

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

June 27, 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 Thursday, June 27, 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, and Robert Moore. Also present at the meeting were Lee J. Plummer, Attorney, Laura Cutler, President/CEO, Joe Heyen, Director of Engineering and Operations, Jen Peterson, Executive Administrator, and Director of Finance and Accounting, Daniel Drumeller. Board Director Marci Tonsor was absent.

Agenda

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

Prior Meeting Minutes

Upon a motion properly made, seconded and carried unanimously, the May 30, 2019 Regular Board Meeting Minutes were approved as presented.

REDLG Loan - Illinois Alluvial Regional Water Company, Inc.

Ronnie Paul, a representative on behalf of Illinois Alluvial Regional Water Company, Inc., joined the meeting. After some discussions, a motion was made and seconded, which passed, to move forward with a REDLG application for Illinois Alluvial Regional Water Company, Inc.

Treasurer's Report

A list of checks issued during May was reviewed. Cash disbursements for May were discussed as well as the cash position and requirements. The May purchased power breakdown was also reviewed. In addition, the June 1, 2019 receipts and disbursements, up to a point of time in June 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. A motion was made, seconded and carried unanimously to allow CEO Cutler to monitor the interest rates on long-term debt, and borrow the agreed upon funds in order to lock in minimal interest rates. A discussion regarding payment procedures for the new facility project also took place.

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 change outs were also provided for review.

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 energy advising training, MJM's participation in summer parades and the successful Youth-to-Washington tour where as MJM sponsored two of MJM's youth. Mrs. Gross left the meeting.

Director of Engineering and Operations, Joe Heyen, gave an update on numerous projects going on in his department including flooding issues. The Jerseyville substation project is expected to have the portable substation installed on July 15th to assist with load control while other maintenance is being performed. He gave an update on the Bunker Hill substation project, truck replacement status, and the ongoing Digger Derrick reliability issues and offered options towards a solution. After discussions took place, a motion was made, seconded and passed unanimously to allow Joe Heyen to contact the Digger Derrick vendor and propose a plan to resolve the continuing issues.

Director of Finance and Accounting, Daniel Drumeller, reviewed MJM's financial forecast and will update the report quarterly for the Board to review going forward.

At this time, Joe Heyen left the meeting.

CEO Cutler discussed the 2019 MJM Capital Credit general retirement. After some time, a motion was made, seconded and passed to retire approximately \$453,400 of Capital Credits which will include the remaining Capital Credits from 1981 through half of 1982. Active account Members will receive their credit applied directly to their bill produced in September 2019.

The Board reviewed the number of Members in each district. A motion was made to maintain the Member districts as presented which was seconded and passed unanimously.

UUS voting delegates were discussed. A motion was properly made, seconded and passed unanimously to name CEO Cutler as the UUS voting delegate and Joe Heyen as the alternate.

Selecting a policy committee meeting date was tabled.

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

Executive Administrator Peterson reported that a crew safety meeting was held June 9th which covered bucket and pole top rescue. Directors Moore, Johnson and Schultz attended as well as Attorney Lee Plummer. Additional training information is available in the "Closed Circuit" report.

AIEC

Director Bartlett reported on the June AIEC Board Meeting.

Wabash Valley Power Association

Director Lehmann reported on the June Board meeting.

NRECA

NRECA Regional Meeting Voting Delegates were not selected at this time.

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, July 25, 2019.

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.