

M.J.M. ELECTRIC COOPERATIVE, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS

December 20, 2019

The regular meeting of the Board of Directors of M.J.M. Electric Cooperative, Inc., hereinafter referred to as the "Cooperative", was held at the Cooperative's offices located at 264 North East Street, in the City of Carlinville, Illinois at 8:00 a.m., on Friday, December 20, 2019.

Call to Order

The meeting was called to order at 8:00 a.m. by Robert Lehmann, Chairman, who chaired the meeting and William Heyen served as Secretary.

Roll Call

Upon roll call, Director Lehmann reported the following Board Directors to be present: Paul Bartlett, William Heyen, W. Kay Schultz, Louis Johnson, Robert Lehmann, Dennis Stewart, James Niemann, Marcie Tonsor and Robert Moore. Also present at the meeting were Lee J. Plummer, Attorney, Laura Cutler, President/CEO, Jen Peterson, Executive Administrator, and Director of Finance and Accounting, Daniel Drumeller.

Agenda

Upon motion properly made, seconded and carried unanimously, the December agenda was approved as presented.

Prior Meeting Minutes

Upon a motion properly made, seconded and carried unanimously, the November 26, 2019 Regular Board Meeting Minutes were approved as presented.

Treasurer's Report

A list of checks issued during November was reviewed. Cash disbursements for November were discussed as well as the cash position and requirements. The November purchased power breakdown was also reviewed. In addition, the December 1, 2019 receipts and disbursements, up to a point of time in December were reviewed. Upon a motion properly made, second and carried unanimously, the Treasurer's report was approved.

CFC

CEO Cutler reported on current interest rates. Several Directors, including CEO Cutler, are registered to attend the CFC Workshop which is to be held February 6-7, 2020.

Operating Report

CEO Cutler presented her report which included the Financial and Statistical Reports.

An opportunity was given to discuss MJM business activities which are reported to the Board at various times during the month. Information pertaining to outages, work orders, new services and equipment changeouts were also provided for review.

Director of Finance and Accounting, Daniel Drumeller explained line loss in detail and CEO Cutler discussed Annual Meeting entertainment options.

Joe Heyen, Director of Engineering and Operations, and Brooke Gross, Communications and Member Services Coordinator, joined the meeting.

Coordinator Gross spoke on several topics including recent training she attended, a MAC meeting that was held on December 12th and an updated MJM logo option to consider.

Director of Engineering and Operations, Joe Heyen, gave an update on numerous projects being worked on by his department. Heyen reported that his department is in the process of reviewing and planning for the 2020 Work Plan.

There were then discussions regarding the construction progress of the new building. Building construction lien waivers, originally discussed in August 2019, were discussed further. After the discussion concluded, a motion was made to require Attorney Lee Plummer to review all building construction lien waivers as they are made available. The motion was properly seconded and passed unanimously. Afterwards, Brooke Gross left the meeting.

CEO Cutler and Drumeller lead a discussion regarding the 2020 proposed budget. CEO Cutler suggested that the Board consider retiring Capital Credits for Estates in the future. After some time had passed a motion was made, seconded and passed unanimously.

Joe Heyen and Daniel Drumeller left the meeting.

Directors for districts 4, 5 and 7 are to be elected at the March 7, 2020 Annual Meeting of Members. Attorney Plummer reviewed with the Board the following proposed directives, for the 2020 Annual Meeting of Members, which the Board had approved prior to the Annual Meeting last year.

- A. To prepare ballots to be used for propositions presented from the floor.
- B. To present for consideration by the Members attending the 2020 Annual Meeting, the following Rules of the Day:

Rules for Consideration:

- 1. That not more than 25 minutes be allocated to discuss each motion.
 - 2. That during the consideration of the motion, each speaker may speak for up to three minutes unless no one else wishes to speak and that the Chair will attempt to alternate recognizing persons with opposing viewpoints as much as possible.
 - 3. That during the question and answer period, each person may speak up to two minutes unless no one else wishes to speak.
 - 4. That Roberts Rules of Order will govern the conduct of the meeting.
- C. To use only the proxy as provided on the back cover of the Official Annual Meeting Notice.

- D. To have a 30-minute question and answer period and if after this time allotment, Members are still wishing to ask questions, the Board, Attorney and President/CEO will remain after the meeting to answer questions.
- E. As pursuant to the Bylaws, that the meeting be chaired by Lee J. Plummer, Attorney for the Cooperative.

Upon motion properly made, seconded, and carried unanimously, the Board approved the above directives for the 2020 MJM Annual Meeting of Members, scheduled for Saturday, March 7, 2020 at the Carlinville High School, Carlinville, Illinois.

The Board next discussed a list of procedures to forward to the election and Credentials committee as recommended guidelines for the committee. Upon a motion properly made, seconded and carried unanimously, the same recommendation for rules and procedures as used for the 2019 Election and Credentials Committee, were approved, those being:

- a) That each candidate for Director shall be allowed to have one observer at the 2020 Annual Meeting of Members, and that the observer must be a Member of MJM Electric Cooperative and not be a candidate, an employee, a Director, or a spouse of any of the above.
- b) That each candidate who intends to have an observer at the 2020 Annual Meeting of Members must personally present that observer to the Election and Credentials Committee at the Carlinville, High School, Carlinville, Illinois between 8:00 and 8:30 a.m., on the morning of the Annual Meeting. While serving in that capacity, the observer shall wear identification provided to them by the Election and Credentials committee; and are to follow directives that are outlined by the Election and Credentials committee. Further, that subject to compliance with the above stated conditions, these observers shall be entitled to observe the registration process starting at 8:30 a.m., the balloting process and the tabulation of ballots.
- c) That during the registration of Members at the 2020 Annual Meeting of Members, Members who are registered and are entitled to vote at the Annual Meeting shall have their hand stamped with stamps to be provided by management, and further, that a person who is entitled to more than one vote shall have their hand stamped an additional time for each additional vote. Further, that only those persons who display said stamps on their hands shall be entitled to deposit their ballot in the ballot boxes to vote at the Annual Meeting and further, shall be entitled to vote only as many ballots as authorized by the number of stamps on their hand.
- d) That no campaigning be allowed inside the building where the Annual Meeting is to be held.
- e) That the ballot boxes be in place and that the polls open for voting at the 2020 Annual Meeting of Members immediately after the presentation of the Election and Credentials Committee report.
- f) That all questions that may arise regarding the registration and election procedures at the 2020 Annual Meeting of Members shall be addressed to the 2020 Election and Credentials Committee and their decision shall be final.

That the hand votes be conducted by Members raising their ballot(s) over their heads to be counted and that Members of the Election and Credentials Committee help in the counting and

tabulation of the results. Upon motion properly made, seconded, and carried unanimously, the Board approved the list of procedures to forward to the election and Credentials committee as recommended guidelines for the committee.

In addition, a Director made a motion, which was seconded and passed by all, to designate the 2020 Elections and Credentials Committee Meeting date to be held at 6 P.M. on January 28, 2020 at MJM's current headquarters in Carlinville.

A motion was made to delegate Joe Heyen as the voting delegate for the NRTC Annual Meeting in 2020. The motion was seconded and approved by all.

CEO Cutler discussed the First Amendment to the WVPA Power Supply contract. To allow further consideration, this topic was tabled until a later date.

Chris Franzen, IT Administrator, joined the meeting and reviewed MJM network statistics and provided a technology tip. Afterwards, he left the meeting.

At this time, a Director made a motion to approve the Operating Report which was seconded and approved unanimously.

Job Training and Safety

On December 11, 2019 there was an all employee meeting held regarding Cyber Security which was presented by Dan Girard from the AIEC. Employees with a CDL completed registration for the FMCSA Clearinghouse becoming active in January 2020. An Apprentice meeting was also held. The next safety meeting will be January 9, 2020.

AIEC

Director Bartlett reported on the monthly Board meeting.

Wabash Valley Power Association

Director Lehmann reported on the monthly WVPA Board meeting.

NRECA

Executive Administrator Peterson reminded the Board that registration for the 2020 NRECA Annual Meeting was open. The Board was supportive in allowing Attorney Plummer to attend the meeting. In addition, Peterson informed the Board about NRECA class 2630 Strategic Planning (CCD) being held on February 19th, 2020 at the AIEC.

Old Business

Nothing for discussion.

New Business

Nothing for discussion.

Next Month's Board Meeting

The next Board meeting is scheduled for 8 a.m. Thursday, January 23, 2020.

Executive Session

A motion was made, seconded and passed unanimously, for the meeting to go into Executive Session. After the discussions concluded, there was a motion and second, which passed, to come out of Executive Session.

Adjournment

After further discussions took place, a motion was properly made, seconded, and carried unanimously, and the meeting was adjourned. Upon a voice vote, that motion passed.