

## REGULAR MEETING OF MEMBERS OF THE BOARD

July 22, 2019

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, July 22, 2019, at 12:30 p.m. at the cooperative headquarters in Blythewood, South Carolina. The following board members were present:

Mitchell D. Rabon  
William C. Good  
Joseph E. Sharpe  
Cynthia E. Able

Robert Entzminger  
Timothy L. Hopkins  
Donald Keith Lewis

Robert K. Miles  
Peggy B. Jeffcoat  
John E. Roberts, III

Attorney John DuBose was present. Allen Beer was absent.

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

President Rabon introduced Chip Hardy with FinTrust Financial Advisors. Upon motion made by Keith Lewis, seconded by Joe Sharpe, motion carried, the board was declared in executive session. Mr. Hardy presented and discussed proposed amendments to the NRECA Retirement Plan. Upon motion made, seconded, and carried, the board returned to its regular session.

President Rabon introduced Chris Koon, Senior Vice President & General Counsel of the Electric Cooperatives of SC, who provided a presentation and explanation of the new SC Governance Laws.

President Rabon introduced Jamie Frost, Senior Vice President, and James Chavez, President & CEO, of the SC Power Team who provided a presentation and discussion on the Richland County Industrial Site. The importance of site readiness by counties was also discussed.

Upon motion made by Tim Hopkins, seconded by Cynthia Able, motion carried, the minutes of the meeting held on June 24, 2019, were approved as presented.

Upon motion made by John Roberts, seconded by Joe Sharpe, motion carried, 260 new consumers for the month of June were accepted as members of Fairfield Electric Cooperative, Inc.

Vicky Melvin, Controller, presented and discussed the financial and statistical reports for the month of June. She also discussed upcoming accounting changes for unbilled revenue.

Bruce Bacon reported Operation Round Up's next meeting will be held on Monday, August 19<sup>th</sup>, at 5:00 p.m. at the cooperative's Blythewood office.

Bruce Bacon reported four new security systems were sold during June and one system was converted from another company with 1,021 monitored accounts currently being served.

Bruce Bacon provided updates on the following: ACRE / ECHO campaigns, new on-line Co-op Director Community available on coop.com; Santee Cooper's new management structure, and "testing the market" for the sale of Santee Cooper.

Thereafter, attorney John DuBose provided an update on the Santee Cooper subpoena.

A list of delinquent accounts totaling \$4,033.94 for the month of June 2019 was presented for consideration for write off as uncollectible. Upon motion made by Joe Sharpe, seconded by William Good, motion carried, authorization was granted to write these off against the cooperative's reserve for uncollectible accounts.

## MEETING OF MEMBERS OF THE BOARD CONTINUED

July 22, 2019

A list of deceased patron's estates requesting payment of their capital credits was presented for consideration. After discussion and upon motion made by Keith Lewis, seconded by Joe Sharpe, 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 \$7,566.34 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 \$7,566.34 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.

The NRECA election for the SC Director position was discussed along with information provided from several candidates. Upon motion made by Robert Entzminger, seconded by Keith Lewis, motion carried, Bruce Bacon was appointed voting delegate with Mitch Rabon being the alternate at the August 1, 2019, NRECA SC Director election being held at the Electric Cooperatives of SC. The general consensus of the board was for Mr. Bacon to nominate candidate Jim Stroman. After hearing from all candidates at the election, in consultation with President Rabon, Mr. Bacon was authorized to vote for the best qualified candidate.

Trustees and voting delegates for the NRECA Regional Meeting were presented for consideration. Upon motion made by Joe Sharpe, seconded by John Roberts, motion carried, Bruce Bacon was appointed voting delegate with Mitch Rabon being the alternate.

Bruce Bacon reported service area growth and subdivision construction remains strong and advised a field trip to these growth areas will be provided for board members who are interested in participating following the conclusion of the August board meeting.

Bruce Bacon along with President Rabon reported on the updated NRECA Compensate Wage and Salary Plan. After discussion and upon motion made by Kenny Miles, seconded by John Roberts, motion carried, the CEO's recommendation was approved to implement the updated plan at a 3.2% increase to payroll or approximately \$175,500.00. The CEO and management staff will determine the individual's actual increase based on midpoints for each position and on a performance evaluation / merit basis.

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

There was no old business to come before the board.

Under new business, Keith Lewis inquired as to the possibility of providing broadband to rural areas. Mr. Bacon advised the cooperative is researching this along with other cooperatives.

Cynthia Able requested authorization to attend the NRECA Director's School in Branson, MO being held August 1 – 8, 2019, in order to obtain the Credentialed Director Certification. Upon motion made by Keith Lewis, seconded by Joe Sharpe, motion carried, Mrs. Able's attendance was approved.

President Rabon discussed the upcoming CEO's evaluation and requested Tim Hopkins to assist with this process.

**MEETING OF MEMBERS OF THE BOARD CONTINUED**

**July 22, 2019**

There being no further business to come before the Board, upon motion made, seconded, and carried, the meeting was adjourned.

Signed: \_\_\_\_\_  
Peggy B. Jeffcoat, Secretary

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