

YORK ELECTRIC COOPERATIVE, INC.

BOARD OF TRUSTEES MEETING SUMMARY

February 25, 2020

Board Members Present: Carolyn Boyd, Tommie Bratton, Marion Comer, Jack Cornwell, Will Mitchell, Paul Poston, Richard Roach, Richard Sadler, Tom Settlemyre

Others Present: Paul Basha, Bethany Hardin and Alex Hall. Rob Hochstetler, James Chavez, Denny Lynn, Patty Moss, Craig Spencer, Wendy Catledge, Kim Black, Tracy McBride, Porter Gable, Markeus Farrand and Ryan Sheehan were present for a portion of the meeting.

The Board of Trustees of the York Electric Cooperative met at the office of the Cooperative on Tuesday afternoon, February 25, 2020, at 12:00 for lunch. The Board meeting convened immediately afterward. The meeting was called to order by Chairman Jack Cornwell. Mr. Cornwell also gave the invocation. A quorum was present; therefore, it was in order to transact any necessary business of the Cooperative.

Paul Basha recognized Kim Black for her excellent service while covering the areas of social media during a recent maternity leave.

Each Trustee, employee or guest in attendance at the Board Meeting was required to sign a non-disclosure agreement prior to commencing a presentation by Rob Hochstetler.

Upon motion made and duly seconded, the Board moved into Executive Session. Rob Hochstetler, CEO from Central Electric Power Cooperative addressed the Board during the executive session regarding the Act 95 DOA report and Santee Cooper litigation mediation.

Following a lengthy report and discussion period, upon motion made and duly seconded the Board moved to return to general session.

James Chavez, CEO from South Carolina Power Team provided a presentation on the Economic Impact Model and how it works. He reported on jobs created, capital investment and total economic impact realized since 2014. He reviewed strategic initiatives for future success.

Several Department Heads provided presentations on their 2019 departmental accomplishments. Porter Gable presented for the Community Development Department and Ryan Sheehan presented for the IS Department. There was a question and answer session following the presentations.

Upon staff being dismissed, the Board continued a discussion on Santee Cooper. The Board unanimously voted to empower Mr. Basha and Mrs. Boyd (York Electric Cooperative's representatives on the Central Board) to vote in accordance with the Board's wishes on these matters in the Central Board room. Mr. Basha will continue to keep the Board apprised of any material changes.

Upon motion made and duly seconded, the items on the consent agenda as listed below were approved as presented:

- January 2020 Financial Report;
- January 28, 2020 Board Meeting Minutes and Summary;
- Safety/Loss Control Report;
- Review and approval of new and refunded memberships:
January – new 543, refunded 352

Several upcoming meetings were discussed.

Mr. Basha reported that the cooperative provided the bylaw required Board Candidate Seminar to Billy Hagner and it went very well. He further reported that Mr. Hagner requested information on members per district and it was provided to he and Carolyn Boyd. A copy was also provided to each Trustee.

Mr. Basha reviewed revisions to Policy #3, Membership Application Fees, Procedures and Schedule of Fees, highlighting revisions to collection of commercial deposits.

Mr. Basha referenced the Statewide and New Horizon reports included in the electronic Board packet.

There was a discussion regarding single member district voting. Following the discussion, upon motion made and duly seconded, the Board was unanimously in favor of recommending to the membership at the Annual Meeting that they support continuing with allowing members to vote in every district election, regardless of where they live, and are not in favor of single member district voting.

Mr. Basha provided an update on rural internet that included the potential of a possible consortium with the FCC. Three providers are conducting studies that may potentially be reported on at the next meeting.

There was a discussion regarding paying capital credits to move-aways from 1999 through 2018. Estimated statistics were provided. Upon motion made and duly seconded, the Board approved moving forward with this initiative.

There was a brief reference made to the 2019 4th Quarter Strategic Plan updates provided.

Tommie Bratton reported that at the upcoming Trustee Association Meeting in April, the agenda will include an update and presentation on rural internet opportunities.

The CEO's Report included the following:

- 1) Mr. Basha provided a brief economic development update.**
- 2) Items included in the electronic Board packet were as follows: one-year anniversary email responses and commendations, a look ahead at dates snapshot and several articles. A Member Services call and traffic report for the month of January was provided.**
- 3) As per the governance legislation policy recommendations, a Board Statutory Conflicts of Interest policy was provided. A conflicts of interest certification and disclosure form was executed by each Trustee.**
- 4) A standardized, recommended Board compensation table provided by Statewide to all cooperatives was provided and reviewed.**
- 5) Information regarding numbers of employees in various stages of their wage category was provided.**
- 6) A personnel update was provided.**
- 7) It was reported that at the February 19, 2020 Operation Round Up Trust Board Meeting, \$50,000 was allocated to organizations and \$6,000 was allocated in emergency individual situations.**
- 8) The quarterly cash drawer audit revealed perfect results.**
- 9) Items on the March agenda will include the financial audit review, an employee benefits review and a presentation by Team Forward.**
- 10) According to responses from a member survey, out of 7,400 returned, 93.5% were positive and 6.5% were negative.**

There being no further business, upon motion made and duly seconded, the meeting was adjourned.