

**Minutes of the Regular Board Meeting of the
Jump River Electric Cooperative, Inc.**

February 25, 2020

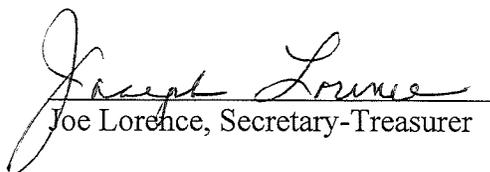
A regular meeting of the Board of Directors of the Jump River Electric Cooperative, Inc. was held on Tuesday, February 25, 2020 at the Ladysmith headquarters building in Ladysmith, Rusk County, Wisconsin.

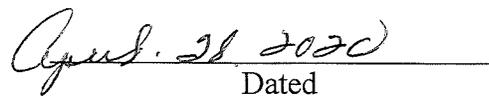
- A. Jerry Carow called the **meeting to order** at 8:53 a.m.
- B. **Roll Call.** Carow stated that all other board members were present, being as follows: Jane Reich, District 1; Myron Brooks, District 2; Joe Lorence, District 3; Jerry Carow, District 4; Bill van Doorn, District 5; John Cerman, District 6; Jason Weaver, District 7; Walter Kruk, District 8; and Sandra Schara, District 9 Also present were James Anderson, Jenifer Belk, and Lori Davis.
- C. The **Pledge of Allegiance** was recited.
- D. **Acceptance of the Agenda.** Motion was made by Brooks and seconded by Schara to move Item H - Financial Report to E. Unanimously carried.
- E. **Financial Report.** Davis reviewed the Monthly ACH Money Transfer and reported on the Cooperative's direct deposits 72-84; wire transfers 180-187, 191-195, 197, 200, 203-205, 211-212, and 217-218; and check numbers 100585-100739 for the period 01-06-2020 through 02-05-2020.
- Davis continued to report on RUS Revenue Deferral Resolution. Motion was made by Van Doorn and seconded by Kruk to approve Resolution 2-20-1 as presented. Unanimously carried.
- Davis continued to report on Supplemental Data, Investments. Motion was made by Kruk and seconded by van Doorn to approve the Financial Report as presented. Unanimously carried.
- E. **Open Comment Session.** No one in attendance.
- F. **January Regular Board Meeting Minutes** were presented and reviewed. Motion made by Reich, and seconded by Schara, to approve the January Regular Board Meeting Minutes as presented. Unanimously carried.
- F. **Safety Moment** – District 9 postponed safety moment until March Board Meeting.
- G. **Operations Report.** Howard presented on Hayward Surveying, Meter Changes, Building Lines in Gilman, New Building Transfer of Supplies, and Brushing. Motion was made by Weaver and seconded by Kruk to accept the Operations Report as presented. Unanimously carried.
- H. **General Manager Report.** Anderson reviewed Strategic Plan Objectives Review, LCO Joint Meeting, Building Update, Board Table, Dairyland Power Cooperative (DPC) meeting held at Barron Electric, Margins, LCO Surveying, Governance, Annual Meeting, Resolutions, Community Cents, NRECA Annual Meeting, Lobby Days Review, Manager's Expense Report, Strategic Planning Date May 12-13, 2020. Anderson reviewed Membership Refunds, New Membership Applications, Daily Outage Report, and Manager's Expenses.
- I. **Dairyland Power Cooperative (DPC)**
- a. **DPC Director Report.** Reich attended the Dairyland Power Cooperative (DPC) Board Meeting on January 22-23, 2020. Reich reported on the 3 resolutions on the Retirement of Genoa Plant #3 in 2021, New Rate Study, Membership, Search for CEO with CarterBaldwin Executive Search, Director Meeting to Review Applicants in June, Public Service Commission's Approval of the Purchase of Ranger Power Badgers State Solar Facility, US Department of Agriculture and US Fish & Wildlife and Army Corp of Engineers Approval to Release Environmental Impact Statement, Board Culture Assessment, and Power Worker License Plate. Discussion Held. Motion was made by Lorence, and seconded by van Doorn, to accept the Director Report. Unanimously carried.

Director Reports were uploaded to the Board-Paq prior to the meeting. Carow circulated Thank you cards from the School of Flambeau, ACRE, and Ladysmith Care Community & Lake Manor.

- J. **Unfinished Business.** There was none.
- K. **New Business.**
 - a. **Annual Meeting.** Nothing to report.
 - b. **Strategic Planning Date.** Discussed in General Manager's Report. Date set for May 12-13, 2020.
 - c. **March Meeting Date.** March 31, 2020.
- L. **Executive Session.** A motion was made by van Doorn and seconded by Kruk to go into Executive Session to discuss Board Self-Evaluations. Unanimously carried. No action was taken.

A motion was made by Weaver, and second by van Doorn to adjourn the meeting at 3:35 p.m. Unanimously carried.


Joe Lorence, Secretary-Treasurer


Dated

(CORPORATE SEAL)

February 2020 Report
District 5
Wm van Doorn

On Wednesday, the 5th of February, most of the board and staff attended an informational meeting in Holcombe in conjunction with Chippewa Valley Cooperative. Dairyland Power personal were giving an in-depth explanation on the new billing options. The two choices are time of use and a flat rate. It appears that JREC is opting for the time of use billing system. This process will give many of our members the ability to flex their usage time and save on their electric expenses. This does have to be a conscience effort on their part but does not have to disrupt their present lifestyle, whether a home or business activity. Is this complicated? Yes, but mostly on the Coops part. This is only possible because we as a Coop have updated our meters and computer systems. Was this a good meeting? Yes, but only because of the attendee's questions that had to be answered. I believe this could have been addressed at the following weeks meeting in Barron.

As previously mentioned, we attended a Dairyland Power district meeting on the 13th of February. It was announced that the CEO of DPC will be retiring.

It was noted that the huge Dairyland coal plant south of La Crosse will be closing in the near future. Mostly due to carbon emissions and the mandating of the current trends in the industry. The plan to build a natural gas plant in the Superior area is still the plan. Natural gas produces 60% less carbon than a coal plant does and can be fired up to supplement wind or solar energy in 15 minutes. This contrasts with a full day for a coal plant.

John Young, Assistant Vice President, of DPC gave a short update version of the upcoming rate changes that we received in Holcombe.

It was noted that all new transmission lines will have broad band capability, so as to facilitate future fiber expansion. We were also told that there are loan monies available to Coops and or members for innovative and efficient electrification projects.

Attendees of this meeting were informed that we can contact Jeff Springer for educational visits to businesses concerning electric cars, battery storage and charging stations.

DPC ended the meeting with a message that cyber security will probably be an issue for the foreseeable future.

Just a note that the building project at the Ladysmith headquarters is on schedule and on budget.

Respectfully Submitted,
District 5 Director
Bill van Doorn

Jane Reich
District 1

On Feb.5th I attended a Rate Study joint meeting with Chippewa Valley Electric and DPC facilitators. Most of our board, Jim Anderson, CEO, and much of the JREC staff attended. This was well needed to give input into the reasoning to believe we need change in how we do rates. Jim has spoken with us on this and the DPC executives were very helpful in making us have a more informed view from an overall perspective. I want to thank John Petska of CVE for his insight into bringing us the opportunity to join in; bringing more cooperative directors together to collectively be involved.

On February 13, most of our board attended the annual DPC.

Jump River Electric Cooperative
District 7 Director's report
Jason Weaver

Good day fellow Co-op Members,

This month was very busy for the Directors. At the end of January many of us attended the annual lobby days in Madison where we learned more in depth concerns for the cooperatives from around the state. We heard from Governor Evers on multiple issues that he was supportive of and helped push fixes for Cooperatives looking for emergency funding. Those of us from region seven were able to meet with staff from Senator Petrowski and Representative Edming's offices to thank them for their continued support. We were also able to here from Republican candidates Tom Tiffany and Jason Church.

On February 13th I and the entire board of directors were able to attend a Dairyland regional meeting at the Barron Cooperative offices. All the regional cooperatives were in attendance and we received a lot of great information about current projects, the decommissioning of the Genoa Coal fired plant in Lacrosse. When the new building is completed, we will be able to host these large meetings and training sessions right here in Ladysmith.

The American Birkebeiner (Birkie) is in Hayward this week so please drive slowly, give others plenty of room and watch for all the tourist driving a little different as they come from all around the world and may not know where they are going. The Birkie foundation is in need of volunteers and can be reached at <https://www.birkie.com/volunteer/> or give them a call at 715 634-5025 ext. 2

Be safe and think Spring!

JUMP RIVER ELECTRIC BOARD OF DIRECTORS ACTIVITY REPORT-FEBRUARY 2020

DISTRICT FOUR BOARD MEMBER-JERRY CAROW

The month of February is traditionally a month which Board members increase their knowledge of the Cooperative system and financing. This winter was no exception to that rule.

A joint meeting connecting similar interests with our neighbor to the south, Chippewa Valley Electric, was held at In the Holcombe area. The topic, understanding the new rate development format from our electric provider Dairyland Power, was an essential one to both Cooperatives. The presentation shared the topic with the listeners, but my expectations were not met. What it did do was advance the urgency of a better understanding on Jump River Boards part of how our future rate designs will benefit using either a flat rate or a time-of-use format. Which one or combination of the two meets the needs of our member/owners and the financial future of the Cooperative will necessitate a thorough understanding of what our new metering system can offer, before a decision is made. The topic can represent a real opportunity for rate stability for all of us. The shared meeting between Cooperatives was the first in recent memory, but it represents the future of "connections for shared purposes" with our neighbors once the Community/Training room is completed in our new Headquarters Building. Not only will shared meetings connect Jump River Electric with its neighbors, it will lessen travel costs and allow us to include Staff in understanding the same message that Directors hear.

The following week, the Dairyland Power District meeting was held in Barron. This has always been a time when Directors from all over this part of the State get a chance to understand how the Dairyland Power Generation and Transmission system operates. The meeting, as usual, met expectations. Yes, there were some presentations which seemed to have the wrong audience, but many of the others gave us a reality of what Dairyland has to offer. Again, the opportunity is realizing what we need to do with that understanding to put Jump River and its member/owners on solid ground, now and in the future.

February also represented an opportunity for this Director to have lengthy discussions with member/owners in District Four as I toured some of the District to collect signatures for my Board nomination papers. A Director sometimes forgets how hungry people are to know about some of the issues we can share. And other times it is easy to lose sight of the forest when you are looking at the trees-most users just want realistic rates and reliable power. It was surprising that the topic of the new Headquarters Building was rarely brought up in those discussions. What happens more regularly in these private meetings is the member brings up issues which are important to them like leaning poles or other operating issues within the Cooperative. As Directors we know we don't belong as the intermediary in those issues, but for the member/owners the time with "their" Director is often the only time they spent with anyone from the Cooperative. They often feel the need for answers. The slope is a slippery one for the Director but an important one for the member/owner. As promised to them, the issues were forwarded to the General Manager without the qualifications of action.

This Director also spent several visits to the Headquarters Building to build the agenda for the upcoming meeting, start the Strategic Planning Calendar, develop the Board Evaluation process, dealing with Community projects and meeting with the Cooperative Auditor as the Board representative.

February 2020
District # 3
Directors Report

February ended up being a pretty busy month for this Director. I have finished up collecting taxes for the Town of Marshal and everything balanced out for another year. It is a great opportunity to interact with many members of JREC that live in District 3. One of the local family farm owners in my District told me that this is the worst year he's every had in his life. He had some personal problems that were compounded by low milk prices and poor crop year. He vows to hang in there with hope that things will improve. Others expressed similar concerns and it is my opinion that although everything on the news tells you how the economy is booming, I don't think that is quite the case in our rural counties.

On Feb 5th most of our Directors attended a joint meeting with Chippewa Valley Co-op at Paradise Shores for a presentation by Dairyland Power. It is always great to interact with our surrounding Co-Op directors and I think there is an opportunity that we can do more things together. Dairyland Power gave us an overview of new rate design structure that is in the works. The power industry is changing, and we need to change to keep the industry sustainable in the future.

On February 13th we also were able to attend another meeting at Barron Electric Co-Op. This meeting was again with Dairyland Power to go over some of the same Objectives. The Genoa 3 coal fired generation plant in Genoa will be retired sooner than expected. We need to stay competitive and make sure the Dairyland Power System is sustainable in the future. Our goal is to keep the rates competitive and avoid increases while trying to be reactive to changes in the market.

I am up for re-election as a Director for District # 3 this year. At the time of this writing I am finishing up my first term. I must say it has been a very enlightening experience and I certainly have learned more about the electric co-op world that I could have imagined. In my opinion we have an excellent Board of Directors and an excellent General Manager that have moved us out of turmoil to a Co-op that is being looked up to by our neighbors as an example of what can be done. 3 years went by very fast and yes, I have taken out nomination papers and am looking forward to another term if the membership allows me to represent them again.

Joe Lorence
District # 3 Director

Myron Brooks
District 2

Jan 28-29

Attended WECA Lobby Days in Madison. Topics were to give thanks for support of the two million dollars for the restoration of Washington Island power and the restoration of the Rural Act for disaster relief.

We all thanked our legislatures for their support for the Namadji Trail Energy Center.

Future issues are rural broadband and securing the easements to bring the broadband to our members.

Funding for rural roads and wild parsnips were also issues of concerns.

Due to conflicts board members met with the staff of Senator Piotrowski and Representative Edming.

February 10th --attended, Time to Re-think our Approach to Governance in Eau Claire.

Analyze your governance practices before others do it for you. Discussed transparency, compensation, self-scrutiny and board succession planning.

February Report:

Besides attending the Rate Design Overview from Dairyland Power Cooperative, I also attended The District meeting at Barron and Lobby Days in Madison January 28-29, 2020.

Here are a few of the highlights from Lobby Days.

* Dr. Charles Franklin, who is the director of the Marquette Law School Poll.

*Two counties in Wisconsin have very low voter turnout and Sawyer County is one of them.

*The NW part of Wisconsin is declining in population.

*An 11-member volunteer crew from Wisconsin, Iowa and Illinois Electric Cooperatives spent 18 days in sweltering humidity and temperatures exceeding 90 degrees to electrify 50 homes, a church, a school and a medical outpost in a Guatemalan village.

*The trip was organized by the National Rural Electric Cooperative Association.

*The tiny village of Tierra Blanca Chixoy is in the rainforest of north-central Guatemala.

*Some of the members of this volunteer group spoke and it was so interesting to hear their stories. They said they didn't even need light bulbs to light up their homes because their smiles lit them up by themselves. What a great story.

There was a lot of talk of Broadband expansion.

*Millions of rural Americans are locked out of the modern economy simply because of their zip code.

*Electric cooperatives are committed to rural America.

*With the digital age developing in the 1980's and 1990's there is a demand for electric cooperatives to take on an additional role of providing high-speed internet services.

*There is one more key element that is needed in Wisconsin--utilization of easements to deploy broadband.

*There are currently 11 states that have adopted laws giving electric cooperatives the ability to use easements of their electric poles to also deploy broadband networks.

*This has been proven to work in other states--utilizing existing infrastructure for the cooperatives to deploy broadband.

*It can, and will, work in Wisconsin too.

This completes my report for this month.

Sandy Schara

Board of Director Report Walter Kruk Dist. 8

On February 10, 2020 I attended A training session in Eau Claire on Re-Thinking Our Approach to Governance. The session was conducted by Adam Schwartz. The training session showed us on how cooperatives need to survive and thrive and must mold to their members and not the other way around. During this full day workshop we were given the opportunity to analyze our coop's governance practices. This allowed us to take this tool back to our coop so the whole board and senior management can partake in the process. Adam Schwartz was a very good instructor making things easy to understand.

On February 13, 2020 I attended the Dairyland Power Coop District meeting held at Barron Electric coop in Barron. Dairyland's Executive Team shared an overview of the value Dairyland provides its cooperative members in an increasingly complex utility industry. I learned about the challenges Dairyland Electric is facing and the steps being taken to successfully address them. I had the opportunity to discuss issues that are impacting the generation and delivery of electricity to cooperative members. The opening address came from Dairyland President and CEO Barb Nick. Topics presented were operational updates and Dairylands financial outlook.

Walter Kruk
Director Dist. 8