

REGULAR MEETING OF MEMBERS OF THE BOARD

August 22, 2022

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, August 22, 2022, 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
John E. Roberts, III	Donald Keith Lewis	Robert K. Miles
Michael Good	Bruce E. Honeycutt	

Attorney John DuBose was present.

President Mitch Rabon called the meeting to order. Robert Entzminger gave the invocation.

Bruce Bacon, Chief Executive Officer, introduced the new Vice President of Operations, Brandon Boone, who gave a summary of his background in the electric utility industry.

The NRECA's Regional Meeting in Hollywood, FL was discussed in the July 25, 2022 meeting. However, a motion and second was not made to approve the attendance of Mitch Rabon, Robert Entzminger, Peggy Swearingen, and Cynthia Able. Therefore, upon motion made by Donald Keith Lewis, and seconded by Michael Good, the aforementioned attendees are approved to attend the meeting, and upon motion made by Donald Keith Lewis, and seconded by Michael Good, motion carried, the minutes of the July 25, 2022, meeting were approved as presented.

Upon motion made by Timothy L. Hopkins, seconded by Cynthia Able, motion carried, 284 new consumers for the month of July were accepted as members of Fairfield Electric Cooperative, Inc.

A list of delinquent accounts totaling \$2,894.77 for the month of July was presented for consideration for write off as uncollectible. Upon motion made by Timothy L. Hopkins, seconded by Robert Entzminger, 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 E. Roberts, III, seconded by Bruce E. Honeycutt, motion carried, the following resolution was adopted:

The estates of 17 deceased members have requested the Board of Directors give consideration to approving the retirement of \$17,928.40 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 \$17,928.40 be approved for payment. In

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

August 22, 2022

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.

Bruce Bacon reviewed and discussed the financial reports for the month of July with the Board. Bruce reported that July was a good month for revenue due to the hot temperatures. Bruce also reported that due to the high number of storms this year, operation expenses are higher than normal and interest expenses have also increased.

Bruce Bacon reported Operation Round Up's board met Monday, August 15th and made donations to several fire victims, seven needy families, Bridge Builders for wheel chair ramp building materials, Christian Community Ministries of Kershaw County, and GRASP in Great Falls.

Bruce Bacon reported on security system sales and service, industrial prospect activity, NRECA's Benefit Audit Report prepared by Elliott Davis, and advised a deferred revenue plan for 2022 will be presented at the September board meeting. Bruce reported that there are about 1,000 security accounts. Bruce reported there is not much money to be made with home security systems as there are other options being used for home security. Bruce will discuss this matter at the next budget meeting.

Bruce Bacon advised the office will be closed on Labor Day, Monday, September 5, and that service personnel will be on call to respond to any outages or emergencies.

Keith Lewis reported construction of the Winnsboro Office building is progressing quickly and the framing is finished, the trusses have been installed and the roof is on the building. Plumbing, windows, drive-thru window, and AC/Heating system will be installed this week. Bruce is to meet with the contractors to discuss the installation of electrical components, computer cables, and wiring.

Mitch Rabon and Bruce Bacon provided updates on Central Electric and the pending lawsuit as to governance of Central. Mitch reported that the deadline to make a decision is fast approaching (October 19, 2022) as to whether or not to opt out of the proposed resource plan offered by Santee Cooper. Fairfield Electric will be asked to vote. Fairfield Electric does not have enough time to make a decision and has not had time to review and analyze other options. Mitch brought up the possibility of asking for an extension of time due to lack of information and insufficient information. Bacon and Rabon will continue to work with our outside consultant and attorney as more information comes available. John DuBose reported that the lawsuit is still progressing and that written discovery and production of documents have been received and are being reviewed. No substantial changes. Depositions will be scheduled in the near future.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

August 22, 2022

Derial Ogburn and Bruce Bacon provided updates on The Electric Cooperatives of SC August 4 board meeting. Bruce reported that the broadband lawsuit Spectrum –vs- York Electric has to do with pole attachment agreements. Derial reported that the 2023 price increases for the SC Living magazine is due to increase in postage and paper costs. Derial reported that there are no changes to the retirement plan. Also, there are grants available for Infrastructure and Grid Resiliency.

Robert Entzminger provided an update on CEEUS. Robert reported that CEEUS will provide the information requested when FEC has signed a non-disclosure statement stating that the confidential information will not be shared with others. Bruce reported that CEEUS forwarded a non-disclosure statement to FEC but it was never received. Robert reported that the budget passed even though he abstained. Robert stated that we need to send a letter requesting base salary and benefits of the CEO. It was suggested that the budget/plan be approved. John DuBose is to follow up by letter to CEEUS regarding the non-disclosure statement and request information of CEO's base salary, benefits, compensation, etc.

John Roberts reported the Trustee Association's Advisory Board meets on Friday, October 28, 2022 at 11:00 AM, in Walterboro at Jamie Copeland's place and that Tim Hopkins is authorized to attend in his place.

Old Business: None

New Business: Derial Ogburn reported that he recently received a business card from a coop that had the trustee's name on the front of the card and 5 different facts of the trustee on the back of the card. Derial stated that this is a great idea and suggested that FEC look into the possibility of Fairfield Electric trustees do the same.

Keith Lewis asked about the bylaws. Bruce reported that Jay Bender is working on the bylaws and that it is time consuming. Keith asked about Jay Bender's fees and costs to date for working on the bylaws. Bruce will look into this and report back to the Board.

Tim Hopkins discussed the matter of the utility increase by the City of Camden. City of Camden broke out of the agreement with Duke Energy and City of Camden switched to another power company. Clients saw a 38%-40% increase in their utility bill in July. Clients were charged a surcharge fee. Tim reported that Duke Energy had a 13.2% rate increase and Dominion has a 5.19% rate increase.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

August 22, 2022

Upon motion made by Michael Good, seconded by Peggy Swearingen, motion carried, the board moved into executive session. At the conclusion of executive session, a motion was made by Michael Good, seconded by Robert Entzminger, motion carried, the Board came out of executive session.

There being no further business to come before the Board, and unanimously approved, the meeting was adjourned.

Signed: _____
Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President