

79th Annual Meeting of the Membership

October 21, 2017

The 79th Annual Meeting of the Jump River Electric Cooperative, Inc. (hereinafter referred to as the "Cooperative") was held at the Ladysmith High School, Town of Flambeau, Rusk County, Wisconsin on Saturday, October 21st, 2017. Registration began at 8:00 a.m. in conjunction with breakfast being served in the cafeteria.

President Jerry Carow called the meeting to order at 10:00 a.m. Presentation of Colors as well as The National Anthem was presented. President Carow welcomed the members of the Cooperative to the 79th Annual Meeting.

President Carow thanked the following people: the Ladies of St. John's Lutheran Church of Ladysmith for the preparation of the breakfast, the Rusk County Home Care Services for providing the free blood pressure checks at the Annual Meeting each year, and the Ladysmith VFW for the presentation of colors.

Secretary-Treasurer Lori Taguma reported there were 87 members registered and declared there was a sufficient number to constitute a quorum and hold an official meeting.

President Carow announced Attorney Niles Berman would act as parliamentarian at the meeting. Attorney Berman then read the Rules of the Meeting to the membership. Attorney Berman next read the proof of notice of the annual meeting. The official notice of the meeting was included in the *Wisconsin Electric Cooperative News (WECN)* that was mailed to all members on September 28, 2017.

A motion was made and seconded by members to approve the 2015 Annual Meeting Minutes as distributed. The motion was unanimously carried.

President Carow stated the members received a copy of the 2016 Annual Meeting Minutes in the Annual Meeting Notice that was mailed to them in the WECN, and entertained a motion to approve those minutes as distributed. Discussion held to amend the 2016 Annual Meeting Minutes. (The amendments: added "in regards to a report that has not been given" in the 7th paragraph, relating to submitting questions in advance of the meeting; added a new paragraph after the 16th paragraph, describing the members' request to suspend the rules; and added a reference in the next to last paragraph on a vote of no confidence for Attorney Weld.) A motion was made and seconded by the members to approve the 2016 Annual Meeting Minutes as amended. The motion was unanimously carried.

President Carow introduced the election inspectors: Gene Ludvigsen, Jackson Reeder, Florence Selonke, and David Trott.

Attorney Berman read the qualifications of the director of the Cooperative and introduced the current directors of the Cooperative. Berman then announced the director candidates, being: District 3 – incumbent Art Thompson, Sheldon and Joe Lorence, Sheldon; District 4 – incumbent Jerry Carow, Ladysmith; District 9 – incumbent John M. Hanson, Hayward, Sandy Schara, Hayward; and Bob Wick, Hayward. Thompson, Lorence and Hanson addressed the membership. Member Susan Farrell spoke on Schara's behalf.

Attorney Berman called for questions on the Director Ballot. Being no questions asked, Berman closed the Director balloting.

Attorney Berman reviewed the three proposed Bylaw amendments.

Attorney Berman called for questions on the Proposed Bylaw Amendments. Being none, he gave voting instructions and closed the Proposed Bylaw Amendment balloting.

Finance Manager Scott Peterson introduced Gregory Mleziva of Bauman's & Associates. Mr. Mleziva stated the Cooperative's books were in good standing and kept accurately. A copy of the Financial Report was sent to each member in the WECN Annual Report and Mleziva reviewed the report therein.

President Carow reported on: approval of the budget; all co-op districts now have representation; and the hiring of a new Attorney. He recognized former interim General Manager Dave Oelkers, Vice President of Human

Resources at Dairyland Power Cooperative (DPC) Mary Lund, JREC General Manager James Anderson, and former board member with 52 years of service, John Kmosena. He touched upon the Fixed Cost of Delivery; Nuclear Waste Policy Act (NWPA) Judgment; reported that there are 8,404 members and 1,760 miles of line; removal of power cost adjustment and closing of the appliance division after 60 plus years.

General Manager James Anderson addressed the membership. He reported on capital credit retirement; operation round up for 2018; advancement of meter deployment; member education; right-of-way program; mapping system; computer programming and upgrades; open door policy; cooperative mission statement which focuses on safe, reliable, economical energy; 7 Cooperative Principles; November 10, 1938 incorporation date and history of being energized in 1940 with 179 members on board; provided stats for 2017 of 8,404 members, 9,500 meters, 6 counties, 1,760 miles of line, 24 full-time employees; 2 substations at Hayward and Hannibal, 4 at Ladysmith; introduced employees; energy sense incentive and rebate program and the Evergreen program.

District 1 Director, Jane Reich introduced Vice President of Power Delivery at DPC, Ben Porath. Porath reviewed what DPC has accomplished in 2017. He touched upon expected member growth in the upcoming years and provided an update on LACBWR decommissioning.

President Carow called for comments and questions on reports and submitted questions. A comment was read, thanking the panel for sitting on the floor with the members. No other comments or questions.

President Carow called for unfinished business. Michelle Cyr questioned whether or not we needed to vote on a motion that was made last year by member Bruce Anderson – allowing membership to change or add to the Annual Meeting Agenda, immediately after Call of Order. Attorney Berman indicated that no vote was needed since the point is covered in Robert's Rules of Order.

President Carow called for new business. There was none.

General Manager James Anderson presented Jerry Carow, District 4 Director with a certificate for his completion of the Credential Cooperative Director Program, and Jane Reich, District 1 Director with a certificate for her completion of the Board Leadership Director Program.

President Carow and General Manager James Anderson presented No Lost Time Accident Safety Awards to employees: Kevin Wright, 15 years – 35,022.5 hours of no lost time accidents; Joe Donnellan, 15 years – 38,022.5 hours of no lost time accidents; and Denise Zimmer, 15 years – 33,177.5 hours of no lost time accidents.

Attorney Berman reported on the director election results. Based on the initial count, Attorney Berman declared the following directors received the highest number of votes in their respective districts and would serve their respective districts for three years, the term specified in the Bylaws of the Cooperative, or until their successors shall have been elected and qualified: District 3, Joe Lorence, Sheldon; District 4, Jerry Carow, Ladysmith; and District 9, Sandy Schara, Hayward. Attorney Berman explained that to ensure complete accuracy, and even though there were no close races, the ballots were still being recounted and that the final counts will be reported in the Minutes of this meeting. Those final results were as follows: for District 3 - Joe Lorence, 228 votes and incumbent Art Thompson, 78 votes; District 4 – incumbent Jerry Carow, 262 votes; District 9 – Sandy Schara, 178 votes, Bob Wick, 87 votes, and incumbent John M Hanson, 57 votes.

Attorney Berman then announced the proposed Bylaw amendments all received a majority of votes in favor and were adopted. As with the director elections, to ensure complete accuracy, and even though all the amendments passed by wide margins, the ballots were still being recounted and the final counts will be reported in the Minutes of this meeting. Those final results were as follows:

Proposed Bylaw Amendment 1 to amend meeting rules and member resolutions was adopted, with a vote for the Bylaw Amendment of 281, and 29 against.

Proposed Bylaw Amendment 2 to amend tenure and qualifications was adopted, with a vote for the Bylaw Amendment of 277 votes, and 28 against.

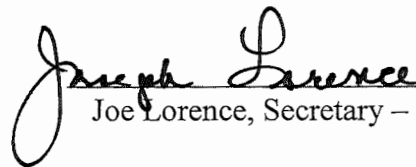
Proposed Bylaw Amendment 3 to amend compensation was adopted, with a vote for the Bylaw Amendment of 288 votes, and 22 against.

Attorney Berman stated the ballots will be held for 30 days following the meeting and destroyed after that retention time unless directed differently by the membership. No objection or comments were made and Berman declared the ballots will be retained for 30 days.

General Manager James Anderson reminded the members to turn in their red ticket stub to redeem their attendance gift, which was a \$10.00 energy credit.

The grand prize winner was Tim Smith winning a \$200 voucher towards the purchase of an appliance.

Being there was no further business to come before the meeting, President Carow accepted a motion and second to close the meeting at 12:05 p.m. Motion carried.



Joe Lorence, Secretary – Treasurer

(CORPORATE SEAL)