

UNION ELECTRIC MEMBERSHIP CORPORATION

Monroe, North Carolina
Minutes of Board of Directors Meeting
October 13, 2018

Pursuant to due notice thereof, a regular meeting of the Board of Directors of Union Electric Membership Corporation (hereinafter called the "Cooperative") was held on October 13, 2018, immediately following the Annual Meeting at Lee Park Baptist Church, 2505 Morgan Mill Road, Monroe, North Carolina.

All Directors were present, with the exception of Carole Jones. Also present were Greg Andress, Executive Vice President and General Manager; Aaron Christensen, General Counsel; and Numa Robertson, Vice President Corporate Services.

With President Kirk presiding, the following proceedings were held:

Invocation

1. B.L. Starnes gave the invocation.

Election of New Officers for 2018/2019

2. The Board entered executive session, whereupon Mr. Andress and Mr. Robertson excused themselves from the meeting for the duration of the executive session. Thereafter, the following Directors were elected by secret ballot to serve as officers for 2018/2019:

President - Lee Roy Kirk
Vice-President – Dent Turner
Secretary-Treasurer - Sherise Jones
Asst. Secretary-Treasurer – David Hyatt

The regular meeting resumed upon conclusion of the executive session.

Approval of Minutes of Board Meeting

3. On MOTION by Mr. Starnes, seconded by Mr. Caudle, the minutes of the August 11, 2018 Board Meeting were approved.

New Member Applications

4. 1,152 new members made application for service and those new members are now actively receiving electric service from the Cooperative. 937 members resigned their membership. Thereafter, on MOTION by Mr. Starnes, seconded by Mr. Caudle, the following resolution was approved:

RESOLVED, the resignations and/or disconnections of resigning members is hereby accepted and approved. The applications of new members are hereby accepted and approved. A list of resigning

members and new members is hereby directed to be filed in the official records of the Cooperative.

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| Review of 2018 Annual Membership Meeting | 5. | The Board reviewed the conduct of the annual meeting, commenting on the favorable facilities and staff performance. Mr. Address is directed to express the Board's appreciation for staff's efforts. |
| Finance and Audit Committee Report | 6. | Mr. Kirk presented the Finance and Audit Committee Report, indicating the Committee reviewed and approved all expenses for the Executive Vice-President and General Manager. On MOTION by Mr. Porter, seconded by Mr. Starnes, the Board accepted the Expense Reports. |
| Financial Report | 7. | Mr. Address reviewed the Financial Report, highlighting the Balance Sheet, Statement of Operations, and Key Financial Ratios as of August 31, 2018. On MOTION by Mr. Turner, seconded by Mr. Porter, the Board accepted the Financial Report, a copy of which is attached to the minutes. |
| Legal Report | 8. | Mr. Christensen presented the Legal Report. On MOTION by Mr. Turner, seconded by Mr. Starnes, the Board accepted the Legal Report. |
| 2017-2018 Line Extension-Underground Contract Addendum | 9. | On MOTION by Mr. Porter, seconded by Mr. Turner, the Board approved the addendum to add one (1) year to the term of the contract for the 2017-2018 Line Extension-Underground Contract with Dawn Development Corporation. |
| NRECA National Meeting | 10. | Mr. Address reported on the upcoming NRECA National meeting in Orlando, Florida, on March 10-13, 2019. |
| Statewide, National and Local Updates | 11. | Mr. Address reported on various statewide, national and local matters. Mr. Robertson summarized progress on the building projects. |
| Write-Off Summary of Delinquent Accounts | 12. | Mr. Address commented on write-off of bad debts and delinquent accounts, as provided in the Board Packet. |
| Union Services Financial Reports | 13. | Mr. Address reported on financial performance metrics for Union Services. |

REAP and ACRE

14. Mr. Andress reported on REAP and ACRE.

Safety Reports

15. Mr. Andress presented the Safety Report, reviewing safety performance measures and corresponding scorecard performance measures.


Director Education

16. Mr. Andress will review options for providing in-house Director education programs and report back to the Board.

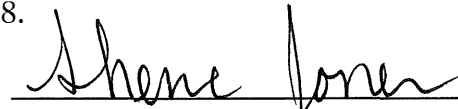
There being no further business, on MOTION of Mr. Turner, seconded by Mr. Porter, the meeting was adjourned at 1:30 PM.

Respectfully submitted this 13th day of October 2018.

Approved:



Lee Roy Kirk, President



Sherise Jones, Secretary

UNION POWER COOPERATIVE

2018-2019 BOARD OFFICERS

BOARD OFFICER POSTION	BOARD MEMBER ELECTED FOR POSITION	NUMBER OF VOTES
President	Le Roy Kirk	
Vice President	Dant Turner	
Secretary	S. Jones	
Assistant Secretary-Treasurer	David Hyatt	