

MINUTES OF MEETING OF BOARD OF DIRECTORS OF
GRADY ELECTRIC MEMBERSHIP CORPORATION
HELD DECEMBER 6, 2017

The regular meeting of the Board of Directors of Grady Electric Membership Corporation was held at its office in Cairo, Georgia, on the 6th day of December, 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, Wayne Windham, Donnie Prince, John Long and Adam Star.

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

The minutes of the previous regular meeting held on November 1, 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. **Member Request.** Upon her request, Member J. Cooper met with the Board and asked that board meetings be open to members and commented that the Grady EMC By-Laws needed to be updated. After discussion with the Directors, Ms. Cooper left the meeting.
2. **Patronage Capital Engagement.** The Directors reviewed the resume of James Howard Smith, CPA, CGMA, MBA at the direction of the board his firm has been engaged to review and advise on patronage capital.
3. **Easement Policy and Procedure.** The Directors reviewed and discussed correspondence from a member about an easement and Grady EMC's current easement policy and procedures. The board advised to continue with the current policy.
4. **Forensic Audit.** The President reported on his contact with two possible accounting firms concerning a forensic audit. The President advised the board that they would need to meet with the accounting firms to determine the goals of the audit and its scope due to his need to be recused. The board appointed an Audit Committee to make recommendations to the board on this matter. The committee appointed was Gordon Clyatt, Mark Clark, and Earl Stuckey. It was noted that Grady EMC would be responsible for the costs involved in meeting with the firms.
5. **Transportation Policy and Procedures.** The Directors reviewed and discussed the current transportation policy and procedures for employees. After review, no changes were recommended to the current policy.


6. **Baconton Power.** An update on Baconton Power was presented to the Directors by the President.
7. **Director Conflict of Interest Policy.** The Directors approved a Conflict of Interest Policy by majority vote. Directors Clyatt and Sellars abstained.
8. **2018 ROW Contracts.** The Directors approved of the 2018 Right-Of-Way Contracts as presented.
9. **Capital Credit Requests.** The Directors approved the Estate Capital Credit Requests submitted in the approximate amount of \$17,586.89.
10. **Bills.** The Directors approved the payment of Bills presented.
11. **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 as presented at the meeting for the period from August 1 through August 31, 2017.
12. **New Members.** The Directors approved the list of new members presented.
13. **Operating Report.** The Directors reviewed the Operating Report.
14. **Other Discussion.**

It was announced that the Director Training would be scheduled on or around January 25th 2018, and that the NRECA Annual Meeting is scheduled for the last week in February, 2018, in Nashville, Tennessee.

Grady EMC's Washington Youth Tour was featured on the cover of the GA magazine. The magazine is scheduled to be mailed out to EMC members at the end of December 2017.

There being no further business to come before the meeting, it was adjourned, and the Directors went into Executive Session.

At the conclusion of Executive Session, the directors were given a tour of the facilities.


Chairman


Secretary