

# JO-CARROLL ENERGY, INC. (NFP)

## March 31, 2021

### Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held via video phone conference on Wednesday, March 31, 2021 at 9:00 A.M.

A Safety Moment was provided by President and CEO Mike Casper.

**Presentations** – A presentation was provided by Mark Prouhet and Chris Noll of BKD CPAs & Advisors. They provided a high-level presentation of the annual independent audit that was conducted of Jo-Carroll Energy. BKD issued a clean unmodified opinion and no issues with accounting policies, management practices or information provided by staff. The Independent Auditor's Report and Consolidated Financial Statements for Dec. 31, 2020 and 2019 are located on the Jo-Carroll Energy website.

A presentation was also provided by Jo-Carroll Energy employee Dan Marcure, Director of Technology. Dan provided a cybersecurity update and discussed the policies and procedures that Jo-Carroll Energy has developed to prevent cyberattacks.

**Association of Illinois Electric Cooperatives (AIEC) Report** – Chairman Senn discussed the highlights from the AIEC and the National Rural Electric Cooperative Association (NRECA) reports. Director Senn also commented on NRECA's President Phil Carson's retirement announcement.

**NRECA Directors Conference** – Director Stanger provided some input from the "virtual" Directors Conference that she recently attended. Stanger noted the growth of electric vehicles, also mentioning that many new home builders are installing 220-volt outlets to accommodate charging stations for electric vehicles. Directors Senn and Smith also commented on the format of the meeting and noted the educational opportunities that were provided during the meeting.

**American Public Gas Association (APGA) Report** – Director Carroll commented on the recent Natural Gas (NG) event that affected hundreds of municipalities and cooperatives. Carroll noted that the APGA has requested legal hearings to be conducted on the price spike in NG. President and CEO Casper commented on letters that were submitted by the APGA to House and Senate Energy Committees regarding the high natural gas prices.

**Dairyland Power Cooperative (DPC)** – Director Mattingley discussed the DPC highlights, noting they would be moving to a different rate calendar to improve budget efficiency. Mattingley also discussed the DPC Annual Meeting, allowing for 3 members per cooperative to participate live with the majority being done virtually. Casper commented on a revised rate.

**Prairie Power Incorporated (PPI) Report** – Director Kuhns provided a summary of the most recent generation numbers. Kuhns also discussed potential strategies that PPI could explore to help solid fuel from freezing in extreme weather events.

**Policy 145/Open Meetings** – A motion was made, seconded and carried with a vote of 9-1 to approve Policy 145 as written.

**CEO Report** – President and CEO Casper provided an extreme cold weather event in Texas that affected natural gas prices.

**Financial Operating Report** – CFO Woods provided a summary of the financial operating report for February. YTD revenue is approximately \$12 million vs. a budgeted amount of \$11.5 million. Total operations and maintenance expenses were approximately \$8,592 under budget. YTD margins are approximately \$1.5 million vs. a budgeted amount of approximately \$690,585. By general consent, the board moved to file the financial operating report with the auditor.

### **Board Issues and Action Items**

A motion was made, seconded, and carried unanimously to approve the 2020 Audited Financials.

A motion was made, seconded, and carried unanimously to approve the 2020 Margin Allocations.

A motion was made, seconded, and carried unanimously to approve the Outside General Counsel Contract.

A motion was made, seconded, and carried by a vote of 9-0 to approve the implementation of the Dairyland Power Cooperative (DPC) DG-3 Rate Rider Tariff. Director Mattingley abstained from voting.

### **Operations and Regulatory Update**

**Operations Update** – Kyle Buros, Vice President and Chief Operating Officer discussed Administrative Policy 136.2/Net Metering, noting that we will be reaching 5%. A review of the policy will be revisited.

Jennifer Meyer, V.P. of Member Services discussed natural gas billing, reminding the board that we are working with our members and offering bill budget options and alternative payment arrangements. Members who are already currently on the budget plan will also be receiving calls to inform them of their bill recalculation that occurs in May.

**Covid Update** – Merri Sevey, V.P. of Human Resources, provided an update on Covid statistics in our region. Sevey also commented on the applications that were received for the Sharing Success Grant, noting that we had over 40 applications submitted.

**Action Resulting from Executive Session** – None.

**Other Business** – Attorney John Cox thanked the board for allowing him to work as the interim Outside General Counsel.

### **Adjournment**

Chairman Senn adjourned the meeting at 12:45 P.M.