

JO-CARROLL ENERGY, INC. (NFP)
June 28, 2023
Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Wednesday, June 28, 2023.

Safety Moment – Joe Mattingley discussed ladder safety and provided examples of the proper use of ladders.

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 – None.

Governance Topics and Board Policy Review

Governance Talk Video – A Governance Talk Video was presented on *What Boards Need to Consider in Setting Rates*.

Board Policy Review – None.

CEO/Financial Operating Report

CEO Report – President and CEO Mike Casper shared that a cost-of-service study is typically performed yearly and completed by the end of August prior to developing next year's budget. In addition, Casper commented on recent federal and state legislation and highlighted the importance of the National Rural Electric Cooperative Association (NRECA), the Association of Illinois Electric Cooperatives, and the American Public Gas Association's role in maintaining service reliability and affordable energy. Casper also added that a power cost adjustment (PCA) credit will remain on electric member bills received in July due to favorable wholesale power costs from our generation and transmission (G&T) cooperatives.

Financial Operating Report – Financial Operating Report – Chuck Woods, Chief Financial Officer provided a summary of the financial operating report for May. Revenue year-to-date (YTD) is approximately \$28 million. Total operations and maintenance expenses are approximately \$21 million, which is approximately (\$2,477,529) under budget of \$23.9 million. Margins are approximately \$2.7 million versus a budgeted amount of approximately (\$1,231,298) and amounts to \$3.9 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, provided an update on fiber broadband subscribers (on track with budget). Buros also noted the

progress of the Advanced Metering Infrastructure (AMI) upgrade, which is a network of technologically advanced meters located at members' homes that will collect energy usage and billing data from individual consumers more efficiently. This advanced upgrade will also have the capability of managing outages more effectively.

Member Services Update – V.P. of Member Services, Jennifer Meyer, provided an update on initiatives associated with the JCE Strategic Plan.

Human Resources Update – President and CEO Casper shared that an audit of benefits was completed showing no irregularities.

Executive Assistant Update – Amy Johnston, Executive Assistant had nothing to add outside of her written staff report.

External Affairs/Legislative Update – Terry Kurt, General Counsel, commented on his new role at JCE as General Counsel. Among his many roles, a primary focus will be on easements.

Board Issues and Action Items

Attendees for the NRECA Region 5&6 Meeting – Attendees were selected for the NRECA Region 5&6 Meeting.

Reassign PPI Alternate Director to serve on the PPI Board of Directors – Following a discussion, a PPI Alternate Director was chosen.

Select Badger Annual Meeting Attendees – Directors were selected to attend the Badger Annual Meeting.

Approve Cooperative Finance Corporation (CFC) Certificate Resolution and Incumbency – A motion was made, seconded, and carried unanimously to approve the CFC Certificate Resolution and Incumbency. The resolution certifies the board's approval of two loan agreements, which will provide additional financing to support the cooperative's growth initiatives.

Executive Session

Into Executive Session – A motion was made, seconded, and carried unanimously to go into Executive Session at 10:55 AM.

Out of Executive Session – A motion was made, seconded, and carried unanimously to come out of Executive Session at 11:18 AM.

Action Resulting from Executive Session – None.

Reports/Updates

Association of Illinois Electric Cooperatives (AIEC) Report – Director Senn provided highlights from the AIEC Board of Directors meeting.

American Public Gas Association (APGA) Report – Director Carroll shared information

on various new and proposed regulations affecting the natural gas (NG) industry and two new bills introduced to the House proposing a ban on NG cooking products.

Dairyland Power Cooperative (DPC) – Director Mattingley provided highlights from the Dairyland Annual Meeting and shared a new energy technology research opportunity, which would repurpose decommissioned mines.

Prairie Power Incorporated (PPI) Report – Director Kuhns shared the most recent generation numbers and provided highlights from the PPI Annual Meeting.

CFC Forum – Director Tindell shared highlights from the forum. Cybersecurity and financial topics were discussed.

Other Business – None.

Adjournment – Chairman Senn adjourned the meeting at 12:00 PM.

Secretary