

REGULAR MEETING OF MEMBERS OF THE BOARD

JUNE 23, 2025

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, June 23, 2025, 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
Ronald Friday	Donald Keith Lewis	Robert K. Miles
William Michael Good	Bruce E. Honeycutt	

Attorney John K. DuBose, III was present.

President Mitch Rabon called the meeting to order.

Robert Entzminger gave the invocation.

President Rabon welcomed and introduced Rob Hochstetler and Cole Price with Central Electric Cooperative Inc. ("Central") who discussed the proposed **Class "B" Membership** structure that is pending consideration and action by the Central.

- The Central Board of Trustees will ultimately vote on the Class B Membership. Central's Board retains authority regarding membership changes.
- The following must transpire for a Class B membership structure to occur:
 - A super majority vote by Central on Bylaw changes
 - Development of the Board Policy
 - Development of the Class B Member Agreement
 - Development of an Implementation Agreement
 - Development of a Cost Allocation Methodology
- Rob Hochstetler also discussed the possible future of the VC Summer site.

Upon motion made by Michael Good, seconded by Bruce Honeycutt, motion carried, the Board entered a five-minute recess.

President Rabon welcomed and introduced Erick Marsha, VP of Finance, Fairfield Electric Cooperative. Mr. Marsha discussed the suggested 2025 Rate Changes for Fairfield Electric Cooperative.

Upon motion made by Timothy Hopkins, seconded by Keith Lewis, motion carried, the proposed 2025 rate changes, were unanimously approved as presented. The amended rates will go into effect on September 1, 2025.

REGULAR MEETING OF MEMBERS OF THE BOARD

JUNE 23, 2025

Mr. Marsha also reviewed the **2024 IRS 990 Form** prepared by Elliott Davis.

- All paperwork was submitted on a timely basis.
- Marsha briefly reviewed the information contained in the filing.
- FEC is a 501(c)(12) corporation. This information is available to the public.

Mr. Rabon presented the discussion of the proposed increase in the **RUS Debt Limit**. A Resolution for the RUS Debt Limit increase was given for signature by the secretary.

- Fairfield Cooperative is finalizing a long-term RUS loan.
- RUS requires a debt limit based on original principal amounts of loans, not current balances. Accordingly, RUS debt limit amounts are significantly higher on their face than the actual debt outstanding.

RESOLUTION

FAIRFIELD ELECTRIC COOPERATIVE, INC.

TO INCREASE THE LIMIT OF INDEBTEDNESS

WHEREAS, the Board of Directors of Fairfield Electric Cooperative, Inc. is authorized, on behalf of the Cooperative to borrow from time to time additional sums from the United States

of America pursuant to the provision the Rural Electrification Administration Act of 1936, as from time to time amended (hereinafter called "the Act"), and such sums as it may deem advisable from National Rural Utilities Cooperative Finance Corporation or other lending agencies or lending corporations; and

WHEREAS, to incur indebtedness from time to time by the assumption of indebtedness of third parties to the United States of America created by loans to such third parties pursuant to the Act, and by assumption of indebtedness of third parties to National Rural Utilities Cooperative Finance Corporation or other lending agencies or lending corporations, such loans and assumption of indebtedness to be in amounts and upon terms as the Board of Directors shall deem advisable to finance the construction, acquisition, and operation of such electric generating, transmission, distribution, and service facilities, provided however, that the aggregate amount of such loans, together with the aggregate amount of such indebtedness so assumed, and the aggregate amount of loans heretofore made to the Cooperative, shall not exceed \$170,000,000.00 at any one time;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Cooperative is authorized from time to time, to mortgage, by deed of trust or by mortgage, and upon such terms as the Board of Directors shall determine all or any substantial portion of the property of the

REGULAR MEETING OF MEMBERS OF THE BOARD

JUNE 23, 2025

Cooperative now owned or hereafter acquired in order to secure such loans and such indebtedness, and to cause the proper officer to execute notes and deeds of trust of mortgages to evidence and secure such indebtedness within the limits of the aforesaid aggregate amount.

CERTIFICATION OF SECRETARY

I, Robert Kenneth Miles, Secretary of Fairfield Electric Cooperative, Inc. do hereby certify that the above is a true and correct excerpt from the minutes of the meeting of the Board of Directors of the Fairfield Electric Cooperative, Inc. held on the 23rd day of June, 2025, at which meeting a quorum was present.

SEAL

Signature

Upon motion made Derial Ogburn, seconded by Ronald Friday, motion carried, the increase in debt limit was unanimously approved.

Upon motion made by Ronald Friday, seconded by Kenny Miles, motion carried, the **minutes of the meeting held on April 21, 2025**, were amended and approved to add Mitch Rabon's attendance to the 2025 CFC Forum in New York, New York.

Upon motion made by Ronald Friday, seconded by Kenny Miles, motion carried, the **minutes of the meeting held on May 16, 2025**, were approved as presented.

Upon motion made by Bruce Honeycutt, seconded by Peggy Swearingen, motion carried, **502 new consumers** for the months of April and May 2025 were accepted as members of Fairfield Electric Cooperative, Inc.

A list of **delinquent accounts** totaling \$4,013.53 for the months of April and May 2025 was presented for consideration for write-off as uncollectible. Upon motion made by Keith Lewis, seconded by Timothy Hopkins, 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 Peggy Swearingen, seconded by Derial Ogburn, motion carried, the following resolution was adopted.

REGULAR MEETING OF MEMBERS OF THE BOARD

JUNE 23, 2025

The estates of 20 deceased members have requested the Board of Directors to consider approving the retirement of \$10,864.50 as an administrative convenience to the estates. After reviewing the Cooperative's financial statements and determining whether such retirement will adversely impact on the Cooperative's financial condition, management recommends capital credits totaling \$10,864.50 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.

Bruce Bacon, **Chief Executive Officer**, reviewed and discussed:

- Financial Reports - April & May of 2025
 - Budget projections are accurate and very close to actual expenses and revenues.
- Operation Round Up – Met June 16, 2025, and made donations to one family and one organization. The next meeting will be on August 18, 2025 at 4:00 PM.
- Our offices will be closed on Friday, July 4, in observance of Independence Day. Duty personnel will be on standby for emergencies.
- ACRE / ECHO Campaigns are underway – dues have been deducted from the June per diems for the same amount as last year.
- Founders Day Celebration – FEC was organized on June 8, 1939. FEC gave away celebratory cookies on Monday June 9th to customers at the Winnsboro and Blythewood offices. A random drawing for a \$86.00 electric bill credit, to commemorate the number of years FEC has been in existence, occurred and Alexander Hernandez of Elgin was the winner.
- Strategic Plan Update (a hard copy is provided, and a copy is in the library of the meeting book).
- ORS Response Update: Standard yearly inquiry from ORS. Essentially an auditing process by ORS.
- Personnel Policy Manual - Trey Boone is updating the personnel policies. This may be available at the next board meeting.
- Trey Boone will attend the July meeting to discuss the Wage and Salary Study.
- Upcoming Events
 - CFC Forum / June 30 – July 2, 2025 in New York City
 - Summer School for Directors / July 11 – 15 in Colorado Springs, Colorado
 - FEC Strategic Plan Update is scheduled for September 22 – 23, 2025. Monday, September 22 will be the regular board meeting and strategic planning with the board only
 - Tuesday, September 23, will be strategic planning with the board and staff members.

REGULAR MEETING OF MEMBERS OF THE BOARD

JUNE 23, 2025

- NRECA Regions 2 & 3 Meeting / October 21 – 23, 2025 in Biloxi, MS
- ECSC Winter Conference / December 8 – 10, 2025 in Asheville, NC
- NRECA Winter School / December 12 – 16, 2025 in Nashville, TN

Chairman, Mitch Rabon, congratulated and presented Trustee, Ronald Friday, with his BLC Director's Certificate.

Mitch Rabon and Bruce Bacon provided an **update on Central Electric Power Cooperative**. Nothing to discuss after thorough dialogue at the presentation on Class B Membership provided by Rob Hochstetler and Cole Price.

Derial Ogburn provided an **update on The Electric Cooperatives of SC**. Not much to update. Discussed the passage of the Energy Bill.

Upon motion made by Peggy Swearingen, seconded by Keith Lewis, motion carried, the Board expressed approval of Derial Ogburn voting for Mary Sheridan to serve as the representative to NRECA, was approved.

NRECA Candidates are:

Frank Dorn with Aiken Electric Cooperative
Aaron Johnson with Horry Electric Cooperative
Mary Sheridan with Black River Electric Cooperative
Willis Sanders with Berkeley Electric Cooperative
Ian Padgett with Coastal Electric Cooperative

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

- Grand opening is set for October 14, 2025 in Richland, VA. This will be an opportunity for members to attend and engage in fellowship.
- The West Columbia location may have space available for lease.
- The new facility in Virginia will be expanding in the future.
- Salaries were discussed. Mr. Entzminger continues his practice of abstaining from voting on budget due to lack of transparency. Salary information for CEES leadership can be provided to Robert Entzminger and Bruce Bacon but cannot be disclosed to the FEC Board members.

Upon motion made by Derial Ogburn, seconded by Michael Good, motion carried, attendance of Bruce Bacon and Robert Entzminger to the CEEUS facility grand opening in VA, was approved.

REGULAR MEETING OF MEMBERS OF THE BOARD

JUNE 23, 2025

Tim Hopkins provided an **update on the Trustee Association**. Mr. Hopkins reported that the next Trustee meeting is in October. Reviewed the Minutes of the May 9, 2025 meeting with FEC.

- Statement of Income and Expense was discussed. No new budget report.
- The cost of the conference was reviewed.
- Youth programs were discussed.
- Possible relocation of conference to Mt. Pleasant, Clemson, or Litchfield Beach.
- Possible change in time for conference – August or September in 2025.

Old Business: NONE.

New Business:

- Mr. Friday suggested that “Safety Report” should be added to the Agenda as well as a “Treasurer’s Report”.
- Mr. Friday suggested creation of a succession plan for the Board of Directors.

Conclusion of meeting:

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

Signed: _____
Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President