

JO-CARROLL ENERGY, INC. (NFP)

November 30, 2022

Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Wednesday, November 30, 2022.

A Safety Moment was provided by Director Dan Tindell on a new law affecting Illinois residents, called the Safe-T-Act, which will be enacted on January 1, 2023.

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 – Ken Sivertsen, Director of Member Services, ran a tabletop exercise with the board members participating. The purpose of a tabletop exercise is to prepare in advance to respond to an incident and practice roles and responsibilities. In addition to Sivertsen's member services role, he continues to focus on business continuity to identify the impact of potential emergency situations and develop viable recovery strategies and plans for continued service.

Governance Topics and Board Policy Review

Board Policy 104/Director Attendance at Meetings – A motion was made, seconded, and carried unanimously to approve revisions to Board Policy 104/Director Attendance at Meetings.

Board Policy 111/Capital Management – A motion was made, seconded, and carried unanimously to approve minor revisions to Board Policy 111/Capital Management.

Board Issues and Action Items

Administrative Policy 730/Billing – A motion was made, seconded, and carried unanimously to approve deletions to Administrative Policy 730 that no longer apply to this policy.

Approve Proposed 2023 Board Meeting Dates – The 2023 board meeting dates were approved.

CEO/Financial Operating Report

CEO Report – President and CEO Casper commented on the Illinois Electric Cooperatives (IEC) Manager's Meeting. Casper noted that several Illinois Electric Cooperative Manager's took part in a two-day meeting discussing various topics within the industry. In addition, Casper detailed his participation in the Senate Agriculture Committee Testimony, held on November 15th. Casper highlighted the importance of three critical issues affecting electric cooperatives.

Financial Operating Report – Chuck Woods, Chief Financial Officer provided a summary of the financial operating report for October. Revenue year-to-date (YTD) is approximately \$54.6 million and is under October YTD budget of \$54.7 million. Total operations and maintenance expenses YTD were approximately \$1.7 million under budget. Margins are approximately \$3.8 million vs. a budgeted amount of approximately \$1.1 million and amounts to approximately \$2.7 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 Jo-Carroll Energy broadband subscribers, noting that we are close to hitting our target by year end. Buros also provided an update on labor, material, and supply chain constraints for all three business units.

Member Services Update – V.P. of Member Services, Jennifer Myer, provided an update on the JCE Strategic Plan and overview of the broadband member bill that will be distributed to members.

Employee Update – V.P. of Human Resources, Merri Sevey, provided an employee update regarding the total number of new hires in 2022, noting that several were hired to fill existing positions.

Board Updates – Executive Assistant, Amy Johnston provided an update on upcoming board training and the co-op employee appreciation event.

External Affairs/Legislative Update – None.

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 – Director Senn announced Craig Sondgeroth, the current AIEC general counsel, has accepted the role as the new President and CEO of the organization. Senn remarked that he will smoothly transition into his new role, bringing his leadership and electric expertise to the 30 cooperatives that AIEC represents in Illinois.

American Public Gas Association (APGA) Report – Director Carroll discussed various new and proposed regulations affecting the natural gas (NG) industry. President and CEO Casper shared that over \$2 billion of funding requests were submitted for the first round of infrastructure funding (\$200 million) that was authorized for upgrading natural gas distribution.

Dairyland Power Cooperative (DPC) – Director Tindell provided highlights from the DPC meeting that he recently attended, noting that the operations center in La Crosse will be updated to improve operational efficiencies. President and CEO Casper reported that DPC has changed their wholesale power rate to a calendar year, which better aligns with budgeting.

Prairie Power Incorporated (PPI) Report – Director Kuhns provided a summary from the PPI power supply report and provided the most recent generation numbers.

Other Business – None.

Adjournment – Chairman Senn adjourned the meeting at 11:49 PM.