

# JO-CARROLL ENERGY, INC. (NFP)

## September 27, 2023

### Board Meeting Minutes

The board meeting of Jo-Carroll Energy (JCE), Inc. (NFP) was held at Jo-Carroll Energy (JCE) Headquarters in Elizabeth, IL on Wednesday, September 27, 2023. The meeting convened at 9:00 A.M. Board members present were Dave Senn, Tom Lundy, Larry Carroll, Bob Kuhns, Dan Tindell, Jerry Meyer, Pat Smith, Russ Holesinger, Al Hendren, and Joe Mattingley. A quorum was established. Others present were Mike Casper, President and CEO, Chuck Woods, Chief Financial Officer, Kyle Buros, Senior V.P. and Chief Operating Officer, Terry Kurt, General Counsel, Jennifer Meyer, V.P. of Member Services, Merri Sevey, V.P. of Human Resources and Amy Johnston, Recording Secretary. Also, in attendance for a portion of the meeting via zoom were representatives from FORVIS CPA Firm to present Form 990.

**Safety Moment** – Director Dan Tindell discussed hazards associated with utility poles and factors that you should be aware of if you are in close proximity of them.

**Approval of Agenda** – A motion was made by Director Kuhns to approve the meeting agenda, which was seconded by Director Hendren and carried unanimously.

**Consent Agenda** – A motion was made by Director Holesinger to approve the Consent Agenda items, including the August 30, 2023, Board Meeting Minutes/Summary. The written reports from the CEO and staff, Safety Report, correspondence, and the board expense summary, which was seconded by Director Smith and carried unanimously.

**Presentation** – An overview of Jo-Carroll Energy’s Form 990 was presented by FORVIS, a public accounting firm.

**Easements 201** – General Counsel, Terry Kurt presented easement frequently asked questions (FAQ’s).

#### **Governance Topics and Board Policy Review**

**Governance Talk Video** – None.

**Board Policy Review** – None.

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

**CEO Report** – President and CEO Mike Casper discussed the impact of the potential government shutdown that could take affect on September 30<sup>th</sup>, which could delay Federal grant reimbursements.

**Financial Operating Report** – Chuck Woods, Chief Financial Officer, provided a summary of the August financial operating report. Revenue year-to-date (YTD) is approximately \$44 million. Total operations and maintenance expenses are approximately \$35 million, which

is (\$3,621,031) under budget of \$38.8 million. Margins are approximately \$3 million versus a budgeted amount of \$560,035 and amounts to \$2.5 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 the purchase of a building which will be used for additional office space. In addition, Buros noted that OSMOS Pole Inspection would perform pole inspections throughout areas of our service territory. The inspections help to identify and measure signs of decay and provide reinforcement and or replacement if needed.

**Member Services Update** – V.P. of Member Services, Jennifer Meyer, provided an update on the rollout of the JCE rebranding and how it will be communicated to our members. In addition, she provided highlights from the JCE Strategic Plan.

**Human Resources Update** – Merri Sevey, V.P. of Human Resources, provided an update on FEDERATED, our cooperative workman's comp insurance provider.

**Executive Assistant Update** – Amy Johnston, Executive Assistant, announced that Great River Outreach (GRO) of Savanna was selected to receive a grant award from Dairyland Power as part of their *Cooperative Contributions Program*. The program targets nonprofit community service/development, education, environmental and emergency funded organizations.

**External Affairs/Legislative Update** – General Counsel, Terry Kurt noted that his presentation will be held in Executive Session.

## **Board Issues and Action Items**

**Form 990** – By general consent, contingent upon the review by the General Counsel and the CFO, the board approved Form 990 that was compiled and presented by FORVIS.

**Right of Way (ROW) Position Statement** – The Position Statement for ROW's was presented to the board as part of a review process prior to the 2024 strategic planning session.

**Attendees for CCD/2620 & BLC 965** – Directors were selected to attend CCD/2620/*Board Operations and Process*, in addition, Directors were also selected to attend BLC 965/*Electric Vehicles Strategy and Policy Considerations*. These classes are part of the required education that the Board of Directors are responsible for completing.

**Attendees for the National Rural Electric Cooperatives (NRECA) Power Exchange Meeting** – Attendees were selected to attend the NRECA Power Exchange Meeting.

## **Executive Session**

**Into Executive Session** – A motion was made, seconded, and carried unanimously to go into Executive Session at 11:31 AM.

**Out of Executive Session** – A motion was made, seconded, and carried unanimously to come out of Executive Session at 11:41 AM.

**Action Resulting from Executive Session** – An engagement letter for legal services will be drafted and presented to the board chair for signature.

## **Reports/Updates**

**Association of Illinois Electric Cooperatives (AIEC) Report** – No report was given, as there was not a scheduled September AIEC board meeting.

**Dairyland Power Cooperative (DPC)** – Director Mattingley provided highlights from the Dairyland Board Meeting, as well as the strategic planning session. Mattingley shared that DPC margins continue to be favorable. In addition, the DPC board approved a refund back to Class A members, which JCE will pass back to the membership through a power cost adjustment (PCA) credit.

**American Public Gas Association (APGA) Report** – Director Carroll discussed various new and proposed regulations affecting the natural gas (NG) industry, noting that Federal agency actions and regulatory policy are driving consumers to convert to all electric, impinging on consumer choice.

**Prairie Power Incorporated (PPI) Report** – The PPI Board of Directors did not have a regularly scheduled meeting in September. In lieu of a meeting, Director Kuhns provided a summary of supplemental information that was provided by PPI, which shared July power supply and financial information.

**Region 5&6 Roundtable Discussion** – Directors that attended the NRECA Region 5&6 meeting reported how informative the meeting was and highlighted topics from the event, noting that there was valuable discussion on broadband and right of ways (ROW's).

**Other Business** – None.

**Adjournment** – Chairman Senn adjourned the meeting at 11:41 PM.

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Secretary