

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.  
June 23, 2023**

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on June 23, 2023 commencing at 8:45 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	Allan Weinacht
Ann Vostad	Dave Daniel	Gary Fish
Don DeGreef	Lucas Roskamp	Mark Rogen (Zoom)
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, and Carrie Vugteveen along with Executive Assistant, Brenda Schelhaas. Guests in attendance were Keith VanDuyn and Kevin Vostad.

**INTRODUCTION OF GUESTS**

Director Vostad introduced District 2 Member Advisory Council (MAC) members Keith VanDuyn and Kevin Vostad.

**REVIEW AND CONSIDERATION OF AGENDA**

The agenda was presented for consideration. A motion to approve the agenda was made by Mr. Johnson, seconded by Mr. DeGreef. The motion carried.

**REVIEW AND CONSIDERATION OF MEETING MINUTES**

A motion to approve the minutes of the May 31, 2023 regular board meeting was made by Mr. Daniel, seconded by Dr. Heinemann. The motion carried.

**ANNUAL BOARD REORGANIZATION – ELECTION OF OFFICERS**

President Fish designated Attorney Nadolski as temporary chairman to conduct the election portion of the meeting. Attorney Nadolski declared nominations open.

A motion was made by Mr. Daniel to cast a unanimous vote to elect the same officers as last year (President – Gary Fish, Vice-President – Dan Leuthold, Secretary – Don DeGreef, and Treasurer – Dave Daniel) to the Sioux Valley Energy Board of Directors. The motion was seconded by Mr. Weinacht. Motion carried.

**REVIEW AND CONSIDERATION OF ANNUAL MEETING WAIVER FOR SIOUX VALLEY ENERGY CUSTOMER TRUST**

The Board of Directors considered and executed a unanimous consent in writing in lieu of an annual meeting of the Sioux Valley Energy Customer Trust.

### APPROVAL OF OPERATION ROUND UP BOARD OF TRUSTEES

The Board of Directors considered the reappointments of Joyce DeClerk, Moody County and Alvina Harvey, at-large to the Customer Trust Board of Trustees. A motion was made by Mr. Roskamp to approve the reappointment of Joyce DeClerk and Alvina Harvey, seconded by Mr. Daniel. The motion carried.

### ANNUAL MEETING REVIEW

Manager McCarthy called upon Carrie Vugteveen to review the Annual Meeting that was held on June 6. Carrie discussed the new format which included holding the meeting in three locations. Carrie noted that the attendance was the third highest in the last 19 years, and there was good feedback from the members in attendance. Discussion was held and the Board recommended utilizing three locations for the 2024 Annual Meeting.

### NRECA 2023 DIRECTOR ELECTION

A motion was made by Mr. Weinacht to nominate Director Daniel as SVE's voting delegate and Rodney Dement as the alternate for the NRECA 2023 Director Election, seconded by Mr. Johnson. The motion carried. Discussion was held regarding the two candidates, Mark Hofer and Jim Preston.

### REVIEW OF SVE'S LOAN PORTFOLIO

Manager McCarthy called upon Jason Maxwell to review SVE's loan portfolio. Jason discussed the long-term debt that is held by RUS, CFC, and CoBank along with the blended interest rate for each. Jason also explained SVE's loan funding process.

### BOARD BUS TOUR

Ted Smith is arranging a bus tour for the Board of Directors that will take place on September 18, 2023. He is planning a route outside of Minnehaha County for the tour. Ted asked that the Board contact him if there are any areas in particular that they would like to see.

### STRATEGIC PLANNING

Manager McCarthy reviewed the agenda for the July 18, 2023 strategic planning session that will be held in the East River boardroom. The agenda includes review of the Balanced Scorecard, power supply contracts, Cost of Service Study/rate trends, SVE long term financial forecast, current system capacity and projected future load, Basin load sizes and percentage/dollar of SVE ownership, facility plan, Guiding Principle review, top 20 capital credit holders, and potentially a succession planning overview.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT

Manager McCarthy stated that he had spent some time with the Touchstone Energy crew who is filming a commercial featuring SVE employees and their families. The Touchstone crew noted that the SVE employees have been outstanding to work with, and the Public Relations department has done a great job coordinating this project.

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 Class A District Managers Meeting, cyber insurance turmoil, and the Dakota Energy vs. East River and Basin Electric lawsuit.

ACCEPT GENERAL MANAGER'S REPORT

A motion to accept the General Manager's Report was made by Mr. Weinacht, seconded by Mr. Roskamp. The motion carried.

REPORTS ON POWER SUPPLY MEETINGS

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

REPORTS ON MEETINGS ATTENDED

BLC 935.1 Appraising and Compensating the CEO – Director Vostad reported on her attendance of this virtual class.

CFC Annual Meeting and Forum – Directors DeGreef, Johnson, and DeMent reported on their attendance of this meeting.

NOTICES OF MEETINGS, SELECTION OF DELEGATES, AND ATTENDANCE AUTHORIZATION

Preconference - BLC 979.1 Being the Consumer-Centric Utility, August 8, 2023  
Bloomington, MN – Director Johnson was authorized to attend by a motion made by Mr. Daniel, seconded by Ms. Vostad. The motion carried.

MREA Energy Issues Summit, August 9-10, 2023 Bloomington, MN – All directors were authorized to attend by a motion made by Mr. Weinacht, seconded by Mr. Roskamp. The motion carried.

Basin Electric Annual Meeting, August 15-17, 2023 Bismarck, ND – All directors were authorized to attend, Director DeGreef was nominated to serve as the voting delegate and Director Fish as the alternate by a motion made by Mr. Daniel, seconded by Mr. Leuthold. The motion carried.

SDREA Board Leadership Summit, August 20-21, 2023 Pierre, SD – Director Daniel was authorized to attend by a motion made by Mr. DeGreef, seconded by Mr. Leuthold. The motion carried.

American Coalition for Ethanol (ACE), August 23-25, 2023 Minneapolis, MN – Director Rogen was authorized to attend by a motion made by Mr. Roskamp, seconded by Ms. Vostad. The motion carried.

BLC 965.1 Electric Vehicles: Strategy and Policy Considerations, August 29-30, 2023 Virtual – Director DeGreef was authorized to attend by a motion made by Mr. Weinacht, seconded by Mr. Johnson. The motion carried.

East River Annual Meeting, September 6, 2023 Sioux Falls, SD – All directors were authorized to attend, Director Roskamp was nominated to serve as the voting delegate and Director Daniel as the alternate by a motion made by Ms. Vostad, seconded by Mr. Weinacht. The motion carried.

District No. 2 Caucus, July 31, 2023 Rock Rapids, IA – Director Johnson was nominated to serve as the voting delegate and Director Roskamp as the alternate by a motion made by Mr. Leuthold, seconded by Dr. Heinemann. The motion carried.

#### STEVE BARNETT

Steve Barnett, General Manager of the South Dakota Rural Electric Association (SDREA), introduced himself to the Board and spoke about his background prior to joining SDREA last December. Mr. Barnett then highlighted recent SDREA activities, personnel changes, and upcoming events.

#### EXECUTIVE SESSION

Mr. Daniel made a motion to move into executive session to discuss internal cooperative business, seconded by Mr. Roskamp at 11:30 a.m. The motion carried. All directors were in attendance. The executive session adjourned at 11:35 a.m.

#### NEXT MEETING

The next regular board meeting will be held on Wednesday, July 19, 2023 at 8:30 a.m. in the Colman boardroom.

#### ADJOURNMENT

Mr. Roskamp made a motion to adjourn the Sioux Valley Energy board meeting at 11:35 a.m., seconded by Mr. Weinacht. The motion carried.

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Donald DeGreef, Secretary

Date Approved: \_\_\_\_\_