

UNION ELECTRIC MEMBERSHIP CORPORATION

Monroe, North Carolina

Minutes of Board of Directors Meeting

August 21, 2021

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 August 21, 2021, at 9:00 a.m., via electronic conference. All Directors were present. Also present were Greg Andress, Executive Vice President and General Manager; Theresa Blackwell, Vice President – Finance & Accounting; and Aaron Christensen, General Counsel.

With President Kirk presiding, the following proceedings were held:

Invocation

1. Mr. Porter gave the invocation.

Approval of Minutes of Board Meeting

2. On MOTION and second, the minutes of the June 12, 2021, Board Meeting, and the August 5, 2021, Special Meeting, were approved.

New Member Applications – June 1, 2021, through July 31, 2021

3. A total of 1,409 new members made application for service during the period of June 1, 2021, through July 31, 2021, and those new members are now actively receiving electric service from the Cooperative. A total of 1,132 members resigned their membership during this period. Thereafter, on MOTION and second, the following resolution was approved:

RESOLVED, the resignations and/or disconnections of resigning members are 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.

Acceptance of Board of Directors and EVP General Manager’s Expense Reports

4. Mr. Kirk reported that the Executive Committee had reviewed and approved all expenses for the Board of Directors and for the Executive Vice President and General Manager. On MOTION and second, the Board accepted the Expense Reports.

Financial Report – Union Power

5. Mr. Andress provided the financial report for Union Power, including a review of the Statement of Operations, the Balance Sheet, and various year-to-date statistics. He further commented on related federal initiatives to provide financial relief for the rural electric cooperative industry.

On MOTION and second, the Board accepted the Financial Report.

**Financial Report –
Union Services**

6. Mr. Andress reported on the financial performance of Union Services, including trends relating to weather and HVAC sales. On MOTION and second, the Board accepted the Financial Report for Union Services.

**Presentation of 2021 –
2030 Long Range
Financial Forecast**

7. Ms. Blackwell presented the 2021 - 2030 Long Range Financial Forecast, reviewing general assumptions, anticipated plant additions, expected revenue trends, and rate models. Ms. Blackwell further commented on the procedures for submitting the loan application to RUS.

**Resolution: Approval of
2021 – 2030 Long
Range Financial
Forecast**

8. On MOTION and second, the Board passed the requisite resolution approving the 2021 – 2030 Long Range Financial Forecast. A copy of the resolution in official form shall be maintained in the loan records of the Cooperative.

**Resolution: Guaranteed
Federal Financing Bank
(FFB) Loan**

9. On MOTION and second, the Board passed the requisite resolution to apply for a Rural Utilities Service (“RUS”) loan, in an amount not to exceed \$64,000,000.00, as guaranteed by the Federal Financing Bank (FFB). A copy of the resolution in official form shall be maintained in the loan records of the Cooperative.

**Resolution: Petitioning
NC Rural
Electrification
Authority to Submit
Loan Application**

10. On MOTION and second, the Board resolved to petition the NC Rural Electrification Authority to submit the Cooperative’s application for the guaranteed FFB loan to RUS. A copy of the resolution in official form shall be maintained in the loan records of the Cooperative.

**Resolution: Honoring
Neil Hasty**

11. On MOTION and second, the Board passed a resolution recognizing Mr. Neil Hasty’s years of dedicated service on the Board of Directors of Union Power. A copy of the resolution is attached hereto.

**Appointment of Voting
Delegate**

12. On MOTION and second, the Board appointed Mr. Andress as the Cooperative’s voting delegate for the CFC, NRECA and NRTC regional meetings

Legal Report

13. The Board entered an executive session for the purpose of receiving Mr. Christensen's legal report. No actions were taken in the executive session.

Manager's Report

14. Mr. Andress presented the General Manager's report, commenting on pending pole attachment legislation and potential adverse impacts on members of the cooperative, progress on construction of electric facilities for Charlotte Pipe, strategic supply chain management, and planning for the Annual Meeting.

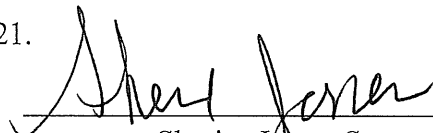
Write-off Report

15. Mr. Andress reported on year-to-date net write-offs in the amount of \$193,506.89, or 0.26% of total revenues.

Safety Report

16. Mr. Andress presented the Safety Report for June and July 2021, indicating there had been no recordable injuries.

There being no further business, on MOTION and second, the meeting was adjourned at 10:45 a.m.
Respectfully submitted this 21st day of August 2021.



Sherise Jones, Secretary

Approved:



Lee Roy Kirk, President