

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday, August 20, 2025

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Wednesday, August, 20, 2025 commencing at 8:00 AM at the Whetstone Valley Electric Headquarters.

The meeting was called to order by President, Joel Adler who presided and Secretary, Matt Cameron, acted as Secretary.

Directors Present: Joel Adler, Matt Cameron, Scott Niedert, Krista Atyeo-Gortmaker, Bill Tostenson, Tom Berens, Paul Nelson, Dave Behrns, Wayne Jarman,

Directors Absent:

Staff Present: Page, Weber, Christensen

Others Present:

Review and Consideration of Agenda

- A motion and second was made to approve the agenda . The motion passed.

Review and Consideration of Minutes

- A motion to approve the minutes of the regular meeting of July 24, 2025 was seconded and carried.

Review and Consideration of estate and special capital credit retirements:

- A motion to approve the estate and special capital credit retirements was seconded and carried.

General Reports

The Board reviewed and discussed general reports including the Loss Control Report, Check Listing, Credit Card statement, Cash Flow, Cybersecurity Summary, and Capitalized Construction Work Orders.

Christensen discussed personal protective equipment (PPE) being considered for chainsaw protection.

Management Reports

Operations Manager, Jon Christensen submitted a written report highlighting the activities of the operations department. He reported delays in work orders due to wet conditions, with the large underground job in the north deferred to next year and new three-phase irrigation work started in the Southeast. He reported that crews are completing the pole yard work with finalization expected by early September. Jon noted that the contracted Load Controller project is complete for the year and employees will continue with industrial and irrigation controllers. A kickoff meeting was held with Star Energy on the next construction work plan. A purchase order for 10 reels of wire at \$190,000 was recommended for timely delivery next year. Jon also reported that Verizon is selling its metering system to CrescoNet and no interruption in service is anticipated.

Member Services Manager, Mark Weber submitted a written report outlining recent activities within the Service and Contracting Department. He reported that a lightning strike at a member's property caused damage to a yard light, internet connections, and fuel pump wiring. Tests were conducted and repairs were made. Technicians also conducted testing for a member experiencing humidity problems, identified a likely cause, and provided recommendations. Mark reported on two high energy usage complaints that were investigated and resolved. He reported that current projects include the installation of two generators, an air-to-air heat pump system, and an underground wiring and service equipment installation, with several more similar jobs scheduled to begin soon. It was also noted that Truck #17 has been repaired and is back in service.

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Office Manager, Bridget Anderson submitted a written report of the office services activities and financials. She reviewed current year capital budget actuals, presenting graphs on closed and open line construction work orders and department capital purchases. She noted pending purchases: the Line Department's semi-truck flatbed, Member Services' pipe bender, and the Admin & Office battery backup device and phone switch, both of which have been ordered. She reported the pole yard project is nearing completion, discussed member payment method preferences, and asked the Board to consider a date and location for the 2026 Annual Meeting.

General Manager Report

General Manager Page reported that energy sales in July totaled 7,795,632 kWh, essentially unchanged from the same month last year and 1% above the budgeted projection. Year-to-date sales have reached 56.6 million kWh, running 2% higher than last year but still 2% below budget. He noted that commercial sales showed improvement in July after several months of decline. Financially, year-to-date power costs are 3% below budget, while revenues remain 4% below budget. Operating and maintenance expenses continue to track under budget; however, depreciation and interest costs are exceeding budget due to higher expenses tied to recently constructed assets. Page also reported that Rural Utilities Services (RUS) continues to face staffing shortages. He reviewed the Cooperative's financial position and highlighted anticipated increases in wholesale power costs. In light of these projections, he discussed plans for a rate increase of more than 10% and the need to notify members accordingly. He also noted that union negotiations are currently underway.

East River Behrns reported on East River and Basin financials. He also reported Strom damage, cyber threats, and personnel shortages within WAPA.

SDREA Tostenson reported on SDREA activities, including reviews of Policies and Resolutions.

**Association
Reports:**

Other Business and Action Items:

- Manager Page and the Board discussed the Basin Annual Meeting and reviewed the information presented. Particular attention was given to the anticipated increased costs and rates.
- Voting delegates were selected for the Region 6 meeting of CFC and Federated Rural Electric Insurance.
- The selection of voting delegates for the Mid-West Electric Consumers Association was postponed to a later date.
- Manager Page presented the preliminary wage and compensation budget to the Board.
- The Board reviewed upcoming events and meetings.

Executive Session:

At 11:12 a.m. a motion to enter executive session was seconded and carried.

At 12:09 p.m. a motion to exit executive session was seconded and carried.

Resolution for Next Regular Board Meeting:

- The next regular board meeting was set for Thursday, September 18, 2025 at 8:00 AM at the Cooperative Headquarters .

Adjournment:

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

President

Secretary