

JO-CARROLL ENERGY, INC. (NFP)

November 30, 2023

Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Thursday, November 30, 2023.

Safety Moment – A safety moment was provided by Director Bob Kuhns. Kuhns discussed how age affects your vision and why it's important to get regular vision checkups.

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 on *Risk Management and Electric Co-ops* was shared. Key takeaways were how the board can successfully set the expectations tone for safety, and how to mitigate, manage, or eliminate risks.

Board Policy Review –

Board Policy 107/Committees of the Board – A motion was made, seconded, and carried unanimously to amend the bylaws regarding the appointment of committee members so that it's consistent with the current board policy and to include a 3-year term.

Board Policy 115/Member Requests for Attendance and Participation – A motion was made, seconded, and carried unanimously to include an addendum "Meeting Rules and Procedure" to Board Policy 115.

Board Policy 149/Cybersecurity – Will be discussed further at the next Governance Committee meeting.

CEO/Financial Operating Report

CEO Report – President and CEO Mike Casper commented on JCE's operational excellence objective and touched on the importance of having a Business Continuity (BC) plan with an emphasis on risk management. Safety, reliability, technology, cyber security, member relations, and finances are key focus areas. Casper noted that a monthly update on BC initiatives will be provided to the board.

Financial Operating Report – Chuck Woods, Chief Financial Officer, provided a summary of the October financial operating report. Revenue year-to-date (YTD) is approximately \$59.5 million. Total operations and maintenance expenses are approximately \$43.1 million, which is (\$4,618,143) under budget of \$47.7 million. Margins are approximately,

\$4.0 million versus a budgeted amount of \$1,405.587 and amounts to \$2.6 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 a fiber construction update, both underground and overhead. He also noted the communities which were 100% completed.

Member Services Update – V.P. of Member Services, Jennifer Meyer, provided an update on the newly revised member website that will include a fresh look considering the new name, *JCE Co-op*, and merging the Sand Prairie website. JCE's core businesses – electric, natural gas and fiber – will be identified under the new name. In addition, Meyer noted that a generous \$3,000 donation was received to help support the neighbor-to-neighbor care fund. The fund contributes funds to members needing assistance with their utility bills.

Human Resources Update – V.P. of Human Resources Merri Sevey provided an employee update. She also discussed new Illinois Labor Laws, specifically the *Illinois Paid Leave Act*.

Executive Assistant Update – None.

External Affairs/Legislative Update – **External Affairs/Legislative Update** – General Counsel, Terry Kurt noted that he would be attending the Cyber Resiliency Joint Exercise at the Argonne National Laboratory to learn more about Cybersecurity. In addition, Kurt discussed the Ominbous Energy Bill, Advanced Modular Nuclear Bill and the Ominbous Sunset Date Extension Bill.

Board Issues and Action Items

Capital Credits General Retirement – A motion was made by Director Meyer to approve the Capital Credits General Retirement, which was seconded by Director Kuhns and carried unanimously. In addition, it was also noted that Capital Credits General Retirement statistics from the previous 3 years will be included in future presentations.

Position Statement – A Position Statement on energy efficiency assistance was reviewed.

NRTC Voting Delegate/Alternate – The NRTC voting delegate/alternate delegate was selected to cast their vote (on behalf of JCE) during the NRTC Annual meeting held in conjunction with the NRECA Power Exchange Annual Meeting.

Select NRECA Resolutions Voting Delegate/Alternate – The NRECA voting delegate/alternate was selected to cast their vote (on behalf of JCE) during the NRECA Member Resolutions Meeting held in conjunction with the NRECA Power Exchange Annual Meeting.

Select CRC Voting Delegate/Alternate – The CRC voting delegate/alternate was selected to cast their vote (on behalf of JCE) during the NRECA Member Resolutions Meeting held in conjunction with the NRECA Power Exchange Annual Meeting.

Approve Proposed 2024 Board Meeting Dates – Board Meeting dates for 2024 were selected and approved.

Executive Session

Into Executive Session – None.

Out of Executive Session – None.

Action Resulting from Executive Session – None.

Reports/Updates

Association of Illinois Electric Cooperatives (AIEC) Report – Chairman Senn discussed highlights from the November AIEC board meeting, which included a discussion on the importance of easements to buildout much needed fiber internet in our rural areas.

Dairyland Power Cooperative (DPC) – Director Mattingley shared that the DPC budget was approved and commented on a deferred revenue strategy that will help stabilize rates in 2024. No increase is projected for 2024 wholesale power rates.

American Public Gas Association (APGA) Report – Director Carroll discussed various new and proposed regulations affecting the natural gas (NG) industry, such as leak detection regulation.

Prairie Power Incorporated (PPI) Report – Director Kuhns shared the PPI Board highlights and the most recent generation numbers. In addition, Kuhns shared a global power generation development slide that included hundreds of coal powered facilities being built outside of the United States, mostly in China, India and Africa.

Board Roundtable Discussion – Chairman Senn discussed highlights from the CFC Independent Borrower Executive Summit. In addition, directors discussed the most recent educational classes they attended (Board Operations and Process and Strategy and Policy Considerations for Electric Vehicles).

Secretary