

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**

**LEXINGTON, SOUTH CAROLINA**

**MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES**

**May 26, 2021**

**AGENDA ITEM # 1**

**CALL TO ORDER:**  
(1:00 p.m.)

Marvin W. Sox, President/Chairman  
Clifford B. Shealy, Vice President/Vice Chairman  
Donette B. Kirkland, Secretary  
J. Allan Risinger, Treasurer  
J. Carey Bedenbaugh, Jr.  
Eddie C. Best, Jr.  
Kenneth E. Lindler  
Alan R. Lunsford  
Justin B. Watts (via Zoom)

**STAFF PRESENT:**

B. Robert "Bob" Paulling, President and CEO  
Theresa D. Crepes, VP, Finance and Accounting  
Robert A. Wilbur, VP, Operations  
Lee H. Ayers, VP, Engineering  
Troy A. Simpson, VP, Member Services  
Keith D. Sturkie, VP, Information Technology  
Vicki E. Ross-Bell, Administrative Services Manager

**ATTORNEY PRESENT:** J. David Black

**INVOCATION:** Marvin Sox

**PLEDGE OF ALLEGIANCE**

**AGENDA ITEM # 2**

**APPROVAL OF MINUTES:** Chairman Sox called the meeting to order and asked if there were any corrections, additions or deletions to the minutes of the regular monthly meeting held on April 28, 2021. There were no corrections, and Mr. Shealy made a motion to approve the minutes, as presented. The motion was seconded by Mr. Lindler and unanimously passed.

**See Resolution # 1**

### AGENDA ITEM # 3

**UNFINISHED BUSINESS:** There was no unfinished business to come before the Board at this time.

### AGENDA ITEM # 4

#### **DEPARTMENTAL REPORTING:**

**FINANCE AND ACCOUNTING:** Chairman Sox called on Mrs. Crepes for the Finance and Accounting report. Mrs. Crepes reported the year-to-date revenue was \$42,184,636, which is \$2,001,448 below budget at the end of April. The year-to-date cost of wholesale power was \$25,175,247, which is under budget by \$1,047,893. The year-to-date margins were \$1,863,672 which is \$191,616 above budget. Mrs. Crepes reported that equity was 22.75% at the end of April for an increase of .20%. The deferred credits account balance changed by \$372,633, and the ending balance was \$2,024,482.

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 1,256 kWh in April. Mid-Carolina's average bill was \$156.07 (account charge \$29.45) compared to Dominion's \$148.85 (account charge \$9.00), Duke – Carolina's \$142.76 (account charge \$11.96), and Duke – Progress \$144.94 (account charge \$11.78). Mrs. Crepes reported that CarolinaConnect has paid Mid-Carolina \$728,965 in fiber access fees year-to-date. There were no further questions or comments, and Chairman Sox thanked Mrs. Crepes for her report.

**OPERATIONS:** Chairman Sox called on Mr. Wilbur for the Operations report. Mr. Wilbur reported the locations and the service district that the Mid-Carolina and Contractor crews worked in April. The right-of-way crews are still working in the Circle, Leesville, Lake Murray and Irmo areas. There were 132 dead trees cut during the month. Mr. Wilbur stated the System Inspectors are still working in the Gilbert area. He reported that Tomberlin Pole inspectors have completed treatment in the Circle area, and they have started in the Lake Murray area. Mr. Wilbur gave an update of the ongoing SCDOT Projects. There were no further questions or comments, and Chairman Sox thanked Mr. Wilbur for his report.

**ENGINEERING:** Chairman Sox called on Mr. Ayers for the Engineering report. Mr. Ayers reported that the routine inspection and maintenance was completed in April. There were 11 additional electronic line reclosers connected to the SCADA system via the fiber optic cable system during the month. This now has 168 out of 241 recloser locations on SCADA. Mr. Ayers discussed the status of fiber optic construction in subdivisions.

Mr. Ayers then showed a chart graphing kWh purchased each month year-to-date from 2017-2021 with a five year running average. The next chart showed the kW Demand purchased each month year-to-date from 2017-2021 with a five year running average. The monthly outage report and notes for April were discussed. There were no further questions or comments, and Chairman Sox thanked Mr. Ayers for his report.

**MEMBER SERVICES:** Chairman Sox called on Mr. Simpson for the Member Services report. Mr. Simpson reported on several recent community events. He discussed an upcoming employee meeting on June 3, 2021, to discuss the strategic plan overview. Mr. Simpson stated the recent Clay Shoot was a success and raised money for the ALS Association (\$14,000) and the Southeastern Firefighter's Burn Foundation (\$13,000), which was presented to both organizations in April. He next discussed the *South Carolina Living* schedule through August 2021. There were no further questions or comments, and Chairman Sox thanked Mr. Simpson for his report.

**INFORMATION TECHNOLOGY:** Chairman Sox called on Mr. Sturkie for the Information Technology report. Mr. Sturkie reported there were 33,067 accounts enrolled in SmartHub as of May 1, 2021, which represents 56.9% of active accounts enrolled. In April, 79.7% of all payment transactions were made electronically, and 6.7% of payment transactions were entered manually through the Cooperative's cash-drawer application.

Mr. Sturkie reported that 52.6% of April payments were made by Credit Card. He then showed a comparison of the number of payment transactions made via the drive-thru window at the Lexington and Dutch Fork offices in April 2021 with 2,884 total payments compared to April 2020 with 2,519 total payments, and April 2019 with 4,633 total payments. There were 2,732 people on Pay As You Go, as of April 30, 2021. Mr. Sturkie next gave an update on the Cooperative's Cyber Security. There were no further questions or comments, and Chairman Sox thanked Mr. Sturkie for his report.

**ADMINISTRATION:** Chairman Sox called on Mrs. Ross-Bell for the Administration report. Mrs. Ross-Bell referred to the monthly Operation Round-Up report. In April, the Trust Board did not have a scheduled meeting, and therefore, doubled the donations to the Christian Ministries for a total donation of \$12,219. The Trust Fund balance at the end of the month was \$30,122.

Mrs. Ross-Bell reported the Trust Board Members whose term ends this year are Mr. Greg Black, Mrs. Daphne Ridgell and Mr. Gerry Spragg. Each would serve a three year term on the Board of Trustees of the Mid-Carolina Electric Trust (June 2021 to May 2024). After a brief discussion on each candidate, a motion was made by Mr. Risinger to approve the Trust Board members, as presented for the next three years. The motion was seconded by Mr. Shealy and unanimously passed.

### **See Resolution # 2**

Mrs. Ross-Bell reviewed the Board calendars through July 2021. She discussed the upcoming ECSC Summer Conference scheduled for June 7-9, 2021. There was a Board consensus that eight Board Members would attend the ECSC Summer Conference. There were no further questions or comments, and Chairman Sox thanked Mrs. Ross-Bell for her report.

**AGENDA ITEM # 5**

**PRESIDENT'S REPORT:** Chairman Sox called on Mr. Paulling for his report. Mr. Paulling reported there were no recordable accidents in April. He gave the employment report and stated a new GIS Technician started on May 17, 2021. There is still active recruitment for a Member Services Representative. Paulling next gave an update on Santee Cooper. There were no further questions or comments, and Chairman Sox thanked Mr. Paulling for his report.

**AGENDA ITEM # 6**

**ATTORNEY'S REPORT:** Chairman Sox called on Mr. Black for the legal report. Mr. Black discussed several pending legal matters. He discussed the Covid-19 risk management and protocols. There was no further questions or comments, and Chairman Sox thanked Mr. Black for his report.

**AGENDA ITEM # 7**

**CHAIRMAN'S REPORT:** Chairman Sox reported that the Board needs to select a Voting Delegate for Cooperative Finance Corporation "CFC" for the CFC Summit in June 2021. Mr. Shealy made a motion to appoint Mr. Marvin W. Sox as the Voting Delegate. The motion was seconded by Ms. Kirkland and unanimously passed.

**See Resolution # 3**

Chairman Sox discussed the Board conducting a self-evaluation. He stated that he is providing the Executive Committee with some sample questions to review and provide feedback on June 23, 2021. He had nothing further to report at this time.

**AGENDA ITEM # 8**

**COMMITTEE REPORTS:** Chairman Sox called on Ms. Kirkland for the Policy Committee report. Ms. Kirkland stated that Board Policy 103 – Regular and Special Board Meetings was reviewed by the Committee. There are no recommended changes to this policy. She then presented the recommended changes to Board Policy 104 – Trustee Meeting Attendance in Section II. Policy Content # 4 referencing the training and educational programs in Board Policy 101 – Trustee Duties and Responsibilities. Since the recommended changes are coming from the Policy Committee, a second is not needed. After a discussion, the Board voted unanimously to make the recommended changes to Board Policy 104.

**See Resolution # 4**

Chairman Sox thanked Ms. Kirkland for her report. He then called on Mr. Risinger who gave an update on the Retiree Welfare Benefit Trust Committee that met just prior to this meeting. The Trust Fund is doing well with a balance of \$21,759,000 on December 31, 2020. After withdrawing \$1 million for employee health care, and the increase in the market, the balance today is \$22,240,000. The Committee will continue to monitor the market and meet on a quarterly basis.

There were no other committee reports at this time.

#### **AGENDA ITEM # 9**

**ASSOCIATED MEETING REPORTS:** Chairman Sox called on Mr. Paulling to give a report on CarolinaConnect. Mr. Paulling stated that CarolinaConnect's Board Meeting was the prior day. There is a substation projected to go live for Aiken and one for Newberry in June 2021. CarolinaConnect currently has 14,332 customers, with a breakdown of 10,630 with Mid-Carolina and 3,702 with Newberry.

Mr. Risinger reported that Central met earlier in the month. Central is looking at a 10-year plan on growth, system design and continuing to provide efficient and affordable power to Cooperative members. Overall energy use among the Cooperatives is down 4%.

Mr. Paulling stated that CEEUS is doing well, and the Executive Committee held a strategic planning meeting earlier in the month.

Ms. Kirkland reported on the Communications Committee meeting held earlier in the month. The SC Virtual Tour will be held June 21 – 25, 2021.

Mr. Shealy reported that the ECSC Trustee Association will meet in June at the Summer Conference.

Chairman Sox reported that everything is going well with Federated. He was elected Vice Chair for a two year term.

Mr. Paulling reported that the SC Power Team is doing well.

Mr. Lunsford attended a NRECA online course, How to Evaluate and Improve Board Performance, earlier this month. He stated the course included a discussion on Board self-evaluation, which should be done every other year. There were no other reports at this time.

#### **AGENDA ITEM # 10**

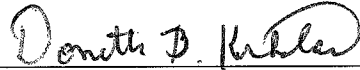
**NEW BUSINESS:** Chairman Sox called for any new business. There was no new business to come before the meeting at this time. A motion was made by Ms. Kirkland to enter into executive session. The motion was seconded by Mr. Shealy and unanimously passed.

**AGENDA ITEM # 11**

**EXECUTIVE SESSION:** There was no action taken during the executive session.

**AGENDA ITEM # 12**

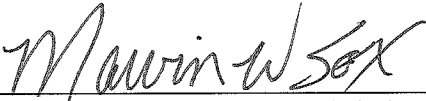
**ADJOURNMENT:** There was no further business, and the meeting was adjourned at 4:25 p.m.



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Donette B. Kirkland, Secretary

**APPROVAL:**



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Marvin W. Sox, President/Chairman of the Board

**S.C. 37 LEXINGTON**

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**

**RESOLUTION**

**# 1**

**WHEREAS**, the Board of Trustees reviewed and made no changes to the minutes of the regular monthly meeting held on April 28, 2021; and

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the minutes for the regular meeting held on April 28, 2021, as presented.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 26<sup>th</sup> day of May 2021, at which meeting a quorum was present.



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Donette B. Kirkland, Secretary

**S. C. 37 LEXINGTON**  
**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**

**RESOLUTION**

**# 2**

**WHEREAS**, the Board of Trustees is responsible for making appointments to the Board of Directors of the Mid-Carolina Electric Trust; and

**WHEREAS**, the Board of Trustees has decided to reappoint three Trust Board Members to serve on the aforesaid Board of Directors;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby reappoints Mr. Greg Black, Mrs. Daphyne Ridgell and Mr. Gerry Spragg. All three will each serve a three year term on the Board of Directors of the Mid-Carolina Electric Trust (June 2021 to May 2024). Each appointee shall serve until their successor is duly appointed.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 26<sup>th</sup> day of May 2021, at which meeting a quorum was present.

  
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Donette B. Kirkland, Secretary



**S.C. 37 LEXINGTON**  
**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**

**RESOLUTION**

**# 3**

**WHEREAS**, the Board of Trustees is responsible for selecting a Voting Delegate and for the upcoming Cooperative Finance Corporation “CFC” meeting; and

**WHEREAS**, the Board of Trustees desires to appoint the within named person as the Voting Delegate to the aforesaid meeting;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby appoints the Voting Delegate to the Cooperative Finance Corporation “CFC” meeting in June 2021.

**CFC**

Voting Delegate

Mr. Marvin W. Sox

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 26<sup>th</sup> day of May 2021, at which meeting a quorum was present.

  
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Donette B. Kirkland, Secretary

**S.C. 37 LEXINGTON**

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**

**RESOLUTION**

**# 4**

**WHEREAS**, Ms. Kirkland reviewed the current Board Policy 104 – Trustee Meeting Attendance, and it was presented with recommended changes to II. Policy Content # 4 referencing the training and educational programs in Board Policy 101 – Trustee Duties and Responsibilities; and

**WHEREAS**, after careful consideration and discussion, the Board agrees with the recommended changes;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the recommended changes to Board Policy 104, as presented, and the policy is attached hereto.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 26<sup>th</sup> day of May 2021, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.  
BOARD OF TRUSTEES POLICY 104**

**SUBJECT: TRUSTEE MEETING ATTENDANCE**

**I. OBJECTIVE**

To establish a policy to govern the attendance of Trustees at meetings, conferences and training.

**II. POLICY CONTENT**

A. Regular and Special Meetings – While absences are inevitable, it is expected that Trustees attend all regular and special meetings of the Board. Members that consider serving on the Board should understand the time demands necessary to attend these meetings.

B. Other Meetings and Training Sessions

1. The Cooperative encourages its Trustees to attend national, regional, state, educational and special meetings that will enable them to develop, improve and be better able to serve membership.
2. The Cooperative views attendance at such meetings as educational and broadening of the viewpoints, knowledge and experience of its Trustees. In view of this, Trustees will be expected to report to their fellow Trustees at the next Board meeting on ideas, techniques and developments of value to the Cooperative about which they learned at these meetings.
3. To ensure an equitable rotation of Trustees attending either the NRECA annual or regional meeting, the Trustees should attend either the annual or regional meeting within the calendar year but not both without specific Board approval. It is the desire of the Board that Trustees attend other meetings affecting the Cooperative or meetings that will provide them with information to better carry out their responsibilities.
4. ~~Each Trustee is expected to attend training and educational programs. Please reference Board Policy 101 – Trustee Duties and Responsibilities under II. Policy Content (H) for requirement guidelines. become credentialed under the Credentialed Cooperative Director program of the National Rural Electric Cooperative Association. To achieve this credential, each Trustee is encouraged to attend at least one Board training program each year.~~

**III. RESPONSIBILITY**

The Board of Trustees is responsible for the administration of this policy.