

REGULAR MEETING OF MEMBERS OF THE BOARD

April 26, 2021

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, April 26, 2021, 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
Donald Keith Lewis	John E. Roberts, III	Robert K. Miles
Joseph E. Sharpe		

William C. Good was absent.

Attorney Ken DuBose was present.

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

Timothy L. Hopkins welcomed Denise Hill with Elliott Davis who reviewed and discussed the 2020 IRS Form 990 which had previously been provided to board members. Denise Hill stated that as a result of the policy the Board enacted and established in 2018 to provide transparency to its members as to Trustee expenses and compensation and as compensation to its CEO, Fairfield has established an excellent example of transparency and disclosure of trustee compensation and benefits and disclosure of CEO compensation to its members. The Fairfield disclosure and transparency exceeds the IRS 990 Form requirements. Denise Hill addressed questions and reported the Form 990 will be filed with the IRS. Upon motion made by Derial L. Ogburn, seconded by Donald Keith Lewis, motion carried, the IRS Form 990 was accepted as presented.

Bruce Bacon welcomed Vicky Melvin who presented a five year budget comparison and analysis.

Upon motion made by Timothy L. Hopkins, seconded by Donald Keith Lewis, motion carried, the minutes of the meeting held on March 22, 2021, were approved as presented.

Upon motion made by Joseph E. Sharpe, seconded by Timothy L. Hopkins, motion carried, 301 new consumers for the month of March were accepted as members of Fairfield Electric Cooperative, Inc.

Bruce Bacon, Chief Executive Officer, presented and discussed the monthly financial reports and Quarterly Controllable Expenses Report.

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Bruce Bacon reported Operation Round Up's board met Monday, April 19th and made donations to four needy families, the American Red Cross, and the Christian Community Ministries of Kershaw County.

Bruce Bacon provided an update on the Strategic Plan, AT&T Pole Attachment Agreement, and broadband considerations. Bruce reported that work is being done to reduce outage time as well as number of outages. Improvements are also being made to the Bowen Street and Lockhart substations.

Bruce Bacon reported on the Credentials and Election Committee meeting. Heyward Mattox was elected Chairman and Ben Connell was elected Secretary.

Bruce Bacon reported on the Annual Meeting activities. It was reported that the voting process will be similar to last year. There will be several approved voting sites, and a voting App, and voting will be on an iPad with Stylus.

Bruce Bacon reported on employee COVID vaccinations and re-opening of office.

Bruce Bacon reported on the general retirement of capital credits. Capital credit checks will be mailed May 4, 2021, and bill credits of \$74.99 or less will be applied to active accounts. The total capital credit refund is \$1,718,372.63.

Bruce Bacon provided an update on ECSC's Summer Conference being held in person June 6 – 9 at Wild Dunes.

A list of delinquent accounts totaling \$2,494.39 for the month of March was presented for consideration for write off as uncollectible. Upon motion made by Derial L. Ogburn, 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 Joseph E. Sharpe, seconded by Cynthia Able, motion carried, the following resolution was adopted:

The estates of 16 deceased members have requested the Board of Directors give consideration to approving the retirement of \$9,685.67 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 \$9,685.67 be approved for payment. In

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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.

Cynthia Able provided an update on behalf of the Benefit Review. It was reported that Trey Boone, outside benefits consultant and auditor, will complete his report at the end of May and present his findings in June. Cynthia is to talk to Trey Boone and ask how much time he would need for his presentation. After discussion, it will be determined if it is presented to the Committee first or just to the entire Board. They are also to decide if we would need a special meeting.

Keith Lewis and Bruce Bacon provided an update on the remediation of and replacement of the Winnsboro Office. It was reported that the Cooperative could purchase 7 acres at \$11,000 per acre. Bruce Bacon, CEO, is to compute cost estimates to buying land and building a new facility compared to using assets already in place such as equipment shed, fuel system, fencing, paved parking lot, paved drive-up lane, septic system and building on the existing site.

Mitch Rabon and Bruce Bacon provided an update and discussed Central Electric Power Cooperative's current operations and the 10 year Evolution Plan, Governance Policy, financial obligations, and granting Opt In or Opt Out options. Duke contract expires in 2030. New possible technologies were discussed. Mitch Rabon serves on a Central Evolution Committee to study the possible future plans of Central Electric Power Cooperative.

Derial Ogburn provided an update and discussion on the operations of the Electric Cooperatives of SC and discussed transparency with Electric Cooperatives of SC.

Robert Entzminger provided an update on the operations of CEEUS. It was reported that a letter to CEEUS will be needed for an explanation as to why the information requested by FEC will not be provided. Bruce Bacon will prepare letter to CEEUS asking for an explanation as to their refusal to provide information.

John Roberts reported on the recent Trustee Association's Virtual Spring meeting. It was reported that Fairfield was well represented and the only ones that asked questions. Eighty people attended the meeting. A meeting in Myrtle Beach will be scheduled possibly in April of next year.

Old Business: Peggy Swearingen discussed the Procurement Policy. Bruce Bacon will provide a copy of the Procurement Policy to Ms. Swearingen.

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New business: Peggy Swearingen requested that FEC recognize William C. Good for his service as a Member of the Board for 69 years by having a special recognition for him. Bruce Bacon reported he is working on this and will do something to honor Mr. William C. Good.

There being no further business to come before the Board, upon motion made by Derial L. Ogburn, seconded by John E. Roberts, III, and carried, the meeting was adjourned.

Signed: _____

Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President