

MINUTES OF MEETING OF BOARD OF DIRECTORS OF
GRADY ELECTRIC MEMBERSHIP CORPORATION
HELD JUNE 8TH, 2021

The regular meeting of the Board of Directors of Grady Electric Membership Corporation was held at its office in Cairo, Georgia, on the 8th day of June, 2021. All Directors were present. Also present were President John Long, Attorney M. Claire Chason, Seleta Williams, Kyle Henderson, Keith Harrell, Terry Jones, Adam Starr, Ansley Johnson, CPA Marlan Nichols, CPA Cal Brantley, and CPA Julie Kirksey.

The meeting opened with an invocation and the Pledge of Allegiance, led by Director Terry Hurst. The Chairman presided, and the minutes were kept under the direction of the Secretary.


The minutes of the previous regular meeting held on May 12th, 2021, 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:

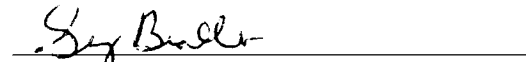
1. **Capital Credit Requests.** The Directors approved the Capital Credit Requests in the approximate amount of \$14,611.12.
2. **Bills.** The Directors reviewed the payment of Bills submitted.
3. **Bad Debt.** The Directors approved the list of accounts to be written off and authorized the writing off of the bad debt shown in the list for the period from February 1, 2021, through February 28, 2021, in the amount of \$9,361.88.
4. **New Members.** 106 new members were approved. Meters were disconnected on 84 accounts. Total number of members as of June 1, 2021 was 13,272.
5. **CFO Report.** The CFO report was presented by Seleta Williams. The Directors reviewed the financial report for April.
6. **CEO Report.** John Long presented the CEO report.
7. **2020 Audit Presentation.** The Independent Auditor's Reports on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards and Management Letter, and Communication with Those Charged with Governance under SAS No. 114, were presented by Marlan Nichols, Cal Brantley, and Julie Kirksey with Nichols, Cauley & Associates, LLC, were reviewed by the Directors.
8. **Review of IRS Form 990.** Cal Brantley reviewed the IRS Form 990 with the Directors.

9. **Equity Study.** The Board reviewed the Equity Study as presented by Marlan Nichols. President John Long recommended the Board adopt a financial policy for the duration of three (3) years to set a minimum operating tier of 1.5, a target operating tier of 2.0-2.5, and a debt to equity percentage of 40%. A motion was made to approve the policy as presented. The motion was seconded and carried unanimously.
10. **Nominating Committee.** The Board of Directors will appoint a Nominating Committee member on or before July 17th. Each Director will notify Attorney Claire Chason of their appointed member.
11. **Old Business.**
- a. Adam Starr will have a conference call with Attorney Joel Tisinger from Tisinger Vance P.C. to review the bylaws for Operation Round Up.
 - b. Attorney Claire Chason will review the contract with HomeServe.
 - c. A draft capital credit policy has been submitted to Tisinger Vance, P.C. for review.

There being no further business to come before the regular meeting, the meeting was adjourned, and the Directors, attorney, and the CPAs went into executive session.



Chairman



Secretary