

JO-CARROLL ENERGY, INC. (NFP)

June 30, 2021

Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held via video phone conference on Wednesday, June 30, 2021, at 9:00 A.M.

A Safety Moment was provided by Director Pat Smith.

Presentations – A presentation was provided by Merri Sevey, V.P. of Human Resources discussing hiring practices and how Jo-Carroll Energy (JCE) complies with the federal standards. Sevey noted that JCE is in compliance with federal standards and receives a report on a yearly basis.

Association of Illinois Electric Cooperatives (AIEC) Report – Chairman Senn discussed highlights from the AIEC regional meeting, highlighting some talking points from the Omnibus Energy Bill.

American Public Gas Association (APGA) Report – Director Carroll discussed the latest topics within the gas industry. Carroll also discussed the Colonial Pipeline Ransomware attack, noting that they paid the hackers an estimated \$4.4 million to regain control of its computer systems. A discussion of Jo-Carroll Energy's cyber security policy pursued with regard to mitigating such risks to the co-op.

Dairyland Power Cooperative (DPC) – Director Mattingley provided a summary of the Dairyland Board and Annual Meeting. In addition, President and CEO Mike Casper commented on the DPC managers meeting, noting that they were prepping for strategic planning and surveying distribution co-ops.

Prairie Power Incorporated (PPI) Report – Director Kuhns provided a summary of the most recent generation numbers. In addition, Kuhns remarked that PPI will host an IT services training session. Kuhns also shared a video on Prairie State Energy Campus.

Governance Overview Topic – A video was shared with the board on *"The Use of Executive Session."*

CEO Report – President and CEO Casper provided an update on the JCE open director vacancy for District 1, noting that no applications have been received thus far. Casper shared that there will be a Member Advisory Council (MAC) meeting scheduled for July 16 at the JCE headquarters in Elizabeth, IL. Casper also shared that JCE continues to work with Illinois Public Energy Agency and the American Public Gas Association in mitigating the risk of future natural gas spikes.

Financial Operating Report – Vice President and CFO Chuck Woods provided a summary of the financial operating report for May. Year to date (YTD) revenue is approximately \$27.2 million vs. a budgeted amount of \$25.7 million. Total operations and maintenance expenses were approximately \$726,131 over budget. YTD margins are approximately \$1.4 million vs. a budgeted amount of approximately \$259,632. By general consent, the board moved to file the financial operating report with the auditor.

Board Issues and Action Items

Attendees were selected to attend the NRECA Region 5&6 Meeting.

The voting delegates were selected for the Badger Group Annual Meeting.

A discussion was had on moving the July JCE board meeting date.

Operations and Regulatory Update

Operations Update – Kyle Buros, Senior V.P. and Chief Operating Officer provided an update on fiber grants that JCE has received and are pursuing, noting that there are procurement delays for materials including fiber. Buros shared that shortages may have an adverse effect on project schedules.

Covid Update – Merri Sevey, V.P. of Human Resources, provided an update on Covid statistics, noting that JCE has opened all three of the JCE offices to the public.

External Affairs/Legislative Update – President and CEO Casper shared that JCE has been working closely with AIEC and our state representatives on proposed energy legislation that is in the best interest of our members. Casper explained that certain aspects of the proposed legislation could have a negative impact on cooperatives and public utilities throughout the United States.

A break from the board meeting was taken at 11:00 AM and the meeting resumed at 11:30 AM.

Action Resulting from Executive Session – None.

Other Business – None.

Adjournment

Chairman Senn adjourned the meeting at 11:27 A.M.