

REGULAR MEETING OF MEMBERS OF THE BOARD

November 22, 2021

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, November 22, 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
John E. Roberts, III	Robert K. Miles	Michael Good
Donald Keith Lewis		

Attorney Ken DuBose was present.

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

Upon motion made by John E. Roberts, III, seconded by Robert Entzminger, motion carried, the minutes of the meeting held on October 25, 2021, were approved as presented.

Upon motion made by Donald Keith Lewis, seconded by Timothy L. Hopkins, motion carried, 258 new consumers for the month of October were accepted as members of Fairfield Electric Cooperative, Inc.

A list of delinquent accounts totaling \$442.59 for the month of October was presented for consideration for write off as uncollectible. Upon motion made by John E. Roberts, III, seconded by Timothy L. 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 John E. Roberts, III, seconded by Timothy L. Hopkins, motion carried, the following resolution was adopted:

The estates of 11 deceased members have requested the Board of Directors give consideration to approving the retirement of \$10,066.35 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 \$10,066.35 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 the monthly financial reports with the board.

MEETING OF MEMBERS OF THE BOARD CONTINUED

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Bruce Bacon reported Operation Round Up's next board meeting will be held December 13th.

Bruce Bacon provided updates on security system activity, Strategic Plan, and ECSC's upcoming Winter Conference.

Bruce Bacon reported RDA grants will be provided as follows: \$75,000.00 to Richland County for the Blythewood Business Park project, \$150,000.00 to Fairfield County for the Peach Road project, and \$75,000.00 to Kershaw County for the Heritage Pointe Industrial Park project.

Bruce Bacon reported Elliott Davis started their preliminary work the week of November 15th and shared their audit communication letters with the Board as to the scope of their audit.

The 2022 budget having been previously provided to trustees and approved by the appropriate board committees was presented and discussed. Upon motion made by Donald Keith Lewis, seconded by Timothy L. Hopkins, motion carried, the 2022 budget was approved as presented.

Upon motion made by Michael Good, seconded by Derial Ogburn, motion carried, the board moved into executive session. At the conclusion of executive session, a motion was made by Michael Good, seconded by Derial L. Ogburn, motion carried, the Board came out of executive session and returned to the regular board meeting.

Timothy L. Hopkins reported on the Performance Evaluation of CEO Bruce Bacon. Highlights from 2021: Appreciate dedication and trust worthiness. Appreciate your open communication with board members and attentiveness to their concerns. Appreciate your advocacy for your employees while understanding changes are necessary in areas like benefits. Appreciate your management of the budget and the open committee process. FEC is happy on the Coop's improved reliability for service to members during storms. Appreciate your recommendations in support of economic development in our service counties. FEC is pleased with your development of a strategic plan for the Coop. FEC is pleased with your approach of hiring consultants to advise you on effective and efficient ways to improve Coop processes, procedures, and outcomes. Spoken Goals for 2022: Continue to improve in managing your direct reports and other employees. Manage new building project in Winnsboro. Continue to take leadership role in articulating the board's concerns at Central and Statewide meetings. Motion made by Derial Ogburn, seconded by Perry Swearingen to accept the evaluation reports of the CEO and increase the CEO compensation by 6% and authorize an \$8,500.00 bonus on January 1, 2022. Motion carried unanimously.

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Cynthia Able provided an update on behalf of the Benefit Review Committee meeting and reported open enrollment and employee plan choices were complete.

Bruce Bacon and Keith Lewis provided updates on construction plans for the new Winnsboro Office building. Bruce Bacon reported that he has received three bids from three different engineering companies. He reported that he has sent the plans to a local engineering company for a fourth bid and is waiting on the bid from the local engineer. He reported that the cost will be \$15,000.00 for the engineer to prepare the plans. Upon motion made by Peggy Swearingen, seconded by Robert Entzminger, motion carried, the \$15,000.00 was approved.

Mitch Rabon and Bruce Bacon provided updates on Central Electric and EnerVision's continuing analysis of the cooperative's options as to Central's 10-Year Evolution Plan. Mitch Rabon reported that Central's 10-Year Evolution Plan is now the "Report". Mitch Rabon reported that Santee Cooper is apparently planning to propose to build a new gas fired turbine. Mitch Rabon reported that there are two major decisions that will need to be made: 1) construction of a gas fired turbine; and 2) status of the Duke contract. The cooperative continues to propose additional due diligence and will explore options as to Central's Evolution Plan, including Opt out options, and will continue reviews with consultants. The board discussed after the update that Central appears nonresponsive to concerns of FEC and dismissive of options and concerns brought before Central by FEC.

It was reported that the possibility of filing a Declaratory Judgment action against Central Electric in court as to issues of fiduciary responsibility for members of the Central Board that are also CEOs of Co-Ops and Co-Op Board members and fiduciaries. Concern was discussed as to Central's lack of transparency and consideration of options available as well as the fiduciary issues of Central Board members and Central's non-responsiveness to FEC's concerns and requests for due diligence.

Derial Ogburn provided an update on The Electric Cooperatives of SC. SC Living costs for 2022 were provided to board members prior to the board meeting. Results of the member survey were also shared with board members. After discussion upon motion made by Derial L. Ogburn, seconded by Donald Keith Lewis, motion carried, the cooperative will continue membership with ECSC at present and 6 annually issues of SC Living magazine will be provided to the membership at a cost of 63 cents per member per month. Timothy L. Hopkins opposed the motion. Timothy L. Hopkins desires to continue the present arrangement of 9 issues annually.

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Robert Entzminger provided an update on CEEUS. Robert Entzminger reported that he will speak to CEEUS at a conference in Hilton Head regarding concerns raised with CEEUS.

John Roberts reported the Trustee Association will meet in December during the ECSC Winter Conference.

Old Business: Peggy Swearingen asked for a status of the informational letter to each member as to the single-member district plan and Board representation from each district. Bruce Bacon reported that FEC is working on the informational letter.

New Business: Keith Lewis suggested that Mark Chapman be removed from the Round Up Committee and be replaced with Marcy Caulder.

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

Signed: _____
Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President