

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**  
**LEXINGTON, SOUTH CAROLINA**  
**MINUTES OF SPECIAL ZOOM MEETING OF BOARD OF TRUSTEES**

**February 3, 2021**

**AGENDA ITEM # 1**

**CALL TO ORDER:** (3:30 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 V. Frick  
  Alan R. Lunsford  
  Justin B. Watts

**STAFF PRESENT:**                   B. Robert “Bob” Paulling, President and CEO  
  Theresa D. Crepes, VP, Finance and Accounting  
  Vicki E. Ross-Bell, Administrative Services Manager

**INVOCATION:**                   Marvin Sox

**AGENDA ITEM # 2**

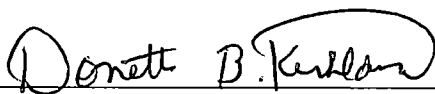
**CEO PRESENTATION:** Chairman Sox called the meeting to order and asked Mr. Paulling for his presentation. Mr. Paulling recommended adjusting Times Interest Earned Ratio “TIER” from 1.5 to 3.0 for the month of December 2020. This adjustment sets the TIER at 1.63 for 2020. This allows Mid-Carolina to satisfy the Average Modified Debt Service Coverage “MDSC” covenant required by National Rural Utilities Cooperative Finance Corporation “CFC”. Mr. Paulling also recommended to set TIER at 1.65 for 2021, which is up from the budgeted TIER of 1.50 for 2021.

Mr. Paulling reviewed the deferred credits chart, and with this TIER adjustment, the deferred credits year-end balance will be \$906,443. Mr. Paulling also reviewed the equity position, and with this adjustment, the equity at the end of December 31, 2020, will be 23.92%. Mr. Shealy made a motion to approve the recommendations, as presented. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

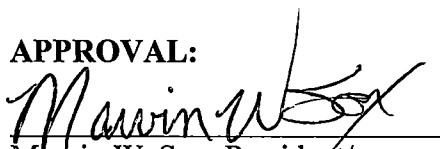
**See Resolution # 1**

**AGENDA ITEM # 3**

**ADJOURNMENT:** There was no further business, and a motion was made by Mr. Frick to adjourn the meeting. The motion was seconded by Mr. Bedenbaugh and unanimously passed. The meeting was adjourned at 3:50 p.m.

  
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Donette B. Kirkland, Secretary

**APPROVAL:**

  
\_\_\_\_\_  
Marvin W. Sox, President/  
Chairman of the Board

**S. C. 37 LEXINGTON**

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

**RESOLUTION**

**# 1**

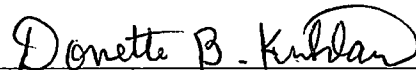
**WHEREAS**, Mr. Paulling recommends adjusting TIER from 1.5 to 3.0 for the month of December 2020, yielding an average TIER of 1.63 for 2020. This allows MCEC to satisfy the Average Modified Debt Service Coverage “MDSC” covenant required by National Rural Utilities Cooperative Finance Corporation “CFC”; and

**WHEREAS**, Mr. Paulling also recommends to set TIER at 1.65 for the year of 2021; and

**WHEREAS**, after careful consideration, the Board of Trustees approves the recommendation;

**NOW THEREFORE BE IT RESOLVED**, by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves to increase TIER from 1.5 to 3.0 for the month of December 2020 and to set the 2021 TIER at 1.65.

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 special meeting duly assembled on the 3<sup>rd</sup> day of February 2021, at which meeting a quorum was present.



Donette B. Kirkland, Secretary