

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

LEXINGTON, SOUTH CAROLINA

MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES

November 26, 2024

AGENDA ITEM # 1

CALL TO ORDER: Marvin W. Sox, President/Chairman
(1:00 p.m.) Alan R. Lunsford, Vice-President/Vice-Chairman
Donette B. Kirkland, Secretary
J. Allan Risinger, Treasurer
J. Carey Bedenbaugh, Jr.
Eddie C. Best, Jr.
Kenneth E. Lindler
Mark A. Svrcek via Zoom
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
Steven G. Davidson, VP, Information Technology
Vicki E. Ross-Bell, Administrative Services Manager

ATTORNEY PRESENT: J. David Black

INVOCATION: Bob Paulling

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 budget presentation meeting that was held on October 23, 2024. Mr. Lindler made a motion to approve the minutes, as presented. The motion was seconded by Mr. Lunsford and unanimously passed. Chairman Sox then asked if there were any corrections, additions, or deletions to the minutes of the last monthly meeting held on October 30, 2024. Mr. Lunsford made a motion to approve the minutes, as presented. The motion was seconded by Mr. Best 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 \$138,172,765, which is \$5,382,957 over budget at the end of October. The year-to-date cost of wholesale power was \$72,747,178, which is under budget by (\$1,186,689). The year-to-date margins were \$7,973,947 which is \$203,866 above budget. Mrs. Crepes reported that equity was 23.65% at the end of October for an increase of 0.12%. The deferred credits account balance changed by (\$6,3888,684), and the ending balance was (\$1,942,228).

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 1,192 kWh in October. Mid-Carolina's average bill was \$172.39 (account charge \$28.50) compared to Dominion's \$179.06 (account charge \$9.50), Duke – Carolina's \$189.55 (account charge \$11.96), and Duke – Progress \$171.73 (account charge \$11.78). She then presented a rate comparison chart showing an average annual usage of 17,566 kWh. Mid-Carolina's average annualized bill was \$2,274.59 (account charge \$346.75) compared to Dominion's \$2,470.59 (account charge \$114.00), Duke – Carolina's \$2,506.68 (account charge \$143.52), and Duke – Progress \$2,549.95 (account charge \$141.36).

Mrs. Crepes reported that Mid-Carolina has received \$4,556,961 from CarolinaConnect year-to-date. She then reported that due to the unexpected expenses incurred from Hurricane Helene, the Cooperative needs to establish a line of credit and authorize borrowing from National Rural Utilities Cooperative Finance Corporation "CFC" up to \$15,000,000. This amount would be borrowed until the Cooperative is reimbursed from FEMA. After a detailed discussion, Mr. Lunsford made a motion to approve the resolution, as presented. The motion was seconded by Mr. Watts and unanimously passed.

See Resolution # 2

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 October. The right-of-way crews are still working in the Gilbert, South Congaree, Leesville and Springhill areas. Mr. Wilbur stated the System Inspectors as well as five retired employees have been working on post storm inspections documenting all the clean-up work that still needs to be done. There were no further questions or comments, and Chairman Sox thanked Mr. Wilbur for the report.

ENGINEERING: Chairman Sox called on Mr. Ayers for the Engineering report. Mr. Ayers reported that the routine inspection and maintenance was completed. The clearing and grading for Lake Murray substation was delayed by Hurricane Helene, and it should get underway the first of December. Mr. Ayers reported that the Cooperative assisted Santee Cooper with their replacement of a transmission line switch by back feeding Coldstream substation and adjustment of the automatic transmission switch at Barr substation by back feeding the substation. Mr. Ayers stated that clean up and catch up continue on the Fiber Optic Plant.

He then showed a chart graphing MWh purchased each month year-to-date from 2020-2024 with a five-year running average. The next chart showed the MW Demand purchased each month year-to-date from 2020-2024 with a five-year running average. The monthly outage report for October was 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 pictures of the Bright Ideas Luncheon that was held at the end of October to celebrate the 20 teachers that were awarded grants this year. He reported that the charity Golf Tournament that was held October 21, 2024, raised \$19,450 that will be given to Becky's Place at Lexington Medical Center in December.

Mr. Simpson provided the list of high school football players that will represent Mid-Carolina in this year's Touchstone Energy Cooperatives Bowl that will be held on December 21, 2024, in Myrtle Beach. He next showed some of the Cooperative's Social Media engagement and reviewed the quarterly schedule for the *South Carolina Living* magazine through the February 2025 issue. There were no further questions or comments, and Chairman Sox thanked Mr. Simpson for his report.

INFORMATION TECHNOLOGY: Chairman Sox called on Mr. Davidson for the Information Technology report. Mr. Davidson reported there were 41,902 accounts enrolled in SmartHub as of November 1, 2024, which represents 69.11% of active accounts enrolled. He stated that 86.54% of all October payment transactions were made electronically. Mr. Davidson reported that an additional 1,058 members enrolled in TextPower this month, bringing the enrollment total to 48,379. He stated there are now 3,003 members enrolled in Pay-As-You-Go, and 193 payments were made through the new InComm system in October.

Mr. Davidson reported there were 31,900 emails received during the month, and 10,281 emails were blocked prior to reaching the Cooperative's email servers. He then gave an update on Cyber Security. There were no further questions or comments, and Chairman Sox thanked Mr. Davidson 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. The Trust Board approved 11 applications for a total distribution of \$18,304. The Trust Fund balance at the end of the month was \$12,361. She reviewed the Board calendars through January 2025, and the Board meeting schedule for 2025. There were no further questions or comments, and Chairman Sox thanked Mrs. Ross-Bell for her report.

AGENDA ITEM # 5

CEO'S REPORT: Chairman Sox called on Mr. Paulling for his report. Mr. Paulling reported there were no recordable accidents in October. The Member Services Clerk position was filled since the last meeting. There is still active recruitment for the Facilities Technician position. Mr. Paulling gave a Central update. There were no further questions or comments, and Chairman Sox thanked Mr. Paulling for his report.

AGENDA ITEM # 6

LEGAL REPORT: Chairman Sox called on Mr. Black for the legal report. Mr. Black discussed several pending legal matters. 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 a couple of thank you notes. He reported 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 stated that the Board needs to appoint a Cooperative Response Center "CRC" Voting Delegate and Alternate for the NRECA PowerXchange meeting in March 2025. Mr. Watts made a motion to appoint Mr. Marvin W. Sox as the voting delegate, and Mr. B. Robert Paulling as the alternate. The motion was seconded by Mr. Risinger and unanimously passed.

See Resolution # 4

Chairman Sox had nothing further to report at this time.

AGENDA ITEM # 8

COMMITTEE REPORTS: Chairman Sox called on Mr. Risinger for the Retiree Welfare Benefit Trust Committee report. Mr. Risinger said the Committee met just prior to the meeting. The Trust Fund is still overfunded, and the Committee does not have any recommended changes. They will meet again in January 2025.

AGENDA ITEM # 9

ASSOCIATED MEETING REPORTS: Chairman Sox stated that CarolinaConnect's Board Meeting was held yesterday, and the 2025 Budget was approved. CarolinaConnect has over 41,000 customers.

Mr. Risinger did not have a Central update at this time.

Ms. Kirkland stated the ECSC Executive Committee met during the month and discussed the ECSC Winter Conference.

Mr. Lunsford stated the ECSC Trustee Association Committee did not meet during the month.

Chairman Sox reported that everything is going well with Federated.

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. Mr. Lindler made a motion to enter executive session. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

AGENDA ITEM # 11

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

AGENDA ITEM # 12

ADJOURNMENT: There was no further business, and the meeting was adjourned at 3:25 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

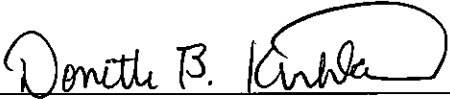
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WHEREAS, the Board of Trustees reviewed and had no changes to the minutes of the budget presentation on October 23, 2024; and

WHEREAS, the Board of Trustees reviewed and had no changes to the minutes of the regular monthly meeting held on October 30, 2024;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the minutes for the budget presentation on October 23, 2024, and the minutes of the regular monthly meeting held on October 30, 2024.

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 26th day of November 2024, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

RESOLUTION # 2

CERTIFICATE OF RESOLUTIONS AND INCUMBENCY

I, Donette B. Kirkland, do hereby certify that (i) I am the Secretary of Mid-Carolina Electric Cooperative, Inc. (hereinafter called the "Cooperative"); (ii) the following are true and correct copies of resolutions duly adopted by the board of directors of the Cooperative at a meeting held on November 26, 2024; (iii) the meeting was duly and regularly called and held in accordance with the bylaws of the Cooperative; (iv) the Cooperative is duly incorporated, validly existing and in good standing under the laws of the state of its incorporation and there is no pending or contemplated proceeding for the merger, consolidation, sale of assets or business or dissolution of the Cooperative; (v) forms of the loan documents identified below were submitted to the meeting and were authorized by the board of directors to be executed; (vi) none of the following resolutions has been rescinded or modified as of this date; and (vii) the persons authorized below have been duly elected or appointed to their respective positions and occupied such positions on the date of actual execution of the loan documents:

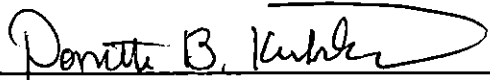
RESOLVED, that the Cooperative establish a line of credit and authorize borrowing from National Rural Utilities Cooperative Finance Corporation ("CFC") in an amount which shall not at any one time exceed \$15,000,000.00 (the "Line of Credit Amount"), subject to the provisions of the Line of Credit Agreement substantially in the form submitted to this meeting (the "Line of Credit Agreement"); and,

RESOLVED, that the individuals listed below are hereby authorized to execute and to deliver to CFC the following documents: the Line of Credit Agreement;

RESOLVED, that each of the following individuals is hereby authorized in the name and on behalf of the Cooperative to execute and to deliver all such other documents and instruments as may be necessary or appropriate, to execute any future amendments to said Line of Credit Agreement as such individual may deem appropriate within the Line of Credit Amount so authorized and to do all such other acts as in the opinion of such authorized individual acting may be necessary or appropriate in order to carry out the purposes and intent of the foregoing resolutions:

<u>Office or Title</u>	<u>Name (typed or printed)</u>
<u>President & CEO</u>	<u>B. Robert Paulling</u>
<u>Chief Financial Officer</u>	<u>Theresa D. Crepes</u>
<u>_____</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>

IN WITNESS WHEREOF I have hereunto set my hand as of the date shown below.


Donette B. Kirkland, Secretary

Date: November 26, 2024

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

RESOLUTION

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WHEREAS, the Board of Trustees needs 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 2025

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 26th day of November 2024, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

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WHEREAS, the Board of Trustees is responsible for selecting a voting delegate and alternate for the Cooperative Response Center's "CRC";


WHEREAS, the CRC annual meeting will be held in conjunction with the NRECA PowerXchange meeting that will be held in Atlanta, GA in March 2025;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby appoints the 2025 CRC voting delegate and alternate as follows:

2025 CRC Appointments

Voting Delegate	Mr. Marvin W. Sox
Alternate	Mr. B. Robert Paulling

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 26th day of November 2024, at which meeting a quorum was present.



Donette B. Kirkland, Secretary