

MID-CAROLINA ELECTRIC COOPERATIVE, INC.
ANNUAL MEETING OF MEMBERS
April 5, 2025

The 2025 Annual Business Meeting of the members of Mid-Carolina Electric Cooperative, Inc. was held at the Cooperative's Headquarters Office in Lexington County, South Carolina on April 5, 2025. The Annual Business Meeting was called to order and declared to be open and on live stream at 7:30 p.m. by the Chairman of the Board, Mr. Marvin W. Sox.

In addition to Chairman Sox, the Cooperative's CEO, Mr. B. Robert Paulling, and the other eight Board Members were present, as follows: Vice Chairman, Mr. Alan R. Lunsford; Secretary, Ms. Donette B. Kirkland; Treasurer, Mr. J. Allan Risinger, Mr. J. Carey Bedenbaugh, Mr. Eddie C. Best, Mr. Kenneth E. Lindler, Mr. Mark A. Svrcek and Mr. Justin B. Watts.

Chairman Sox appointed Mr. David Black, the Cooperative's General Counsel, as Parliamentarian. The invocation was given by the Cooperative's Vice President of Member Services, Mr. Troy Simpson. Chairman Sox thanked Mr. Simpson for the invocation. He then led the Pledge of Allegiance, and the National Anthem followed.

Chairman Sox reported that the Cooperative's Bylaws require that a quorum for the annual meeting is established when at least 5% of the members have registered. The minimum number required for a quorum for this Annual Meeting was 2,552 members.

The Cooperative held registration and voting earlier today, Saturday, April 5th at Beechwood Middle School and Chapin Middle School. The Secretary of the Board signed a certification that 5,990 members registered for this meeting. That number is substantially higher than the number required for a quorum. Therefore, the Chair hereby determines and declares that a quorum of its members has registered, and we shall continue with the further business of this meeting.

The next item of business was the reading of the Official Notice of this Meeting and the proof of mailing that notice to the members. Chairman Sox reported that an Official Notice of this Annual Meeting had been mailed to each of the 51,403 members of the Cooperative.

As required by the Bylaws, the Official Notice states the place, date and hour of the meeting, and the purpose for which the meeting was being held. Once again, the registration cards were attached to the March issue of the *South Carolina Living* magazine. The Secretary of the Cooperative had furnished proof of the actual mailing of the Official Notice which consisted of a notarized certification stating that on March 3, 2025, the Official Notice was given by depositing in the United States mail on that day with postage prepaid. An Official Notice of this 2025 Annual Meeting was addressed to each member of the Cooperative. The appropriate receipts from the mailing service and the US Postal Service are attached to the certification.

Chairman Sox next commented that the Board of Trustees, whom you elect, is directly responsible for the proper management and operation of the Cooperative. He commended the Board of Trustees for the excellent job they have done over the years. Chairman Sox then introduced the members of the Cooperative's Board of Trustees:

- Chairman from District 5 – Mr. Marvin W. Sox (Oak Grove area)
- Vice-Chairman from District 7 – Mr. Alan R. Lunsford (Irmo/Spring Hill area)
- Secretary from District 8 – Ms. Donette B. Kirkland (West Columbia)
- Treasurer from District 2 – Mr. J. Allan Risinger (Batesburg-Leesville area)
- District 1 – Mr. J. Carey Bedenbaugh (Saluda/Hollywood area)
- District 3 – Mr. Eddie C. Best (Irmo area)
- District 6 – Mr. Kenneth E. Lindler (Chapin/Little Mountain area)
- District 4 – Mr. Mark A. Svrcek (Lexington area)
- District 9 – Mr. Justin B. Watts (Gilbert area)

The presentation of information and reports was the next item of business. Chairman Sox reported that the Cooperative's financials for the year ending December 31, 2024, were audited by the accounting firm of McNair, McLemore, Middlebrooks & Company, LLP. The Cooperative received a clean unmodified opinion. The Audit Report was presented in detail to the Board at the February 26, 2025, meeting. The Annual Report is on the website under the About Tab on the home page. Chairman Sox stated that anyone who wishes to receive a printed copy of the report can contact the Cooperative.

Chairman Sox next called on Chief Executive Officer, Mr. Bob Paulling for his personal report. Mr. Paulling first welcomed the members and thanked them for attending this Annual Meeting. He stated that in 1994, the Cooperative started the Operation Round-Up program, and currently, approximately 90% of the membership contributes to the program by rounding up their electric bill to the next whole dollar, which averages about \$0.45 per month. In 2024, donations totaled over \$309,000 helping nearly 52 families directly and hundreds more each month through the community outreach organizations that the Trust supports. The Trust Board has partnered with 78 local schools through the Snack Pack and Backpack programs, so kids will have food at home on the weekends. The total donation now exceeds \$7.2 million since Operation Round-Up began in 1994.

Mid-Carolina would like to show our appreciation to the nine volunteer Board Members who meet to administer the program.

- Mr. Stan Shealy, Chairman – Chapin
- Reverend Rus Stilwell, Vice Chairman – Lexington
- Mrs. Virginia Bishop, Secretary – Lexington
- Mr. Frank Capobianco, Treasurer – Lexington
- Mr. John Beerman – West Columbia
- Mr. Greg Black – Irmo
- Mr. Doug Martin - Irmo
- Mrs. Daphyne Ridgell - Batesburg
- Mrs. Tonya Rodgers - Batesburg

Mr. Paulling thanked them for their volunteer service of meeting regularly to go over the detailed applications and make sure the funds are administered in a responsible manner.

Mr. Paulling reported that in 1964, President Lyndon Johnson created the Washington Youth Rally. Since that time, over 56,000 students from rural areas and small towns across America have participated in this unique program. They have walked away from this experience as better leaders, better citizens, and with renewed pride in our country, knowing that they can make a difference. This summer, approximately 1,600 students from 47 states will spend a week experiencing the excitement of Washington, DC and become more informed about the electric cooperative program. Mr. Paulling recognized the delegates that will be representing Mid-Carolina Electric Cooperative.

- Aroosh Quazi – River Bluff
- Emily You - River Bluff
- Taryn Smoak – Lexington
- “Dasha” Hutcheson – White Knoll

Mr. Paulling congratulated these students.

The Cooperative Youth Summit is the SC version of the Youth Tour being held this summer. Mr. Paulling recognized the delegates that will be representing Mid-Carolina Electric Cooperative.

- Kendal Robinson – White Knoll
- Wells Carter – River Bluff

Mr. Paulling congratulated these students.

In 2014, South Carolina’s electric cooperatives assumed the primary sponsorship of the North-South All-Star Football game played each December and renamed it the Touchstone Energy Bowl. The game began in 1947 to highlight the best high school football players in South Carolina. Each spring, the High School Football Coaches Association selects the head coaches for each team. Every October, a committee of high school coaches select 88 seniors from all regions of the state to participate in the game. Mid-Carolina Electric Cooperative was proud to have 13 players from our service area, as follows:

- Avery Jones – Airport
- Montrell Keys - Airport
- John Sawyer – Batesburg-Leesville
- Jvonn Edwards – Brookland-Cayce
- Brady Albro – Chapin
- Maurice Anderson – Dutch Fork
- Connor Gooding – Gilbert
- Artem Kalinkin – Lexington
- Matt McAulay - Lexington
- Aaron Griffin - River Bluff
- Tripp Bryant – River Bluff
- Landon Sharpe – White Knoll
- Donovan Sims – White Knoll

Mr. Paulling congratulated these athletes for their achievement.

Mr. Paulling explained the Cooperative's Bright Ideas Program. Years ago, teachers' funding for classrooms started dwindling. The Cooperatives came up with an idea to help the teachers, who can apply for a grant to purchase a learning tool for their classroom. There were 72 applications in 2024, and the Cooperative awarded \$19,081 to the 20 winners from 15 different schools listed below:

2024 MCEC Bright Ideas Grant Winners:

- Collin Richardson – Airport High
- Caitlin White – Airport High
- Corey Bedenbaugh – Batesburg/Leesville Middle
- Laura Bishop – Batesburg/Leesville Middle
- Ivey Hatfield – Batesburg/Leesville Middle
- Kimberly Hardin – Brookland-Cayce High
- Anna Faust-Andrews – Carolina Springs Middle
- Stephanie Price – Centerville Elementary
- Heather Studer – Chapin Middle
- Jaime Chason – Dutch Fork High
- Grace Fields – Dutch Fork High
- Carl Tilson – Dutch Fork High
- Cherisha Floyd – Irmo High
- Paul Duggan – Leaphart Elementary
- Daniel Cummins – Lexington Technology Center
- Jennifer Farmer – Meadow Glen Middle
- Leigh Ann Senn – Midway Elementary
- Craig Andrysczyk – Oak Pointe Elementary
- Meredith Miller-Rikard – Saluda Elementary
- Hillarie Collins – Saxe Gotha Elementary

Mr. Paulling congratulated these teachers for their “Bright Ideas”.

Mr. Paulling stated that over the past 36 years, Mid-Carolina has provided nearly \$310,000 in scholarships to area high school seniors. The judges are asked to select all-around students whose personal and academic principals emulate Mid-Carolina's principals. There were 60 applications received this year, and the evaluation process is currently taking place. There will be seven \$4,000 scholarships awarded later this month.

Mr. Paulling discussed two Cooperative fundraisers. The first is the WIRE (Women Involved in Rural Electrification) Golf Tournament held in October 2024, which was the 19th Annual. This fundraiser supports Becky's Place at Lexington Medical Center. The Cooperative donated \$18,000 to Becky's Place this year, bringing the total to over \$240,000. The second fundraiser is the Sporting Clays Shooting Event, and the 10th Annual was held on February 21, 2025. The Cooperative raised nearly \$30,000 for the Joseph Stills Burn Center in Augusta, GA, bringing the total raised to \$225,000.

Mr. Paulling stated that every single day he gets to see servant leadership displayed throughout the Cooperative, and that is the key ingredient that makes Mid-Carolina Electric Cooperative so special. A servant leader focuses primarily on the growth and well-being of the people they lead and the communities to which they belong. While traditional leadership generally involves the accumulation and exercise of power by the ones at the “top of the pyramid,” servant leadership is different. Mid-Carolina’s pyramid is inverted. The servant leader shares the power and puts the needs of others first, and helps people develop and perform as highly as possible.

This past month, the Cooperative returned \$3.5 million back to the membership. Capital credits are returned in a hybrid method. Therefore, \$1.75 million was returned to the members that were on the Cooperative’s system in 2024, and the other \$1.75 million to the oldest outstanding balances which is the year 2011. If you were a member in both years, you received both.

Mr. Paulling discussed the electric utility industry, and the impact rising costs has had on the Cooperative. He referred to his report at the last annual meeting when he talked about the rising cost in the Cooperative’s future, and the primary focus on communicating that message throughout the year. The goal is to always be as transparent to you as we can. Of course, as we all know we had to make a rate adjustment back in January 2025 to recover the necessary revenue needed for daily operations. There were a number of members to tell us that their January 2025 bill was the highest bill they had ever had, and in fact, Mid-Carolina’s January bill was by far the highest power bill the Cooperative has ever had as well. As projected, the Cooperative has experienced about a 20% increase in wholesale power cost and are doing everything possible to pass as little of that to our members. The Cooperative truly understands how your power bill directly impacts your family or business.

Mr. Paulling then reported on the politics of it all. The actions and decisions made on Capitol Hill and at the S.C. Statehouse really impact your electric bill. Just this week the S.C. Senate debated an amendment to the proposed “energy bill” that would allow an entity to choose their power supplier and in essence jump from one to the other. Power systems are very capital intensive and are built to serve loads and recover the cost over many decades. This would leave the other members to pay the stranded cost and the only entity to benefit would be the one that left for cheaper power.

Mr. Paulling stated that through a grass-roots effort, many Cooperative members participated in an electronic letter writing campaign. Letters were sent to the member’s Senator letting them know how bad of an idea passing this amendment would be. Thankfully, the amendment was defeated. Mr. Paulling reported that he has spent a lot of time at the S.C. Statehouse, as well as on Capitol Hill preaching about the need for new generation here in South Carolina. The Cooperatives need to stay ahead of the generation need from the unprecedented growth in South Carolina. There are current debates in the Statehouse on allowing new generation to be built.

Mr. Paulling discussed the creation of CarolinaConnect nine years ago. As of the summer of 2024, CarolinaConnect Internet service is available to all businesses and residences on the Cooperative’s system. The exception is apartment complexes, and the Cooperative is currently working hard to figure out how to install the fiber needed for CarolinaConnect to provide internet to those homes. Mr. Paulling urged any members who have not yet signed up for CarolinaConnect service, to simply go to the Cooperative’s website or CarolinaConnect website to sign up and experience the best internet service.

Mr. Paulling thanked the Board and employees for all they do for Mid-Carolina Electric Cooperative.

Chairman Sox proceeded with the order of business. As a matter of unfinished business, Chairman Sox thanked Lexington County School District One Superintendent, Dr. Gerrita Postlewait; the Principal of Beechwood Middle School, Ms. Leah Sarantopoulos; the Superintendent of Lexington/Richland District Five, Dr. Akil Ross; and the Principal of Chapin Middle School, Dr. Stephanie Huckabee, as well as all school district officials, we thank you for your cooperation and help with our Annual Meeting.

Chairman Sox next called on the Cooperative's General Counsel, Mr. David Black to handle the business of the Cooperative. Mr. Black stated that the first order of business is the reading and approval of the minutes of the 2024 Annual Meeting that was held on April 13, 2024. These minutes contain a narrative statement of the business transacted at that meeting, and a list of the members who had registered. Mr. Black reported he would read the minutes, if so desired, but he also entertained a motion to dispense with the formal reading of the minutes, and that the minutes of the 2024 Annual Meeting be approved, as presented by the Secretary. A motion was then made and seconded that the reading of the minutes be dispensed with, and that the minutes of the 2024 Annual Meeting be approved, as presented by the Secretary of the Cooperative. The motion passed, and Mr. Black stated these approved minutes will be posted on the Cooperative's website.

Mr. Black reported the second order of business is to present the candidates to serve on the Board of Trustees for Mid-Carolina Electric Cooperative. Pursuant to the Cooperative's Bylaws, the business affairs are managed by a Board of Trustees of nine members. One of the most important things that are done at the Cooperative's annual meeting is to elect Board Members. Mr. Black stated that in accordance with the Bylaws, notice of Board District seats up for election were furnished to the members in November 2024 through *South Carolina Living*. The notice stated the following three seats were up for election for Mid Carolina Electric Cooperative's Board of Trustees: Districts 7, 8 and 9 for the term 2025-2028. The following candidates have applied and have been found to be qualified by the Nomination and Qualifications Committee. District 7, Alan R. Lunsford, District 8, Donette B. Kirkland, and District 9, Justin B. Watts.

Article III, Section 6 states: "If only one individual is nominated to run for election for a Trustee position scheduled for election by Members at the Annual Meeting, then the individual presiding at the Annual Meeting may announce that the nominated individual is elected by acclamation and no vote is required."

Because there is not a contested election for the three Trustee seats, the candidates are hereby elected and seated by acclamation. Mr. Black congratulated Mr. Lunsford, Ms. Kirkland and Mr. Watts.

Chairman Sox thanked Mr. Black and then asked for any new business. There was no new business at this time. A motion was made to adjourn the meeting. The motion was seconded and unanimously passed. Chairman Sox announced the prize winners and adjourned the Cooperative's 2025 Annual Meeting.



Donette B. Kirkland, Secretary

Approved:



Marvin W. Sox, President and Chairman of the Board