

**JO-CARROLL ENERGY, INC. (NFP)**  
**Board Meeting Minutes Summary**  
**June 24, 2015**

The board met on Wednesday, June 24, 2015, at the Jo-Carroll Energy Headquarters. The following is a summary of the meeting activities. The Agenda and the Consent Agenda were approved.

**Chairman's Report** – Chairman Senn reported on the budget deficit that Illinois is facing. Senn also noted that the City of Chicago has moved away from purchasing power through an ARES and returned to ComEd.

**Dairyland Report** – Director Stadel reported on the Dairyland Annual Meeting.

**AIEC Report** – Director Senn reported on discussions at the AIEC about solar energy and its rapid growth.

**APGA Report** – Director Carroll provided an update on a report the EPA is set to release on whether fracking impacts the water supply. Early indications are that few fracking wells have been linked to groundwater contamination.

**PPI Report** – Director Hallendorff presented information from a recent orientation he attended about PPI's operations.

**Monthly Committee Review**

**(a) Policy Report** – Policy 140 Fraud – approved as is.

**(b) Annual Meeting Committee Report** – Director Stadel reported locations being considered for the 2016 Annual Meeting.

**(c) Board Self Evaluation Committee Report** – Director Stanger reported that the committee will continue to work on changes suggested at the meeting.

**CEO's Report** - The CEO reported on the following in addition to his written report:

- a. **Financial Operating Report** – Hastings reported that the Cooperative had unaudited margins of approximately \$368,000 in May. Equity is at 23.4%. The Board accepted the May Financial Operating Report for filing by general consent.
- b. **Power Supply Report** - CEO Hastings had no additional information to add to the Dairyland and PPI reports.
- c. **Rentech Report** – CEO Hastings reported on activities associated with Rentech.
- d. **CFO Report** – Vice President and Chief Financial Officer Heidenreich provided an update on the imaging conversion.
- e. **Sr. Vice President and Assistant General Manager Report** – Sr. Vice President and Assistant General Manager Buros provided an update on the building project. He also updated the Board on recent storm outages. Outages were isolated, but took longer to restore, because 7 poles were destroyed by weather.

- e. **Culture of Excellence and Communications** – Merri Sevey, Vice President of Human Resources provided an update on the current status of internships and open positions with the Cooperative.
- f. **Member Services** – Jennifer Skien, Vice-President of Member Services, informed the Board that marketing materials will be sent out to Members regarding the recent USDA grant the Cooperative received for energy audits.
- g. **External Affairs Update** – Chris Allendorf, Corporate Counsel, reported on legislative affairs at the state and federal level, as well as the efforts of TCEDA.

John Cox, Board Attorney, updated the board on the Campbell Center.

### **Board Issues**

- a. **Review of Debt Management Plan and Cash Management Plan** – CFO Heidenreich presented suggested changes to the Debt and Cash Management Plans, consistent with recommendations from the audit, which were approved.
- b. **Badger Power Annual Meeting** – Attendees were noted. Everyone attending will serve as a delegate. Badger Delegate and Alternate were selected.
- c. **Region 5 & 6** – Directors were elected for the following positions: NRECA, CFC, RESCO, and Federated.
- d. **CFC Advisory Election** – Delegate and alternate were chosen.
- e. **CFC Cooperative System Integrity Fund** – Approved a contribution to the CFC Cooperative System Integrity Fund.
- f. **July Board Meeting Date** – Approved moving the July meeting date to July 23, 2015.
- g. **Policy Committee Meeting Date** – July 15, 2015 was chosen for the next policy committee meeting.
- h. **Broadband Rate** – Approved the Broadband rate as presented.
- i. **Youth to Washington Report** – Brianna Kampmeier of Mount Carroll reported on her trip to Washington, D.C. Joshua Ellinor, Elizabeth, was not present, but provided a video report. Both Kampmeier and Ellinor were sponsored by Jo-Carroll Energy.

### **Executive Session**

Executive Session was held to discuss pending and possible litigation, other legal matters, and employment matters.

**Consideration of Matters discussed in Executive Session** – No Action.

**Reports** – Reports were heard on: Dairyland Annual Meeting, Culture Meeting, CFC Forum and PPI Annual Meeting.

**Upcoming Meetings** – Strategic Planning Meeting, NRECA Course 957.1 and AIEC Annual Meeting.

**Adjournment** – The meeting was adjourned at 11:57 A.M.