

# JO-CARROLL

A Touchstone Energy® Cooperative  **HI-LINES**

## Jo-Carroll Energy names Mike Casper as new CEO



The Jo-Carroll Energy board of directors has named Mike Casper as the cooperative's new president and CEO. He will assume his duties by Dec. 1.

A native of Galena, Casper has more than 25 years of experience in the energy industry, currently at the National Rural Electric Cooperative Association.

"The board conducted an extensive search, and after a series of interviews feels that we have chosen the best

leader to take us into the changing environment that the co-op and our members are going to face," said David Senn, chairman of the board of directors.

At NRECA since 2012, Casper gained extensive experience in the regulatory and legislative process, representing the best interest of America's electric cooperatives on key energy legislation and regulatory policy in the nation's capital. He also worked with NRECA members to shape and conduct research designed to help the nation's more than 900 member-owned, not-for-profit electric cooperatives chart a sustainable path forward.

Prior to NRECA, Casper worked for more than 10 years as an independent power producer developing, constructing and operating clean energy generation facilities. He also spent more than 10 years with a national engineering firm designing and consulting on a diverse mix of electric generation options. Casper holds a Master of Business Administration from DePaul University and a Bachelor of Science in mechanical engineering from the University of Wisconsin-Platteville.

Having been raised in Jo-Carroll's member territory on a small farm,

Casper understands firsthand the importance of delivering safe, reliable, affordable and sustainable energy with responsive service to the members.

"I appreciate that Jo-Carroll has a history of being an early adopter of cost-effective technologies and additional services," he said. "The rapid change in emerging technologies, combined with enhanced communication, broadens the potential to generate new membership while continuing to provide a significant value to Jo-Carroll's current members."

Through his direct involvement working with both generation and transmission (G&T) and distribution cooperatives across the county, Casper has a clear understanding of cooperatives' current challenges and future opportunities.

"Learning from each other and teaming together are keys to electric cooperatives' success," he said. "Cooperation among cooperatives provides us the edge as successful industry leaders."

"Mike has developed strong relationships with America's electric cooperative network that will prove beneficial in leading Jo-Carroll Energy into the future," Senn said.



*Holiday closings*  
*Jo-Carroll Energy will be closed Dec. 23 and 26*  
*for the Christmas holidays and*  
*Jan. 2, 2017 for New Year's.*

# Resume of Minutes

## September 28, 2016

### For your information

#### Your Board of Directors:

**David Senn**  
*Chairman*  
District 7

**Russell Holesinger**  
*Vice Chairman*  
District 8

**Marcia Stanger**  
*Secretary*  
District 3

**Martin Werner**  
*Treasurer*  
District 1

**Joseph Mattingley**  
District 2

**Bret Jones**  
District 4

**Patricia Smith**  
District 5

**Thomas Lundy**  
District 6

**Larry Carroll**  
District 9

**Robert Kuhns**  
District 10

**Ronald Hallendorff**  
District 10

**Office Hours:**  
Monday-Friday

**Elizabeth**  
793 U.S. Route 20 West  
8 a.m. to 5 p.m.

**Savanna**  
103 Chicago Ave.  
8 a.m. to 1 p.m.  
1:30 to 4:30 p.m.

**Geneseo**  
1004 S. Chicago St.  
7:30 a.m. to 1 p.m.  
1:30 to 4 p.m.

**Services and  
Billing Questions:**

(800) 858-5522  
www.jocarroll.com

**For emergencies  
and outages call:**  
(800) 858-5522

The board met on Wednesday, September 28, 2016, at the Jo-Carroll Energy Headquarters. The following is a summary of the meeting activities. The Agenda, as amended, and the Consent Agenda were approved.

**Chairman's Report** – Chairman Senn reiterated that the board should always have in mind what our members want and need, though with the pace at which the industry is changing, the cooperative will face new challenges in implementing the will of the members in ways that keep costs reasonable for our rural service area.

**Presentations** – Lyndon Gabbert, PPI VP of Finance and Accounting, provided a presentation on contract extensions with PPI (Prairie Power Inc.).

**Dairyland Report** – Director Jones provided a report from the Dairyland Power board meeting he recently attended. Jones reported that year-to-date, Dairyland has been managing their costs well.

**AIEC Report** – There was no AIEC meeting in September.

**APGA Report** – Director Carroll provided an update on topics the APGA is following closely, such as the proposed Furnace Efficiency Rule and pipeline permitting issues. Carroll noted that natural gas use continues to rise as the power generation industry switches to natural gas as a fuel.

**PPI Report** – Director Kuhns reported on the generation numbers for the Prairie State Generating Campus in August.

Monthly Committee Review

**(a.) Policy 104.1- Travel**- Director Kuhns made a motion to approve Board Policy 104.1 Travel as is which was seconded by Director Mattingley and carried unanimously.

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

**(a.) Financial Operating Report** – Interim CEO Christman reported on the Cooperative's margins for August. Margins for the month were approximately \$91,000. The current equity of the co-op is at 24.34%, which is up from 23.53% in 2015.

By general consent, the board moved to file the Financial Operating Report with the auditor.

**(b.) Power Supply Report** – Kyle Buros discussed his work with Dairyland on future power supply matters. Kyle noted a shift in demand time for power on Dairyland's system, due largely to a major decrease in dairy farming among Dairyland member cooperatives.

**(c.) CFO Report** – CFO Heidenreich provided a slideshow presentation overview of the Federated Rural Electric Insurance Corporation workers compensation insurance program for Illinois electric cooperatives. A focus on safety at Jo-Carroll Energy has helped keep the cooperative's premiums low and led to a return of premiums to the cooperative totaling nearly \$15,000 over the last two years. Tracy provided an update on the audit process by BKD.

**(d.) Sr. Vice President and Assistant General Manager Report** – Contained in Power Supply Report.

**(e.) Culture of Excellence and Communications** – Merri Sevey, Vice President of Human Resources, recognized the cooperative's culture of safety that has spread company-wide, noting that every employee continues to see the results of the company's emphasis on safety. Merri mentioned that the NRECA International Bolivia project has been postponed until 2017. Sevey also noted that October is Co-op Month and activities are planned for Jo-Carroll Energy, which will include a blood drive as well as an employee fundraiser to help raise money for local charities.

**(f.) Member Services** – Jennifer Skien, Vice President of Member Services, invited Jesse Shekleton and Dan Marcure to provide the board with an update on cyber security and how Jo-Carroll Energy protects its various systems, as well as member information. It was noted that PPI conducted a cyber security test and Jo-Carroll Energy ranked near the top. Skien then discussed write-off of doubtful accounts for 2015, which amounted to \$42,902.80, though \$12,795.38 was recovered through capital credits for those accounts.

**(g.) External Affairs Update** – Chris Allendorf, Vice President of External Relations and General Counsel, reported on attending Brian Stewart's annual fundraiser, for which Illinois ACRE made a contribution. Allendorf also discussed a situation in Henderson County in which FEMA (Federal Emergency Management Agency) provided disaster recovery money of approximately \$5 million to the county several years ago after severe flooding. Of that amount, \$3.7 million was decertified, meaning the county would not be reimbursed for that amount. That amount was appealed and lowered, but the result is that the county (with only 7,000 residents) is scrambling to repay almost \$470,000 to IEMA (Illinois Emergency Management Agency) on behalf of FEMA. If Henderson County is unable to repay the amount to IEMA shortly, the entire state could lose FEMA funding. Allendorf concluded by noting that Representative Cheri Bustos was recently at the cooperative to present a check on behalf of the USDA for grants and pass-through loans the cooperative has received.

#### Board Issues

**(a.) Discounted Estate Retirements Approval** – A motion, seconded, and carried unanimously to approve the discounted estate retirements, as presented.

**(b.) PPI Wholesale Power Contract Amendments** – Discussion and possible action moved to Executive Session.

Continued on 16c ►

# Petitions available for 2017 director nominations

Nomination petitions for the 2017 Jo-Carroll Energy Board of Directors are now available.

Running for the board of directors and voting in the elections is a benefit of being a co-op member. Directors are democratically elected by the membership.

Three director posts will be up for election in the 2017 elections including: District 3, now represented by Marcia Stanger of Apple River; District 6, now represented by Tom Lundy of Savanna; and District 9, now represented by Larry Carroll of Thomson.

Any Jo-Carroll Energy member residing in the district of a director whose term is expiring, including the incumbent director, may petition for nomination. Members

interested in seeking election to the board may pick up a nomination petition at one of Jo-Carroll Energy's offices or download a petition from the cooperative's website at [www.jocarroll.com](http://www.jocarroll.com)

Petitions must be signed by at least 25 Jo-Carroll Energy members residing in the district for which the director is to be elected. Petitions must be filed at Jo-Carroll Energy's headquarters no earlier than Dec. 27, 2016 and no later than March 24, 2017.

In order to qualify to have their names placed on the ballot, all nominees must participate in an orientation process provided by the attorney for the cooperative, assuring that all nominees fully understand the expectations and

responsibilities of directors. These include but are not limited to: time demands, educational expectations and fiduciary duties.

All eligible candidates will be announced and listed on the cooperative's website and in Hi-Lines.

Complete details on director qualifications and the nomination procedure can be found in Jo-Carroll Energy's bylaws posted on the cooperative's website at [www.jocarroll.com](http://www.jocarroll.com). Anyone without internet access may request a copy by calling 800-858-5522.

The 2017 Annual Meeting of Members is set for Tuesday, May 23 beginning at 6 p.m. at the West Carroll High School in Savanna.

## Board leadership program

Jo-Carroll Energy board of directors chairman David Senn (right) congratulates District 10 director Robert Kuhns (left) for receiving his Board Leadership Program certificate. The program offers advanced courses for cooperative directors and can be earned after completion of the Credentialed Cooperative Director Certificate and completing 10 credits.



### Minutes continued from 16b

#### (c.) Approval of Dairyland Load

**Forecast Resolution** – A motion was made, seconded, and carried unanimously to approve the Dairyland load forecast.

#### (d.) PCA Discussion – CFO

Heidenreich provided a review of how PCAs are used at other cooperatives.

#### (e.) NRECA Course 943.1 – Effective

Communications In Your Community – Directors were selected to attend the NRECA Course 943.1.

**Executive Session** – A motion was made to move into Executive Session at

11:11 a.m. which was seconded and carried unanimously.

A motion was made to come out of Executive Session at 11:55 a.m. which was seconded and carried unanimously.

**Consideration of Matters discussed in Executive Session** – Further discussion of the proposed PPI contract amendments was tabled until the October meeting. No other action was taken.

#### Reports

Reports were heard on: The Badger

Group Meeting, Dairyland Board Meeting and the Region 5 & 6 Meeting.

#### Upcoming Meetings

PPI Board Meeting, NRCO Board meeting, AIEC Board meeting, Dairyland Board Meeting, NRECA Course 943.1 and NRECA 2016 Winter School for Directors.

**Other Business** – None.

#### Adjournment

Chairman Senn adjourned the meeting at 12:05 p.m.

# Giving back is the co-op way

As some of you might know, cooperatives across the globe adhere to the same Seven Cooperative Principles that guide all of our decisions—from how we run the co-op, to how we engage with our local communities. Concern for community is the seventh principle, and it is one that all employees of Jo-Carroll Energy value year round. But during the holiday season,

concern for community seems *especially* important.

Cooperatives have a proud history of giving back. Our commitment is also global. We have sent line-workers overseas so they can help bring power to thousands of people who have never experienced the benefits of electricity.

There are many ways you can give back to the community that go beyond dollar donations. Take some time to go through your closets and find clothes that no longer fit or have lost their use. Bag those items up and take them to your local Salvation Army, Goodwill or church clothing drive. Volunteer for a local food or toy drive, deliver meals to the sick and the elderly or simply make a meal for a neighbor in need.

No matter how great or small the act, every time we give back, we strengthen our community. So take the time to give back this holiday season. You'll be glad you did.

*Article originally written by Meghaan Evans who writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.*



## Light Up the Holidays

Help brighten someone's holiday and take part in Jo-Carroll Energy's annual holiday food drive.

Donations of nonperishable items will be accepted at Jo-Carroll Energy's offices in Elizabeth, Savanna and Geneseo through Dec. 16.

Donated items will be distributed to food pantries in the cooperative's service territory. Last year cooperative employees and members donated more than 850 pounds of nonperishable foods, paper goods and other items.

Food pantries include: East Dubuque Food Pantry, United Churches of Galena, Elizabeth Food Basket, Hanover Food Bank, Savanna/Mt. Carroll Food Pantry, Helping Hands Food Pantry, Thomson/Fulton Food Pantry, Albany Food Pantry, Erie Food Pantry and Geneseo Food Pantry.



# Co-op attorney takes a pie in the face for charity

One of Jo-Carroll Energy's vice presidents took a pie to the face as part of a co-op employee driven fundraiser for local charities during October Co-op Month.

The "silver drop" fundraiser started in early October with all co-op employees given the opportunity to nominate their coworkers for "Piehead 2016" in which the winner earned the opportunity to throw a pie in the face of the second-place finisher.

At the co-op's October employee

meeting, Chris Allendorf, vice president of external affairs and general counsel, found himself in second place and on the receiving side of the pie thrown by Jesse Shekleton, director of engineering.

The campaign raised almost \$500, and will be divided between charities chosen by the two. Allendorf's charity is Safe Haven in Elizabeth while Shekleton chose to play for the Albany Food Pantry.

Other employees participating included: Karl Thorsen, manager of

electric operations; Don Altfillisch, foreman lineworker; and Ryan Bales, mechanic.

The pie-in-the-face competition was a part of Jo-Carroll Energy's Co-op Month activities.

On Monday, Oct. 31, the co-op hosted an American Red Cross Blood Drive at the Elizabeth headquarters.

The co-op exceeded its goal with 26 units donated and 22 donors at the drive.



◀ *Piehead 2016 nominees await the results of the silver drop to learn who will receive a pie-in-the-face. From left are Jo-Carroll Energy employees Karl Thorsen, Chris Allendorf, Jesse Shekleton and Ryan Bales. (Not pictured is Don Altfillisch.)*

▶ *As the winner of a silver drop Jesse Shekleton earned the right to throw a pie-in-the-face of Chris Allendorf.*



▶ *Chris Allendorf wipes away whipping cream after receiving a pie-in-the-face for charity in a Jo-Carroll Energy Co-op Month fundraiser.*



## Decorate your old lightbulbs and win

**T**ransform an old lightbulb into a Christmas decoration and you could win!

Between now and the week of Christmas, bring in your decorated lightbulb and we'll give you a new

LED bulb in exchange. In addition, you'll be entered to win a set of "Angry Birds" decorated lights (pictured above).

We'll be giving away a set of the bulbs at each of our offices in

Elizabeth, Savanna and Geneseo.

Questions? Contact John Scott, our resident "energy detective", at 800-858-5522, ext. 1339.

## Save with the Co-op Connections Card Shop local and save

**J**ust like you, Jo-Carroll Energy has deep roots in our community. Those roots are strongly supported by the small businesses that boost our local economy.

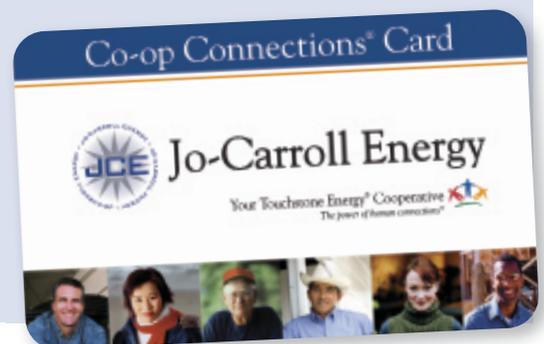
One of the ways that your co-op supports small businesses is through the Co-op Connections Card Program. It's a free benefit for Jo-Carroll Energy members. With the card you can save on lots of things, from oil changes to dining out and just about everything in between. What's more, the Co-op Connections Card is accepted at nearly 23,000 businesses nationwide.

We bet you didn't know that we have sixty three local discounts. You can save 15% off a regular room rate at Stony Creek Inn in Galena and 10% off eyeglasses at Lifetime Eyecare in Geneseo.

But that's not all; there are many more opportunities to save! To search for discounts or to find out more

about your card, visit [connections.coop](http://connections.coop) and enter in your zip code or call us at 800-858-5522.

Whether you are running errands or enjoying a night out, remember to shop local and save – all you have to do is show your card at participating retailers! It's just another member benefit brought to you by Jo-Carroll Energy.

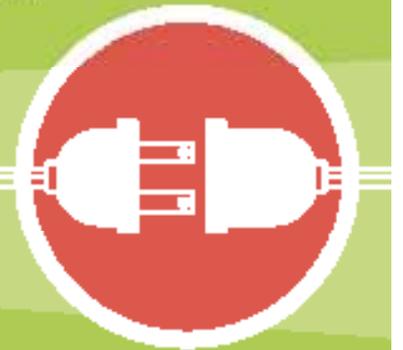


# **H**OLIDAY LIGHTING SAFETY TIPS



Consider purchasing LED holiday lights; they are cool to the touch and more energy efficient than incandescent bulbs.

Test holiday lights by connecting each strand before hanging them.



Make sure there are no broken bulbs or damaged or frayed cords. Discard any defective strands.

Use holiday lights that include the Underwriter's Laboratories (UL) label.



Avoid resting bulbs on tree needles and branches. Try using a clip to keep the bulbs upright.

Do not overload electrical outlets or extension cords.



Turn off all indoor and outdoor holiday lighting before leaving the house or going to bed.



AMERICAN ELECTRIC  
COOPERATIVES

# Jo-Carroll Energy to retire capital credits

Jo-Carroll Energy will retire capital credits totaling approximately \$1.6 million in December.

The board of directors approved the retirement at its October board meeting.

More than 22,000 members and former members will receive a check or bill credit in December. Active members will receive capital credits up to \$599.99 as a bill credit. Active members with retirements of \$600 or more and all inactive members will receive a check. As in previous years, the minimum check amount is \$10; any retirement less than \$10 will be carried over until

the next year or the minimum is reached.

Capital credits represent a members' ownership in Jo-Carroll Energy and is one of the benefits of being a cooperative member. Allocating and retiring capital credits to members helps distinguish cooperatives from for-profit utilities. Jo-Carroll Energy is proud to support our members and communities by putting money back into the pockets of those we serve.

In 2014, Jo-Carroll Energy changed to a hybrid method of retiring capital credits. Previously, the cooperative had retired capital

credits using the "first in, first out" or FIFO method on a delayed schedule of about 25 years, since capital credits were first retired in 1983. Under that process, members who were first to purchase energy were the first to be paid back.

The hybrid method keeps the 25-year rotation plus retires 5 percent of all remaining capital credits at a discounted rate. The method retires capital credits to more active Jo-Carroll Energy members while not neglecting the cooperative's commitment to return capital credits to its long-time and former members.

## Reader prize

Each month we print the name of a Jo-Carroll Energy member who is eligible to win a monthly \$25 readership prize. If your name is printed in this month's edition, and not a part of any article, contact Jo-Carroll Energy and claim your prize no later than the 10th of the month following publication.

## Energy Efficiency Tip of the Month



When decorating, remember that outdoor "icicle" lights use more energy because they have more bulbs per linear foot than regular light strands. Consider using strands of energy-saving LED lights. They use less electricity and last up to 10,000 hours.

*Source: Alliance to Save Energy*

**HOLIDAY**  
ENERGY CREDITS

*Warm someone's heart this holiday!*

Ask any Jo-Carroll Energy member service representative for more information.

**800-858-5522**