

REGULAR MEETING OF MEMBERS OF THE BOARD

JULY 28, 2025

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, July 28, 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 Trey Boone of E-Sources who presented and discussed the **2025 Wage & Salary Study, Base Compensation** Analysis (June 2025).

Mr. Boone discussed various employment positions at Fairfield Electric Cooperative, Inc. (“Cooperative”) and the pay for those positions relative to the regional market for equivalent and comparable positions. Mr. Boone advised the Board that the data in the study will allow the Cooperative to be competitive in the job market and diligent in employee retention efforts. Mr. Boone highlighted factors and trends in the job market that will be relevant to the Cooperative’s employee hiring and retention efforts in the coming years.

A motion was made by Timothy Hopkins, seconded by Keith Lewis, as follows:

I move that we approve \$235,000 for the Chief Executive Officer to make wage and salary adjustments in the year 2025 to be determined by review of the mid points for each position and based on each individual employee’s performance evaluation and on a merit basis.

The motion carried.

Upon motion made by Derial Ogburn, seconded by Robert Entzminger, motion carried, the **minutes of the meeting held on June 23, 2025**, were approved as presented.

Upon motion made by Keith Lewis, seconded by Peggy Swearingen, motion carried, **270 new consumers** for the month of June 2025 were accepted as members of Fairfield Electric Cooperative, Inc.

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A list of **delinquent accounts** totaling \$3,453.57 for the month of June 2025 was presented for consideration for write-off as uncollectible. Upon motion made by Peggy Swearingen, seconded by Ronald Friday, 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 Michael Good, seconded by Robert Entzminger, motion carried, the following resolution was adopted.

The estates of 22 deceased members have requested the Board of Directors to consider approving the retirement of \$13,245.75 of capital credits as an administrative convenience to the estates. After reviewing the Cooperative's financial statements and determining whether such retirement will adversely impact the Cooperative's financial condition, management recommends capital credits totaling \$13,245.75 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, presented the **CEO Report** to the Board. Mr. Bacon reviewed and discussed:

1. Financial Reports
 - Mr. Bacon discussed the 2nd Quarter Controllable Expenses
 - There are a few line-item budget over runs due to the timing of safety equipment purchase, software purchase and office supply cost increases, and storm related line maintenance. Those budget line items are expected to become closer to budget projections as the year progresses. Overall, the quarterly budget and year-to-date budget are in good shape.
 - Mr. Bacon reviewed the Financial records for June 2025
 - Cost of Power Purchase is slightly over budget.
 - Distribution Expenses/Maintenance is over budget due to June storms.
2. SCOUT- Mr. Bacon informed the Board that a contract to provide temporary service to portions of the Scout project has been signed. The Cooperative is providing power to the paint shop. Eventually, Dominion will supply the main, and permanent, power supplier to the Scout plant.
3. Operation Round Up – Next Meeting is Monday, August 18, 2025

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4. 2025 Affirmative Action Program
 - Mr. Bacon briefly discussed the program.
 - The program is in the Board book for review.
5. RUS Loan
 - CFC and Co-Bank provide loans, but at a higher interest rate than RUS.
 - RUS provides more favorable interest rates, but RUS requires more vetting of the loan and a stringent evaluation of the borrower's finances.
 - Mr. Bacon reported that the RUS loan evaluation resulted in a "clean bill of health" for the Cooperative.
6. Upcoming Events
 - 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.
 - 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
7. Safety Report
 - Mr. Bacon reported no incidents.
 - Mr. Bacon discussed this month's Cooperative wide safety meeting. The topic was "Complacency"
 - Mr. Bacon highlighted that line crews have a weekly, Monday morning safety meeting to highlight safety and start the regular work week with a proper mindset and focus on safety.

Mitch Rabon and Bruce Bacon provided an **update on Central Electric Power Cooperative (Central)**. The following matters were discussed:

- Central is making progress on the design/methodology for Class B Membership.
- John DuBose discussed the currently proposed Class B Membership structure.

Derial Ogburn provided an **update on The Electric Cooperatives of SC (ECSC)**. Mr. Ogburn discussed general operational matters and the current leadership status of ECSC after CEO

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Mike Couick's recent resignation. Mr. Ogburn informed the Board that ECSC has hired David Black, Esq. of Maynard-Nexsen law firm to assist in the upcoming NRECA election. Mr. Ogburn reported that the next ECSC meeting is August 7, 2025.

Current NRECA Candidates are:

Frank Dorn with Aiken Electric Cooperative

Aaron Johnson with Horry Electric Cooperative

Mary Sheridan with Black River Electric Cooperative

Ian Padgett with Coastal Electric Cooperative

Robert Entzminger provided an **update on CEEUS**, Inc. Mr. Entzminger reported that there has been no change other than the Virginia facility is moving forward.

Tim Hopkins provided an **update on the Trustee Association**. Mr. Hopkins reported that there has been a change to the conference set for August 12-14, 2025. The conference will now take place in Mt. Pleasant.

Treasurer's Report: Treasurer Bruce Honeycutt requested the Board enter into Executive Session to discuss a financial issue.

Upon motion made by Ronald Friday, seconded by Derial Ogburn, motion carried, the Board entered into Executive Session.

Upon motion made by Michael Good, seconded by Timothy Hopkins, motion carried, the Board exited Executive Session and returned to the regular board meeting.

Old Business: NONE.

New Business:

- Cynthia Able reported that on July 15, 2025, CEEUS had a back-to-school backpack donation event.
 - A total of 500 backpacks were given to over 123 children who are displaced and homeless.
 - 30-40 backpacks were delivered to FEC for distribution and will be provide to the Fairfield County School District.
- Ronald Friday distributed a Board Assessment worksheet for consideration by the Board as a possible idea to incorporate. Mr. Friday expressed his belief that the Board should conduct periodic self-assessments.

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Conclusion of meeting:

There being **no further business** to come before the Board, a motion was made by Michael Good, seconded by Bruce Honeycutt, motion carried and approved, the meeting was adjourned.

Signed: _____

Robert K. Miles, Secretary

APPROVED

ATTEST: _____

Mitchell D. Rabon, President