

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday, November 22, 2023

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Wednesday, November, 22, 2023 commencing at 8:03 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, Paul Nelson, Tom Berens, Dave Behrns,

Directors Absent: Scott Niedert, Matt Cameron,

Staff Present: Page, Weber, Christensen, Anderson

Others Present:

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 26, 2023 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 about current work being done by the crews. He also reported on employee training activities. There was discussion on recent outages around the Milbank area. He gave an update about the Verizon meter deployments. There was also discussions about fleet and new trucks. Jon covered the Loss control report for October.

Member Services Manager, Mark Weber submitted a written report of current activities and financials of the service and contracting department. He reported on a number of underground installations being completed before freezing occurs. Demand continues for installation of generators. Mark reported that supply chain issues are easing. He also reported that he assisted another cooperative with stray voltage testing.

Office Manager, Bridget Anderson submitted a written report of the office services activities and financials. Her report included details about our operating margins and whether or not we will need to use the deferred revenue. Also included was a discussion about the substation analysis report and that timing of when the meters are read can impact this report.

- 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. He reported on YTD energy sales, margins and remaining deferred revenue of \$400,000. He also reported on East River activities and Basin financials. Page reported that the preliminary financial forecast and budget call for an increase in revenue in 2024 of \$1.3m. He reported that options for rate adjustments will be presented in December.

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

Association Meeting Reports:

The board reported and discussed the legislative dinner held in Watertown for the SD legislators from SD Districts 1, 4, 5, and 8.

East River Strasser reported on the activities of East River.

SDREA Tostenson reported on the activities of SDREA. He discussed upcoming Director training opportunities and legislative events.

Executive Session:

At 11:30 am a motion to enter executive session was seconded and carried.

At 11:33 am a motion to exit executive session was seconded and carried.

Other Business:

- The Board viewed NRECA Governance videos regarding the Board's role in safety and Board succession planning.
- The Building Committee reported on discussions and recommendations for future headquarter property requirements.
- After considerable review and discussion, a motion to approve the adjusted 2024 capital budget as presented was seconded and carried

Adjournment:

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

Next Regular Board Meeting: Thursday, December 21, 2023 8:00 AM Coop Headquarters

President

Secretary