

**Minutes of the Regular Board Meeting of the
Jump River Electric Cooperative, Inc.
Tuesday, October 28, 2025**

A Regular Meeting of the Board of Directors of the Jump River Electric Cooperative, Inc. was held on Tuesday, October 28, 2025, at the Cooperative headquarters building in Ladysmith, Rusk County, Wisconsin.

Thank you letters from Kiwanis Club of Medford and scholarship recipient Zoe LaDuke were circulated by Chairman van Doorn.

1. **Call the Meeting to Order.** Chairman van Doorn called the Regular Board Meeting to Order at 8:56 a.m.
2. **Roll Call.** Chairman van Doorn stated that the following Board Members were in person at the start of the meeting: Jane Reich, District 1; Christine Beadles, District 2; Joe Lorence, District 3; Jay Waeltz, District 4; Bill van Doorn, District 5; Bill Amery, District 6; Mike Gardner, District 7; Walter Kruk, District 8; and Sandy Schara, District 9. Also present in person was General Manager/CEO, Kurt Harris; Finance Manager, Dawn Zahurones; Operations Manager, Ben Modl; and Executive Assistant, Virginia Jacobs.
3. The **Pledge of Allegiance** was recited.
4. **Acceptance of the Agenda.** Kruk proposed amending the agenda to include Old Business, Christmas Party. A motion was made by Beadles and seconded by Gardner to accept the amended agenda. Unanimously approved. Agenda amended to include 16. Old Business, a. Christmas Party.
5. **Open Comment Session.** No one in attendance.
6. **Safety Moment.** Lorence presented fire prevention month tips: check your smoke alarms, beware of hazards inside your home, such as burning candles, and outside such as leaf piles, extension cords for holiday decorations, grilling supplies; and safety awareness precautions for upcoming events: Halloween trick or treating, daylight savings and Thanksgiving cooking.
7. **September Minutes.** A motion was by Lorence and seconded by Gardner to approve the September Board minutes as presented. Unanimously approved.
8. **Check Register.** September check register was posted to Call to Order prior to the meeting for review by the board. Discussion held.
9. **Consent Agenda.** Member applications, member refunds, outages, director expense reports and director report were posted to Call to Order prior to the meeting for review by the Board. A motion was made by Gardner and seconded by Lorence to approve the consent agenda items as presented. Unanimously approved.
10. **Operations Report.** Operations Manager Ben Modl reported on the completion of Hwy E grant project, work plan progression of LCO grant project, pole testing timeline, Hannibal Solar commissioning and new service totals for the month and year-to-date. Discussion held. A motion was made by Waeltz and seconded by Beadles to approve the Operations Report as presented. Unanimously approved.
11. **Financial Report.** Finance Manager Zahurones reported on the income statement comparison, monthly margins, year-to-date margins, tier/o-tier, year-to-date balance sheet summary, equity, year-to-date highlights, monthly kilowatts sold, year-to-date kilowatts sold, and operating statement, balance sheet, supplemental data for September 2025. Discussion held. A motion was made by Kruk and seconded by Waeltz to approve the financial report as presented. Unanimously approved.
12. **General Manager Report.** General Manager/CEO Harris reported on Monthly updates –

completion of OEI grant work and reporting progress, status of capital credit retirement and spent nuclear fuel settlement credits, Hannibal solar array coming online, Bitcoin mining tour and opportunity, GM expenses this month, strategic plan updates for member and community collaboration: blood drive, upcoming Trunk or Treat events, high school career fair attendance and job shadows, participation in DPC's Cooperative Day of Service and status of LCO tribal grant project. Discussion held. A motion was made by Waeltz and seconded by Reich to approve the General Manager Report. Unanimously approved.

The Board took a break from 10:29 a.m. to 10:39 a.m.

13. **Dairyland Power Cooperative (DPC).**

- a. **Board Meeting Summary.** Reich reported on Flambeau Hydro Station tour, leadership tips, Cooperative Day of Service, Badger State Solar progress, data center town halls, upcoming projects, board actions, finances including YTD PCA charges, and other educational topics. Discussion held. A motion was made by Schara and seconded by Gardner to approve the DPC Director report as presented. Unanimously approved.

14. **Wisconsin Electric Cooperative Association (WECA).**

- a. **Ethics and Governance: Implementing the New Accountability Summary.** Director reports from Director Beadles and Director Schara were posted to Call to Order prior to the meeting for review by the Board. Discussion held.
- b. **2026 Skill Builders.** A motion was made by Reich and seconded by Schara to approve pre-purchase of forty (40) skill builder credits. Unanimously approved.
- c. **FYF Delegate.** A motion was made by Reich and seconded by Beadles to appoint Harris as voting delegate for the 2026 Federated Youth Foundation Annual Meeting. Unanimously approved.

15. **New Business.**

- a. **October PCA.** A PCA rate calculation report was presented. Discussion held. A motion was made by Reich and seconded by Kruk to not pass the October power cost adjustment charge from Dairyland on to the membership. Unanimously approved.
- b. **FYF Scholarships and Donations.** Discussion held. A motion was made by Reich and seconded by Schara to offer \$33,000 in scholarships and change the FYF donation budget to \$25,000 for 2026. Unanimously approved.
- c. **Annual Budget.** Preliminary annual budgets with and without rate increase information presented to the Board of Directors. Discussion held. No action taken.

16. **Old Business.**

- a. **Christmas Party.** Discussion held.

The Board recessed for lunch from 12:27 p.m. to 12:58 p.m.

Zahurones and Modl exited the meeting at 12:58 p.m.

17. **Executive Session.** A motion was made by Schara and seconded by Lorence to enter into Executive Session at 12:58 p.m. to discuss Employee Strategic Goal Recognition and General Manager/CEO Evaluation. Unanimously approved.

- a. **Employee Strategic Goal Recognition.** Discussion held.

Harris and Jacobs exited the meeting at 1:01 p.m.

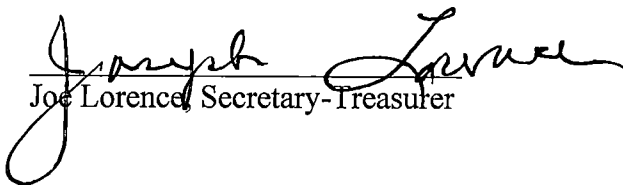
- b. **General Manager/CEO Evaluation.** Discussion held. Harris returned to the meeting at 2:22 p.m. A motion was made by Reich and seconded by Schara to return to open session at 2:27 p.m. Unanimously approved.

Jacobs returned to the meeting at 2:28 p.m.

A motion was made by Kruk and seconded by Beadles to approve a compensation increase for General Manager/CEO, Harris as discussed in Executive Session and reflected in a written confirmation of this action signed by the Board Chair and Secretary and placed in personnel records. Unanimously approved.

18. **Next Meeting Date.** The November board meeting date was scheduled for November 25, 2025. Unanimously approved.

Board Consensus to **Adjourn the Meeting at 2:32 p.m.**


Joe Lorence, Secretary-Treasurer

11-25-2025
Dated

(CORPORATE SEAL)

October 2025 Report

District 5 Director

William van Doorn

Here we are and it's fall time already. We had a mild summer overall and now the leaves are dropping. Even with a mild summer usage still manages to increase overall.

This brings up the subject of power supply and the looming question. Do we have enough power available for the future? We are getting more efficient but our electricity consumption still grows because nearly all new inventions are also new consumptive uses of electric power. The good news is that the powers that be are finally starting to address the subject of more power in a more intentional manner.

Getting to our home issues that we have control of, I believe we at JREC are doing our very best to control costs and provide dependability best we can with the weather and rural conditions that we have to deal with.

Your Cooperative has been very transparent with the board and with its members which makes it easier to move forward in a way that we board members understand and can relay to the membership which we represent. As an example, are billing attempts to compartmentalize so we accurately show what part of your bill actually represents cost of power and part represents daily overhead. To further clarify this billing it's time to talk to an office staffer or a board member whom can either answer a question clearly or get you in touch with the appropriate staff member.

As you read this report I'm sure you noticed that I've spoken to no specific activities of this past month. I have been busy but nothing that has been finalized at this time. Is representing the membership been fulfilling? Looking back at some of the challenges and successes, overall I must say yes. As we move forward I'm sure it will still be challenging.

Respectfully Submitted

District 5 Director

Bill van Doorn

Director Report – Ethics and Governance: Implementing the New Accountability
October 14, 2025
Christine Beadles

The class was held at Florian Gardens in Eau Claire and I attended along with Sandy Schara. Adam Schwartz was our presenter. Throughout the day we did a lot of “musical chairs” which allowed us to interact with a larger demographic of fellow directors which was nice. Much of the day was spent discussing various scenarios, ideas, and views.

We have a responsibility to those we represent to be ethically diligent both individually and as a group. We may have personal ethical values that influence our individual group governance. Ethics are moral principles that govern a person or group’s behavior, not necessarily tied to laws and/or rules. Some behaviors may be considered unethical, but at the same time actually be legal. Just because it is legal, doesn’t mean it is ethical. It is the board’s responsibility to identify areas of risk where criminal violations may occur and routinely reassess those risk areas. We need to have policies in place that help us detect/prevent risk and make sure they are consistently enforced. They also need to be regularly evaluated for necessary changes/improvements. One of the co-ops that I interacted with actually has a governance committee that meets each month prior to their regular meeting to review a policy or two. I did spend some time going over our policy #116 Business Ethics and believe it to be very thorough and complete.

One discussion that we had was about the check register and whether or not it is necessary to have a motion and vote to approve. The answer we were given was, “It is not a suggested practice to entertain a motion and have a board vote on it.” Basically, it is already a done deal and it is the board’s job to spot check it and ask questions to keep all involved accountable. Another suggestion was to have the CEO/CFO give a little presentation on the steps taken in regards to the payment of bills, how the checks and balances work within your specific co-op. I did look at policy #105 Check Signing and Adjustment of Bills.

Another conversation was about document retention within our co-ops, which I know nothing about. There are 3 steps to record retention: 1) determine what records exist (including e-mails), 2) determine the legal minimum retention period, and 3) establish a records retention program by way of policy. I reviewed policy #107 Record Retention which contains the statement, “Cooperative records shall ordinarily be destroyed within twelve (12) months after the applicable time period of record retention has expired.”

We also spent time discussing policies pertaining to whistle blowers. A whistle blower policy should have 4 components: 1) intention of bringing information forward; 2) encourages a process for information to be reviewed; 3) information has to do with possible wrongdoing within the organization; and 4) person exposing an unlawful act must be assured of no reprisal. I read through our policy #117 Whistle Blower and feel that it does cover all of the required components.

Sandy Schara
District 9 Director Report

On October 14, 2025, I attended the Ethics and Governance class in Eau Claire. I enjoyed the class very much, both in content and instructor presentation. He started off by introducing himself and then he had everyone line up against the wall in order of how many years you've been on your board. He had us count by 6. All the 1's sat at table 1 and so forth. Now you were with a whole new set of people. After a while, he said one of the people at every table could stay and the other 3 had to find a new place to sit. He did this a few more times during the class. It was really fun to connect and interact with so many different people.

The instructor's name is Adam Schwartz, from the state of Virginia. He is a consultant for cooperatives. This course addressed such procedures as ethical behavior, document retention, whistleblower protection, fraud risk assessment and financial transparency. The term "ethical behavior" can be defined as:

- Always doing the right thing
- No hidden agenda
- Integrity
- Transparency

One of the examples of unethical behavior Adam spoke about was the lawsuit that cost VW 20 million dollars by doing things they thought they could get away with. The accounting and business scandals that took place in 2001-2002 have focused greater attention on corporate governance and the oversight role of boards of directors in all sectors of corporations. One thing that Adam said about ethics is, "truth over time". (Your moral compass changes over time). He gave a good example of this by using an experience in his past to show his moral compass has changed. It's too involved to write out but if anyone would like to know, I'd be happy to share it with you.

In the "Corporate Governance" section it was stated that everyone signs a "conflict of interest" form. Also, our attorney should know when our meetings are and should at least be on call for every meeting.

It was also brought up that the board should never make a motion to accept checks. "If" there is something fraudulent going on, then you are putting your stamp on it.

I'm quoting this next paragraph directly from the instruction manual addressing risk assessment. I think it's important to know the difference between Ethical versus Lawful behavior. " Ethics are moral principles that govern a person or group's behavior. Moral principles are concerned with the distinction between what a person or group believes to be right and wrong or good and bad. Lawful behavior is conforming to what is permitted by or recognized by law or rules. "What motivates people to commit fraud is called a "Fraud Triangle". Pressure, opportunity and retaliation.

Expectations of the board and CEO on a " Records Management Policy"

A. The board of directors shall receive a report from the CEO/General Manager at such time as the record retention policy has been drafted, reviewed by legal counsel, and implemented.

B. Thereafter, the board of directors shall receive regular reports on the application of the records retention policy of the cooperative.

LIMITATIONS

There are no limitations on the board's monitoring responsibilities with regard to this policy.

RESPONSIBILITY

The CEO/General Manager and president of the board shall jointly ensure that this policy is implemented.

One final remark, Adam said this very early on in his presentation was, "If you're asleep at the meeting, you're stealing".

Respectfully Submitted,
Sandy Schara
District 9