

## REGULAR MEETING OF MEMBERS OF THE BOARD

September 26, 2022

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, September 26, 2022, 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	Donald Keith Lewis	Robert K. Miles
Michael Good	Bruce E. Honeycutt	

Attorney Ken DuBose was present.

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

President Rabon introduced Hampton Oxendine, Regional Vice President of CFC, who reviewed the Key Ratio Trend Analysis report highlighting various areas of interest and accomplishments. FEC is growing as to members above state and national averages and members per miles is above the state and national average and financial tiers are positive. Compared to state and national statistics, the performance of FEC is positive. FEC has consistently grown in the past years. FEC is the 11<sup>th</sup> largest in the state as to average total consumers served. Key Ratio Trends are positive for FEC which indicate fiscal health and good fiscal management trends.

The August 22, 2022 board meeting minutes was brought up by Mitch Rabon and two minor revisions were suggested. The phrase as to the Central update “Fairfield has 90 days to respond” be deleted and the deadline for a decision as to opt out or opt in be “October 19, 2022”. Upon motion made by Timothy L. Hopkins, seconded by Cynthia Able, motion carried, that the two minor revisions be made to the August 22, 2022 meeting minutes were approved as read.

Upon motion made by Donald Keith Lewis, seconded by Michael Good, motion carried, 313 new consumers for the month of August were accepted as members of Fairfield Electric Cooperative, Inc.

A list of delinquent accounts totaling \$2,733.46 for the month of August was presented for consideration for write off as uncollectible. Upon motion made by Cynthia Able, seconded by Robert Entzminger, motion carried, authorization was granted to write these off against the cooperative’s reserve for uncollectible accounts.

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A list of deceased patron's estates requesting payment of their capital credits was presented for consideration. After discussion and upon motion made by Bruce E. Honeycutt, seconded by Donald Keith Lewis, 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 \$10,766.03 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 \$10,766.03 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 reviewed and discussed the financial reports for the month of August with the Board.

Bruce Bacon reported Operation Round Up's board will meet on October 17<sup>th</sup> and provided updates on the following: security system sales and service, and industrial prospect activity. The Budget Committee meeting is set for November 7, 2022 at 11:00 AM. Also discussed was the NRECA's upcoming Regional Meeting in December and the Fall Member Advisory meeting on October 20, 2022 at 7:00 PM. Mitch Rabon suggested that as to bylaw revisions all members of the Board of Trustees be involved in proposed revisions. The Christmas party this year is scheduled for December 3, 2022 at 7:00 PM and will take place at the Riverbank Zoo. Beth Mason will provide sample business cards for the Board to review.

Bruce Bacon reported on the Cook settlement timeline and advised the second distribution is expected to begin on Tuesday, November 29<sup>th</sup>.

President Rabon discussed implementing a new proposed deferred revenue plan of \$1,700,000 and a presentation was shared regarding revenue deferrals. However, it was discussed that this amount to be deferred should be considered subject to increasing the amount. FEC should further consider deferring funds for possible upcoming Santee Cooper rate increase and that further discussion is needed as to the deferred revenue plan. Therefore, Mitch Rabon reported that the motion to approve the board resolution as to deferred revenues be withdrawn and tabled until the next meeting.

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Board meetings for 2023 were scheduled as follows upon motion made by John E. Roberts, III, seconded by Robert Entzminger, motion carried. Unless noted otherwise, board meetings are held at 12:30 p.m. at Fairfield Electric Cooperative, Inc., 701 Blythewood Road, Blythewood, SC.

January 23	June 26
February 27	July 24
March 27	August 28
April 24	September 25
May 19 – 7:00 p.m. (following annual meeting)	October 23
	November 27
	December 11

President Rabon shared a list of updated board committee appointments for 2022-2023. The appointments were approved as presented with the exception that Bruce Honeycutt serve as Chairman of the Audit and Planning Committee and Budget and Finance Committee and Keith Lewis serve as a member. Motion was made by John E. Roberts, III, seconded by Timothy L. Hopkins, and carried unanimously.

NRECA's Winter Director School to be held in Nashville December 8 – 14 was discussed. Upon motion made by Robert Entzminger, seconded by Timothy L. Hopkins, motion carried, the following were authorized to attend to complete their director certification programs: Bruce Honeycutt, Mike Good, Peggy Swearingen, Cynthia Able, and Derial Ogburn.

Keith Lewis reported construction of the Winnsboro Office building continues to progress with the roof now installed. Inspections will need to be done prior to installation of sheet rock, insulation, and inside finishing work. Some of the furniture from the old building will be used in the new building and cubicles will be purchased. There will be a total of 10 staff members that will be working at the new Winnsboro office.

Mitch Rabon and Bruce Bacon provided updates on Central Electric and the pending lawsuit as to governance of Central. Mr. Rabon reminded board members the deadline to make a decision is October 19<sup>th</sup> as to whether or not to opt out of the proposed resource plan offered by Santee Cooper. However, due to lack of information, FEC will not be able to make a final decision by October 19<sup>th</sup>. Attorney DuBose reported the lawsuit is still progressing and that written discovery and production of documents have been received and are being reviewed. A Scheduling Order is in place. The depositions of Central Electric were scheduled but due to conflicts the depositions have been pushed back to another time. It was discussed that Bruce Bacon and Mitch

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Rabon should attend all scheduled meetings with attorneys and depositions related to the lawsuit. Depositions will be scheduled in the future. Upon motion made by Bruce Honeycutt, seconded by Cynthia Able, the Board provided that Bruce Bacon attend depositions and meetings and approved the attendance of Mitch Rabon at all scheduled meetings with attorneys and depositions related to the lawsuit.

Robert Entzminger provided an update on CEEUS. He reported a response has been sent to CEEUS's attorney advising Fairfield is in agreement to signing their required non-disclosure agreement and requested their attorney provide the agreement for signature.

John Roberts reported the Trustee Association's Advisory Board meets on Friday, October 28, 2022 at 11:00 a.m. in Walterboro. Tim Hopkins will attend the meeting on behalf of John Roberts and his attendance was approved. Nothing to report at this time until after the meeting on October 28<sup>th</sup>. Detailed information will be provided to the Advisory Board a couple of weeks prior to meeting.

Old Business: None

New Business: None

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

Signed: \_\_\_\_\_  
Robert K. Miles, Secretary  
APPROVED

ATTEST: \_\_\_\_\_  
Mitchell D. Rabon, President