

UNION ELECTRIC MEMBERSHIP CORPORATION

Monroe, North Carolina
Minutes of Board of Directors Meeting
August 13, 2022

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 13, 2022, at 9:00 a.m., at the Cooperative’s headquarters facility. All Directors were present. Also present were Greg Andress, Executive Vice President and General Manager; 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 11, 2022, Board Meeting were approved.

New Member Applications – June 1, 2022, through July 31, 2022

3. A total of 1,450 new members made application for service during the period of June 1, 2022, through July 31, 2022, and those new members are now actively receiving electric service from the Cooperative. A total of 1,058 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. 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. On MOTION and second, the Board accepted the Financial Report for Union Services.
2022 Capital Credits Presentation and Recommendation	7.	Ms. Andress presented the 2022 capital credits report. On MOTION and second, the Board approved fully retiring capital credits allocated for 2004 and partially retiring capital credits allocated for 2005, totaling \$3,709,196.00 for the retirements from both years.
Roth Option to 401(k) Plans	8.	On MOTION and second, the Board authorized a Plan amendment to add a Roth contribution option.
Policy Change Recommendation	9.	Mr. Andress presented proposed policy updates. On MOTION and second, the Board approved amendments to Policy Nos. 207 and 209, with corresponding adjustments to 205, 208, 210, 211, 215, 223 and 302.
PURPA Standards	10.	Mr. Andress reported on the updated PURPA standards, requiring utilities to conduct public hearings and consider adoption of standards for transportation electrification and utility demand response. On MOTION and second, the Board established the second Saturday of August 2023, as the hearing date and directed management to plan and provide for the requisite 30-day comment period.
Legal Report	11.	The Board entered an executive session for the purpose of receiving Mr. Christensen’s legal report.
Report of the Executive Committee	12.	On behalf of the Executive Committee, Mr. Kirk reported that the Committee had received and carefully evaluated the performance reviews for Mr. Andress; carefully studied the wage and salary consultant’s report and corresponding data; reviewed market data and trends within the industry, state, and region; and considered competitive employment opportunities in the greater Charlotte metro area. Mr. Kirk further discussed the impacts of inflation on executive compensation, Mr. Andress’ continuing favorable performance during the pandemic, and his favorable performance on business, management, and leadership matters. Thereafter, following extended discussion by the entire Board, and on MOTION and second, the Board approved an increase in

Mr. Andress' annual salary, retroactive to anniversary date.

Manager's Report

13. Mr. Andress presented the General Manager's report, commenting on renewable energy project and tax incentives, Charlotte Pipe developments, nominations from the Nominating Committee, planning for the Annual Meeting on October 8, 2022, and employee benefit issues.

Write-off Report

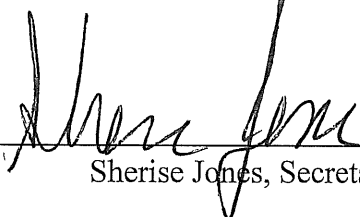
14. Mr. Andress reported on year-to-date net write-offs in the amount of \$90,746.87, or 0.6% of total revenues.

Safety Report

15. Mr. Andress presented the Safety Report for June and July 2022, indicating there had been no OSHA recordable injuries during the period.

There being no further business, on MOTION and second, the meeting was adjourned at 11:40 a.m.

Respectfully submitted this 13th day of August 2022.



Sherise Jones, Secretary

Approved:



Lee Roy Kirk, President