

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
January 27, 2026**

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on January 27, 2026, commencing at 8:30 a.m. in the Colman boardroom.

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

Roll call showed the following members present:

Don DeGreef	Dan Leuthold	Rodney DeMent-Virtual
Ann Vostad	Dave Daniel	Allan Weinacht
Lucas Roskamp	Mark Rogen	
Gregg Johnson	Gary Fish	

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

INTRODUCTION OF DISTRICT 4 MEMBER ADVISORY COUNCIL MEMBERS

Mr. Daniel introduced District 4 Member Advisory Council (MAC) members Greg Benda, Tim Dunn, Mark Kahler, and Mark Moran.

REVIEW AND CONSIDERATION OF AGENDA

The agenda was presented for consideration. President Leuthold noted that Attorney Nadolski's Quarterly Update will be moved to the March 2026 board meeting. A motion to approve the amended agenda was made by Mr. Weinacht, seconded by Mr. Fish. The motion carried.

REVIEW AND CONSIDERATION OF 2026 WORK PLAN AND BUDGET MEETING MINUTES

A motion to approve the minutes of the December 18, 2025, Work Plan and Budget meeting was made by Mr. Roskamp, seconded by Mr. Daniel. The motion carried.

REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES

A motion to approve the minutes of the December 18, 2025, regular board meeting was made by Mr. Fish, seconded by Mr. DeGreef. The motion carried.

PRE-AUDIT BOARD/AUDITOR DISCUSSION

A teleconference with Luke Greden from the Cooperative's auditing firm, CliftonLarsonAllen, LLP was held. Mr. Greden provided information on the upcoming annual financial audit for Sioux Valley Energy including areas of focus, staff engagement, and fraud procedures. The audit will be conducted the week of March 16, 2026.

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.

DISTRICT MEETINGS

Carrie Vugteveen gave an overview of the district meetings that will be held beginning in March 2026. Topics will include the key rate drivers for 2026 and future rate pressures, Electricity 101 stories, data centers, and a safety message.

REVIEW AND CONSIDERATION OF DISTRICT MEETINGS AND ANNUAL MEETING CREDENTIALS AND ELECTION COMMITTEES

The credentials and election committees willing to serve for the district meetings were presented along with the credentials and election committee for the annual meeting. Mr. Rogen made a motion to approve the following credential and election committees, seconded by Ms. Vostad. The motion carried.

District #9 – Tuesday, March 24

Darnell Albers
Jan Bobendrier
Keith Elbers
Connie Fitzgerald
Tony Gacke
Nancy Hinricher
Jim McGuire
Elizabeth Roelofs
Clark Stoel
Scott Wassink
Arlyn Zylstra

District #6 – Tuesday, March 31

Monte Albertson
Harry Buck
Kevin Crisp
Bonnie Dybedahl
Tony Gacke
Duane Harvey
Paul Hess
Yannick Laroche
Jim McGuire
Marvin VanKekerix
Jack VanLeur

District #5 – Tuesday, April 21

Monte Albertson
Harry Buck
Kevin Crisp
Bonnie Dybedahl
Duane Harvey
Paul Hess
Mike Klumpp
Jim McGuire
Floyd Snoozy
Jeff Thompson
Marvin VanKekerix

District #7 – Thursday, April 30

Monte Albertson
Harry Buck
Reid Christopherson
Kevin Crisp
Bonnie Dybedahl
Duane Harvey
Paul Hess
Mike Klumpp
Yannick Laroche
Jim McGuire
Marvin VanKekerix

Annual Meeting – Tuesday, June 9

Monte Albertson
Jan Bobendrier
Kevin Crisp
Bonnie Dybedahl
Tony Gacke
Duane Harvey
Nancy Hinricher
Jim McGuire
Floyd Snoozy
Jeff Thompson
Marvin VanKekerix

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 October through December 2025 in the amount of \$22,728.43 was made by Mr. Fish, seconded by Mr. DeGreef. The motion carried.

REVIEW AND CONSIDERATION OF THE MINNESOTA COGENERATION FILING AND REPORT

Manager McCarthy called upon Justin Moose to review the documents for the 2026 Minnesota annual cogeneration filing and report. Mr. Johnson made a motion to approve the 2026 Minnesota annual cogeneration filing and the 2026 Minnesota annual cogeneration report, seconded by Ms. Vostad. The motion carried.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S QUARTERLY EXPENSE STATEMENT

Ms. Vostad, Treasurer, reported that she reviewed the General Manager's quarterly expense and credit card statements for the period of October through December 2025 and found all expenses to be in order. The report was accepted, and payment of the General Manager's statement in the amount of \$159.15 was approved by a motion made by Mr. Fish, seconded by Mr. Roskamp. The motion carried.

STRATEGIC PLANNING

Manager McCarthy requested that the Board contact him if there are additional topics to add to the Strategic Planning session which will be held on July 20, 2026.

PSE RATE DESIGN

Rich Macke of Power Systems Engineering (PSE) provided an overview of demand rates. His presentation included a review of demand rate design, power supply capacity, distribution capacity, and a theoretical residential demand rate. Discussion was held and

Mr. Roskamp make a motion to conceptually move toward demand rate design for 2027, seconded by Mr. Rogen. The motion passed with Mr. DeMent voting against.

REVIEW AND CONSIDERATION OF DIRECTOR DEFERRED COMPENSATION AMENDMENT

Manager McCarthy called upon Kimberlee Hansen to present a Director Deferred Compensation Amendment to the Director Deferred Compensation 457(b) Plan. The amendment addressed a change to the required beginning date of Required Minimum Distributions (RMD), and two options for distribution payments to beneficiaries were discussed. Mr. Daniel made a motion to approve the amendment and selected distribution payment Option 2, which permits a lump sum payment or installment payments, adjusted to comply with the IRS 10-year rule, seconded by Mr. Weinacht. The motion carried.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT

Manager McCarthy called upon Jason Maxwell to provide a statistical and financial summary for the period ending December 2025.

Manager McCarthy noted that director fees and expenses were under budget by 13% in 2025.

Manager McCarthy stated that Sioux Valley Energy has been recognized as one of *NRECA's Employee Education Top 100*. Out of more than 900 member organizations, SVE stands out for its consistent commitment to employee development, reflected in the number of employees who have participated in NRECA's courses and programs over the past three years.

Manager McCarthy presented key highlights of the East River General Manager's report including the Mitchell Technical College Foundation Award, East River financials, Basin financials, a data center executive order, and the U.S. House Standardizing Permitting and Expediting Economic Development (SPEED) ACT.

ACCEPT GENERAL MANAGER'S REPORT

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

REPORTS ON POWER SUPPLY MEETINGS

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

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

REPORT ON MEETINGS/CLASSES ATTENDED

MREA BLC Summit – Director Roskamp reported on his attendance of this summit.

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

SDREA Annual Meeting – Directors Daniel, Weinacht, DeGreef, and Rogen reported on their attendance of this meeting. Mr. Weinacht stated that Sioux Valley Energy was presented with a Certificate of Safety Achievement from the National Rural Electric Cooperative Association (NRECA). The award recognizes Sioux Valley’s dedication to employee and public safety, commitment to regulatory compliance, and loss control practices. Mr. Weinacht thanked the employees and staff for their dedication to safety.

NOTICES OF MEETINGS, SELECTION OF DELEGATES, AND ATTENDANCE AUTHORIZATION

Co-Bank North Dakota Customer Meeting, March 25-26, 2026, Fargo, ND. Director DeGreef was authorized to attend per a motion made by Mr. Roskamp, seconded by Mr. Weinacht. The motion carried.

L&O Power Cooperative Annual Meeting, April 7, 2026, Rock Rapids, IA. Mr. Weinacht made a motion to authorize all directors to attend, seconded by Mr. DeGreef. The motion carried. Mr. Rogen nominated Director Weinacht to serve as the delegate and Director DeGreef to serve as the alternate, seconded by Ms. Vostad. The motion carried.

NEXT MEETING

The next regular board meeting will be held on Tuesday, February 24, 2026, in the Colman boardroom.

ADJOURNMENT

Mr. Fish made a motion to adjourn the Sioux Valley Energy board meeting at 2:11 p.m., seconded by Mr. Roskamp. The motion carried.

Donald DeGreef, Secretary

Date Approved: _____