

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Tuesday, July 21, 2026

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Tuesday, July, 21, 2026 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, Wayne Jarman, Krista Atyeo-Gortmaker, Tom Berens, Paul Nelson, Jason Ackerman, Paul Tostenson,

Directors Absent: Dave Behrns,

Staff Present: Page, Anderson, Christensen

Others Present: Harvey Oliver, Cooperative Attorney

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 June 18, 2026 was seconded and carried.

Executive Session:

At 8:02 am a motion to enter executive session was seconded and carried.

At 10:21 am a motion to exit executive session 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.

A breakout of Amazon invoices on the credit card was provided and the purchase approval process was discussed.

General Manager Page submitted a written report. He reported that monthly energy sales were up 1.4%, year-to-date sales remain on budget, and operating margins are above budget. He also provided updates on Basin Electric's proposed bylaw amendment regarding Tri-State, recent South Dakota Public Utilities Commission (PUC) rulings on energy company mergers and electric service territories, June 29 storm damage to transmission cooperatives, Basin Electric's reported \$40 million legal settlement loss, and CFC's latest Key Ratios Trend Analysis report, noting that CFC is available to review the findings with the Board.

The Board discussed maintenance of the east lot. The lot will be sprayed for weeds and mowed throughout the summer, with grass to be planted in the fall after rocks are removed.

Bid specifications, including the grass type and any additional landscaping needs, remain to be determined and approved.

The Board also requested a search for an easement agreement with the Millstone Restaurant.

Operations Manager, Jon Christensen submitted a written report. He reviewed an arc flash study completed by Star Energy and discussed a sectionalizing study, including project initiatives and associated costs.

Jon reported increased contracting work on irrigation and air conditioning systems due to hot, dry weather noting that irrigators are incentivized to use third-party controllers.

Jon reported on the Cooperative's unannounced RESAP safety inspection and noted that he values the program. He also participates by assisting with inspections at other electric cooperatives.

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Office Manager, Bridget Anderson submitted a written report. She stated that the June rate increase is expected to help achieve the budgeted revenue for the year. Revenue is currently 2% below budget due to an overstatement of base charge revenue in January, while year-to-date margins are 10% above budget. Customer and sales expenses remain well below budget, due in part from an employee retirement and an extended leave. Bridget also reported increased calls from budget billing customers regarding the rate increase impact, reviewed the new customer statement format and electronic payment options, and discussed member inquiries generated by a Facebook post to help locate members eligible for retired capital credit checks.

Association Reports:

East River In Director Behrns' absence, Manager Page reported on East River Electric's activities, including increased infrastructure capital projects, Basin's reduced capital investment projections, and updates on WAPA rates and the drought adder.

SDREA Atyeo-Gortmaker submitted the statewide report. She highlighted the June statewide board meeting, including discussions on regional cooperative base fees, FEMA grants, fire mitigation legislation, association headquarters parking lot repairs, the dues formula, the annual audit, and the cost of statewide association board meetings, which will be discussed further.

Other Business and Action Items:

- Directors Cameron and Adler were selected Delegate and Alternate respectively for the 2026 NRECA Regional Meeting.
- Directors Berens and Atyeo-Gortmaker were selected Delegate and Alternate respectively for the 2026 Basin Electric Annual Meeting.
- Directors Ackerman and Atyeo-Gortmaker were selected Delegate and Alternate respectively for the 2026 East River Electric Annual Meeting.
- The Board reviewed and discussed the proposed Basin Electric Bylaw revision.

- A motion to approve the 2027 primary underground cable order of 165,000 feet of 1/0 cable and 66,000 feet of 4/0 cable for \$997,950.49 was seconded and carried.

- Governance discussions available on line.
- The Board reviewed upcoming events and meetings.

Resolution for Next Regular Board Meeting:

- The next regular board meeting was set for Thursday, August 27, 2026 at 8:00 AM at the Cooperative Headquarters .

Adjournment:

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

President

Secretary