

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, August 27, 2026

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Thursday, August 27, 2026 commencing at 8:02 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, Dave Behrns, Jason Ackerman, Paul Tostenson,

Directors Absent:

Staff Present: Page, Anderson, Christensen

Others Present: Nick Crank, Eide Bailey for the Audit Report and Harvey Oliver, Gen. Counsel

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 21, 2026 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.

General Manager Report

General Manager Page reported that July 2026 energy sales totaled 8.99 million kWh, exceeding budget by 16%, primarily due to higher temperatures and increased irrigation usage. Temperatures exceeded the monthly average, and irrigation sales increased considerably compared to July 2025. Year-to-date energy sales through July are 2% above budget and 4% higher than the same period last year.

Page informed the Board that wholesale power rates are projected to increase by 8% in 2027. Basin Electric has lowered both its expected capital expenditures and long-term energy sales forecast. He also reported that the Southwest Power Pool set a record peak load of 58.1 GW on July 27 and provided an update on the national legislative PAC.

Operations Manager, Jon Christensen reported that a large service transformer will be replaced at Agency Village and that corrections will be made regarding inaccurate information published in the local newspaper. The Line Department remained busy with construction, service upgrades, and new installations. Funding was identified to replace aging underground cable in the Berens Addition, and annual pole inspections will begin soon. Member Services is completing irrigation controller replacements and adding third-party load-control participants to ensure eligible rebates are issued. Recent billing inquiries primarily concerned increased usage during hot weather.

The Contracting Department continued managing current projects while securing additional work.

Office Manager, Bridget Anderson presented written and oral reports regarding personnel matters and the status of current and new RUS loans. She reported a larger-than-normal number of member inquiries concerning high July energy usage, primarily attributable to higher temperatures and an increased number of cooling-degree days. Anderson also discussed member concerns, positive employee and member relations, and historical and current trends in delinquent accounts receivable.

Financial results through July remained favorable, with revenues on budget, expenses below budget, and operating margins of \$726,986 compared to the budgeted \$437,632.

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Association Reports:

- East River** Behrns reported on activities of East River referring to the Manager's written report. He discussed PUC territorial decisions, record peak demand and Basin's amended bylaws.
- SDREA** Atyeo-Gortmaker reported on SDREA activities stating that the next board meeting will be in September.

Other Business and Action Items:

- Nick Crank, Partner with Eide Bailly presented the cooperative's annual financial audit. Following the presentation, the Board met privately with Mr. Crank.
- President Adler and Secretary Cameron were selected as delegate and alternate to the CFC District 6 meeting.
- The Board discussed the empty lot east of the headquarters, including potential liability exposure and the general condition of the property, driveways, and easement area. There was consensus to obtain pricing from local contractors to add several inches of black dirt and seed the area, excluding the driveways, to grass this fall, if practicable, or next spring. Hydro-seeding should be considered. The Board also discussed installing a light-duty fence and posting "Private Property" signs to discourage vehicles from entering the grassy areas. Staff will seek contractors for pricing and seeding advice.
- There was a review and discussion of the Basin Electric Annual and Member-only Meetings.

Executive Session:

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

At 12:00 PM a motion to exit executive session was seconded and carried.

- A motion was made and seconded to approve the Labor Committee's recommendation for a three-year agreement with union-represented employees. The agreement provides annual wage increases of 5.5%, 4.5%, and 4.0%, respectively, and a one-time 7.0% adjustment for the Lead Electrician position. The motion carried.
- A motion to approve the Labor Committee's recommended wage and salary adjustments for non-union employees and staff was seconded and carried.
- Following discussion, the Board reached a consensus that the Warehouse Material Coordinator position should remain primarily clerical in nature.
- Following discussion, the Board requested that management provide a report detailing the types and quantities of fuel purchased during July 2026.
- The Board reviewed upcoming events and meetings.

Resolution for Next Regular Board Meeting:

- The next regular board meeting was set for Thursday, September 24, 2026 at 8:00 AM at the Cooperative Headquarters .

Adjournment:

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

President

Secretary