

JCE CO-OP
February 28, 2024
Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Wednesday, February 28, 2024.

Safety Moment – Director Al Hendren discussed Cybersecurity at home and what you can do to protect yourself, such as changing passwords frequently and updating your software.

Approval of Agenda – A motion was made, seconded, and carried unanimously approve the meeting agenda.

Consent Agenda – A motion was made, seconded, and carried unanimously to approve the consent agenda.

Presentation's

The Annual Meeting Cover and Theme “*Growing for You*” was presented to the Board. The theme represents the strategic approach that the cooperative continues to pursue presently and into the future.

Kyle Buros, Senior V.P., and Chief Operating Officer provided updates on Natural Gas (NG), Broadband and Electric operations. Buros highlighted our growth in all three business units, noting that we are continuing to upgrade the NG pipeline system, expand the fiber network by utilizing multiple grants and self-funding, and adding three new electric substations while completing line capacity upgrades.

Governance Topics and Board Policy Review

Governance Talk Video – None.

Board Policy Review

Board Policy 149/Cybersecurity – A motion was made, seconded, and carried unanimously to repeal and replace Policy 149 with re-written Policy 149.1 Cybersecurity.

Board Policy 120/Harassment – A motion was made, seconded, and carried unanimously to approve Board Policy 120 as is with no changes.

Board Policy 121/Safety and Job Training – A motion was made, seconded, and carried unanimously to approve Board Policy 121 to include the use of mobile devices and updated federal and state law regulations.

Board Policy 104.1 Travel – Board Policy 104.1 Travel – A motion was made, seconded, and carried to move Board Policy 104.1 back to the Governance Committee for further discussion. It was also noted that changes will be made to section A.3 to include language “as a *cost saving measure*”.

CEO/Financial Operating Report

CEO Report – President and CEO, Mike Casper, emphasized our three strategic objectives (growth, enhanced cooperative value, and operational excellence) and together how they strengthen the co-op, as well as the future of northwest Illinois. He highlighted the businesses and communities recognized at the Northwest Illinois Economic Development (NWILED) annual meeting and how our strategic objectives have played a part in their success.

Financial Operating Report – Chuck Woods, Chief Financial Officer, provided a summary of the January financial operating report. Revenue year-to-date (YTD) is approximately \$7 million. Total operations and maintenance expenses are approximately \$5 million, which is (\$490,329) under the budget of \$5.6 million. Margins are approximately \$1.1 million versus a budgeted amount of \$80,438 and amount to \$1 million over budget. By general consent, the board moved to file the financial operating report with the auditor.

Operations and Regulatory/Legislative Update

Operations Update – Senior V.P. and Chief Operating Officer, Kyle Buros, had nothing else to add outside of his Operations Presentation.

Member Services Update – V.P. of Member Services, Jennifer Meyer, provided a Strategic Plan update that includes growth initiatives to help stabilize rates (i.e., fiber). In addition, Meyer discussed how we continue to improve operations with technology enhancements. One such improvement includes the upgrade of our Advanced Metering Infrastructure (AMI) system comprised of 21,000 electric meters and 5,600 natural gas meters.

Human Resources Update – It was noted that V.P. of Human Resources, Merri Sevey was participating in Mock Interviews with students from a local high school, which aligns with one of JCE Co-op's core principles, *Community Success*.

Executive Assistant Update – Amy Johnston, Executive Assistant, provided logistics for the upcoming NRECA Power Exchange Annual Meeting.

External Affairs/Legislative Update – General Counsel, Terry Kurt discussed House Bill 5021/ Municipal and Cooperative Electric Utility Planning and Transparency Act, which has been introduced into legislation, and reported that AIEC is monitoring the bill.

Technology Update – V.P. and Chief Technology Officer, Dan Marcure shared that JCE Co-op uses multifactor authentication to protect from potential cyber-attacks. In addition, he provided clarification on JCE Co-op's new email addresses that will be fully integrated and ready for use soon.

Board Issues and Action Items

Position Statement/Safety – The Position Statement on Safety was tabled and will be reviewed at the March board meeting.

Executive Session

Into Executive Session – A motion was made, seconded, and carried unanimously to go into Executive Session at 11:40 AM.

Out of Executive Session – A motion was made, seconded, and carried unanimously to come out of Executive Session at 11:50 AM.

Action Resulting from Executive Session – General Counsel, Terry Kurt will develop a conflict-of-interest waiver.

Reports/Updates

Association of Illinois Electric Cooperatives (AIEC) Report – Chairman Senn provided highlights from the AIEC board meeting, noting that they have agreed to the employment terms of their newly hired President and CEO, Criag Sondgeroth. The AIEC continues their search to hire a General Counsel for the organization. Craig Sondgeroth was the previous General Counsel, prior to filling his role as the President and CEO.

Dairyland Power Cooperative (DPC) – No report given, due to the timing of the DPC board meeting.

American Public Gas Association (APGA) Report – Director Carroll discussed the APGA marketing strategy, noting the importance of public education.

Prairie Power Incorporated (PPI) Report – Director Kuhns shared a summary from the PPI power supply report and provided the most recent generation numbers. In addition, President and CEO Casper noted that PPI's V.P. of Engineering and Operations, Jeremy Johnson, will be the guest speaker at JCE Co-op's Annual Meeting.

Strategic Planning Roundtable Discussion – Directors shared highlights from the Guide to Shared Services/Mergers and Acquisitions Course they recently attended, noting that the class was very informative.

Other Business – None.

Adjournment – Chairman Senn adjourned the meeting at 12:17 PM.

Secretary