

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, March 19, 2026

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Thursday, March, 19, 2026 commencing at 8:04 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, Bill Tostenson, Tom Berens, Paul Nelson, Dave Behrns, Wayne Jarman,

Directors Absent: Krista Atyeo-Gortmaker,

Staff Present: Page, Christensen, Anderson

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 February 17, 2026 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.

General Manager Report

General Manager Page provided a written and oral report including. He reported that February 2026 energy sales totaled 8,766,484 kWh, or 91.5% of budget. Year-to-date sales of 19,951,712 kWh are 97.9% of budget and 95% of last year. Overall, sales are slightly below budget and prior year but remain close to projections. Page presented 20-year financial data of the cooperative, including average annual plant growth of 5.3%, cost of interest at 3.42%, average cost of equity at 8.48%, and a weighted cost of capital of 5.25%. He also reviewed long-term trends in equity and debt service coverage ratios. He further reported on current financial statistics for East River and Basin Electric and provided a personnel update on filled and open positions.

Management Reports

Operations Manager, Jon Christensen submitted a written report highlighting the activities of the operations department. Jon reported on what the line crews have been working on and that the Digger truck is back and working well. Number of outages was discussed. Jon discussed Member service activities and that things are still hectic with all the changes. Jon reported on the load controll project and the challenges. with it. Jon reported on contract dept activity and how good the inventory was for the year.

Office Manager, Bridget Anderson submitted a written report of the office services activities and financials. Her report detailed the 2025 Capital Credit Allocations of \$892,611.44. She also presented the Board with three Capital Credit Retirement options, each incorporating the pass-through of Basin and East River credits and varying in impact to the equity ratio. Bridget also reported on the upcoming Annual Meeting.

Association Reports: Adler and Jarman reported on the NRECA Annual Meeting highlighting several topics from presenters and breakout sessions.

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East River Behrns reported on activities of East River and Basin including energy sales, financial summaries, and personnel additions at East River.

SDREA No Report

Other Business and Action Items:

- **Capital Credit Retirement – 2026**

Three options for the 2026 retirement of capital credits were presented to the Board for consideration. A motion was made and seconded to approve Option A; the motion failed.

A subsequent motion was made and seconded to approve Option C, consisting of:

Operating and other patronage: \$183,279

Pass-through of retired East River Electric capital credits: \$94,438

Pass-through of retired Basin Electric capital credits: \$171,421

Total retirement: \$449,138

After further discussion, the motion carried.

- A motion to amend the 2026 Capital Budget to increase the computer server allocation from \$16,500 to \$20,298 based on a revised vendor quote was seconded and carried.
- Following a review of policy 50-1, Line Extensions, a motion was made and seconded to approve revisions as presented. The motion carried.
- Following a review of policy 50-18, Station Service Rate, a motion was made and seconded to approve revisions as presented. The motion carried.
- A motion to authorize the execution of the Certificate of Resolutions and Incumbency related to the loan agreement with NRUCFC, designated as Loan SD016-V-9011, and granting authority to appropriate officers to sign and deliver all necessary documents in connection therewith was seconded and carried.
- A motion to donate \$5,000 to the Stockholm Fire Department to assist in the purchase of a replacement Brush Truck and to nominate them to receive matching funds from CoBank was seconded and carried.
- The Board viewed the Governance Video regarding Election of Board Officers and Their Roles
- The Board reviewed upcoming events and meetings.

Executive Session:

At 10:24 AM a motion to enter executive session was seconded and carried.

At 10:47 AM 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, April 23, 2026 at 8:00 AM at the Cooperative Headquarters .

Adjournment:

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

President

Secretary