

ROANOKE ELECTRIC COOPERATIVE

Minutes of the Board of Directors' Meeting

Ahoskie, North Carolina

January 24, 2022

Pursuant to due notice, a meeting of the Board of Directors of Roanoke Electric Cooperative ("REC" or "Cooperative") was held by videoconference, during which all persons participating in the meeting could hear each other. The meeting was held on January 24, 2022, beginning at approximately 6:00 p.m. The following Directors were present in person: Delores Amason, Marva Bond, Carolyn Bradley, Chester Deloatch, Columbus Jeffers, Kenneth Jernigan, Darnell Lee, Robert N. Riddick, and Allen W. Speller. Also present were Roanoke Electric Cooperative Interim President and CEO Marshall Cherry; Cathy Davison, Chief Financial Officer; Robert "Bo" Coughlin, Chief Operating Officer, Roanoke Connect Holdings, LLC; Margaret Pettyjohn, People Strategy Executive, Catapult; and Everette P. Winslow representing the Corporation's general counsel, Winslow Wetsch, PLLC. Mr. Cherry gave the invocation. With Chairman Speller presiding, and with these minutes being transcribed under the direction of Secretary Delores Amason, the following proceedings were had (all action of the Board being by unanimous vote, or without dissenting vote, unless otherwise stated):

1. Chairman Speller read the Ethics Awareness and Conflict of Interest Statement. No person in attendance indicated an actual or apparent conflict of interest with respect to the information received in advance of the meeting or the topics to be presented and reviewed during the meeting.

2. Chairman Speller provided tips on conserving energy to save money as well as the environment. In the winter, thermostats should be set to an optimal 68 degrees when there is activity in the home. South-facing drapes should be opened during the day to let sunlight in and closed in the evening to insulate the home. Inspect ductwork annually, change filters monthly, and install a 7-day programmable thermostat. Awnings, shutters, and window film can also increase energy savings. Ensure appliances have an energy star rating for energy efficiency. Finally, clean the refrigerator condenser and coils annually, insulate the hot water heater, and lower set its temperature at 120 degrees.

3. Mr. Cherry presented the 2022 Communicating Critical Issues document ("CCI"). The document explores topics central to the Cooperative's mission and unified methods by which those topics can be discussed with Member-Owners. Mr. Cherry reviewed two of the topics and highlighted the cooperative's Vision 2025 strategic plan.

4. Consent Agenda Items: Upon motion duly made and seconded, the Board reviewed and approved the following items:

- a. The minutes of the regular Board meeting of December 16, 2021.
 - b. The President and CEO's expenses.
 - c. The Safety Report and Minutes from December 9, 2021.
 - d. Ninety-eight New Applications for Membership for December 2021, totaling \$490.00. The names of all such applicants have been duly recorded in the Cooperative's records.
 - e. One hundred and ten Withdrawals from Membership from December 2021, resulting in refunds totaling \$550.00. The names of all such applicants have been duly recorded in the Cooperative's records.
 - f. Thirty-four past due accounts were transferred to uncollectible on the Cooperative's books in the aggregate amount of \$13,769.47 for the month of December 2021. Information concerning the accounts involved and the amounts written off for each such account are shown in the Cooperative's records, and each is subject to being collected in the future.
 - g. The payment of twenty-one requests for payment of Capital Credits to estates of deceased members that had so requested since the last such action by the Board. The net amount refunded after discounting and deduction of other appropriate sums were \$28,154.07 for the month of December 2021. Information concerning the accounts involved is shown in the Cooperative's records for such purpose.
5. Chairman Speller made the following announcements:
- Director Darnell Lee was recognized for his January birthday.
 - Director Jeffers was acknowledged and thanked for his 11 years of service to the Cooperative.
 - The REC Headquarters, The Roanoke Center, and the Planter's Building will be closed on Monday, February 21, 2022, in observance of President's Day. We will be conducting an In-Service training for employees.
6. CEO Cherry reported, through either himself or a delegate, and the Board took certain action, as follows:
- a. Margaret Pettyjohn, People Strategy Executive, Catapult, presented the Cooperative's 2021 Culture Survey. The Survey queried employees in 8 categories: culture; operational effectiveness; job; satisfaction; manager/supervisor; leadership; pay, benefits, and recognition; and overall

organization sentiment. Thirty-five of the 37 Survey questions utilized a four-point Likert scale response system, and two were open-ended. Overall scores were higher from the previous years' scores, and scores in every category were higher than Catapult norms. Ms. Pettyjohn reviewed the results and shared additional employee feedback while identifying advances and challenges.

[Ms. Pettyjohn thanked the Board and excused herself from the meeting]

b. Mr. Cherry provided an update on the restructuring of the organization. Recruitment work is ongoing with respect to the vacant Vice President of Corporate Services position. Mr. Cherry also discussed the realignment of Engineering and Operations under the direction of Jimmy Liverman, the appointment of Cathy Davison as the Cooperative's Chief Financial Officer, Michael Ferguson as manager of engineering, and the appointment of Bo Coughlin as the Chief Operating Officer for Roanoke Connect Holdings, LLC, the Cooperative's broadband subsidiary. Ms. Davison has been tasked as point person for ongoing coordination of the Strategy Execution System, and a new broadband Director of Field Operations is being onboarded.

Mr. Cherry reported on key initiatives. Masks are required for all employees without regard to vaccination status. The Upgrade to \$ave measurement and verification project is almost complete. A new agreement has been established with Eetility to convert Tier 1 installs by utilizing SolarShare funds. The Cooperative is working to determine how to best leverage its demand response program. Looking forward to next month, Mr. Cherry informed the Board that a new net metering rate is under development with Booth and Associates.

c. Mr. Coughlin reported on the activities of the Cooperative's subsidiary, Roanoke Connect Holdings and its contributions to the Cooperative's demand response program. Included in his presentation was information relating to out-of-territory service, which will provide cost support for broadband and, consequently, demand response equipment penetration into more remote areas served by the Cooperative.

d. Ms. Davison reported on the activities of the Cooperative's accounting team. The December and January financial updates will be presented at the February meeting.

7. Affiliate Organizations.

a. Statewide

i. Chairman Speller reported the Statewide Board Meeting is scheduled for February 15-16, 2022.

- b. TEMA
 - i. Director Jeffers reported the TEMA will also be taking place on February 15-6, 2022
- c. REAP
 - i. Director Riddick reported they are at a standstill now due to the North Carolina Supreme Court placing a hold on the new district voting maps.
- d. NCREA
 - i. Director Bradley announced the next meeting is scheduled for January 31, 2022.

8. Mr. Cherry reported on the 2022 Conference and Meeting list that was included in the board packet for informational purposes.

9. Ms. Davison presented the Conflict of Interest Certification and Disclosure Form to be completed by each director and the Board Attorney. Ms. Davison reported that the cooperative's auditors will finalize the Form 990 in February.

10. Attorney Winslow presented Policy Bulletin No. P-207A COVID-19 Sick Leave with modifications due the updated definitions of fully vaccinated from the Centers for Disease Control (CDC). After discussion and upon motion duly made and seconded, the following Policy Bulletin No. P-207A COVID-19 Sick Leave was approved.

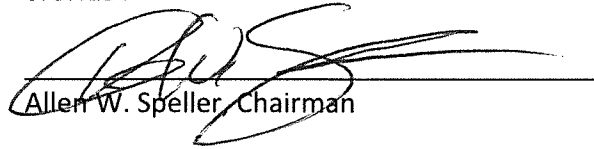
11. Attorney Winslow reviewed Policy Bulletin No. P-103: Harassment.

12. Upon motion duly made and seconded, the Board moved into executive session.


13. Following termination of the executive session and upon motion duly made and seconded, the Board approved removal of the "Interim" title from President and CEO Cherry's job title. In addition, and upon motion duly made and seconded, the Board approved a confidential salary offer to Interim CEO Cherry, directing Chairman Speller to communicate the same.

14. After the Board exited executive session and upon motion duly made and seconded, the meeting adjourned at approximately 8:45 p.m.

SIGNED:


Allen W. Speller, Chairman

APPROVED:


Delores H. Amason, Secretary