

MINUTES OF MEETING OF BOARD OF DIRECTORS OF
GRADY ELECTRIC MEMBERSHIP CORPORATION
HELD August 2, 2017

The regular meeting of the Board of Directors of Grady Electric Membership Corporation was held at its office in Cairo, Georgia, on the 2nd day of August, 2017. All of the Directors were present. Also present were President Thomas A. "Bo" Rosser Jr., Attorney M. Claire Chason, Pat Reed, Jeff Rehberg, Rex Robinson, Donnie Prince, Wayne Windham, and John Long.

The Chairman presided, and the minutes were kept under the direction of the Secretary.

The minutes of the previous regular meeting held on July 6, 2017, were read and approved.

The following proceedings were had, all action being first duly moved and seconded and all action being taken upon the unanimous vote of the Board or without dissenting vote or abstention, unless otherwise stated:

1. **Candidates for District 4.** Prior to the Board meeting, the Directors interviewed potential candidates for Director of District 4 to fill the unexpired term of James Freeman. The Directors reported that they were impressed with each of the candidates and appreciated their interest in the position. Mr. J. Mark Clark was selected to fill the unexpired term of James Freeman for District 4.
2. **Elections Committee.** The Directors appointed the elections committee based upon those who had served in the past and following the procedure previously used.
3. **Discuss Member Requests.** The Directors reviewed and discussed member requests dated July 12, 2017, and July 24, 2017. After discussion about the nominating committee procedure, the Board will recommend a change in the By-Laws to the membership that the nominating committee be eliminated, with any incumbent being placed on the ballot that has given written notice to the General Manager/President of Grady EMC of his intention to run, and all other qualified members wanting to being nominated by petition with the current requirements. A forensic audit request was also discussed. The Directors wanted more information about a forensic audit, including the cost of the audit, the scope thereof, and an estimated length of time that it would take to complete the audit. Director Ronald Sellers was requested to form a committee to investigate the matter, but he declined. The Directors requested the attorney to request member Edward DeMartini Jr. to obtain written cost proposals for a forensic audit and an estimate as to the length of time it would take to complete the audit. It is also requested that his proposals include one from the firms of CliftonLarsonAllen and Dixon Hughes Goodman LLP, both of whom have previously performed forensic audits for other EMCs in Georgia.

5. **Meeting Minutes.** After discussion, the Directors approved of publishing regular monthly meeting minutes of the Board of Directors of Grady EMC on its website.
6. **RUS Pre-Payment Resolution.** The Directors voted to approve the RUS Pre-Payment Resolution as same was presented, subject to Public Service Commission approval.
7. **Capital Credit Requests.** The Directors approved the Capital Credit Requests in the approximate amount of \$36,171.47.
8. **Bills.** The Directors approved the payment of Bills submitted.
9. **Bad Debt.** The Directors approved the list of accounts to be written off and authorized the writing off of the bad debt shown on the list for the period from April 1 through April 30, 2017, in the amount of \$2,745.16 and other accounts receivable on uncollectible non-electric accounts in the amount of \$2,070.12.
10. **New Members:** The new members were approved as presented.
11. **Operating Report.** The Directors reviewed the Operating Report.
12. **Other Discussion:** The Directors were informed that former employee John Pearce had passed away earlier that day.

There being no further business to come before the meeting, the Directors adjourned into Executive session.


Chairman


Secretary