

REGULAR MEETING OF MEMBERS OF THE BOARD

December 14, 2020

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, December 14, 2020, at 12:30 p.m. at the cooperative headquarters in Blythewood, South Carolina. The following board members were present:

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|--------------------|----------------------|---------------------|
| 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 |
| Joseph E. Sharpe | William C. Good | |

Attorney Ken DuBose was present.

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

Upon motion made by Donald Keith Lewis, seconded by Cynthia Able, motion carried, the minutes of the meeting held on November 23, 2020, were approved as presented.

Upon motion made by Joseph E. Sharpe, seconded by John E. Roberts, III, motion carried, 200 new consumers for the month of November were accepted as members of Fairfield Electric Cooperative, Inc.

A list of delinquent accounts totaling \$1,588.05 for the month of November was presented for consideration for write off as uncollectible. Upon motion made by Cynthia Able, seconded by Donald Keith Lewis, 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 Donald Keith Lewis, motion carried, the following resolution was adopted:

The estates of 9 deceased members have requested the Board of Directors give consideration to approving the retirement of \$4,994.19 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 \$4,994.19 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, presented and discussed the monthly financial reports with the board.

Bruce Bacon reported Operation Round Up's next board meeting will be held on Monday, December 14.

The agenda stated that four new security systems were installed, two systems were converted from other companies, and fifty eight service calls were completed during November.

Bruce Bacon reported meals and groceries for over 70 needy families will be provided on Tuesday, December 22nd, along with 16 gift baskets for the elderly through the Operation Give-A-Turkey and Adopt-The-Elderly programs. Peggy Swearingen was recognized for her help in this effort.

Bruce Bacon advised \$150,000.00 in RDA funds are being provided to Fairfield County through the I-77 Alliance for the Peach Road Industrial Park and \$150,000.00 to Kershaw County for their Southern Loop Wastewater Extension Project that benefits three cooperative served properties: Wateree Executive Park, The Central SC Megasite, and Heritage Pointe Industrial Park.

Bruce Bacon and Ken DuBose reported that Richland County had conveyed property to the cooperative for a substation site on the Richland County Industrial Mega-Site.

Bruce Bacon provided updates on Cobblestone Substation, the Cook Case, bids for materials, and right-of-way clearing. Southeastern Tree Trimmers was the winning bidder for a two year contract to provide right of way clearing effective January 1, 2021.

Bruce Bacon reported the Small Business Administration's Payroll Protection Program Loan in the amount of \$1,552,900 has been forgiven as a result of maintaining employment levels and actively working employees through the COVID-19 pandemic.

Bruce Bacon provided an update on the Winnsboro Office and advised the office is being temporarily closed until a decision is reached on how to resolve the problem. All employees will be working out of the Blythewood Office. Termite problem, water damage, mold, possibly asbestos and other problems have been identified in the building built in the 1950s. Demolition versus putting money into repairs was discussed. The discussion indicated the building was obsolete and not suited for present needs. Upon recommendation of the Board President Mitch Rabon and upon motion made by Robert Entzminger, seconded by Cynthia Able, motion carried, the Trustees appointed the following trustees to a committee to determine how to proceed. It was

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identified and stressed that a building is needed in Fairfield County to serve members of that area. Repairing or renovating the existing building might not be feasible or practical. The committee is to assess the situation and make recommendations to the board.

Keith Lewis, Chairman
Tim Hopkins
Peggy Swearingen
Joe Sharpe
John Roberts
Derial Ogburn

Mitch Rabon along with Bruce Bacon recognized and presented service awards to Joseph E. Sharpe for 45 years of service, Attorney Ken DuBose for 30 years of service, and John E. Roberts for 10 years of service for their dedication and loyal service on the Board of Trustees.

Cynthia Able provided an update on behalf of the Benefit Review Committee and stated a benefit session would be held after the first of the year.

Mitch Rabon and Bruce Bacon provided an update and discussion on Central Electric Power Cooperative.

Derial Ogburn provided an update and discussion on the Electric Cooperatives of SC and the ECSC's continuing need for greater transparency regarding the CEO and five top officials total compensation and benefits. This should be and is normal disclosures for a not for profit organization. Fairfield Electric Cooperative and other members should be entitled to this information.

Robert Entzminger provided an update on CEE-US activities and again stressed the need for transparency regarding officers and key employee salary and benefits. Mr. Entzminger feels this information should be provided to the trustees of member cooperatives.

John Roberts provided an update on the Trustee Association and stated in person attendance at the annual meeting had been cancelled and virtual attendance was being looked into.

Upon motion made by Robert Entzminger, seconded by Keith Lewis, motion carried, the board entered an executive session to discuss the CEO's compensation. At the conclusion of the executive session, upon motion made, seconded, and carried, the board returned to its regular meeting session.

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Upon motion made by Tim Hopkins, seconded by Cynthia Able, motion carried unanimously, the CEO's annual salary was increased to \$191,100.00 (5%) effective January 1, 2021 with a one-time stipend of \$2,000.00 for an excellent evaluation performance.

There was no old business to come before the board.

New Business: Upon motion made by Derial Ogburn, second by Peggy Swearingen, the Conflict of Interest Policy presented was approved.

There being no further business to come before the Board, upon motion made, seconded, and carried, the meeting was adjourned.

Signed: _____
Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President