

M.J.M. ELECTRIC COOPERATIVE, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS
February 23, 2023

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 headquarters located at 18300 Shipman Road, in Carlinville, Illinois at 8:00 a.m., on Thursday, February 23, 2023.

Call to Order

The meeting was called to order at 8:00 a.m. by Kay Schultz, Chairman, who chaired the meeting and Marcie Tonsor served as Secretary.

Roll Call

Upon roll call, Director Tonsor reported the following Board Directors to be present: Tyler Heyen, Charles Huebener, Robert Lehmann, Marcie Tonsor, James Niemann, W. Kay Schultz, and Dwayne Milner. Robert Moore was absent. Also present at the meeting were Joe Heyen, President/CEO, Jen Peterson, Executive Administrator, Jeremy Pattillo, Director of Finance and Accounting, Lee J. Plummer, Attorney, and Todd Stewart, MJM Member.

Agenda

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

Board District 8 Appointment

A motion was made, seconded, and passed unanimously to appoint Todd Stewart of Nokomis as MJM’s District 8 Director.

Prior Meeting Minutes

Upon a motion properly made, seconded, and carried unanimously, the January 26, 2023 regular board meeting minutes were approved as presented.

Treasurer’s Financial and Statistical Report – Director Summary

Director of Finance and Accounting, Jeremy Pattillo presented the Financial and Statistical Report. An opportunity was given to discuss MJM business activities which are reported to the Board at various times during the month.

A list of checks issued during January was reviewed. Cash disbursements for January were discussed as well as the cash position. The January purchased power breakdown was also reviewed. In addition, the February 1, 2023 receipts and disbursements, up to a point of time in February, were reviewed.

Mr. Pattillo reported on current CFC interest rates and several board directors reported on a CFC Workshop they attended earlier in the week.

Upon a motion properly made, second and carried unanimously, the Treasurer's report was approved.

Operating Report

CEO Heyen gave his report which included industry updates and other topics.

Chris Franzen, IT Administrator, joined the meeting to provide statistical IT results from the previous month and discussed technological topics with the Board. Franzen left the meeting.

Matt Eisenmenger, Director of Operations, and Bob Brandon, Director of Engineering, joined the meeting along with Operations Assistant Stefanie Frizzo.

Director of Operations Eisenmenger acknowledged Frizzo's accomplishments and spoke about the recent safety award that she received from the AIEC. Frizzo left the meeting.

Eisenmenger then provided updates regarding his department including that the Hornsby substation improvement work was completed and the 3 Phase PPI transmission line in Fieldon was successfully relocated as planned.

Director of Engineering Brandon reported that the easements related to the IDOT project near the Piasa warehouse have been successfully obtained. The engineering department is working hard to keep up with Member requests.

Jeff Conrad, CEO of Wabash, and Eric Cooper, Communications and Member Services Coordinator, joined the meeting.

CEO Conrad gave an update on the All-Requirements Contract (ARC) along with current energy market details. The Board was then given an opportunity to ask questions.

CEO Conrad, Eisenmenger, and Brandon left the meeting.

Communications and Member Services Coordinator Cooper provided an update for his department. Annual meeting details were discussed, and solar applicant activity was reported. Cooper left the meeting.

Jen Peterson, Executive Administrator, reported on the status of February's non-pay disconnected accounts.

Pattillo discussed the WVPA True-Up/Power Cost Adjustment (PCA) that will be needed to cover a \$32k monthly increase from WVPA which began February 1, 2023 and will run through the end of the year. A motion was made, seconded and passed unanimously to charge an appropriate PCA to Member's accounts to collect the needed funds.

The board discussed plans for the annual meeting's drive through lunch. As a result, the board was supportive of having a porkchop sack lunch again this year. A discussion related to a board

candidate profile form took place and it was determined that the form was not necessary for MJM Members to complete if they were running for a board seat.

The board then reviewed the elections and credentials committee list which is attached hereto. A motion was made to approve the committee list which was seconded and passed unanimously.

Next, a motion was made to set the Elections and Credentials Committee meeting date as April 25th at 6:30PM here at the cooperative's headquarters. The motion was seconded and passed unanimously.

Directors for districts 4, 5 and 7 are to be elected at the June 8, 2023, Annual Meeting of Members. Attorney Plummer reviewed with the Board the following proposed directives for the 2023 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 to the Annual Meeting.
- B. To present for consideration by the Members attending the 2023 Annual Meeting, the following Rules of the Day:

Rules for Consideration:

- 1. That Roberts Rules of Order will govern the conduct of the meeting.
- 2. To use only the proxy as provided on the back cover of the Official Annual Meeting Notice.
- 3. As pursuant to the Bylaws, that the meeting be chaired by Lee J. Plummer, Attorney for the Cooperative.

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 2022 Election and Credentials Committee were approved. Those being:

- A. That each candidate for Director shall be allowed to have one observer at the 2023 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 2023 Annual Meeting of Members must personally present that observer to the Election and Credentials Committee at the MJM Headquarters, between 3:00 p.m. and 3:30 p.m., on the date 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 3:30 p.m., the ballot process and the tabulation of ballots.

- C. That no campaigning be allowed inside the building where the Annual Meeting is to be held.
- D. That the ballot boxes be in place and that the polls open for voting at the 2023 Annual Meeting of Members during the Annual Meeting.
- E. That all questions that may arise regarding the registration and election procedures at the 2023 Annual Meeting of Members shall be addressed to the 2023 Election and Credentials Committee and their decision shall be final.

Upon motion properly made, seconded, and carried unanimously, the Board approved the above directives for the 2023 MJM Annual Meeting of Members, scheduled for Thursday, June 8, 2023 at the Cooperative's headquarters in Carlinville, Illinois.

Chairman Schultz reviewed appointment changes related to the board committees as follows:

- Taking the place of Dennis Stewart, Robert Lehmann was named the Chairman of the **Member Services and Policies Committee.**
- Taking the place of Dennis Stewart, Dwayne Milner was named the Chairman of the **Building and Equipment Committee.**
- Taking the place of Dennis Stewart, Charles Huebener was added to the **Executive Committee.**
- Todd Stewart, a new board member, was added to serve on the **Member Services and Policies Committee** and the **Building and Equipment Committee.**

The updated board committee list is attached hereto for reference.

CEO Heyen requested a special meeting to be held to discuss the 2024 rate design. The board agreed to have the meeting on April 27, 2023.

Selecting a date to hold a policy committee meeting was tabled at this time.

Due to bad weather in January, the board self-assessment meeting, facilitated by CFC, was postponed. The board was supportive of rescheduling the meeting for March 21, 2023 here at MJM's headquarters.

A motion was made, seconded, and passed unanimously to increase the distributed generation avoided cost rate to \$.06352 effective March 1, 2023.

A Director made a motion to approve the Operating Report which was seconded and approved unanimously.

AIEC

Director Niemann reported on the AIEC Board meeting.

Wabash Valley Power Association

Director Lehmann and CEO Heyen reported on the monthly WVPA Board meeting.

By a motion, Director Lehmann was named the WVPA voting delegate and Director Huebener was named the alternate, CEO Heyen was appointed as the Member System Representative, Director Lehmann was appointed as the WVPA Director, and Director Huebener was the proxy appointment. The motion was seconded and carried unanimously.

NRECA

Director Niemann was presented with his Director Gold renewal certificate.

Old Business

Nothing for discussion.

New Business

Nothing for discussion.

Next Month's Board Meeting

The next regular Board Meeting is scheduled for March 23, 2023, at 8:00 a.m.

Jen Peterson and Jeremy Pattillo left the meeting.

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.