

JCE CO-OP
September 25, 2024
Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Wednesday, September 25, 2024.

Safety Moment – Director Smith shared safety tips on the importance of a Home Inspection when purchasing a home. In addition, Smith provided tips on home safety, noting that you should always have an emergency exit plan, whether it be fire related or an intruder. Smith also highlighted the importance of security cameras, which can be used as a tool for home safety.

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

Consent Agenda – A motion was made, seconded and carried unanimously to approve the Consent Agenda items, including the August 28, 2024, Board Meeting Minutes/Summary, Discounted Estate Retirements, and the board expense summary.

Presentation – Alex Peebles, Manager of Safety and Loss Control provided a safety update, sharing actions (ongoing and completed) by the Safety Committee to mitigate safety risks for our staff and the communities we serve, as well as stabilize insurance costs that impact member's rates. Peebles also shared the results of a JCE Safety Survey. The board asked questions to clarify differences between incidents and asked for future follow-up.

Governance Topics and Board Policy Review – None.

Governance Talk Video – A video of the President and CEO of the National Rural Electric Cooperative Association (NRECA) was shared titled "Positioning Co-ops for Success After the Election".

Board Policy Review

Board Policy 101/Communications – Will be brought back to the Governance Committee for further consideration.

Board Policy 109.1/ Delegation of Authority – A motion was made by the Governance Committee, which was seconded and carried unanimously to approve changes to the policy that include granting the President and CEO the authority to be a signatory on bank lending actions to further support efficient cash management programs.

Board Policy 119/Nepotism – A motion was made by the Governance Committee, which was seconded and carried unanimously to approve changes to the policy that will align with the current JCE Co-op administration policy.

Board Policy 124/Employee Attendance at Meetings – A motion was made by the Governance Committee, which was seconded and carried unanimously that no changes to the policy are necessary at this time.

CEO/Financial Operating Report

CEO Report – President and CEO, Mike Casper, shared that the cost of service (COS) study was completed for JCE Co-op's three business units (electric, natural gas and broadband). Results will be reviewed with the board next month.

Financial Operating Report – Chuck Woods, Chief Financial Officer, provided a summary of the August financial operating report. Revenue year-to-date (YTD) is approximately \$46.3 million. Total operations and maintenance expenses are approximately \$37 million, which is (\$990,277) under the budget of approximately \$38 million. Margins are approximately \$2.2 million. 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 updates on current JCE Co-op projects. Projects include changing out gas meters or components to auto read, rebuilding sections of electric line near Geneseo and replacing a section of a 4" natural gas pipeline. In addition, JCE Co-op continues its fiber buildout to meet grant award deadlines, while improving reliability.

IT Technology Report – Dan Marcure, V.P. and Chief Technology Officer provided an update on the recently revised AI Administrative Policy. Additionally, Marcure discussed fiber upgrades that will optimize fiber speeds.

Member Services Update – Jennifer Meyer, V.P. of Member Services provided an update on a recent training meeting on new software that will be implemented over the next 18 months that will improve safety and efficiencies at JCE Co-op.

External Affairs/Legislative Update – General Counsel, Terry Kurt, provided information on potential legislative changes.

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

Board Issues and Action Items

CFC Certificate of Resolution and Incumbency Line of Credit for Broadband Use – A motion was made, seconded and carried unanimously to approve the CFC Certificate of Resolution and Incumbency to include a credit facility that will be used to fulfill our broadband grant awards.

Approve Resolution Authorizing the Amendment of the 401k Pension Plan – A motion was made, seconded and carried unanimously to approve the amendment to the 401k pension plan.

Into Executive Session – A motion was made, seconded and carried unanimously to go into Executive Session at 11:09 A.M.

Out of Executive Session – A motion was made, seconded and carried unanimously to come out of Executive Session at 11:20 AM.

Action Resulting from Executive Session – None.

Reports/Updates

Association of Illinois Electric Cooperatives (AIEC) Report – There was nothing to report as the AIEC did not have a September Board Meeting scheduled.

Dairyland Power Cooperative (DPC) – Director Mattingley noted that there was nothing further to report than the written report provided.

American Public Gas Association (APGA) Report – Director Carroll discussed topics affecting the Natural Gas Industry, noting that a legal/governance committee would be formed. Carroll also provided information on tankless water heaters and noted the proposed requirement for methane detectors to be installed in the home.

Prairie Power Incorporated (PPI) Report – Director Kuhns shared highlights from the PPI Board Meeting and noted that they increased their equity target to 20% by 2030.

Region 5&6 Annual Meeting – Board Members provided highlights from the Region 5&6 Meeting.

Other Business – The board discussed the open board meeting scheduled for October 30th, 2024, at 9:00 AM. Notice will be shared on the JCE Co-op website and shared electronically as well.

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

Secretary