

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

**July 28, 2021**

**AGENDA ITEM # 1**

**CALL TO ORDER:** Marvin W. Sox, President/Chairman  
(1:00 p.m.) 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

**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:** Chris Koon

**INVOCATION:** Alan Lunsford

**PLEDGE OF ALLEGIANCE**

**AGENDA ITEM # 2**

**APPROVAL OF MINUTES:** Chairman Sox called the meeting to order and stated that Mr. Black would not be in attendance today, and he welcomed Mr. Koon. He then asked if there were any corrections, additions or deletions to the minutes of the regular monthly meeting held on June 23, 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 \$64,370,196, which is \$2,917,298 below budget at the end of June. The year-to-date cost of wholesale power was \$38,699,027, which is under budget by \$1,297,252. The year-to-date margins were \$2,831,068 which is \$11,977 above budget. Mrs. Crepes reported that equity was 22.78% at the end of June for a decrease of -0.20%. The deferred credits account balance changed by -\$40,583, and the ending balance was \$2,650,593.

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 1,562 kWh in June. Mid-Carolina's average bill was \$177.34 (account charge \$28.50) compared to Dominion's \$196.93 (account charge \$9.00), Duke – Carolina's \$177.73 (account charge \$11.96), and Duke – Progress \$169.70 (account charge \$11.78). She then presented a rate comparison chart showing an average annual usage of 18,982 kWh. Mid-Carolina's average annualized bill was \$2,191.12 (account charge \$346.75) compared to Dominion's \$2,297.62 (account charge \$108.00), Duke – Carolina's \$2,222.85 (account charge \$143.52), and Duke – Progress \$2,195.29 (account charge \$141.36).

Mrs. Crepes reported that CarolinaConnect has paid Mid-Carolina \$1,042,081 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 June. The right-of-way crews are still working in the Circle, Leesville, Lake Murray and Irmo areas. There were 173 dead trees cut during the month. Mr. Wilbur stated the System Inspectors continue working in the Barr Substation area. He reported that Tomberlin Pole inspectors are still working in the Lake Murray area, and they inspected 2,135 poles in June. 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 June. There were 21 additional electronic line reclosers connected to the SCADA system via the fiber optic cable system during the month. This now has 203 out of 239 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 June 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 the number of members who walked into the office since the re-opening on June 15, 2021. There were 312 walk-ins during the month of June, and 597 walk-ins through July 27, 2021. Mr. Simpson then gave a synopsis of the Cooperative's website analytics, which points out that most users are on mobile devices. He then gave a summary of this year's Virtual Youth Experience.

Mr. Simpson discussed Digital Messaging for the Cooperative, and the Lexpo held at River Bluff High School in June. He next discussed the *South Carolina Living* schedule through October 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 33,397 accounts enrolled in SmartHub as of July 1, 2021, which represents 57.3% of active accounts enrolled. In June, 79.1% of all payment transactions were made electronically, and 5.2% of payment transactions were entered manually through the Cooperative's cash-drawer application. Mr. Sturkie reported that 52.9% of June payments were made by Credit Card.

Mr. Sturkie then showed a comparison of the number of payment transactions made via the drive-thru window at the Lexington and Dutch Fork offices in June 2021 with 3,259 total payments compared to June 2020 with 3,083 total payments, and June 2019 with 4,267 total payments. There were 2,763 people on Pay As You Go, as of June 30, 2021. Mr. Sturkie 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 June, the Trust Board approved 9 applications out of 13 for a total distribution of \$16,867. The Trust Fund balance at the end of the month was \$50,535.

Mrs. Ross-Bell reviewed the Board calendars through October 2021. She stated that Chairman Sox and Mr. Paulling are the only two people who have expressed an interest in attending the NRECA Regional Meeting in Birmingham, AL that will be held October 6-7, 2021. Ms. Kirkland made a motion to approve Chairman Sox and Mr. Paulling attending the NRECA Regional Meeting. The motion was seconded by Mr. Bedenbaugh and unanimously passed. 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 June. He gave the employment report and stated a new Line Technician started on June 28, 2021, and three new Member Services Representatives began employment with the Cooperative in July.

Mr. Paulling then presented information on the six employee strategic teams involving member care and employee care. He highlighted the work that had been accomplished since the end of 2020, as well as projects they are working on for the third and fourth quarters in 2021. Mr. Paulling will give a quarterly report on the status of these team's projects. 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. Koon for the legal report. Mr. Koon gave a brief report on several pending legal matters. There were no further questions or comments, and Chairman Sox thanked Mr. Koon for the report.

### **AGENDA ITEM # 7**

**CHAIRMAN'S REPORT:** Chairman Sox had nothing to report at this time.

### **AGENDA ITEM # 8**

**COMMITTEE REPORTS:** Chairman Sox stated the Compensation Committee met just prior to this meeting to review the Board Self-Evaluation forms submitted earlier in the month. The Committee is also working on the CEO appraisal. These evaluations will be discussed during executive session.

Chairman Sox next called on Ms. Kirkland for the Policy Committee report. Ms. Kirkland stated that Board Policy 107(A) – Ethics and Policy 107(B) – Conflicts of Interest and the Ethics and Conflicts of Interest Certification and Disclosure Form were reviewed by the Committee and provided to the Board prior to this meeting. There were no recommended changes to either policy. The policies will reflect that they were reviewed by the Board. Chairman Sox thanked Ms. Kirkland for her report.

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 held on July 27, 2021. CarolinaConnect now has 14,707 customers.

Mr. Risinger reported that Central met earlier in the month, and everything is going well.

Ms. Kirkland reported that Statewide and CEEUS will have their board meetings the following week on August 5, 2021. She gave an update on a Communications meeting that was held on July 27, 2021.

Mr. Paulling stated that the CEEUS Executive Committee met during the month to review the budget, which will go to the full CEEUS Board at their next meeting.

Chairman Sox reported there is another Federated meeting next week. He stated claims are on the rise, especially with wild fires and line contacts with employees and the general public.

Mr. Paulling reported that everything is going well with the SC Power Team.

Ms. Kirkland and Mr. Lindler gave reports on the NRECA online courses they took since the last meeting.

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 Mr. Shealy to enter into executive session. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

**AGENDA ITEM # 11**

**EXECUTIVE SESSION:** During executive session, the Board discussed the results of the Board Self-Evaluation in detail. The CEO appraisal will be reviewed and discussed at the August meeting. There was no action taken in executive session.

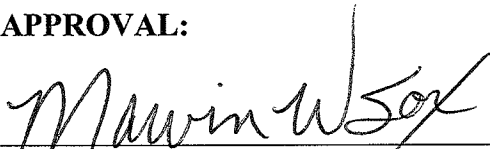
**AGENDA ITEM # 12**

**ADJOURNMENT:** There was no further business, and the meeting was adjourned at 4:05 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 June 23, 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 June 23, 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 28<sup>th</sup> day of July 2021, at which meeting a quorum was present.

  
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Donette B. Kirkland, Secretary