years ago for Rice Park and Cleveland Park. Normally a trust has something that generates income that finances the trust. In this case, there is no income and the City and the County have contributed so that things could happen there. The state legislature, some years ago, passed a bill that allowed these trusts that can't financially make it be converted to 501c3 organizations. The city is a beneficiary of that. The city has been trying get that changed.

Alderman Keeley stated that right now there is confusion as to what entity controls the park. There is no trust account, no insurance and the trustees aren't bonded. Hopefully, this election will be a start in resolving the problems. Until the election, funds should be held because there is no accountability.

Attorney Jackson stated that in this case there is an existing 501c3 instead of the trust being converted into one. A petition has been filed in Chancery Court for the trust to be dissolved and for the existing 501c3 to absorb the assets of the trust which would be the W.G.L. Rice Trust assets which are both Rice Park and Cleveland Street Park. The corporation, years ago, was called the Rice Park Improvement Corporation and it's gone through a series of name changes and currently it's the W.G.L. Rice Trust Corporation which creates sufficient confusion because there is no legal relationship currently between the Trust and Corporation. The petition hasn't been granted dissolving the Trust and allowing the Corporation to absorb the assets. The problem for the city is twofold: 1) the city needs to feel, in supporting this as a beneficiary of the Trust, that the Corporation that is being proposed to absorb these assets is representative of Rice Park community, which has always been intended. We have been visited by several members of the Rice Park community indicating there needs to be new elections to ensure that the people in that corporation do adequately represent Rice Park; 2) the current financial mismanagement and the City, in making contributions to the Trust, has to provide a report to the state indicating that it received a financial report from the body receiving the money indicating they are financially sound. Unbeknownst to the City, when it made its last contribution to the Trust, a member of the Corporation took that check to deposit into the Trust account and found out that that account had been closed. So, without any notification to the City, without presumably any approval from the Trust and certainly not from officials of the City who have to report to the state, they took that money and diverted it into the Corporation account. They had no legal right to do that. That's another reason why the people on that Corporation board need to be people who are representing that community and understand the need for accountability to this Board in order to continue receiving the monies. Presently, based on the receipt and the misdirection of those funds, that is not happening. That is one of the reasons why the City reached out and asked them to hold new elections and make sure these things are handled properly. Then there wouldn't be any money going to that Corporation until the Attorney General could approve the dissolution of the Trust through court and the Corporation receive the assets of the Trust. At that point, the money would be properly redirected to the Corporation and it would be the Corporation asking for the monies from the City.

Motion passed with all aye.

12. Motion by Alderman Long and second by Alderman Alston to rescind the resolution adopted by the Board of Mayor and Aldermen on July 1, 2024, to take Ripley Power & Light Company under control of the City Board and to reinstate the resolution dated December 6, 1958 pursuant to the Municipal Electric Plant Law of 1935 that established Ripley Power & Light Company's independent utility board separate and apart from the Board of Mayor and Aldermen.

Alderman Alston stated that we (Ripley Power Board-City Board) had a meeting last week with CEO Mr. Mike Allmand. Ripley Power & Light has been doing this since 1958. We are a city. We were elected as people to run the city. Not Ripley Power & Light. That's not for us. What we need to be doing is working on helping Ms. Keely get Rice Park going and then we need to work on getting other things for other people. We need to be doing that. You see all these people out here. They want their board back. We had a good board. That board has been there forever. Just because you get upset you jump up and decide to change and take this board. We don't have the money for that. We just lost hundreds of thousands of dollars of your money, your money on lawsuits. Shouldn't have never been. We just lost this much money on lawsuits just for this here. Ripley Power & Light you are your own board. You got powerful people up there that knows how to run this board. You all haven't been in any trouble. Nothing has happened. So why would the City want to come in and take up something that doesn't need to be fixed. It's already fixed. So, I'm going along with Alderman Long. We are going to ask this board, this board, give Ripley Power & Light back their board that was there. The board that has worked hard all of these years. It's up to us. We're fixing to be out a lot of money on lawsuits. If the City takes hold of Power & Light, you're going to be calling up there asking what's this, did you pay this, what number is this. That means more money is going to be going to our attorney because she's going to call up there wanting to know something. More money is going to somebody else because their going to be calling up there when you don't have to do that. We already have a board. Leave these people alone. Let them get to work. This board has been gone for the last 6 months. Man, look what we're losing. Do you actually know how much money we may be losing now. We're the city. We're not Ripley Power & Light. We're going to lose a lot trying to take this over. So, she asking the board, this board. You know there's a lot of other things we need to be working on. There's a lot of other things we need to be doing. So, she asking to please reinstate this board back to Ripley Power & Light. It's up to us.

Attorney Jackson asked Mayor Fitzhugh if she could remind the Board of the history and how the Board has gotten to the point where it decided just recently to reinsert itself as the power board.

Mayor Fitzhugh recognized Attorney Jackson.

Alderman Alston stated no. Question. Can she not ask a question.

Attorney Jackson stated you can ask the question after the discussion has been had but you can't make a blank statement and keep others from discussing.

Mayor Fitzhugh stated that is right.

Alderman Alston stated we already know. We already know. We need Ripley Power & Light Board back. All these people here are not just here to be here. They are here because they want their board back. They want to go back to work and do what they've been doing since 1958. Running the Ripley Power & Light Board. We need to be worrying about all these taxes and things that are going to be coming up on us. We got enough to do than to have to mess with this power board.

Mayor Fitzhugh stated we need to have a discussion about what's gone on.

Attorney Jackson stated she was about to address that.

Alderman Alston stated Mayor, we have this list right here. These are the people who want their board back. We're not doing anything. We just passed last month, it was decided we would take telephone calls from 5 years and we're going to take those put it somewhere if you want to hear what their saying.

Attorney Jackson stated it was 5 years of agendas and minutes, which are public notice, and they are already on record. It's just a matter of printing them from a computer. Which is at no cost.

Alderman Alston stated if you're going to save the city why are you going to do something like that. Why don't we put something into the city to make it better.

Attorney Jackson asked again if she could address the history.

Mayor Fitzhugh stated he thinks that needs to be done because it had nothing to do with telephone calls. It was the minutes and agendas of the board itself.

Attorney Jackson stated she has seen the statement signed by Ripley Power & Light employees and she wanted to note there are a number of signatures on it but it indicates to correct an on-going fight and Ms. Alston has referenced the cost to the city of the power board continuing. There's no cost to the city with this board continuing as the power board just as there was no cost for the prior power board. There's no difference in costs. In fact, one of the things discussed at the recent power board meeting was Ripley Power & Light's use of an attorney to advise on things. Ms. Love has objected on many occasions about the costs of attorney's fees and things she's now handling for you at the cost of \$200 per hour and Mr. Smith proposes to charge the power board \$415 per hour. This letter from the RPL employees indicates this shouldn't be a political decision but rather a decision benefitting the customers of Ripley Power & Light. She can't imagine anything more political than Mr. Allmand, through the employees of Ripley Power & Light, who he supervises, lobbying this board to make this change. This is lobbying. This was delivered by Ripley Power & Light employees on the clock to specific, targeted members of the board in an effort to lobby them to make a change in their decision. Not to all members but to targeted members of this board. That is lobbying. That is political. To remind the board of the history and how you got to the point where this board needed to reinsert itself as the power board, which it has only recently done, still not having a full disclosure of records. In 2012, prior

city attorney and prior mayor, Steve Crain and Mayor Pavletic went, on behalf on the Board of Mayor and Aldermen, to the Power Board, finding out that Mr. Allmand had been granted a bonus in excess of \$400,000, which they objected to, and they told the Power Board at that time that they intended at that time for either the bonus be rescinded, or the Board would reinsert itself then as the power board, in 2012, or it would be reported to the Comptroller or all three, and it was. The Power Board, realizing its mistake, rescinded the \$400,000 bonus to Mr. Allmand and three months afterward the Comptroller's office opined that such a bonus was unlawful for several reasons. Besides that, the Power Board had a fiduciary duty to the ratepayers to ensure that the money was used for the benefit of all ratepayers and not paid to a single individual. So, it was rescinded. In 2014, after roughly a year had passed, this Board found out only recently, ten years after the fact, that Mr. Allmand had retired and that the Power Board had entered into a contract for him to serve as an independent contractor and that he was restored his bonus and besides that, they entered into an unlawful concealment agreement which they all signed saying they would tell no one, including this Board. That they had given him that money back in violation of the Comptroller's opinion and in violation of this Board's intention. In 2019, they entered into a second contract with Mr. Allmand, which they gave the city no notice of. In 2022, Mr. Allmand came before this Board asking for a Charter amendment. When asked what his reasons were, he stated to eliminate confusion. He was not able to be more definitive than that. We determined, after our own investigation, being unaware of any confusion that had happened in the recent documented past that, in fact, they had restored him the \$400,000 bonus and not only did they restore it, they had taken that money from the employee retirement trust. And there is nothing in their records that indicate there was discussion of how they were serving their fiduciary duty to ratepayers by finding that was in the best interest of those employees who are being serviced by that retirement account to give that money to an individual, Mr. Allmand. She stated she consulted MTAS about whether the Charter amendment would be advisable. They are independent legal consultants furnished by the State of Tennessee and she asked them what their opinion would be. Their statement was "the amendment would create more separation between the governing body and the utility and lessen public control over its operation which is not in the best interest of the City. Municipal governing body should retain authority and control over its utilities including the power to consolidate or sell those utilities in order to better serve citizens. This proposed alteration to the Charter amendment is not in the best interest of the city, the citizens or the ratepayers". So, after a year in litigation of trying to discover records of what happened, we have discovered Mr. Allmand is earning over \$300,000 a year plus significant, significant benefits; his salary, his benefits and his bonus is not comparable to any other department head of the City and his 2019 contract would have expired in 2014 with an automatic extension, since the City had not given notice to terminate. As this Board was discussing its intentions regarding the power board, they come in at the 11th hour, and again, with no notice to this Board, they give him a new contract with more years than the extension would have provided him under the automatic extension and they say he can elect his successor which he has no authority to do as all department heads are selected and compensated by this Board pursuant to the Charter and he's supposed to train his successor in this 3 years. In 2024, BOMA, in order to restore control over Ripley Power & Light, which Ms. Alston, contrary to what you stated earlier, is a department of this city. Like all others. To fully investigate what was happening, the Board reinserted itself pursuant to law. The federal court said that's what it should do. Chancery Court said it was lawful for it to do that. This is a very recent change and RPL has only recently provided meeting agendas and minutes that were asked for months ago, for

purposes of transparency. And now they are already asking for a Charter change and an independent board. This is a board that has been out of control for 10 or more years. And this Board of Mayor and Aldermen have only recently taken charge to get the Ripley Power & Light, both exposed to this board what's happening there and to get the operations of it operating more like the other departments of the City. Again, she doesn't know what the employees who have signed this document have been told but she knows they are still under the supervision of Mr. Allmand and again, the board members who had it in advance were targeted and they were lobbied for their vote tonight. That is as political as anything else you could hear. This Board of Mayor and Aldermen serving as the utility board costs no more than the Power Board itself. She would argue it's likely less because it will be taking less advantage of the perks that are available to the power board in terms of travel, etc. and will be saving this City money and not costing a dime more than the prior board spent. This is not an advisable move and even an independent advisor has told us this is not an advisable move.

Alderman Alston stated we do have attorneys to help when it comes to issues. We have MTAS. She's asking this Board to reconsider and to bring back the board to Ripley Power & Light Company.

Attorney Jackson asked Ms. Alston if she understood the statement she read earlier was from MTAS.

Alderman Alston stated yes, that's when she thought about MTAS. She stated she sees nothing the Power Board has done to deserve this. Still asking the Board to reinstate the Ripley Power & Light Board back to the company.

Mayor Fitzhugh stated that this is a long-term issue. It started nearly 20 years ago. The city and Ripley Power & Light have been to the Supreme Court once back then and the case was resolved in favor of the City. We've been back since he's been mayor and the decision of the Comptroller was for the City to take legal action so we did because we weren't receiving any kind of information from Ripley Power & Light. It had nothing to do with the employees. We had no information at all. We didn't know how much the superintendent, and we still don't know, how much the superintendent makes a year. If that were a private business, that would be the superintendent's business. But this is public money. This is a public arm of the City. The two courts have just resolved their cases in favor of the City by saying they can't sue each other because they are the same. The City of Ripley and Ripley Power & Light are one in the same and that gives these people, the elected people, the responsibility of taking care of taxpayer and ratepayer money. That's why we are here. It's not any kind of concentrated effort to do anything injurious to the people but it happens to be. Because what we don't have is transparency. We've gotten some of these minutes, and ladies and gentlemen, the last power increase that took place last year was put into effect before it was approved by the board. We can't operate like that.

Attorney Jackson stated that in 2023, she went to three Power Board meetings and while there she simply typed in a narrative of what had been done at those meetings and that narrative does not match their minutes. That's problematic.

Mayor Fitzhugh state it is problematic because if the minutes don't match the notice to the public, whatever action a board takes could be ruled null and void. So, we have those responsibilities. He thinks over the years we've gotten a little lax with policies & processes and that would be okay if it was someone's business. But this, ladies and gentlemen, is a public business with taxpayer and ratepayer money that pay the bill and we have to do it correctly. The City of Ripley has become the Power Board and if you heard what we said before that it had nothing to do with Mr. Allmand. Mr. Allmand runs a good show. He runs a good ship. You have qualified people to do the job. Has any of that changed? Mr. Allmand, because of this, is not going to be fired. The board was not fired. It was just time to get the process and procedures back. This was a voluntary board that the court said they had no right to the job. That's just the way it is. I'm sorry. Believe me, we have better things to do in this town than take on this 20-year-old issue. It's important we secure the trust of the taxpayers. We don't have it. That's the reason we are here today.

Alderman Alston asked if the Mayor was saying he was going to appoint another board down the road?

Mayor Fitzhugh stated he's said that all along. It not up to just him. It's up to the board but he thinks that will happen.

Alderman Long restated the motion to rescind the resolution adopted by the Board of Mayor and Aldermen on July 1, 2024 to take Ripley Power & Light Company under the control of the City Board and to reinstate the resolution, date December 6, 1958, pursuant to the Municipal Electric Plant Law of 1935 that established Ripley Power & Light Company's independent utility board separate and apart from the Board of Mayor and Aldermen.

Attorney Jackson asked Alderman Long if it was fair to say what he was asking the board to do was to reverse its recent action to insert itself as the power board.

Alderman Long asked Attorney Jackson if that's what rescind means.

Attorney Jackson stated yes.

Mayor Fitzhugh called for roll call: Aldermen Alston, Frazier, Long and Thompson – aye. Aldermen Chipman, Keeley and Mayor Fitzhugh – nay. Motion carried.

13. Motion by Alderman Long to re-establish the Ripley Power & Light Company independent utility board with the same members as before July 1, 2024 city board meeting with those being Phillip Jackson, Kenny Parham, Eunice Jenkins and Minnie Stowe. For those individuals to continue to serve the remainder of the terms to which they previously had been appointed and to confirm Phillip Jackson to the remainder of his 4-year term to expire on December 31, 2027 and to appoint Austin Thompson to serve as the liaison.

Attorney Jackson stated that Ms. Stowe resigned and so an alternate would have to be appointed in her place. Ms. Stowe resigned when she was appointed as Clerk and Master of the Chancery Court.

Mayor Fitzhugh asked who would appoint the new board.

Attorney Jackson stated that Alderman Long is asking for the those to be reinstated. However, she thinks that isn't legally proper because the way board members are determined, and has historically been done by the City, is that there is an advertisement for power board members. Those that are interested would apply and then this board would appoint the members of the Power Board on staggered terms. Obviously, those who were prior members could reapply as could additional persons who are interested could apply.

Attorney Jackson stated to clarify that was not Mr. Long's motion and what Mr. Long is proposing is not legally sound. That is not the means by which a power board is established. There has to be an advertisement and a proper selection process.

Mayor Fitzhugh asked Attorney Jackson if that was her legal opinion.

Attorney Jackson stated yes.

Mayor Fitzhugh stated the Board could not vote on something that was not legal.

14. Motion by Alderman Long and second by Alderman Thompson to amend Section 6 of the Ripley Charter as set out in the draft provided.

Alderman Chipman stated that everyone of us up here were elected by the citizens of Ripley. We are all here to represent the citizens. The citizens of the City of Ripley own Ripley Power & Light. We don't as a group. The existing board as a group doesn't. The citizens do. The only say so they have is through us as elected officials. If we take this out of the Charter, in his opinion, we're doing away with any so say they might have. He voted no the first time and he'll vote no this time.

Attorney Jackson stated that as a matter of procedure she wants to address 1) the Comptroller's and AG's prior opinion and there needs to be some discussion about why such move would be in the interest of the citizens of Ripley. Not the Power Board and not Ripley Power & Light. But the citizens of the City of Ripley. 2) The amendment of the Charter is a 2-step process. A Charter amendment would have to be passed by a simple majority and then you are going to expend political capital by asking some member of the legislature to carry a bill through the General Assembly to have that measure approved by the General Assembly as a private act and then it would have to come back to this Board in its second phase for ratification. That requires a two-thirds majority which means that, going in, this Board has five votes in support of this action or it will not pass on ratification when it comes back from the General Assembly and we will have wasted political capital with our legislators.

Mayor Fitzhugh asked if that was understood. He stated we have, thoughtfully, come a long way in trying to make sure there is a standard of transparency, correctness and communication. We still have the opportunity to do that. There is really no down side to the employees if we continue the same way we have been for over 50 years with the Charter in effect. We stand the

risk on not being able to change it if the vote goes that way. He thinks it very dangerous to take this step at this stage of the game. When you have a situation where you have contracts signed without notice to the public and boards are told to not disclose to anyone what the actions are, he thinks to remove any city oversight from the Ripley Power & Light Company is, at the very least, a terrible deterrent to the citizens and to the ratepayers that have just had two years of rate increases with another one getting ready to go into effect. The board in effect at the time, recommended a 9% increase on top of a 5.9% increase by TVA, tantamount to a 15% increase this year in addition to the increase by TVA and Ripley Power & Light the year before, somewhere in the neighborhood of 25% increase in a year. In addition, \$1,000,000 was taken out of reserve to add to the retirement fund when the minutes of the Power & Light board showed that \$100,000 would satisfy that rather than a \$1,000,000 the Ripley Power & Light Company has lost. Think about that before you take this vote.

Alderman Thompson stated he came into this not knowing anyone's past or nothing. He had an opportunity to see someone as liaison at the Ripley Power & Light Company. A very intelligent, young man that we are fortunate to have. He sees the recognition as a power & light company, especially as one of the most recognized departments. When Blue Oval recognized us, it put us in a good position because we are worthy of recognition and it's because of how it's being run. That's what he has been witnessing. He didn't have an opportunity in some of the meetings, but he wanted to recognize some of the awards that we have gotten. TVA and different ones are very impressed with our Power & Light Company and it's because of how it's being run. He's hearing this man's name a lot. He doesn't know anything about anything. He hears more about his name than anything. We are discussing this not because we are in trouble up there. We are in a good position. Are we not?

Mayor Fitzhugh stated, with all due respect, that's what you have heard as the liaison to the Board. There are items of fact here that for the last two years this company has been in a \$1,000,000 short fall in their budget. There are things that were done that are not proper according to the Comptroller who takes care of city and county business. He doesn't and has never doubted that a good job has been done, but he knows because he has read the minutes that the Board wasn't given all the facts and he sees what the situation is. Mayor Fitzhugh stated he agrees with Alderman Thompson that it's a good company, but when you look at this and some of the disclosures that weren't made, some of the transparencies that weren't there, some of the transactions that were done by that board, without your board (as a liaison – a voting member) even knowing about. He wants everyone to think about that. It's very disturbing to him.

Alderman Alston asked does taking money out of one place and putting it in another have any bearing on you (Mayor). Is that what's driving you or hurts you because money has been taken out and put somewhere else. Is that why it hurts so bad.

Mayor Fitzhugh state no ma'am. It hurts because of what he sees not being disclosed to the taxpayers. If it was disclosed and everyone was okay with it, he thinks that would be fine. But it just wasn't.

Attorney Jackson stated that the prior mayor and the prior city attorney had problems with this dating back to 2012. This is not about the current mayor.

Alderman Alston stated to Attorney Jackson, she (Alston) was there. She went to the court. She knows.

Attorney Jackson asked Alderman Alston if she was there when they signed a concealment agreement.

Alderman Alston stated she was there at the hearing with the mayor, Mr. Allmand and Mr. Shelby.

Recorder Buckner stated that was the lawsuit that was before 2012.

Attorney Jackson stated this is not a matter personal to this board. This is a matter dating back to several administrations ago including a different mayor and a different city attorney where they discovered an unlawful contribution as a bonus to a supplemental retirement fund. They gave it back to him a little more than a year later and entered into a concealment agreement. To conceal it from the public which is unlawful. There is no basis in the law for a member of a local government entity to enter into an agreement that conceals its finances from the public. They took it out of the employee trust with no discussion whatsoever on how that served the employees who they were representing and the ratepayers they were representing. Again, they concealed all of this with no explanation for why and how any of that was good for ratepayers, the employees of Ripley Power & Light or this City. There's been no discussion why this Charter change would be good for the City of Ripley.

Mayor Fitzhugh asked for a vote with a minimum of five.

Attorney Jackson stated a vote of four, but if it goes to the legislature and comes back as a private act it would have to be ratified by five and if you don't have five going in, the real question becomes do you all want to expend the political capital.

Mayor Fitzhugh asked for a roll call: Aldermen Alston, Long and Thompson – yay. Aldermen Chipman, Frazier, Keely and Mayor Fitzhugh – nay. Motion failed.

15. Motion by Alderman Long and second by Alderman Alston that all city departments seek competitive interest rates for its deposits, using standard bid sheets and bid time limits, to banks and financial institutions in order for the City to receive the best interest rates for its citizens.

Mayor Fitzhugh stated that the City already does that.

Attorney Jackson stated that the City already does that as it is a matter of law. The law provides that on a periodic basis the Board has to receive, through a competitive bid process, bids on placement of its accounts, etc.

Alderman Chipman stated we did this a year ago and received two bids. One bank was solid zero and the other bank was different amounts.

Alderman Alston withdrew her second on the motion.

16. Motion by Alderman Long and second by Alderman Alston that no City department funds be deposited or held in any bank or financial institution where a member of the Board of Mayor and Aldermen sits on the bank board, is a major shareholder, an executive officer or owns any part of that bank.

Attorney Jackson stated that state law permits that so as a matter of state law we have been preempted to do so.

Mayor Fitzhugh stated he's not having anything to do with this vote but give him a few months and you won't have to worry with that at all.

Mayor Fitzhugh stated that when he was first elected, he and the lawyer had a battle about this. He hired counsel and made a presentation to this Board and to the citizens of Ripley. In addition, there is a specific statute for banks (and he also made this disclosure after the August 2024 election) or financial institutions that says he can serve his community and he's proud to do it.

Attorney Jackson stated that this motion wouldn't be enforceable if it passed because we are preempted by state law.

Mayor Fitzhugh stated that if there wasn't a vote someone would say "Fitzhugh wouldn't let you vote on that".

Alderman Frazier asked if he should recuse himself from this vote since he is an employee of the bank.

Attorney Jackson stated Alderman Frazier would have an indirect conflict in this matter but he could vote if he indicated he has an indirect conflict because he serves as an employee of the bank. He is allowed, by state law, to vote on the matter with the understanding he has an indirect conflict of interest because he's an employee of the bank.

Mayor Fitzhugh called for a roll call: Alderman Alston - aye, Alderman Chipman - nay, Alderman Frazier, Keeley, Long - aye

Attorney Jackson stated she would get a specific opinion from MTAS, as an independent body, as to whether the motion is enforceable.

Alderman Thompson asked why were they voting on this?

Attorney Jackson stated she agrees.

Mayor Fitzhugh stated because there was a second on the motion.

Alderman Thompson stated if this was not legal this would have already been caught.

Attorney Jackson stated that state auditors and the Comptroller are aware every year of where the City's funds are on deposit. Again, what this Board has done in the past and where the City has its money is allowed by state law. You can make this motion, vote on this motion and carry this motion but, as a matter of state law, she doesn't think it's enforceable. She doesn't know why this Board would vote on something that is preempted by state law. But the Board voted so she will get an MTAS opinion.

Alderman Thompson passed on motion.

Mayor Fitzhugh voted nay.

Motion carried.

17. Motion by Alderman Long and second by Alderman Alston that a letter be sent from this Board to the Tennessee Comptroller requesting a review of the claims made during the election that taxpayer funds were held in non-interest-bearing accounts for the past four years.

Recorder Buckner stated to be clear, none of the motions were provided to her for the agenda packets. All that was provided was a list of items to consider.

Attorney Jackson asked funds held by whom?

Alderman Long stated he assumed whatever accounts they were sitting in.

Attorney Jackson asked by what entity? What account? What specifically? The letter to the Comptroller, typically, would go from her on referral with letter attached and she hasn't seen a letter. But "claims made during the election that taxpayer funds were held in non-interest-bearing accounts" held by whom and for what purpose?

Alderman Long stated that as far as he understood they were held in the Bank of Ripley as part as normal business operations.

Recorder Buckner asked if he was referring to the City's general government or Gas & Water or Power & Light.

Alderman Long stated general government.

Attorney Jackson asked why since as any member of the public is eligible to go online and submit a referral to the Comptroller for such an action.

Alderman Long stated just to clear up this issue that the citizens have been having. To make sure this new Board is not seen as trying to conceal any of the issues. We got to look over our shoulders to see if anything is coming down the pipe at us. It protects this Board from future blame as well as making sure this Board understands how these are to be managed.

Alderman Alston asked if what he (Long) is saying is the money that the citizens have in the Bank of Ripley you're wanting to see if we are drawing enough interest off of this money or could it go to another establishment and draw more interest for the people.

Recorder Buckner asked, just to clarify, how many millions of dollars are you referring to.

Alderman Long stated that he doesn't know how much is on deposit there.

Recorder Buckner asked what his (Long's) thought process is. It's been said several million dollars on deposit but a lot of that is not the City of Ripley's general government.

Alderman Long asked if it's not the general government, what would it be?

Recorder Buckner stated it would be the utility companies – Power & Light and Gas & Water. They make their own.

Attorney Jackson stated, presumably, if this Board wants to send a letter it wants to include consideration for deposits of Ripley Power & Light at that same financial institution that were held in, likewise, non-interest-bearing accounts.

Alderman Long stated yes, just to make sure we are all on the same page.

Attorney Jackson stated then the question would be whether the Power Board had allowed that to happen.

Alderman Long stated not just the Power Board but we have other boards that have deposits as well.

Attorney Jackson stated that's what she's talking about. Which entities are you talking about, which funds on deposit.

Alderman Long stated three come to mind; RPL, Ripley Gas & Water, Ripley Housing.

Attorney Jackson stated RHA has an independent board.

Alderman Long stated then there's definitely two boards.

Attorney Jackson asked if we're talking general fund or all monies on deposit by those entities.

Alderman Long stated all funds.

Attorney Jackson stated as she wrote down what she was trying to clarify was a letter to the Comptroller to require a review of claims made during the election that taxpayer funds were held by the City of Ripley and Ripley Power & Light at Bank of Ripley, as part of normal business operations, in non-interest-bearing accounts. She asked Alderman Long if he was aware that the

Comptroller receives those reports from auditors annually.
Alderman Long stated he was aware and request this be done in addition to that.

Mayor Fitzhugh stated there are banks that aren't qualified to hold public funds.

Alderman Alston – aye, Alderman Chipman – nay, Alderman Frazier – abstain, Alderman Keeley – abstain, Alderman Long, Alderman Thompson and Mayor Fitzhugh – aye. Motion carried.

Meeting adjourned at 7:40 p.m.

Donna Buckner, Recorder

Craig Fitzhugh, Mayor