

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

December 23, 2020

The regular meeting of the Board of Directors of M.J.M. Electric Cooperative, Inc., hereinafter referred to as the "Cooperative", was held in person and via video conference at 8:00 a.m., on Wednesday, December 23, 2020.

Call to Order

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

Roll Call

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

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 24, 2020 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, 2020 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 and a repricing opportunity that would allow a forward rate lock.

Operating Report

CEO Cutler presented her report which included 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. Information pertaining to outages, work orders, new services, and equipment changeouts were also provided for review.

CEO Cutler discussed past power supplier costs and MJM's kWh sales.

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

Executive Administrator Peterson gave an overview of non-paid service disconnections in December and discussed a Member payment issue. The front office is continuing to work with Members who request extensions.

Brooke Gross provided an update on her activities including student scholarship opportunities. The Board was agreeable to pay \$500 to an artist that will paint an approved design on one of the Community Room walls.

Joe Heyen gave an update on numerous projects being worked on by his department. COVID-19 has continued to create working restrictions and stress on MJM employees. The AIEC is working with coops to help facilitate virtual safety meetings starting in January 2021. Research is being done regarding battery storage for substations.

CEO Cutler presented service awards to Directors: Stewart - 10 years and Moore – 20 years.

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

Multiple policies were discussed which were previously reviewed December 11th by the Policy Committee and Attorney Plummer. After a full board discussion and review, a motion was properly made, seconded, and passed unanimously to approve the changes as discussed in the policies listed below. Chris Franzen left the meeting after discussing two policies related to his department. The policies with changes are attached hereto.

Section 2 - Personnel and Facilities

REVISED	16	Purchase of Equipment, Materials and Supplies
REVISED	22	Electronic Communications
REVISED	32	Employee Training and Development
TABLED	34	Drug and Alcohol Policy

Section 3 - Members and Consumers

REVISED	2	Member's Check Returned by Bank
TABLED	6a	Joint Membership
REVISED	10	Identity Theft Prevention
REVISED	19	Outdoor Lighting
REVISED	22	Metering
REVISED	26	Single Phase Underground Primary and Secondary Service Upgrades
REVISED	29	Single Phase Line Extension Policy
REVISED	30	Three Phase - Line Extension Policy
REVISED	32	Overhead & Underground Service for Rural Subdivisions

WVPA is offering funding opportunities to establish dedicated Monarch Butterfly habitats on a case-by-case basis. The Board was supportive of CEO Cutler reaching out to WVPA to find out more information regarding this program. Further discussion will take place at a future meeting.

The Board reviewed the proposed budget for 2021. A motion was made to approve the 2021 ROW bids as presented for the Nutwood and Newburn substations totaling \$997,830. The motion was seconded and carried unanimously. A second motion was made to purchase conference room audio/visual upgrades for the Community Room totaling \$11,850, which will assist with employee training and virtual meetings among other benefits. Upon a voice vote, that motion also passed. Further discussion will take place at January's Board meeting regarding the full 2021 budget. At this time Joe Heyen left the meeting.

Next, the Board discussed a margin rebate for December 2020. After some time had passed, a motion was made to approve a \$500,000 margin rebate which will be applied to the December 2020 billing cycle as a bill credit. The motion was seconded and passed unanimously.

CEO Cutler lead a discussion regarding 2021 Rates. After review, a motion was properly made, seconded, and passed unanimously to approve the 2021 Rates as presented. The service delivery charge was not increased for 2021. An updated rate sheet is attached hereto.

The Board then reviewed a revised districting map to help re-balance the areas. After some time had passed, a motion was made, seconded, and passed unanimously to approve the re-districting as proposed. The new map is attached hereto.

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

Job Training and Safety

Executive Peterson reported the December safety meeting was postponed due to an increase of local COVID-19 infections. The next all employee safety meeting will be held virtually in January if possible.

AIEC

Director Bartlett reported on the monthly AIEC meeting.

Wabash Valley Power Association

Director Lehmann reported on the monthly WVPA meeting.

NRECA

Nothing for discussion.

Old Business

Nothing for discussion.

New Business

Nothing for discussion.

Next Month's Board Meeting

The next regular Board Meeting is scheduled for January 28, 2021 at 8am.

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. Upon a voice vote, that motion passed.