

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, November 17, 2022

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Thursday, November, 17, 2022 commencing at 8:05 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, Dale Jensen, Krista Atyeo-Gortmaker, Joel Adler, Paul Nelson, Scott Niedert, Dave Behrns,

Directors Absent: Tom Berens,

Staff Present: Page, Weber, Anderson, Christensen

Others Present: None

Review and Consideration of Agenda

- A motion to approve the agenda was seconded and carried.

Review and Consideration of Minutes

- A motion to approve the minutes of the regular meeting of October 20, 2022 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 and Cash Flow. 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 the activities of the line department. He discussed recent incidences where . Jon discussed two contacts by independent contractors with no injuries. Jon also reported on East River items from the managers meeting he attended including an I-29 interchange expansion, WAPA renewable credits and substation permitting challenges.

Member Services Manager, Mark Weber submitted a written report of current activities and financial update of the service and contracting department. He reported on the continued high demand for generator and HVAC installations. Mark reported on a number of wiring jobs and also provided an update on East River's load control system migration.

Office Manager, Bridget Anderson submitted a written report of the office services activities and financials. She reported on increasing costs of medical and liability insurance, and other association fees. Bridget also discussed the process of forfeiture of capital credits and the progress made on outstanding unclaimed credits.

- A motion to approve the Management Staff reports was seconded and carried.

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Review and Consideration of the General Manager's Report

General Manager, Page submitted a written report and discussed consumer energy sales. Page reported that wholesale power costs are expected to increase .54 mills and the forecast is showing a needed increase in revenue of \$495,000 in 2023. Much of the deficit may be attained by extending remaining deferred revenue and anticipated G&T bill credits. A rate adjustment may also be needed in 2023.

- A motion to approve the General Manager's report was seconded and carried.

Power Supply and Association Meeting Reports:

Krista and Joel gave a positive report on the events of the Basin Annual Meeting. Basin membership approved the bylaw amendment increasing the deferred revenue cap to \$500M through 2024.

East River Strasser reported on the activities of East River. Danny Brown has been named East River's new General Counsel.

SDREA Tostenson reported on the activities of SDREA.

Executive Session:

No executive session was held.

Other Business:

- A motion to declare the forfeiture of unclaimed capital credits retired from 2005-2012 totaling \$6,550.66 was seconded and carried.
- A motion to contract with Eide Bailey to conduct the 2023 NRECA participation review audit was seconded and carried.
- A motion to approve the 2023 capital budget of \$3,069,384 as presented without the pole yard improvements of \$500,000 was seconded and carried.
- The draft 2023 operating budget was presented and discussed and will be considered at the December board meeting.
- A motion to approve a resolution requesting RUS to extend and amend the current revenue deferral plan for up to \$415,000 to be recognized in years; 2023, 2024, and 2025 was seconded and carried.
- The 2023 WVEC Annual Meeting date was set to March 23.
The 2023 Strategic Planning Session is tentatively set for February 15-16 with CoBank.
- Tostenson was nominated to represent WVEC as the SDREA Director for the next term.
Behrns and Atyeo-Gortmaker were selected as Delegate and Alternate for the SDREA Annua Meeting.

Adjournment:

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

Next Regular Board Meeting: Thursday, December 22, 2022 8:00 AM Coop Headquarters

President

Secretary