

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF TRUSTEES OF FAIRFIELD ELECTRIC COOPERATIVE, INC.
SEPTEMBER 23, 2024**

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, September 23, 2024, at 12:30 p.m. at the cooperative headquarters in Blythewood, South Carolina. The following board members were present:

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

Attorney John DuBose was present.

Chairman Mitchell Rabon called the meeting to order. Robert Entzminger gave the invocation.

Upon motion made by Timothy L. Hopkins, seconded by Robert Entzminger, motion carried, the **minutes of the meeting held on August 26, 2024**, were approved as presented.

Upon motion made by Keith Lewis, seconded by Robert Entzminger, motion carried, **239 new consumers** for the month of August were accepted as members of Fairfield Electric Cooperative, Inc.

A list of **delinquent accounts totaling \$6,815.72** for the month of August was presented for consideration for write off as uncollectible. Upon motion made by Mike Good, seconded by Bruce Honeycutt, 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 Robert Entzminger, seconded by Timothy L. Hopkins, motion carried, the following resolution was adopted:

The estates of 13 deceased members have requested the Board of Directors consider approving the retirement of \$5,194.27 as an administrative convenience to the estates. After reviewing the Cooperative's financial statements and determining whether such retirement will not adversely impact the Cooperative's financial condition, management recommends capital credits totaling \$5,194.27 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.

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Bruce Bacon, Chief Executive Officer, reviewed, updated and discussed the following:

- Maintenance expenses were slightly over budget due to tropical storm Debbie.
- The cost of purchased power projections are in good shape and slightly under budget.
- Overall, the FEC budget is in good shape.
- Deferred revenue will be discussed later in the meeting.
- Operation Round Up:
 - October 21, 2024, is the next meeting.
- Mr. Bacon provided reminders of Regional NRECA meeting and Member Advisory Meeting
- The Board Budget Committee Meetings will be held on November 12, 2024. Trustees may attend committee meetings they are not members of if they choose.
- The terms of fiber company lease agreements to utilize FEC poles were discussed in response to an inquiry of Timothy Hopkins.
 - Bruce Bacon provided general background on terms of use.
 - Grant funds from the federal government is driving more activity from broadband providers.

Mitch Rabon comments on Operations Report:

- 90% of new members are Richland and Kershaw County residents.
- Fairfield Electric Cooperative averages approximately 1,500 new members per year.
- Bench marking metrics for forward growth is a priority
- A three-part rate structure has been a topic of discussion in the cooperative industry and it is a complex topic.
- Bruce Honeycutt with his accounting background will be a great asset to help understand the way the rates are set.
- The GDS consultants are doing a cost-of-service study and have all of the information needed. GDS will be providing a report and recommendations at a future date, not yet determined.
- The cost of purchased power accounts for approximately 70% of Fairfield Electric Cooperative's operational costs.

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Derial Oburn provided an update on the **ESCS** report.

- A meeting is set for October 7, 2024 (tentative)
- December 11, 2024 Asheville meeting.
 - Mr. Ogburn would like more transparency concerning CEO compensation.
 - Mr. Ogburn desires for complaints to ORS be reviewed and addressed completely before publication.

Mitch Rabon presented the **Deferred Revenue Plan** for the period of January 1, 2024, to December 31, 2024, for review.

- Revenue from 2020 deferred to this year (2024) will be pushed out further.
 - Originally, the revenue was deferred to 2024 in case the Cook settlement rate freeze expiration impacted 2024 rates.
 - The recommendation is to defer \$3.0 million in revenue to 2028

Upon motion made by Derial Ogburn, seconded by Cynthia Able, motion carried, the Deferred Revenue Plan as recommended was approved unanimously.

Mitch Rabon presented the **2025 Board of Trustees Meeting Schedule and dates of the cooperative's voting week and Annual Meeting Date** for review.

Upon motion made by Keith Lewis, seconded by Peggy Swearingen, motion carrier, the 2025 Board of Trustees Meeting Schedule and dates of the cooperative's voting week and Annual Meeting Date, were approved.

Mitch Rabon presented information on the **2024 ECSC Winter Conference / Central Electric Strategic Planning Session** for review. The Conference will be held in Asheville, NC at the Omni Grove Park Inn the dates of December 8 – 11, 2024. Upon motion made by Bruce

Honeycutt, seconded by Keith Lewis, motion carried, the following Board members were approved to attend the 2024 Winter School for Directors:

Cynthia Able
Robert Entzminger
Mike Good
Bruce Honeycutt

Timothy L. Hopkins
Robert K. Miles
Derial L. Ogburn
Mitch Rabon

Ronald Friday
Peggy Swearingen

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Mitch Rabon presented information on the **2024 Winter School for Directors** for review. The Conference will be held in Nashville, TN the dates of December 13 – 17, 2024. Upon motion made by Timothy Hopkins, seconded by Keith Lewis, motion carried, the following Board members were approved to attend the 2024 Winter School for Directors:

Ronald Friday	Derial Ogburn
Cynthia Able	Robert Entzminger
Peggy Swearingen	

Mitch Rabon and Bruce Bacon provided an update on **Central Electric Power Cooperative (CEPC)**.

- Bruce Bacon reported that there is nothing to report.
- Rate adjustments are coming.
- No updates on the potential shared resource of a gas plant with SCPSA.
- CEPC is working on plans to add generation capacity to address population growth in South Carolina and a projected increase in economic development.

At 1:43 PM Derial Ogburn and Keith Lewis left the meeting due to independent scheduling conflicts.

The Board addressed **The Electric Cooperatives of S.C. Appointment of Trustees and Voting Delegates for the year 2024-2025**

Upon motion made by Keith Lewis, seconded by Peggy Swearingen, motion carried, Derial Ogburn will continue to serve on the Electric Cooperative of South Carolina Board with Bruce Bacon serving as the alternate.

Robert Entzminger provided an update on **CEEUS**.

- 28 new Trustees will be added
- Nothing new to report. Basically the same as the last update.

Tim Hopkins provided an update on the **Trustee Association**.

- The next meeting is set for October 25, 2024. The Trustee Association meets quarterly.
- Mr. Hopkins will provide an update after the October 25, 2024, meeting.

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OLD BUSINESS: NONE.

NEW BUSINESS:

- Bruce Honeycutt recommended adding David Neal as District 9 representative to the Member Advisory Committee
- Bill Schwartz is to be removed from the Member Advisory Committee.
- Ronald Friday will review his Member Advisory Committee members.

Upon motion made by **Robert Entzminger, seconded by Peggy Swearingen**, motion carried, the appointment of David Neal to the Member Advisory Committee, was approved.

There being no further business to come before the Board, a motion was made by **Robert Entzminger, seconded by Bruce Honeycutt**, motion carried and approved, the meeting was adjourned.

Signed: _____
Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President