

MINUTES OF MEETING OF THE BOARD OF DIRECTORS
BARC ELECTRIC COOPERATIVE

A meeting of the Board of Directors of BARC Electric Cooperative was held via Microsoft Teams on March 17, 2021.

All Directors, the Chief Executive Officer and the General Counsel of BARC Electric Cooperative were present.

A brief executive session was held. No action was taken as a result thereof.

During the opportunity for members to address the board portion of the agenda, Greg Martin of Hot Springs expressed his support for the recently fired BARC employees.

Jack Gaines made a report on the cost of service study. He reviewed the regulatory process and schedule for rate making. He provided a rundown of the rate considerations and indicated that he would use 2019 as a test year and make recommendations to the Board in May or June.

Mr. Swisher and Mr. Keyser presented the Old Dominion Cooperative (“Old Dominion”) Report. The Old Dominion board meeting was held via conference call and Zoom on March 15, 2021. Among other things, the board discussed the margin stabilization for 2020. Mr. Keyser lead the strategic electrification committee in a kickoff meeting and goal setting exercise.

Mr. Keyser presented the CEO Report. He indicated that February was another outstanding month during which margins significantly exceeded budget. He reminded the board that the Commonwealth moratorium on disconnections and recovery of delinquent accounts is still in effect. Management is working to apply CARES Act funding to individual delinquent accounts for which valid attestation forms have been returned. He indicated that Virginia’s cooperatives are in discussion on the SCC application process to exit the moratorium.

Mr. Keyser presented the Communications Report. He reported on the recent communications and website activity. Consumer feedback with respect to electric service is largely positive. Feedback specifically related to independent contractors hired by BARC Connects is a concern. Each negative concern raised will be followed up by a BARC employee and corrective actions will be taken.

Mr. Cook provided the Finance Report. The year-to-date margins are \$1,297,752, \$588,852 over budget. Key contributors include controllable costs which are \$131,413 under budget, fixed costs \$117,534 under budget, and revenues \$434,472 over budget. Equity is 27.94% and long term debt is 52.8% of total assets. BARC Connects continues to expand and remains on budget.

Mr. Keyser provided the Engineering and Operations Report. RUS environmental approval of the construction work plan is still pending. Fiber construction for downtown Lexington began on March 1, 2021. There currently are 32 residential signups as well as several commercial customers with more coming every day. Thayer splicers are finishing up Estaline and Mill Creek. Construction crews are working on the Effinger-Glasgow build and will be moving to Big Hill next. The project for the town of Goshen will likely start in April.

There were nine new electric services released in February bringing the year-to-date to 23. Right of way work continues with Asplundh crews in Rockbridge, while BARC crews have completed the Spring Valley circuit and are working toward Falling Springs as well as Millboro Springs. There were no new cyber-attacks detected.

Mr. Keyser provided the Subsidiary Activity Report. BARC Connects has a subscriber count as of February 28, 2021 of 2,406 residential and 120 commercial consumers. Those numbers closely mirror the end of month goals which were established at 2,444 residential

customers and 118 commercial customers. There are two active consumers in the SolarizeBARC program.

Mr. Keyser then presented a new anti-harassment, anti-bullying and whistleblower policy. By motion duly made and seconded, the Board approved policy bulletin 422, entitled, "Harassment and Bullying Prevention."

Mr. Keyser then reported on a proposed maintenance, storm restoration, make-ready and break fix agreement with Thayer, to replace the prior agreement. By motion duly made and seconded, the Board approved the agreement subject to attorney approval.

Mr. Keyser presented a report on meetings. The Virginia association of broadband cooperatives will meet on March 22, 2021.

Mr. Sandridge provided the VMDA Report. The subcommittees have met and considered a number of resolutions.

Mr. Keyser provided the Safety Report. There were no lost time accidents in February, bringing the total number of hours worked since the last lost time accident to 405,667. There was one vehicle accident that did not result in lost time. By motion duly made and seconded, the Board accepted the Safety Report.

The minutes for February 2021 were approved by the Board upon motion duly made and seconded.

New members, cancellations, estate refunds, and accounts payable were all approved as presented upon motion duly made and seconded.

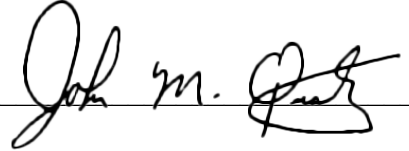
A brief executive session was held. After the executive session, a motion was made and duly seconded to conduct the district meetings in the spring of 2021 via virtual means in light of

the Governor's restrictions on in-person meetings contained in Executive Order Third Amended No. 72 (2021) and Order of Public Health Emergency 9.

There being nothing further to come before the Board, the meeting was adjourned.

Respectfully submitted,

Secretary

A handwritten signature in black ink, appearing to read "John M. [unclear]", written over a horizontal line.

Approved:
