

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

**LEXINGTON, SOUTH CAROLINA**

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

**November 23, 2021**

**AGENDA ITEM # 1**

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

Marvin W. Sox, President/Chairman  
Clifford B. Shealy, Vice President/Vice Chairman (via Zoom)  
J. Allan Risinger, Treasurer  
Donette B. Kirkland, Secretary  
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  
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:** Troy Simpson

**PLEDGE OF ALLEGIANCE**

**AGENDA ITEM # 2**

**APPROVAL OF MINUTES:** Chairman Sox called the meeting to order. He then asked if there were any corrections, additions or deletions to the minutes of the last regular monthly meeting held on October 27, 2021, or the regular budget presentation meeting held on October 20, 2021. Mr. Lunsford pointed out a date that needed to be corrected on the October 20, 2021 minutes, and then he made a motion to approve both sets of minutes, as presented, with that one change. The motion was seconded by Mr. Lindler and unanimously passed.

**See Resolution # 1**

### **AGENDA ITEM # 3**

**UNFINISHED BUSINESS:** Chairman Sox stated the 2022 Proposed Budget was presented to the Board on October 20, 2021, and it was also discussed at the meeting held on October 27, 2021. Mr. Paulling reviewed the highlights of the proposed budget again, and he stated that the overall budget is less than a 1% increase over the 2021 Budget. Chairman Sox asked for any comments or questions. There were no questions or comments, and Ms. Kirkland made a motion to approve the 2022 Budget, as presented. The motion was seconded by Mr. Shealy and unanimously passed.

### **See Resolution # 2**

There was no other unfinished business to come before the Board at this time.

### **AGENDA ITEM # 4**

#### **DEPARTMENTAL REPORTING:**

**FINANCE AND ACCOUNTING:** Chairman Sox called on Mr. Paulling for the Finance and Accounting report. Mr. Paulling reported the year-to-date revenue was \$108,781,945 which is \$6,742,569 below budget at the end of October. The year-to-date cost of wholesale power was \$65,479,355, which is under budget by \$3,346,580. The year-to-date margins were \$5,696,993, which is \$96,901 below budget. Mr. Paulling reported that equity was 23.13% at the end of October for an increase of 0.39%. The deferred credits account balance changed by -\$330,697, and the ending balance was \$5,672,677.

Mr. Paulling then presented a rate comparison chart showing an average residential usage of 1,408 kWh in October. Mid-Carolina's average bill was \$157.37 (account charge \$29.45) compared to Dominion's \$170.00 (account charge \$9.50), Duke – Carolina's \$160.70 (account charge \$11.96), and Duke – Progress \$165.17 (account charge \$11.78). He then presented a rate comparison chart showing an average annual usage of 19,340 kWh. Mid-Carolina's average annualized bill was \$2,197.58 (account charge \$346.75) compared to Dominion's \$2,338.90 (account charge \$109.00), Duke – Carolina's \$2,190.42 (account charge \$143.52), and Duke – Progress \$2,192.35 (account charge \$141.36).

Mr. Paulling reported that Mid-Carolina has received fiber income from CarolinaConnect in the amount of \$1,832,264 year-to-date. There were no further questions or comments, and Chairman Sox thanked Mr. Paulling for the 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 October. He then gave an update on the number of service orders that have been processed by the Staking Technicians since January 2021. The right-of-way crews completed their work in Irmo, and they are still working in the Circle, Leesville, and Lake Murray areas. There were 136 dead trees cut during the month. Mr. Wilbur stated the System Inspectors are still working in the Edmund Substation area. Mr. Wilbur gave an update of the ongoing SCDOT Projects. He showed a video of the relocation project on I-26 at Exit 97 that took place early on Sunday morning, November 14, 2021. 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 October. The final transformer protective relays in Hollingshed Sub have been upgraded. This completes relay upgrades for Hollingshed Substation. Mr. Ayers discussed the status of fiber optic construction in subdivisions. He then showed a chart graphing MWh purchased each month year-to-date from 2017-2021 with a five year running average. The next chart showed the MW Demand purchased each month year-to-date from 2017-2021 with a five year running average. The monthly outage report and notes for October 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 showed multiple photos and discussed how Mid-Carolina has connected with the community during recent events. He then showed the Cooperative's recent Facebook Ads. Mr. Simpson discussed the *South Carolina Living* schedule through March 2022. 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 34,433 accounts enrolled in SmartHub as of November 1, 2021, which represents 58.9% of active accounts enrolled. In October, 79.8% 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 53.1% of October payments were made by Credit Card. There were 2,874 people on Pay As You Go, as of October 31, 2021. Mr. Sturkie then 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 October, the Trust Board approved 48 applications out of 52 for a total distribution of \$48,040. The Trust Fund balance at the end of the month was \$30,894. Mrs. Ross-Bell reported that an additional 140 Kid's Bags were put together at the last Trust Board meeting for delivery to schools before the holidays. She showed an example of the bags, and discussed the importance of this program. The Board calendars were reviewed through January 2022. 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 stated there were no recordable accidents in October. He reported there is active recruitment for a Line Technician, Member Services Representative, Fiber Construction Technician, and a Fiber Lead Construction Technician. There is also recruitment for an Apparatus Crew Leader, due to a separation that will take place on December 31, 2021. Mr. Paulling reported that the Fiber Optic Coordinator position became vacant, due to a separation on November 4, 2021, but there is no active recruitment for that position at this time.

Mr. Paulling showed Dominion's PR video of the Lake Crossing territory swap that took place on October 26, 2021. He next gave an update on the Cooperative's Strategy and stressed the importance of the six employee teams that are working on the strategy projects.

#### **AGENDA ITEM # 6**

**ATTORNEY'S REPORT:** Chairman Sox called on Mr. Black for the legal report. Mr. Black gave a brief report on several pending legal matters. He discussed the status of President Biden's COVID-19 Vaccination Plan for employers with 100 or more employees. There were no further questions or comments, and Chairman Sox thanked Mr. Black for his report.

#### **AGENDA ITEM # 7**

**CHAIRMAN'S REPORT:** Chairman Sox read several thank you notes. He then stated that the Cooperative needed to appoint a "Trustee" Trustee for the CarolinaConnect Board. After a discussion, Mr. Risinger made a motion to appoint Mr. Marvin W. Sox to continue to serve on the CarolinaConnect Board. The motion was seconded by Ms. Kirkland and unanimously passed.

#### **See Resolution # 3**

Chairman Sox 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 the Board received Policy 114 – CEO Evaluation and Compensation and Policy 115 – Nominating and Qualifications Committee Fees and Expenses prior to the meeting for review. There were no recommended changes to Policy 114. A scrivener's error was found in Policy 115, which will be corrected, and both policies will reflect that they were reviewed by the Board. There were no other committee reports at this time.

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

**ASSOCIATED MEETING REPORTS:** Chairman Sox reported that CarolinaConnect's Board Meeting will be held on November 30, 2021.

Mr. Risinger gave a report on the Central ACES meeting held earlier in the month.

Ms. Kirkland reported that CEEUS and Statewide will meet in December at the ECSC Winter Conference. Mr. Paulling reported that CEEUS has secured transformer production commitments through 2023.

Mr. Shealy reported there is an ECSC Trustee Association meeting at the Winter Conference that will be held on December 7, 2021, and that it would be good if someone could attend in his absence.

Chairman Sox reported that Federated is doing well and financially sound. He stated there are concerns with line contacts and cyber security.

Mr. Paulling reported that everything is going well with the SC Power Team, and their Holiday Open House is scheduled for December 2, 2021.

Chairman Sox called on Mr. Lindler to discuss the two NRECA online courses he took earlier in the month. Mr. Lindler stated that the course on Board Culture and Its Impact on Effectiveness, and the course on Improving Board Decision Making Quality were both interesting and informative.

There were no other reports at this time.

**AGENDA ITEM # 10**

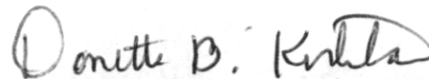
**NEW BUSINESS:** Chairman Sox called for any new business. There was no new business to come before the meeting at this time. A motion was made by Mr. Risinger to enter into executive session. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

**AGENDA ITEM # 11**

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

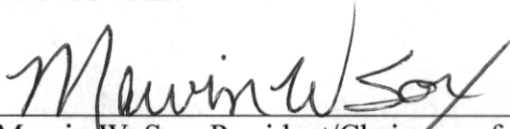
**AGENDA ITEM # 12**

**ADJOURNMENT:** There was no further business, and the meeting was adjourned at 4:15 p.m.



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**, the Board of Trustees reviewed and made no changes to the minutes of the regular monthly meeting held on October 27, 2021; and

**WHEREAS**, the Board of Trustees reviewed and made one date change to the minutes of the regular budget presentation meeting held on October 20, 2021;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the minutes for both the regular meeting held on October 27, 2021, and the regular budget presentation meeting held on October 20, 2021, as presented, with the one change on the October 20, 2021 minutes.

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 23<sup>rd</sup> day of November 2021, at which meeting a quorum was present.

  
\_\_\_\_\_  
Donette B. Kirkland, Secretary

**S.C. 37 LEXINGTON**

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

**RESOLUTION**

**# 2**

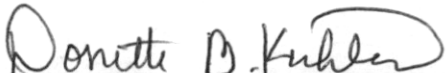
**WHEREAS**, Mr. Paulling presented and explained the Cooperative's proposed budget for 2022 at the annual Budget Presentation meeting held on October 20, 2021; and

**WHEREAS**, Mr. Paulling reviewed the proposed budget for 2022 at the Board Meeting held on October 27, 2021; and

**WHEREAS**, after careful consideration, the Board of Trustees approved the proposed budget for 2022;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves and adopts the Cooperative's budget for the year 2022, 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 23<sup>rd</sup> day of November 2021, at which meeting a quorum was present.

  
\_\_\_\_\_  
Donette B. Kirkland, Secretary



**S.C. 37 LEXINGTON**

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

**RESOLUTION**

**# 3**

**WHEREAS**, the Board of Trustees has to nominate a "Trustee" Trustee for the CarolinaConnect Cooperative Board; and

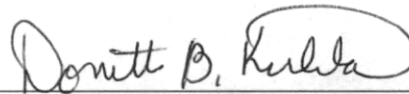
**WHEREAS**, the Board of Trustees desires to make nomination as hereinafter stated;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby makes the following nomination:

**CarolinaConnect Trustee for 2022**

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 23<sup>rd</sup> day of November 2021, at which meeting a quorum was present.



Donette B. Kirkland, Secretary