Minutes of the Regular Board Meeting of the
Jump River Electric Cooperative, Inc.
Tuesday, September 29, 2026

A Regular Meeting of the Board of Directors of the Jump River Electric Cooperative, Inc. was held on Tuesday, September 29, 2026, at the Cooperative headquarters building in Ladysmith, Rusk County, Wisconsin.

Thank you cards and letters from Blue Hills Trail Association, Inc, The Hayshakers, Hayward Community Food Shelf, Inc., Hayward Library Foundation, Lake Holcombe Improvement Association, Rusk County Tavern League, Seeley Lions Club, and scholarship recipients: Shane Hagen and Cade Schlapper, were circulated by Vice Chairman Kruk.

1. **Call the Meeting to Order.** Vice Chairman Kruk called the Regular Board Meeting to Order at 9:00 a.m.

2. **Roll Call.** Vice Chairman Kruk stated that the following Board Members were in person at the start of the meeting: Jane Reich, District 1; Joe Lorence, District 3; Christine Beadles, District 2; Jay Waeltz, District 4; 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. Absent from the meeting was Bill van Doorn, District 5.

3. The **Pledge of Allegiance** was recited.

4. **Acceptance of the Agenda.** A motion was made by Beadles and seconded by Schara to accept the agenda. Unanimously approved.

5. **Open Comment Session.** No one was in attendance.

6. **Safety Moment.** Amery presented on ways to focus on safety through leading indicators, reviewing close calls and near-misses, empowering employees to stop a job if they feel unsafe, keeping safety the top priority and how to mitigate safety risks.

7. **August Minutes.** A motion was made by Lorence and seconded by Schara to approve the August Board minutes as presented. Motion carried with one abstention.

8. **Check Register.** August 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, outage report, director expense report, and director reports were posted to Call to Order prior to the meeting for review by the Board. A motion was made by Lorence and seconded by Reich to approve the consent agenda items as presented. Discussion held. Unanimously approved.

10. **Operations Report**. Operations Manager Modl reported on a recap of current year conversion projects, completion of Flambeau North sectionalizing, new services for the month and year to date, commencement of Weyerhaeuser pole testing, and presented a live Emerge outage demo. Discussion held. A motion was made by Gardner 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, year-to-date Dairyland Power Cooperative (DPC) Power Cost Adjustment's (PCA's) and Revenue Volatility Adjustment's (RVA's), equity, year-to-date highlights, monthly kilowatts sold, year-to-date kilowatts sold, operating statement, balance sheet, and supplemental data for August 2026. Discussion held. A motion was made by Reich and seconded by Gardner to approve the financial report as presented. Unanimously approved.

12. **General Manager Report.** General Manager/CEO Harris reported on monthly updates - progression of data center opportunity, Ladysmith lineman interviews are scheduled, attendance at NRECA regional meeting which discussed overall increased industry costs and key insights about AI, provided a breakdown of DPC invoice, GM expenses this month, and strategic plan updates, including becoming a Business Mentor for Ladysmith School District, updating our construction plan to focus more on historically high outage areas, and beginning the steps for the cost-of-service study. A motion was made by Reich and seconded by Gardner to approve the General Manager Report. Unanimously approved.

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

    a. **Board Meeting Summary.** Director Reich reported on her attendance at the Brian Kulas Golf Outing which supports United Way, District Manager Meeting, and Board Meeting which included board actions, finances, including DPC being the only G&T that is AA rated and has a positive outlook, governance, and education. Discussion held. A motion was made by Reich and seconded by Lorence to approve Director Beadles and Director Waeltz to attend the Flambeau Hydro Station Board Tour on October 20th if there is availability. Unanimously approved. A motion was made by Waeltz and seconded by Gardner to approve the DPC Director Report as presented. Unanimously approved.

The Board took a break from 10:41 a.m. to 10:50 a.m.

14. **National Rural Electric Cooperative Association (NRECA).**

    a. **District Meeting Summary.** Director report from Director Lorence was posted to Call of Order prior to the meeting for review by the Board. Discussion held.

15. **New Business.**

    a. **September RVA.** A RVA rate calculation report was presented. Discussion held. A motion was made by Gardner and seconded by Reich to retain the revenue volatility adjustment from Dairyland. Unanimously approved.

    b. **JREC Annual Meeting.**

        i. **Logistics.** Discussion held. A motion was made by Amery and seconded by Beadles to hold the 2027 Annual Meeting on April 24, 2027, at 10:00 a.m. at the Ladysmith Headquarters and remotely at the Hayward Office. Unanimously approved.

        ii. **Electronic Voting.** Discussion held. A motion was made by Amery and seconded by Reich to approve Electronic Voting for the 2027 Annual Meeting if needed in accordance with the bylaws. Unanimously approved.

    c. **Capital Credit Retirement**. A motion was made by Waeltz and seconded by Schara to approve the Retirement of Capital Credits as follows: retirement of $530,481.38 in capital credits to give back to our members. This includes 100% of 1996, 50% of 1997, and 1.5% of all other years, and $119,165.04 DPC Capital Credits. Unanimously approved.

    d. **LACBWR**. General Manager/CEO Harris presented an update of how the La Crosse Boiling Water Reactor (LACBWR) settlement has been utilized and the current balance. Discussion held. A motion was made by Gardner and seconded by Lorence to retain the remaining balance and add to revenue. Unanimously approved.

16. **Executive Session.** A motion was made by Schara and seconded by Beadles to enter into Executive Session at 11:18 a.m. to discuss a USSI transaction and the General Manager/CEO evaluation. Zahurones, Modl, and Jacobs exited the meeting at 11:18 a.m.

    a. **USSI Transaction.** Discussion held. No action was taken.

    b. **General Manager/CEO Evaluation.** Harris exited the meeting at 11:43 a.m. Discussion held. A motion was made by Gardner and seconded by Reich to return to open session at 1:09 p.m. Unanimously approved. Harris and Jacobs returned to the meeting at 1:09 p.m. No action was taken.

17. **Next Meeting Date.** The October board meeting date is scheduled for October 27, 2026.

A motion was made by Beadles and seconded by Gardner to **Adjourn the Meeting at 1:18 p.m.** Unanimously approved.

Joe Lorence, Secretary-Treasurer

Oct. 27. 26
Dated

(CORPORATE SEAL)

Education Session/Meeting Report Form

Jump River Electric Cooperative, Inc.
Since 1938
Your Touchstone Energy® Cooperative

Utilize this form as a template to report back information to the board of directors regarding education sessions taken or attendance of associated organization meeting.

Director Name Joseph Lorence **Date** Sept 24, 2026

Education Session/Meeting Description NRECA DISTRICT 5 & 6 regional meeting in MPS

Hilton Hotel

Name of Presenter Multiple presenters starting with Jim Mathison CEO I NRECA

What are some highlights of the topic(s) covered?

This is a trying time for the electrical industry. Is NRECA for or against data centers? 75% of the earths population is online, 90% of the data was produced in the last 2 years, 16% of every hour is spent on social media. Will this trend continue to increase? Absolutely and how are we going to meet the demands with so much negativity being generated? The system is built to maximize engagement, time on platforrn, reactions, comments and shares. Research shows anger spreads faster than calm content, outrage spreads faster than nuance content and fear spreads faster than fact. The algorithm boosts content that is emotional, sensational, polarizing, and dynamic. Currently about 1/2 of US adults now use AI chat boxes up from 1/3 in 2024.

What are the key take-aways that may help benefit your responsibilities or other JREC directors?

Another presenter addressed rising costs. As of 2026 equipment costs have increased 101%. Enclosures, pedestals and pads up 165%, Underground cables and accessories up 172%, Utility hardware up 108%, Transformers up 93%, underground conductors up74%, Overhead conductors up 72%, switching and protection equipment up 60%. Costs went up during Covid and never came down. The Federal tariffs kicked in and now there is the war in Iran that will continue to have effects into the future. How are these hard facts going to affect your co-op moving forward? How do we provide reliability when everyone is against it, but yet rely and depend on it. "Not in my Backyard"!

Other comments:

Wednesday's presenters focused on how we as a co-op are going to address these increases that we will have to face. Rates are expected to increase 25%. How should we address these issues with member-owners? Focus less on the problem and more on the solution when your Board are looking at passing increases onto the membership. "We're focused on increasing efficiency, we're exploring options, we're working with generation partners, where possible we're working at extending the productive life of our equipment". These are some of the talking points to consider. Member-owners need to know "why should they care and what's in it for me". Data results show that 44% of your membership don't know they're in a co-op. The main reason for Al is to help.