

Rachel Johnson, CEC Member Relations Manager ([00:15](#)):

Welcome back to co-op energy talk. I'm your host, Rachel Johnson, the member relations manager here at cherry land. And you are listening to the board meeting brief for our board meeting from Monday, July 25th. Here are five items of note from that board meeting. So first the cooperatives controller gave a special report to the board on the financial impacts of leasing versus buying vehicles for our fleet. This year, the accounting standards for leases changed. So now we are required to record our leased vehicles on our balance sheet. What that means is that both our equity and our tier are impacted by our leased vehicles and tier stands for times interest earned ratios. So it negatively impacts our balance sheet, I guess, is a different way of saying that despite this, uh, leasing still makes sense in some cases. So what our controller did is he took our board through an in depth analysis of the cost, including maintenance and resale values of the vehicles we own.

Rachel Johnson, CEC Member Relations Manager ([01:09](#)):

And we were able to show the board that our hybrid approach to leasing and buying continues to be the right model specifically leases generally save us money when we're acquiring small line trucks and high mileage pickup trucks. Whereas we are better off purchasing vehicles. We drive for a longer period of time, such as low mileage pickup trucks and large line trucks. So we're gonna continue with a hybrid model in order to save our money as much as we can on our fleet. And it also allows us to keep our fleet up to date and mitigate our, uh, maintenance costs for our fleet. The second item of note, our CFO reported that as of the midyear mark, our year to date financials are looking pretty good. We are under budget for expenses, which is great, uh, kudos to our employees for keeping our costs down our revenues.

Rachel Johnson, CEC Member Relations Manager ([01:53](#)):

Also a little under budget and our power supply costs are, are significantly over budget. Uh, this means that our margins are tracking a little bit behind budget, but we think things are starting to even out nicely. And we are expecting to be just right on budget for our margins by the end of the year. Uh, and I would just point out that in a year of tremendously volatile energy markets. I think it's amazing that we're where we are and as close to budget as we are. So overall, our CFO is happy with where we are right now and the board, uh, I think certainly agrees and we'll continue to monitor that going forward for our members. The third item of note, our engineering and operations manager reported that we are keeping up with the demand for new service and service upgrades through our construction program.

Rachel Johnson, CEC Member Relations Manager ([02:30](#)):

We don't have very long wait times on construction right now, which is really amazing if you think about all of the growth happening in our community and all the new things being built in our community. Uh, in addition to that, he let the board know that we have had more outages this last, you know, years, six months or so than we normally do. And they've been primarily related to wind entries. So we're, we're looking into some of those things, but expecting to maybe be a little bit off the mark, as it pertains to the number of outages we have this year, and we'll continue to be very aggressive with our tree trimming and maintenance programs. Uh, fourth item of note, I reported that the contractor we hired to develop a carbon reduction calculation model to determine the carbon reduction impact of our rebate and incentive programs is on track to deliver the final model to us next month.

Rachel Johnson, CEC Member Relations Manager ([03:13](#)):

This is a really exciting project that is replacing our old energy waste reduction program so that we can really target our rebates and incentives towards not just decreasing people's energy use, but decreasing their actual carbon impact. And so we're really excited to have that model in place, and we expect to start reporting to our board regularly about the carbon reduction impacts of our programs later this year. And we will certainly share that with our listeners here on co-op energy talk, maybe even make that the, uh, subject of a special co-op energy talk just on carbon reduction. And finally of note, this month, the board voted to change the October board meeting. We normally meet the fourth Monday of the month, but there was a conflict with that date. So, uh, the board is gonna meet the third Monday of October. The date of that meeting is October 17th. So hold that if that's something you're interested in, and that is kind of all the news of note from our most recent board meeting, our next board meeting is scheduled for Monday, August 22nd. And as always, we will reserve time at the beginning of that meeting for member input at 9:00 AM. So just come to our office and bra, if you would like to talk to the.