

**JO-CARROLL ENERGY, INC. (NFP)**  
**Board Meeting Minutes Summary**  
**July 20, 2016**

The board met on Wednesday, July 20, 2016, 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 thanked the board for their commitment and input on the CEO Search. Senn also thanked Tracy Heidenreich for her work on the revised budget, as well as Peggy Kemp's report from the CFPC previously training she attended.

**Presentations-** Rod Kelsay, Mid America Cooperative Council, gave a presentation regarding services by the Council for member cooperatives, like Jo-Carroll Energy.

**Dairyland Report** – Director Mattingley provided updates on the Dairyland Board Meeting he recently attended.

**AIEC Report** – No Report was given, as there was not a monthly meeting.

**APGA Report** – Director Carroll provided updates on issues of concern to the APGA. Carroll also stated that he has been reappointed to the Board of Directors for the APGA.

**PPI Report** – Due to Prairie Power's Annual Meeting last month, there was not a Board Meeting scheduled.

**Monthly Committee Review**

- a. **(a) Policy Report** – Policy 103 – Director Conflict of Interest. It was discussed and approved with no changes.
- b. **Set Policy Committee Meeting Date-** A Policy Committee Meeting was set for August 23<sup>rd</sup> at 10:00 A.M. at the Cooperatives Headquarters.
- c. **Annual Meeting Planning Committee Report-** The Annual Meeting Planning Committee met and discussed possible sites for the 2017 Annual Meeting.

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

- a. **Financial Operating Report** – CEO Hastings reported that the Cooperative had an unaudited margin of approximately \$311,490 in June, compared to a budgeted amount of \$175,398. The Cooperative's equity is 24.8%. The Board accepted the June Financial Operating Report for filing with the auditor by general consent.
- b. **Power Supply Report** – CEO Hastings updated the board on a stipulated settlement regarding the merger of ITC Midwest and Fortis before the ICC.

- c. **EDNF Report**- Deferred to Executive Session.
- d. **CFO Report** – Controller Peggy Kemp gave a presentation on her CFPC (Cooperative Financial Professional Certificate) Capstone Project.
- e. **Sr. Vice President and Assistant General Manager Report** – Sr. Vice President and Assistant General Manager Buros presented the 2016 Dairyland Residential Rate Study Report. Buros noted that Jo-Carroll Energy’s rates fell roughly in the middle. Buros provided an update on the Jo-Carroll Energy building addition, noting that it should be completed soon.
- f. **Culture of Excellence and Communications** – Merri Sevey, Vice-President of Human Resources, provided historical attendance data for recent Jo-Carroll Energy Annual Meetings, noting that the last meeting had the largest turnout, with 252 meals served to members.
- g. **Member Services** – Jennifer Skien, Vice-President of Member Services, provided an update on a USDA energy efficiency grant, noting that \$29,897 has been collected thus far and there is \$65,202.54 still available for reimbursement of energy audits. A total of 12 agriculture and small business energy audits have been processed, thus far. Skien also provided updates on the Community Solar Program.
- h. **External Affairs Update** – Chris Allendorf, Vice President of External Relations and General Counsel, reported that the state had begun paying debts owed to the Cooperative for utility service, after recent approval of a 6 month appropriations bill. TCEDA has expanded its Build It Grow It Program and participating businesses have seen an increase in revenue by approximately \$160,000. TCEDA is also working with Highland Community College for their annual Manufacturing Day event. That event, along with the Jo-Daviess Conservation Foundation for their summer camp, were selected to receive CoBank matching grants. Manufacturing Day provides a great opportunity to show local kids what jobs are available within their region.

## **Board Issues**

- a. **Discounted Estate Retirements Approval** – CFO Heidenreich presented the current discounted estate capital credit retirements for the board’s consideration. The discounted estate retirements were approved as presented.
- b. **NRCO Director and Alternate** – No action taken.
- c. **Modification of the Budget** – CFO Heidenreich presented the board with a revised budget for 2016, which was updated in part to account for revised

usage and revenue forecasts. The revised budget was approved by the board.

- d. **Approve Resolutions to Remove Michael Hastings Signature from the Bank Card Signature Line** – Resolutions were approved to remove Michael Hastings' signature from bank cards' signature line, as well as adding other names.

### **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 - None**

### **Reports**

Reports were heard on: Dairyland Board Meeting

### **Upcoming Meetings**

APGA Annual Conference, NRECA Course 963.1, AIEC Annual Meeting, PPI Board Committee Meetings, AIEC Board Meeting, and the Dairyland Board Meeting.

**Other Business-** None.

### **Adjournment**

Chairman Senn adjourned the meeting at 11:22 A.M.