

# JO-CARROLL ENERGY, INC. (NFP)

## December 20, 2023

### Board/Budget Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Wednesday, December 20, 2023.

A Safety Moment was provided by Director Dave Senn. Senn discussed the importance of allowing yourself enough time to arrive at your destination by planning ahead; understanding that being in a rush increases the risk of accidents and proper planning helps reduce those risks.

**Approval of Agenda** – A motion was made, seconded, and carried unanimously approve the meeting agenda.

**Consent Agenda** – A motion was made, seconded, and carried unanimously to approve the consent agenda.

**Presentation** – None.

**Governance Topics and Board Policy Review** – None.

#### Board Issues and Action Items

**2024 Rate Analysis and Approval** – Proposed 2024 rate schedules were presented based off an independent cost of service study. Examples of how the proposed rates would affect specific rate classes, including their annual impact, were also presented to assist in the decision process. After discussion, a motion was made, seconded, and carried unanimously to approve the 2024 rate schedules as presented.

**2024 Budget Review and Approval** – The 2024 proposed budget was presented to the Jo-Carroll Energy Board of Directors by Senior Staff members of the cooperative. Responses were provided to previously received and new questions posed by the board. After discussion and a thorough understanding of the budget, a motion was made, seconded, and carried unanimously to approve the 2024 budget.

Wholesale electric power and natural gas costs, which make up the largest portion of the budget, are projected at approximately \$32 million, a slight decrease over last year due to projected lower energy and capacity costs.

Approximately \$16 million of capital expenditures were approved, in addition to \$23 million in operation and maintenance (O&M) expenses. An increase over last year due to growth and inflation.

Other expenses of approximately \$16 million include depreciation and long-term debt interest expenses. Depreciation expenses have increased and is driven by the continued investment in the system. While long-term debt interest expense is impacted by the investment in the system coupled with the rising cost of borrowing.

**Executive Session** – None.

**Into Executive Session – None.**

**Out of Executive Session – None.**

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

**Other Business** – In addition to the Rate/Budget Review, Kyle Buros, Senior V.P. and Chief Operating Officer, provided updates and lead times on projects that were included in the 2024 budget proposal. Jennifer Meyer, V.P. of Member Services, provided updates on neighbor-to-neighbor care funds, and highlighted efficiencies associated with members opting to use auto draft and e-billing (paperless) for bill payment processing. Mike Casper, President & CEO, provided an overview of the results of the recent member satisfaction survey.

**Adjournment** – Chairman Senn adjourned the meeting at 12:00 PM.

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