

REGULAR MEETING OF MEMBERS OF THE BOARD

January 22, 2024

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, January 22, 2024, 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
Bruce E. Honeycutt	Donald Keith Lewis	Robert K. Miles
Michael Good		

Attorney John DuBose was present.

Absent was John E. Roberts, III.

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

President Rabon welcomed Attorney Jay Bender, who reviewed and discussed the Bylaws and the 2024 election process for the Board of Trustees.

Upon motion made by Derial L. Ogburn, seconded by Robert Entzminger, motion carried, the December 11, 2023 **meeting minutes** were approved as presented.

Upon motion made by Michael Good, seconded by Bruce E. Honeycutt, motion carried, 221 **new consumers** for the month of December were accepted as members of Fairfield Electric Cooperative, Inc.

A list of **delinquent accounts** totaling \$2,408.70 for the month of December 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.

Bruce Bacon provided the **CEO Report** and reviewed and discussed the following with the Board:

- financial reports for the month of December (4th Quarter/end of year wrap-up) were reviewed. Overall, the Cooperative is in good shape financially. Interest rates for borrowing may decrease.
- Expenses (supply and demand) are getting better but not like it used to be pre-COVID.

REGULAR MEETING OF MEMBERS OF THE BOARD (CONTINUED)

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- An Operation Round Up meeting will be held on February 19, 2024. Josephin Trapp was appointed as a new trustee to replace Haskel Belton who resigned due to health concerns. Floyd Bracey was nominated by the group to be the Chairperson in Mr. Belton’s place.
- The State House Legislative reception will take place on Thursday, February 8, 2024, on the SC State House grounds.
- Mr. Bacon noted that the Cooperative has had no rate increases since 2008.
- Mr. Bacon noted that the Cooperative’s refunds of capital credits are at or near a historic high.

Retirement of capital credits was presented to the Board for consideration. The following Resolution was adopted upon motion made by Timothy L. Hopkins, seconded by Cynthia Able, motion carried, the following General Retirement of Capital Credits Resolution as approved.

RESOLUTION

WHEREAS, The cooperative believes in the principle of refunding capital credits;

WHEREAS, The financial condition of the cooperative will not be impaired by refunding capital credits as outlined below:

WHEREAS, The long-established fifteen year rotation for the refund of general retirement of capital credits for 2008 and additional retirements for more recent years are as follows:

<i>2008</i>	<i>100%</i>	<i>\$1,216,213.21</i>
<i>2009</i>	<i>35%</i>	<i>\$ 692,989.54 Discounted</i>
<i>2022</i>	<i>25%</i>	<i>\$ 128,461.81 Discounted</i>
<i>Total</i>		<u><i>\$2,037,664.56</i></u>
<i>2024 Early Retirement</i>		<i>\$ 110,000.00 Estimate</i>
<i>Deceased Patrons</i>		
<i>Total Refund</i>		<u><i>\$2,147,664.56</i></u>

NOW, THEREFORE, BE IT RESOLVED, The Cooperative is in compliance with RUS and CFC mortgage requirements in making these refunds. Upon motion made by Timothy L. Hopkins, seconded by Cynthia Able, motion carried, the refunds of capital credits as shown above are approved.

REGULAR MEETING OF MEMBERS OF THE BOARD (CONTINUED)

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The Trustee District Map was reviewed and discussed. Populations numbers are adequate for current districts. The Trustee Map was approved by the Board upon Motion of Donald Keith Lewis, seconded by Robert Entzminger, motion carried unanimously.

The 2024 Annual Meeting date was discussed. Upon motion made by Derial L. Ogburn, seconded by Donald Keith Lewis, motion carried, the annual meeting was scheduled for Friday, May 17, 2024. Early drive through registration and voting was approved and the business meeting will be live streamed at the Blythewood Cooperative office on May 17, 2024 at 6:00 p.m. This process will remain the same as last year. The Chief Executive Officer and pertinent bylaw committees are authorized to cause to be performed all acts necessary to accomplish the holding of the annual business meeting and early registration and voting by the membership.

In accordance with state law, Bruce Honeycutt and Michael Good recused themselves and exited the board room from their discussion and vote as to the appointment of the 2024 Nominating Committee. John E. Roberts, III was not present at the meeting. Upon motion made by Robert Entzminger, seconded by Cynthia Able, motion carried, in accordance with Section 4.06 of the By-Laws, Nominations for Trustees, the following members were appointed to the Nominating Committee for 2024 to nominate trustee candidates for Districts 7, 8, and 9 for the 2024 annual meeting election.

2024 NOMINATING COMMITTEE

Creighton Taylor	Jimmy Jackson	Henry Long
William Ingram	Lonnie Campbell	Al Bozard
David Smith	John Kaubin	Carlton Payne
Ron Jennings	Derrick Stanley	

The nominees to the Board of Trustees were approved pending the willingness of the nominees to serve and no conflicts of interest. The Board of Trustees reserves the right to change the Nominating Committee representatives at the next meeting in February if any Committee Member is unable or unwilling to serve.

After the vote approving the Nominating Committee the two board members that recused themselves were called and re-entered the board room for the duration of the board meeting. John E. Roberts, III was not present.

Certification of Delegates to the Board of Trustees for Central Electric Power Cooperative for 2024 was presented and consideration. Upon motion made by Derial L. Ogburn, seconded by Robert Entzminger, motion carried, Bruce Bacon and Mitch Rabon were appointed delegates with Mitch Rabon serving as alternate.

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Trustees and voting delegates for NRECA for 2024 were presented for consideration. Upon motion made by Bruce E. Honeycutt, seconded by Donald Keith Lewis, motion carried, Bruce Bacon and Mitch Rabon were appointed as delegates with Mitch Rabon serving as alternate.

Trustees and voting delegates for NRTC for 2024 were presented for consideration. Upon motion made by Derial L. Ogburn, seconded by Donald Keith Lewis, motion carried, Cynthia Able and Robert Entzminger were appointed delegates with Robert Entzminger serving as alternate.

Trustees and voting delegates for CFC for 2024 were presented for consideration. Upon motion made by Robert Entzminger, seconded by Timothy L. Hopkins, motion carried, Bruce Bacon and Mitch Rabon were appointed delegates with Mitch Rabon serving as alternate.

NRECA’s Legislative Rally to be held April 21 – 23 in Washington, DC was discussed. Upon motion made by Derial L. Ogburn, seconded by Robert Entzminger, motion carried, the following were authorized to attend:

Mitchell D. Rabon	Robert Entzminger	Peggy D. Swearingen
Cynthia Able	Derial L. Ogburn	William Michael Good

The Trustee Association Spring Meeting to be held May 13 -15 in Charleston, South Carolina was discussed. Upon motion made by Derial L. Ogburn, seconded by Robert Entzminger, motion carried, the following were authorized to attend:

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

The Board discussed Attorney Jay Bender as legal counsel for the nomination committee and credential and elections committee during the 2024 Trustees Election cycle and annual meeting. Upon motion made by Timothy L. Hopkins, seconded by, Robert Entzminger, FEC will retain the services of Attorney Jay Bender to serve in any advisory role during the 2024 Trustees Election cycle to support the nomination committee, election and credentials committee, and the Board of Directors as needed as to election processes. He will be compensated on an hourly basis on the same basis and terms as last year.

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Derial Ogburn provided an update on The Electric Cooperatives of SC.

- Securitization efforts were discussed.
- ORS practices were discussed.
- The Bylaws of ECSC were discussed.

Robert Entzminger provided an update on CEEUS. Mr. Entzminger reported that the next meeting is set for February. Mr. Entzminger will report back in March once he receives more information on the warehouse serving Virginia, Maryland, and Delaware.

Timothy Hopkins, on behalf of John Roberts, reported that there is nothing to report as to the Trustee Association.

Bruce Bacon and Mitch Rabon reported and provided an update on Central Electric as follows:

- Securitization – Central voted to participate in securitization.
- Marlboro and Pee Dee (now known as MPD) voted against securitization.
- The potential impacts of securitization were discussed.

Old Business: None

New Business: Mike Good made an inquiry into the status of EV rates. Bruce Bacon reported that EV rates are part of the overall FEC rate study.

Upon motion made by Timothy L. Hopkins, seconded by Bruce E. Honeycutt, motion carried, the Board moved into executive session.

Upon motion made by Michael Good, seconded by Robert Entzminger, motion carried, the Board moved out of the executive session.

There being no further business to come before the Board, upon motion made by Michael Good, seconded by Robert Entzminger, the meeting was adjourned.

Signed: _____

Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President