

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, October 26, 2023

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Thursday, October, 26, 2023 commencing at 8:00 AM at the Whetstone Valley Electric Headquarters.

The meeting was called to order by President, Bill Tostenson who presided and Secretary, Darren Strasser, acted as Secretary.

Directors Present: Bill Tostenson, Darren Strasser, Joel Adler, Krista Atyeo-Gortmaker, Tom Berens, Scott Niedert, Dave Behrns, Matt Cameron,

Directors Absent: Paul Nelson,

Staff Present: Page, Weber, Christensen. Jessica Schuchard attended part of the meeting to present the check listing and discuss the 2024 annual meeting preparations.

Others Present: New employees Bailey Anderson and Mike Tietjen were briefly introduced.

Review and Consideration of Agenda

- A motion to approve the agenda with the addition of setting a date for a building committee meeting was seconded and carried.

Review and Consideration of Minutes

- A motion to approve the minutes of the regular meeting of September 21, 2023 with minor grammar corrections and clarification that Adler attended remotely, was seconded and carried.

Review and Consideration of the Consent Agenda including:

Loss Control Report, Estate & Special Capital Credit Retirements, New Members, Tenant Changes, Check Listing, Credit Card statement, Cash Flow and Cyber Summary. Also included was the inventory of capitalized work orders.

- Following a brief discussion, a motion to approve the consent agenda was seconded and carried.

Management Reports

Operations Manager, Jon Christensen submitted a written report of projects the line crews are working on. He also reported on some future new services. He reported that the FEMA line west of Summit is installed and cutover with just retirement left to do. He reported on fleet as well. He shared the minutes from the most recent Safety Team meeting. There was also a presentation of projects for 2024 and capital budget talks.

Member Services Manager, Mark Weber submitted a written report of current activities and financials of the service and contracting department. He reported a high volume of contracting jobs being completed and a number of new requests for generators, heat pump systems and security systems.

Office Manager, Bridget Anderson submitted a written report of the office services activities and financials. Her report included a comparison of budgeted to actual expenses for the third quarter of 2023 and year-to-date. Also included was an examination of margins to date and a four-year comparison of monthly margins.

- A motion to approve the Management Staff reports was seconded and carried.
- The building committee will meet prior to the November board meeting to discuss long range property requirements and provide a plan to the board.
- March 21, 2024 was selected as the date of the 2024 annual membership meeting to be held in Wilmot, SD.

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Review and Consideration of the General Manager's Report

General Manager, Page submitted a written report. He reported on YTD energy sales, margins and remaining deferred revenue of \$400,000. Page reported that the preliminary 2024 operating budget calls for an overall increase in revenue of 12%. The reservation of deferred revenue would offset a rate adjustment. He also reported on Basin financials and the fall SD manager's association meeting.

- A motion to approve the General Manager's report was seconded and carried.
- Behrns was selected as voting delegate for the Mid-West Electric Consumer's annual meeting with Joel Adler as alternate.

Association Meeting Reports:

No meetings to report.

East River Strasser reported on the activities of East River.

SDREA Tostenson reported on the activities of SDREA.

Executive Session:

At 11:40 AM a motion to enter executive session was seconded and carried.

At 12:10 PM a motion to exit executive session was seconded and carried.

Other Business:

- Directors and staff viewed and discussed the NRECA Governance Video on risk management.
- There was consensus from the board that corporate email for directors will not be required.
- Policy 30-1 regarding meeting attendance and education was reviewed by the board without revision.

- A motion to direct management to seek a buyer for the personal monitoring service and discontinue offering the service upon the sale, was seconded and carried
- The proposed 2024 capital budget was presented. Major plant construction projects included new construction, overhead and underground line replacement, meters, transformers, regulators, poles, and sectionalizing. Vehicles and equipment included the replacement of one truck, two trailers and an ATV. Other items include a hydrovac, meter tester, vibratory plow, locator and fuel barrel.

Office and facility capital items include replacement of furniture, computers, and alarm system. Also included are improvements to the pole yard and perimeter fence.

The total proposed capital investments for 2024 were \$3,479,287. No action taken at this time.

Adjournment:

- A motion to adjourn was made, seconded and carried.

Next Regular Board Meeting: Wednesday, November 22, 2023 8:00 AM Coop Headquarters

President

Secretary