

JO-CARROLL ENERGY, INC. (NFP)
October 27, 2022
Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Thursday, October 27, 2022.

A Safety Moment was provided by Director Dave Senn on safety during combine season.

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.

Executive Session

Into Executive Session – A motion was made, seconded, and carried unanimously to go into executive session at 9:08 A.M.

Out of Executive Session – A motion was made, seconded, and carried unanimously to come out of Executive Session at 9:38 A.M.

Action Resulting from Executive Session – A motion was made, seconded, and carried unanimously that the Board of Directors of Jo-Carroll Energy declares they have reviewed the President & CEO's performance and found that it exceeds expectations. With that finding, and pursuant to the terms of the President & CEO's employment contract, the board authorizes the execution of certain obligations therein.

Governance Topics & Board Policy Review – None.

Board Issues and Action Items

Capital Credits General Retirement – A motion was made, seconded, and carried unanimously to approve the Capital Credits General Retirement.

Approve Annual Meeting Date – A motion was made, seconded, and carried unanimously to approve a June 5th date for the 2023 Jo-Carroll Energy Annual Meeting.

Approve Jo-Carroll Energy Board Meeting – A motion was made, seconded, and carried unanimously to approve a board meeting date set for November 30th.

Approve JCE Budget Meeting – A motion was made, seconded, and carried unanimously to approve a budget board meeting date set for December 21, 2022.

Rate Policy 814/SP Infrastructure as a Service – A motion was made, seconded, and carried unanimously to approve a revision to Rate Policy 814/SP adding Infrastructure as a Service.

CEO/Financial Operating Report

CEO Report – President and CEO Casper commented that the 2023 board budget is being finalized. A summary and line-item detail will be provided to the board prior to the board/budget meeting. Casper also noted that he will be providing testimony regarding the upcoming Farm Bill to the Senate Agriculture Committee on November 14, in Washington D.C.

Financial Operating Report – Chuck Woods, Chief Financial Officer provided a summary of the financial operating report for September. Revenue year-to-date (YTD) is approximately \$48.7 million and is under September YTD budget of \$49.4 million. Total operations and maintenance expenses YTD were approximately \$1.4 million under budget. Margins are approximately \$2.7 million vs. a budgeted amount of approximately \$976,370 and amounts to \$1,721,957 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 projects, which included the natural gas (NG) pipe replacement on Burns Rd, the number of broadband subscribers, supply chain concerns, increases in lead times for material, and the higher cost of fuel.

Member Services Update – V.P. of Member Services, Jennifer Myer discussed upcoming events scheduled during Co-op month. Jo-Carroll Energy (JCE) will be participating in the Galena Halloween Parade with a JCE themed float on broadband. Touchstone Energy Cooperative will also be providing tethered hot-air balloon rides prior to the parade. Meyer also commented on the upcoming Member Advisory Council (MAC) meeting scheduled for October 20 and noted that the Electric Vehicle (EV) charging station located in Savanna will be converted to a pay to charge station.

Employee Update – V.P. of Human Resources Merri Sevey provided an employee update regarding open positions at the cooperative and their status.

External Affairs/Legislative Update – Terry Kurt, Outside General Counsel commented on a legal conference that he participated in Springfield, IL. The conference centered on the effects of federal, regional, and state policies on Illinois' energy future.

Reports/Updates

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

American Public Gas Association (APGA) Report – Director Carroll discussed various new and proposed regulations affecting the natural gas (NG) industry, which included topics from APGA Fall Board and Committee Meetings. Items discussed were Cybersecurity Risks, Transportation Security Administration (TSA) becoming more involved in safety and compliance as well as challenges facing the natural gas (NG) industry. President and CEO Casper also commented on the importance of NG and its benefits to our members and the communities that we serve.

Dairyland Power Cooperative (DPC) – Director Mattingley provided highlights from the DPC board meeting. Noting the recent power cost adjustment (PCA) and upcoming budget meeting in November.

Prairie Power Incorporated (PPI) Report – Director Kuhns provided a summary from the PPI power supply report and provided the most recent generation numbers. In addition, Kuhns discussed the potential development of a carbon capture facility at the Prairie State Generating Campus.

Member Advisory Council (MAC) Meeting Update – Director Meyer provided input from the MAC meeting. Meyer commented that it was a great meeting and looks at this group as an opportunity to engage with our younger members.

Association of Illinois Electric Cooperative (AIEC) Presentation – Nick Reitz, V.P. of Government Relations, representing the AIEC, presented on the Inflation Reduction Act and the IL EPA Electric Vehicle Rebate Program. In addition, Reitz discussed the upcoming statewide and general elections.

Other Business – None.

Adjournment – Chairman Senn adjourned the meeting at 12:15 PM.
