

JCE CO-OP
April 24, 2025
Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Thursday, April 24, 2025.

Safety Moment – Director Carroll shared important tips on home safety, emphasizing the need for preparation and awareness. He recommended keeping all emergency contact numbers saved on your phone and posted in a visible location. Your house number should be clearly visible from the street to assist emergency responders. Smoke detectors and fire extinguishers should be installed on every floor of the home. Additionally, seasonal safety inspections of gas lines, water heaters, and furnaces are crucial to prevent potential hazards.

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.

Presentations

Alex Peebles, Manager of Safety and Loss Control, delivered the quarterly safety presentation to the board. He provided updates from the safety committee, discussed initiatives stemming from the recent culture survey, reviewed safety training outcomes, and shared OSHA-related statistics. Additionally, it was announced that Brandon Sebens, Director of Utility Operations, received the Association of Illinois Electric Cooperatives' "Individual Safety Award," which honors individuals who demonstrate outstanding safety leadership and promote a strong safety culture. JCE Co-op was also recognized with the "Best Incident Rate" award for 2024.

Governance Topics and Board Policy Review – None.

CEO| Financial Operating Report

CEO Report – Mike Casper, President and CEO, shared with the board that over the next couple of years, inflation, higher interest rates, and reduced commercial and industrial (C&I) loads will continue to challenge JCE in meeting our financial covenants. To proactively address the 2025 requirements, JCE is reprioritizing operations and maintenance (O&M) and capital expenditures, implementing a hiring freeze to manage workforce costs, and pursuing additional cost-reduction strategies.

Until we can grow margins, these proactive measures are essential. Looking ahead to 2028 and beyond, we forecast strong broadband margins and increased residential and C&I growth, supported by our strategic efforts and collaboration with community and economic development partners. Continued investment in technology and system upgrades will also equip us with tools to operate more efficiently and maintain a leaner, more agile organization.

Financial Operating Report – Chuck Woods, Chief Financial Officer noted that March Revenue is approximately \$18.7 million. Total operations and maintenance expenses are approximately \$15 million, which is \$246,630 under the budget of \$15,249,287 million, due to multiple factors. Margins are approximately \$713,639 and are \$530,931 greater than budget of \$147,665, primarily due to revenue over budget by \$231,163. 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 Mt. Carroll Substation upgrade, which is expected to be completed by year's end. Additionally, Buros reported that fiber installations are ongoing in East Dubuque, Woodbine Bend, Galena, and Thomson, noting that customer adoption has been strong.

IT Technology Report – Dan Marcure, V.P. and Chief Technology Officer highlighted the measures JCE is taking to help mitigate cyber threats.

Member Services Update – Jennifer Meyer, V.P. of Member Services reviewed JCE Co-op's Position Statements. She also explained the establishment and operation of the Neighbor-to-Neighbor Care Fund, providing ending balances, pledged contributions, and LIHEAP funds distributed by agency.

External Affairs/Legislative Update – General Counsel Terry Kurt announced he will attend the Legislative Conference in Washington, D.C., where he will meet with lawmakers to discuss key energy issues.

Executive Assistant Update – Amy Johnston, Executive Assistant, provided instruction and logistics on the upcoming JCE Annual Meeting.

Board Issues and Action Items

Approve 2024 Margin Allocations – A motion was made, seconded and carried unanimously to approve the 2024 Margin Allocations.

Select Dairyland Power Cooperative (Dairyland) Director Education – A date of July 22nd was selected for the Directors to attend the Dairyland Director Education opportunity.

Select Dairyland Power Cooperative Annual Meeting Attendees – Attendees were selected to attend the Dairyland Annual Meeting.

Certify| Select DPC Director & Alternate Director to serve on the Dairyland Board representing JCE Co-op – A motion was made to appoint Dan Tindell to serve as Director and Ted James to serve as Alternate Director on the Dairyland Board of Directors, representing JCE Co-op. The motion was seconded and unanimously approved by all members present.

Certify| Select Prairie Power Cooperative Director & Alternate Director to serve on the PPI Board – A motion was made to appoint Bob Kuhns to serve as Director and Jerry Meyer serve as Alternate Director on the PPI Board of Directors, representing JCE Co-op. The motion was seconded and unanimously approved by all members present.

Select Association of Illinois Electric Cooperatives (AIEC) Annual Meeting Attendees
– Attendees were selected to attend the AIEC Annual Meeting.

Select AIEC Voting Delegate| Alternate Voting Delegate for the AIEC Annual Meeting –
A motion was made to select Dave Senn as the Voting Delegate and Bob Kuhns was selected as the alternate voting delegate. The motion was seconded and unanimously approved by all members present.

Select Attendees for the BLC 960 Class (Value of the G&T Distribution Relationship) –
Attendees were selected to participate in the BLC 960 Class.

Executive Session

Into Executive Session – A motion was made, seconded, and carried unanimously to go into Executive Session at 11:50 AM.

Out of Executive Session – A motion was made, seconded, and carried unanimously to come out of Executive Session at 12:21 PM.

Action Resulting from Executive Session – None

Reports/Updates

Association of Illinois Electric Cooperatives (AIEC) – Director Senn had nothing to report outside of his written report.

Dairyland Power Report – Director Tindell provided a summary of the Dairyland Board Highlights.

Prairie Power Inc. (PPI) Report – Director Kuhns shared highlights and generation statistics from the most recent Prairie Power Board Meeting.

Other Business – None.

Adjournment – Chairman Senn adjourned the meeting at 12:30 PM

Secretary