

REGULAR MEETING OF MEMBERS OF THE BOARD

August 27, 2018

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, August 27, 2018, at 12:30 p.m. at the Cooperative headquarters in Blythewood, South Carolina. The following trustees were present.

Mitchell D. Rabon	John E. Roberts, III	Donald K. Lewis
William C. Good	Timothy L. Hopkins	Peggy B. Jeffcoat
Allen L. Beer	Joseph E. Sharpe	Robert K. Miles
Robert Entzminger	John A. Bloodworth, Jr.	

Attorney Ken DuBose was also present.

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

Douglas M. Payne, V.P. Member Services, gave a presentation on the website design implementing the board's Transparency Policy. He also reported upcoming publications in the SC Living magazine will include a preview of the cooperative's board members.

Upon motion made by John Roberts, seconded by Robert Entzminger, motion carried, the minutes of the meeting held on July 30, 2018, were approved as presented.

Upon motion made by Tim Hopkins, seconded by John Bloodworth, motion carried, the 272 new consumers for the month of July were accepted as members of Fairfield Electric Cooperative, Inc.

Bruce G. Bacon, Interim Chief Executive Officer, introduced Vicky Melvin and reported she will present the financial and statistical reports at future board meetings after the retirement of Mark Connor in October. Mark Connor presented and discussed the financial and statistical reports for the month of July 2018. The cooperative's deferred revenue plan was presented, discussed, and approval deferred until the September board meeting as an agenda item for further consideration at that time.

Bruce Bacon discussed providing an anonymous hot line number for consumers to communicate to board members and presented a proposal from Navex Global for providing this service including training for an Ethics Compliance Hotline at a cost of \$2,300.00 annually with an initial set up fee of \$1,700.00. After discussion and upon motion made by Keith Lewis, seconded by John Roberts, the Navex Global proposal was approved.

Bruce Bacon reported Operation Round Up's board met on August 20th and made donations to several needy families, the Winnsboro Lions Club, and GRASP in Great Falls. The next Round Up board meeting will be held on October 15th at 5:00 p.m. at the cooperative's office in Blythewood.

Bruce Bacon reported five new security systems were sold in the last month and one other system was converted from another company.

Bruce Bacon reported the cooperative will be closed on Labor Day, September 3rd, and advised emergency personnel will be on standby for any outages or emergencies.

Bruce Bacon discussed health insurance and retirement plan cost increases and recommended management provide alternate NRECA retirement plan proposals for consideration and to hold the FinTrust Group evaluation proposal until the next meeting.

Bruce Bacon recommended moving Safety Bonuses to the Spring beginning 2019 and adding more emphasis on safety. Mr. Bacon recommended Christmas gifts and Safety Bonuses not be combined after this year.

Bruce Bacon discussed the employee Christmas party and advised alcohol will not be served at this event.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

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Bruce Bacon reported on NRECA's "Commitment to Zero Contacts" program and provided updates on the following: Central, Statewide, and the Electric Cooperative Governance Task Force Report.

A list of delinquent accounts totaling \$4,639.83 for the month of July 2018 was presented for consideration for write off as uncollectible. Upon motion made by William Good, seconded by Keith Lewis, 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 Allen Beer, seconded by John Roberts, motion carried, the following resolution was adopted:

The estates of 16 deceased members have requested the Board of Directors to give consideration to approving the retirement of \$7,898.49 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 \$7,898.49 be approved for payment. In addition, it should be noted 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.

Board representation for affiliated organizations was discussed. Upon motion made by Joseph Sharpe, seconded by Allen Beer, motion carried, appointments were made as follows upon completion of the current terms:

The Electric Cooperatives of SC	-	Bruce Bacon and John Bloodworth
CEE-US	-	Bruce Bacon and Robert Entzminger
Trustee Association	-	John Roberts

Joseph Sharpe discussed board representation for Central Electric Power Cooperative.

John Bloodworth provided an update on the Trustee Association.

There was no old business to come before the board.

Under new business, Peggy Jeffcoat requested that Beth Mason attend board meetings and take notes to be used in the Secretary's minutes for the meetings. Upon motion made by John Bloodworth, seconded by Tim Hopkins, motion carried, Mason's attendance was authorized.

Keith Lewis requested information as to director benefits to explore the feasibility of not offering medical coverage to new board members seated on the board.

There being no further business to come before the board, upon motion made, seconded, and unanimously approved, the meeting was adjourned.

Signed: _____
Peggy B. Jeffcoat, Secretary

ATTEST: _____
Mitchell D. Rabon, President