

MACON ELECTRIC COOPERATIVE

MINUTES OF BOARD MEETING

November 29, 2022

The regular meeting of the Board of Directors was held on November 29, 2022, at the Headquarters' Office in Macon, MO. The meeting convened at 4:00 p.m. and was called to order by President Jay Collins.

Those present included Larry Abernathy, Mary Almond, Jay Collins, Rick Kemp, Bill Lear, Danny Smithson, Paul Unterbrink, Alvin Weimer and Ben Williams. Those also present included MEC staff Tim Korman, Lindsey Howell, Jamie Maupin, Mary Allspach, Josh Langhammer, Rebecca Miller, Darrell Nichols, Danny Orbin, Dan Ulhorn and legal counsel Sheri Smiley.

Rebecca Miller presented the board with an overview of the Rural Economic Development Loan & Grant (REDLG) program offered by the United States Department of Agriculture. Attorney Megan McCord with Friel, McCord and Smiley joined the meeting via conference call to assist Ms. Miller with any questions the board may have. The presentation concluded at 4:40 p.m.

Jamie Maupin then began the presentation of the 2023 budget proposal. Danny Orbin, Josh Langhammer and Tim Korman joined in to discuss the construction work plan and capital budget for the new year. Mr. Orbin then went on to discuss engineering and operations maintenance as well as special equipment needs.

Upon the completion of the Operations portion of the budget, Darrell Nichols went on to discuss the budget for the IT department. Some major items for this area included computer equipment and repair and server replacements. Dan Ulhorn proceeded to discuss the budget for Safety as well as Building and Grounds.

Meeting recessed at 6:00 p.m.

Meeting reconvened at 6:45 p.m.

Mary Allspach continued the discussion by presenting the Office portion of the budget.

Mary Allspach, Josh Langhammer, Darrell Nichols, Danny Orbin and Dan Ulhorn were then excused from the meeting at 7:12 p.m.

Rebecca Miller went on to present REDLG loan applications for two local businesses. After discussion, it was decided to table the applications until certain criteria could be established. For future applications, Mr. Korman will meet with the executive committee to discuss and review applications before presenting to the rest of the Board.

Lindsey Howell then presented the Administration and Human Resources portion of the budget while Jamie Maupin presented the Accounting portion. Ms. Maupin concluded the presentation with an overview of the 2023 proposed budget. A discussion was held for all questions and comments concerning the proposal. The board will continue to review the budget over the next month and bring all recommendations to the December board meeting for approval.

Every few years a rate study is conducted to ensure we are offering our members the most affordable rates. This year's rate study was administered by Toth & Associates. Jamie Maupin presented these results and answered all questions pertaining to the study.

Meeting recessed at 9:05 p.m.

Meeting reconvened at 9:14 p.m.

A motion was made, seconded, and approved to accept the consent agenda which included the following:

- Minutes from the October board meeting
- General accounts payable checklist
- Capital credit estates for payment
- New members
- Credit card statements

Tim Korman presented departmental reports for the month of October. This also included the Manager's report.

Jamie Maupin presented the financials for the month of October. A motion was made and seconded to approve the financials as presented. Motion accepted.

Unclaimed capital credit allocation of \$56,247.61 was presented. A motion was made, seconded and approved to approve the allocation.

Bad debt write off of \$4,664.44 was presented. A motion was made, seconded and approved to write off the bad debt.

Rick Kemp reported on the AMEC monthly board meeting held in Jefferson City, MO. Danny Smithson reported the November board meeting for Northeast Power had not yet been conducted and therefore, there was nothing new to report.

Lindsey Howell presented recommendations to Policy 302 – “Alcohol & Substance Abuse”. These changes are being recommended based on recent developments within State law. After discussion, a motion was made, seconded and approved to accept the recommendations.

A letter was provided by Dennis Koch to perform the 2023 audit. A motion was made, seconded and passed to approve the engagement letter.

Lindsey Howell reviewed all upcoming meetings.

A motion was made, seconded, and approved to accept the directors' expenses as presented.

Jamie Maupin and Lindsey Howell were excused from the meeting.

Meeting broke for executive session at 9:39 p.m.

With nothing further to discuss, the meeting adjourned at 10:30 p.m.

Richard L. Kemp, Secretary

James D. Collins, Board President