

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
July 19, 2023**

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on July 19, 2023 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:

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

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

INTRODUCTION OF GUESTS

Director Heinemann introduced District 3 Member Advisory Council (MAC) members Darnell Albers and Helen McGuire (representing Jim McGuire).

REVIEW AND CONSIDERATION OF AGENDA

The agenda was presented for consideration. President Fish asked that Annual Meeting Survey Results be added as agenda item 7A. He also asked that 2024 Budget Process and Strategic Planning Feedback be added under Other Business. A motion to approve the amended agenda was made by Mr. Daniel, seconded by Dr. Heinemann. The motion carried.

REVIEW AND CONSIDERATION OF MEETING MINUTES

A motion to approve the minutes of the June 23, 2023 regular board meeting was made by Mr. Johnson, seconded by Mr. Weinacht. The motion carried.

ACSI REVIEW

Keith Kaderly from Inside Information, LLC presented a webinar on the 2023 ACSI score/survey results for Sioux Valley Energy. Mr. Kaderly shared that the survey was conducted by contacting randomly selected SVE members. He also showed statistics from this year's survey and the history of SVE's ACSI scores. Sioux Valley Energy's ACSI score was 89 this year which is one point better than last year's score.

ECONOMIC DEVELOPMENT UPDATE

Manager McCarthy called upon Brandon Lane to provide an economic development and REVIVE 2030 program update. He reviewed many projects that have begun or are in the development phase throughout the Sioux Valley Energy footprint.

ANNUAL MEETING SURVEY RESULTS

Carrie Vugteveen reviewed the Annual Meeting Survey that had recently been conducted by Inside Information, LLC. Overall satisfaction ratings were very high, and members appreciated having an annual meeting site near their location.

BRANDON BUILDING UPDATE

Manager McCarthy called upon Ted Smith to give an update on the Brandon building project. Construction started the week of July 14 and is on schedule at this time. The Public Relations department will be planning a community event to celebrate the expansion of the Brandon Service Center this fall. The date is yet to be determined.

ATTORNEY, CEO, AND BOARD DIRECTOR EVALUATIONS

President Fish called upon Brenda Schelhaas to distribute the Attorney, CEO, and Board Director Evaluation Forms. Discussion was held regarding the Attorney Evaluation Form. Mr. Johnson made a motion to eliminate the Attorney Evaluation Form, seconded by Mr. Weinacht. Further discussion was held, and the motion failed by a vote of 6-4. The evaluation forms will be sent electronically this week. Brenda asked that the evaluation forms be mailed or emailed to her before August 15.

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 April through June 2023 and found all expenses to be in order. The report was accepted, and payment of the General Manager's statement in the amount of \$1,235.36 was approved per a motion made by Mr. Daniel, seconded by Mr. Rogen. 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 April through June 2023 in the amount of \$12,603.62 was made by Mr. Rogen, seconded by Mr. Weinacht. The motion carried.

BOARD RETREAT

Discussion was held regarding the Board retreat. The Board retreat will be held on November 9, 2023 in the Colman boardroom. Mitch Majeski of Peak Solutions will be the facilitator.

REVIEW OF FORM 990

The Internal Revenue Service Form 990 was attached with the board meeting materials for review and presented at the board meeting by Jason Maxwell. The report will be filed this month.

STRATEGIC PLANNING

The Board discussed potential topics for the 2024 Strategic Planning session. Potential topics include SPP transmission and cost allocation, East River transmission upgrades, WAPA contract and drought adder, SPP marketing overview, Basin market overview, and Sioux Falls city planning.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT

Manager McCarthy discussed a proposed change in the Basin bylaws regarding deferred revenue.

Ted Smith provided information about RUS minor construction changes.

Manager McCarthy reviewed wholesale power purchases, sales, and revenue. He then discussed the revenue and expense statement and the consolidated statement.

Manager McCarthy presented key highlights of the East River General Manager's report including the Basin bylaws committee, SMEC load, and East River being discouraged by the Department of Energy from applying for ERA funding.

ACCEPT GENERAL MANAGER'S REPORT

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

EXECUTIVE SESSION

Mr. Weinacht made a motion to move into executive session to discuss internal cooperative business, seconded by Mr. DeGreef at 12:30 p.m. The motion carried. All directors were in attendance. The executive session adjourned at 1:05 p.m.

REPORTS ON MEETINGS ATTENDED

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

SDREA Managers and Legal Seminar – Attorney Nadolski reported on his attendance of this seminar.

NOTICES OF MEETINGS, SELECTION OF DELEGATES, AND ATTENDANCE AUTHORIZATION

NRECA Regional 5&6 Meeting, September 12-14, 2023 Des Moines, IA – All directors were authorized to attend, Director Roskamp was nominated to serve as the voting delegate, and Director Weinacht as the alternate by a motion made by Mr. Weinacht, seconded by Mr. Roskamp. The motion carried.

MREA Fall DC Legislative Visit, September 25-27, 2023 Washington, DC – Director Rogen was authorized to attend by a motion made by Mr. Daniel, seconded by Mr. DeGreef. The motion carried.

OTHER BUSINESS

President Fish invited the Board to the SDWEA Policy Breakfast.

Carrie Vugteveen stated that the tailgating dates have been set for this fall. She invited the Board to help serve at the events.

President Fish reviewed the 2024 budget process. The Strategic Leadership Team will provide a preview of the budget at the November board meeting. The budget will be approved at the Work Plan and Budget meeting on December 18.

NEXT MEETING

The next regular board meeting will be held on Tuesday, August 22, 2023 at 8:30 a.m. in the Colman boardroom.

ADJOURNMENT

President Fish declared the meeting adjourned at 1:30 p.m.

Donald DeGreef, Secretary

Date Approved: _____