

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
April 19, 2024**

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on April 19, 2024 commencing at 8:30 a.m. in the Colman boardroom.

The meeting was called to order by President Gary Fish who presided and Don DeGreef, Secretary, acted as Secretary.

Roll call showed the following members present:

Don DeGreef	Dan Leuthold	Allan Weinacht
Ann Vostad	Dave Daniel	Gary Fish
Lucas Roskamp	Mark Rogen	Rodney DeMent
Gregg Johnson	Dr. Leslie Heinemann	

Also present were Attorney Mike Nadolski, General Manager Tim McCarthy, Strategic Leadership Team members Ted Smith, Jason Maxwell, Justin Moose, Kimberlee Hansen, and Carrie Vugteveen along with Executive Assistant, Brenda Schelhaas.

INTRODUCTION OF GUESTS

President Fish introduced District 9 Member Advisory Council members Jan Bobendrier and Elisabeth Roelofs.

INTRODUCTION OF NEW EMPLOYEE

Kimberlee Hansen introduced Cathy Feste, Manager of Human Resources and Administrative Services. Cathy joined the team on March 1.

REVIEW AND CONSIDERATION OF AGENDA

The agenda was presented for consideration. President Fish asked that Executive Session be moved to agenda item 8.5. A motion to approve the amended agenda was made by Mr. Daniel, seconded by Mr. Johnson. The motion carried.

REVIEW AND CONSIDERATION OF MEETING MINUTES

A motion to approve the minutes of the March 26, 2024 regular board meeting was made by Mr. Johnson, seconded by Ms. Vostad. The motion carried.

SAFETY STEERING COMMITTEE UPDATE

Manager McCarthy called upon the Safety Steering Committee (SSC) to give the Board an update. The committee updated the Board on items they have been working on the past year. Some of their areas of focus include reviewing incidents and near misses, researching and discussing employee suggestions, and promoting safety inside and outside the Cooperative. The committee then spoke about their plan to reach Level 5 Safety. They ended their update with the presentation they will be giving at the Safety Leadership Summit in Kansas City, MO. Present from the SSC were Craig Namken, Jeremy Rollag, Cole Anderson, Chris Graff, Kendra Wire, and Bruce Barrick.

DISTRICT MEETING OVERVIEW

Carrie Vugteveen gave an overview of the 2024 district meetings including historical total attendance, attendance totals per district, and estimated 2024 expenses. She then reviewed a district meeting survey that had been emailed to those who had attended this year's district meetings. A total of 4,368 people attended the district meetings this year.

REVIEW AND CONSIDERATION OF 2023 FINANCIAL AUDIT REPORT

Manager McCarthy called upon Jason Maxwell who introduced Luke Greden of the CliftonLarsonAllen, LLP auditing firm. Mr. Greden reviewed the annual audit of Sioux Valley Energy's 2023 financial statements. Mr. Greden stated that the audit went smoothly and the SVE staff were easy to work with.

Mr. Greden also stated that the Cooperative will receive a "clean audit" and is exercising effective internal controls. Mr. Greden noted that the financial reports are presented fairly and that there were no compliance issues. He also reviewed financial ratios, revenue and expense ratios, growth ratios, and plant ratios to illustrate how the Cooperative compares with other cooperatives in the area. A motion to approve the 2023 Audit Report, as presented, was made by Mr. Roskamp, seconded by Dr. Heinemann. The motion carried.

EXECUTIVE SESSION

Mr. DeGreef made a motion to move into executive session to discuss internal cooperative business, seconded by Mr. Leuthold at 10:20 a.m. The motion carried. All directors were in attendance. The executive session adjourned at 11:20 a.m.

ANNUAL MEETING PREVIEW

Carrie Vugteveen previewed the proposed format for the annual meeting which will be held on June 11. She noted the format would include three venues. Brandon Valley High School would be the main location, and the meeting would be broadcast to Pipestone Area High School and Sioux Valley School in Volga. Each location would feature the same menu, bingo, and local entertainment. Discussion was held regarding holding the event at one location to lower expenses. The Board agreed the annual meeting should be held at the three locations as presented.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S QUARTERLY EXPENSE STATEMENT

Mr. Daniel, Treasurer, reported that he reviewed the General Manager's quarterly expense and credit card statements for the period of January through March 2024 and found all expenses to be in order. The report was accepted, and payment of the General Manager's statement in the amount of \$4,507.35 was approved per a motion made by Mr. Daniel, seconded by Mr. DeGreef. The motion carried.

REVIEW AND CONSIDERATION OF ATTORNEY'S QUARTERLY EXPENSE STATEMENT

Executive Assistant, Brenda Schelhaas, presented the quarterly expense statement for Attorney Nadolski. A motion to approve payment of the Attorney's expense statement for January through March 2024 in the amount of \$8,580.86 was made by Mr. Rogen, seconded by Dr. Heinemann. The motion carried.

BRANDON SERVICE CENTER UPDATE

Ted Smith gave an update on the Brandon building project. Ted stated that there has been lots of progress and the project is on schedule. He also reviewed the change orders that have been needed and the costs associated with the changes.

STRATEGIC PLANNING

Manager McCarthy discussed the topics for the Board's strategic planning session that will be held on June 20. Topics include equity plan, service expectations of the next generation, power supply governance, and district meetings. Discussion was held and President Fish asked that an additional topic to include a power supply speaker be added to the agenda.

POLICY REVIEW

Manager McCarthy reviewed Board Policy 9 and Board Operating Guides 9-1 and 9-2. Mr. Rogen made a motion, seconded by Mr. Daniel, to approve the board policy and board operating guides. The motion carried.

BYLAW REVIEW

Manager McCarthy called upon Attorney Nadolski to review Bylaw Articles 1 and 2.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT

Manager McCarthy reviewed the new service requests that had been made in the month of March.

Manager McCarthy presented key highlights of the East River General Manager's report including EPA vehicle emissions limits, federal funding efforts, the Minnesota legislative session, and Governor Noem's issuance of no vetoes during the last legislative session.

ACCEPT GENERAL MANAGER'S REPORT

A motion to accept the General Manager's Report was made by Dr. Heinemann, seconded by Mr. Johnson. The motion carried.

REPORTS ON POWER SUPPLY MEETINGS

East River – Director DeMent reported on his attendance of the East River board meeting.

L&O Power – Director Leuthold reported on his attendance of the L&O Power board meeting.

REPORTS ON MEETINGS ATTENDED

CoBank Midwest Customer Meeting – Directors Rogen, Daniel, and Johnson reported on their attendance at this meeting.

NRECA PowerXchange – Directors Roskamp, Fish, DeGreef, and Rogen reported on their attendance at this meeting.

MREA Annual Meeting – Directors Roskamp, DeMent, and Johnson reported on their attendance at this meeting.

L&O Power Coop Annual Meeting – Directors DeMent and Weinacht reported on their attendance at this meeting.

SDREA Board Meeting – Director Daniel reported on his attendance at this meeting.

NOTICES OF MEETINGS, SELECTION OF DELEGATES, AND ATTENDANCE AUTHORIZATION

CFC Annual Meeting and Forum, June 17-19, 2024 Indianapolis, IN – Director Fish was approved to attend and nominated to serve as the delegate per a motion made by Mr. Rogen, seconded by Mr. Johnson. The motion carried.

CoBank Energy Directors Conference, July 17-19, 2024 Boston, MA –Directors Rogen, Roskamp, Johnson, and Leuthold were authorized to attend by a motion made by Mr. Weinacht, seconded by Mr. DeGreef. The motion carried.

SDREA Board Leadership Summit, August 25-26, 2024 Pierre, SD – Directors DeGreef and Weinacht were authorized to attend by a motion made by Mr. Rogen, seconded by Mr. Roskamp. The motion carried.

EXECUTIVE SESSION

Mr. Weinacht made a motion to move into executive session to discuss internal cooperative business, seconded by Mr. Johnson at 2:17 p.m. The motion carried. All directors were in attendance. The executive session adjourned at 2:54 p.m.

OTHER BUSINESS

There was no other business.

NEXT MEETING

The next regular board meeting will be held on Tuesday, May 28, 2024 at 8:30 a.m. in the Colman boardroom.

ADJOURNMENT

President Fish declared the meeting adjourned at 2:54 p.m.

Donald DeGreef, Secretary

Date Approved: _____