

# JO-CARROLL ENERGY, INC. (NFP)

## January 25, 2023

### Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Wednesday, January 25, 2022.

**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 One** – *Inside Information*, Keith Kaderly reviewed the results of the Jo-Carroll Energy Member Satisfaction Survey. Directors and key staff asked questions to better understand the data and results presented and gain insight to approaches on approaches to improve member satisfaction.

**Safety Moment** – A Safety Moment was provided by Director Bob Kuhns on the use of back-up generators during inclement weather and the importance of having a professional complete the installation of the generator.

**Presentation Two** – Jesse Shekleton, Director of Broadband Operations, presented an overview of the fiber grant buildout workplan, which includes current projects, grant buildout areas and plans to fill in the gaps.

**Governance Topics and Board Policy Review** – None.

#### **CEO/Financial Operating Report**

**CEO Report** – President and CEO Mike Casper commented on ending the year in a positive financial position, which would provide the opportunity to defer revenue from 2022 to 2023 and 2024. Casper added that the cooperative continues to experience volatility in prices for materials and supplies needed for growth and to maintain reliable services. Expectations are that inflation and price volatility impacting our industry will ease between 2 and 3 years. The deferred revenue will help stabilize rates during this volatile period.

**Financial Operating Report** – Chuck Woods, Chief Financial Officer provided a summary of the financial operating report for December. Revenue year-to-date (YTD) is approximately \$67 million. Deferred revenue from 2021 was used YTD December and was booked according to budget. Total operations and maintenance expenses is approximately \$53.3 million, which is approximately \$1.9 million under budget of \$55.2 million. Margins are approximately \$5.4 million vs. a budgeted amount of approximately \$2.1 million and amounts to \$3.3 million over budget. By general consent, the board moved to file the financial operating report with the auditor.

## **Board Issues and Action Items**

**2023 Proposed Electric and Natural Gas Rates** – A motion was made, seconded, and carried unanimously to approve the 2023 proposed electric and natural gas rates.

**Proposed Deferred Revenue Resolution** – A motion was made, seconded, and carried unanimously to approve the proposed Deferred Revenue Resolution, deferral of revenue from 2022 to 2023 and 2024.

**Select Dairyland District Meeting Attendees** – Attendees were selected to attend the Dairyland District Meeting.

**Choose Voting Delegate/Alternate Voting Delegate for the NRECA Annual Member Business Meeting** – Director’s Russ Holesinger and Marcy Stanger were selected as the voting delegate/alternate for the NRECA Annual Member Business Meeting.

**Choose Voting Delegate/Alternate Voting Delegate for the NRTC Business Meeting (in conjunction with the NRECA Annual Member business meeting)** – Directors Bob Kuhns and Marcy Stanger were selected as the voting delegate/alternate for the NRTC Business Meeting.

## **Operations Update**

Senior V.P. and Chief Operating Officer, Kyle Buros provided an update on natural gas and advised the board of an upcoming regulatory audit.

**Into Executive Session** – A motion was made, seconded, and carried unanimously to go into executive session at 12:00 PM.

**Out of Executive Session** – A motion was made, seconded, and carried unanimously to come out of Executive Session at 12:01 PM.

**Action Resulting from Executive Session** – None

## **Operations and Regulatory/Legislative Update**

**Member Services Update** – V.P. of Member Services, Jennifer Meyer discussed the upcoming strategic initiatives meeting that is scheduled in February with Senior Staff.

**External Affairs/Legislative Update** – Terry Kurt, Outside General Counsel had nothing to add outside of the staff report.

## **Reports/Updates**

**Association of Illinois Electric Cooperatives (AIEC) Report** – Senn noted that the Low Incoming Home Energy Assistance Program (LIHEAP) has increased funding, which assists eligible low-income households with their heating and cooling energy costs.

**American Public Gas Association (APGA) Report** – Director Carroll discussed various new and proposed regulations affecting the natural gas (NG) industry, and noted that

meetings are being scheduled with Legislators and Regulators for the upcoming APGA Legislative Summit being held in Washington D.C.

**Dairyland Power Cooperative (DPC)** – There were no board highlights due to the timing of the DPC Board Meeting, they will be provided at the February board meeting.

**Prairie Power Incorporated (PPI) Report** – Director Kuhns had nothing to report outside of his written report.

**Other Business** – None.

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

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