

REGULAR MEETING OF MEMBERS OF THE BOARD

June 28, 2021

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, June 28, 2021, at 12:30 p.m. at the cooperative headquarters in Blythewood, South Carolina. The following board members were present:

Mitchell D. Rabon	Robert Entzminger	Peggy D. Swearingen
Timothy L. Hopkins	Cynthia Able	Derial L. Ogburn
Donald Keith Lewis	John E. Roberts, III	Robert K. Miles
Michael Good		

Attorney Ken DuBose was present.

President Mitch Rabon called the meeting to order, Robert Entzminger gave the invocation, and a moment of silence was observed in memory of and honoring Joseph Sharpe, deceased.

Bruce Bacon introduced and welcomed Nathan Smith, a consumer who requested to address the board in regard to funding construction charges for proposed new service to his property. Mr. Smith desired to be partially reimbursed for construction costs incurred for his service line in the event other members later used the cooperative service line. Mr. Smith presented information relative to the aid to construction charges and discussed his issues with board members. Thereafter, Mr. Smith was excused from the board meeting. After consideration of Mr. Smith's request and thorough discussion among board members, upon motion made by Donald Keith Lewis, seconded by Derial L. Ogburn, motion carried, the cooperative's long-standing aid to construction policy was reaffirmed.

President Rabon welcomed Trey Boone of E-Sources who presented and reviewed the Wage and Salary Plan and benefit study. Trey Boone discussed compensation, job descriptions, duties, and level of education required. Retirement plan was also discussed. Employee contribution to FICA and Medicare and employee healthcare insurance and contribution for healthcare for dependents was also discussed. Trey Boone recommended that different healthcare plans and costs be reviewed to reduce premiums. The information will be reviewed by the Board at the next meeting or a subsequent meeting if necessary.

Upon motion made by Donald Keith Lewis, seconded by Timothy L. Hopkins, motion carried, the minutes of the meetings held on April 26 and May 21, 2021, were approved as presented.

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Upon motion made by John E. Roberts, III, seconded by Cynthia Able, motion carried, 529 new consumers for the months of April and May were accepted as members of Fairfield Electric Cooperative, Inc.

Bruce Bacon, Chief Executive Officer, presented and discussed the monthly financial reports for April and May.

Bruce Bacon reported Operation Round Up's board met Monday, June 21st, and made donations to two fire victims, a needy family, Bridge Builders, and Methodist Men (formerly Salkehatchie Fairfield project.)

Bruce Bacon reported the Credentials & Election Committee upheld the election certification at their hearing on June 18 in regard to a **Election Formal Protest Grievance** filed by Ronald Friday. The appointment of and duties of the Nominating Committee and the Credentials and Election Committee were discussed. Upon motion made by Derial Ogburn, seconded by Robert Entzminger, it was approved that a letter be sent to the Credentials and Election Committee members thanking them for their service.

Bruce Bacon provided an update on security system activity for April and May.

Bruce Bacon reported the cooperative will be closed on July 5 in observance of Independence Day and that stand-by personnel will be available to respond to any emergencies or power outages.

Bruce Bacon provided updates on the Acre / Echo campaigns, Founders Day celebrations, and advised a luncheon for the Virtual Youth Tour participants was hosted by the cooperative on June 25th and it was also attended by Lt. Governor Pamela Evette.

Bruce Bacon provided an update on the pending Burris lawsuit. Federated (Co-Op's insurance) is handling this lawsuit.

A list of delinquent accounts totaling \$5,118.83 for the months of April and May was presented for consideration for write off as uncollectible. Upon motion made by Donald Keith Lewis, seconded by Derial L. Ogburn, motion carried, authorization was granted to write these off against the cooperative's reserve for uncollectible accounts.

A list of deceased patron's estates requesting payment of their capital credits was presented for consideration. After discussion and upon motion made by John Roberts, seconded by Peggy Swearingen, motion carried, the following resolution was adopted:

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The estates of 25 deceased members have requested the Board of Directors give consideration to approving the retirement of \$16,014.31 as an administrative convenience to the estates. After reviewing the Cooperative's financial statements and determining such retirement will not adversely impact the Cooperative's financial condition, Management recommends capital credits totaling \$16,014.31 be approved for payment. In addition, it should be noted that such approval does not obligate this Board or any future Board to retire the capital credits of the estates of deceased members presented at any future date.

First Citizens Corporate Resolution for deposit accounts and other financial relationships updating authorized signatures was presented and discussed. Upon motion made by Timothy L. Hopkins, seconded by Michael Good, motion carried, the First Citizens banking documents were approved.

Upon motion made by Cynthia Able, seconded by Peggy Swearingen, motion carried, the 2021-2022 Affirmative Action Plans for Minorities and Females, Individuals with Disabilities, and Protected Veterans having been previously provided to the board were accepted as information to the board.

Certification of voting delegates for the upcoming South Carolina NRECA Director Election was discussed. Upon motion made by John Roberts, seconded by Timothy L. Hopkins, motion carried, Bruce Bacon and Mitch Rabon were appointed delegates with Bruce Bacon being the voting delegate and Mitch Rabon being the alternate.

Corporate credit cards were discussed including the transacting of incentive points earned from those cards. Documentation was provided indicating cash incentives were ACH deposited into the cooperative's revenue accounts.

NRECA's virtual Director Summer School scheduled July 19 – 22 was discussed. Upon motion made by John Roberts, seconded by Timothy L. Hopkins, motion carried, Cynthia Able, Derial Ogburn, and Peggy Swearingen were authorized to participate. Additionally, Peggy Swearingen and Derial Ogburn were authorized to virtually attend NRECA's Course 2640 scheduled for August 3 & 4 to complete their NRECA Credentialed Director Certification training.

Cynthia Able reported there was no additional information to provide on behalf of the Benefit Review Committee following Trey Boone's earlier presentation regarding the wage and salary plan and benefit study. The board acknowledged the information provided by Trey Boone and his findings and report would be reviewed by the board.

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Keith Lewis and Bruce Bacon reported the demolition of the Winnsboro Office was almost complete. It was reported that demolition of the Winnsboro Office will be complete within two weeks. A committee meeting was scheduled and approved for July 12, 2021 at 10:00 AM to inspect the Winnsboro Office. Also, Mr. Rabon appointed Robert Entzminger to serve on Committee in place of Joseph Sharpe, deceased. Upon motion, and seconded and approved by unanimous consent the decision was made to rebuild the Winnsboro Office at the existing location. The committee was authorized to proceed with finalizing proposed building plans.

Discussions were held to begin preliminary work to establish the 9 single member districts as approved in the bylaw revisions by the membership at the 2020 and 2021 Annual Meeting. Ken DuBose discussed that under the Bylaws, the map needs to be approved by the Board by November, 2021. It was also discussed that FEC may need to employ a demographer/consultant and prepare a proposal to hire a demographer/consultant to draw the districts to the approval of the incumbents. Ken DuBose is to speak to demographer and then set a meeting. Upon motion made by Derial Ogburn, seconded by Donald Keith Lewis, motion carried, that authorization is approved to hire a demographer/consultant to enter into a proposal not to exceed \$10,000.00.

Mitch Rabon and Bruce Bacon provided updates on Central Electric Power Cooperative's current operations, the 10 year Evolution Plan, Governance Policies, financial obligations, and granting Opt In or Opt Out options. Duke contract expires in 2030. Bruce Bacon is to interview an energy consultant to possibly analyze Central's proposal and advise FEC on possible options.

Derial Ogburn provided an update on ECSC's Summer Conference, their general operations, and their continued lack of transparency with their member cooperatives.

Robert Entzminger provided an update on CEEUS and shared a letter from Bob Paulling, Chairman of the Board of Trustees, explaining why the information requested by FEC will not be provided. It was also reported the cooperative received capital credits from CEEUS the previous week in the amount of \$45,867.67.

John Roberts provided an update on the Trustee Association. It was discussed that 18 coops paid their dues. The meeting was at Wild Dunes. Follow up in January of 2022 for meeting next year in April of 2022.

Old Business: Tim Hopkins discussed the Procurement and Contract Bidding process. The board discussed the procedures, practices, and process of the Procurement and Contract Bidding which needs to be open and fair and it was suggested that FEC retain Elliott Davis to do a study on contracts and purchases, interview staff, review process and policies, and make recommendations. Upon motion made by Donald Keith Lewis, seconded by Peggy D. Swearingen,

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motion carried, authorization was given to retain Elliott Davis not to exceed \$10,000.00 for their services.

Also, Peggy Swearingen suggested that William Good, deceased, be honored by possibly placing a photograph of Mr. Good in the board room and a copy of the Order of Palmetto awarded to Mr. Good. Michael Good will speak with his mother, Alice Good.

New Business: Peggy Swearingen asked about the \$17,000 costs every year for uniforms. Bruce Bacon stated this is for fire retardant uniforms and boots that are required by law. It was clarified that the budgeted amount is to clean the Winnsboro and Blythewood offices. The \$678.00 (petty cash) is for miscellaneous expenses.

Derial Ogburn discussed the matter of broad band for rural areas which was discussed at Wild Dunes. Mr. Ogburn will meet with Harold Gardner of Lynches River Cooperative, regarding grants from the federal government to provide broad band as well as the other funding sources and the viability of providing broad band. Upon motion made by Donald Keith Lewis, seconded by Michael Good, motion carried, the meeting was approved.

Upon motion made, and seconded with unanimous consent, the board moved into executive session. At the conclusion of executive session, a motion was made, seconded, and carried to conclude the executive session and resume the regular meeting.

There being no further business to come before the Board, upon motion made, seconded by unanimous consent, the meeting was adjourned.

Signed: _____
Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President