

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.  
April 28, 2026**

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on April 28, 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
Ann Vostad	Dave Daniel	Mark Rogen
Lucas Roskamp	Allan Weinacht	Dr. Leslie Heinemann
Gregg Johnson	Gary Fish-Virtual	

Also present were Attorney Mike Nadolski (Virtual), General Manager Tim McCarthy, Strategic Leadership Team members Ted Smith, Jason Maxwell (Virtual), Justin Moose, and Kimberlee Hansen along with Executive Assistant, Brenda Schelhaas. Guest in attendance was Jake Droge, District 7 board candidate.

**REVIEW AND CONSIDERATION OF AGENDA**

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

**REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES**

A motion to approve the minutes of the March 24, 2026, 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. Some of their areas of focus included the Safety Steering Committee Charter Guide, Promises of We Will, reviewing incidents and near misses, promoting safety inside and outside the Cooperative, and Safety Day. Travis Denison then spoke about the Rural Electric Safety Achievement Program (RESAP) and the Sioux Metro Growth Alliance Business Partner of the Year awards that SVE received this past year. Present from the SSC were Kendra Wire, Landon Hazelton, Holly Kruger, Melissa Hennings, and Jager Rus.

**COBANK GOVERNANCE BYLAWS AMENDMENT**

Manager McCarthy reviewed the CoBank governance bylaws amendment. Discussion was held, and a motion was made by Mr. Daniel to vote for the amendment, seconded by Mr. Johnson. The motion passed with Mr. DeMent voting against.

### 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 January through April 2026 and found all expenses to be in order. The report was accepted, and payment of the General Manager's statement in the amount of \$4,835.28 was approved by a motion made by Ms. Vostad, seconded by Mr. Roskamp. 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 April 2026 in the amount of \$25,670.22 was made by Mr. Roskamp, seconded by Ms. Vostad. The motion carried.

Attorney Nadolski provided the Board with a quarterly update.

### STRATEGIC PLANNING

Manager McCarthy stated that the Board's Strategic Planning session will be held on July 20, 2026 in the Brandon Frontier Room. A facilitator from Cooperative Finance Corporation (CFC) will lead the discussion. Topics will include equity level, facilities planning, the balanced scorecard, an organizational plan document, 2027 demand rates, and a session on AI.

### REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT

Jason Maxwell provided a statistical and financial summary for the period ending March 2026.

Manager McCarthy called upon Ted Smith to discuss a change in policy. Currently, SVE allows members to pay the cost difference between overhead and underground construction if they request underground. Due to extra design time and project delays, SVE will no longer allow for this practice.

Justin Moose provided information regarding a recent Iranian cyber attack on Stryker Corporation. The attack exploited Microsoft Intune. Justin stated that SVE doesn't use this software.

Manager McCarthy presented key highlights of the East River General Manager's report including county substation approvals and a drone contact with an East River line.

### ACCEPT GENERAL MANAGER'S REPORT

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

REVIEW AND CONSIDERATION OF 2025 FINANCIAL AUDIT REPORT

Manager McCarthy introduced Luke Greden of the CliftonLarsonAllen, LLP auditing firm. Mr. Greden reviewed the annual audit of Sioux Valley Energy's 2025 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 2025 Audit Report, as presented, was made by Mr. Rogen, seconded by Mr. Weinacht. 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.

POWER SUPPLY COMMUNICATIONS

President Leuthold lead a discussion regarding the McKenzie/Basin lawsuit. The Board would like to see this lawsuit resolved.

REPORT ON MEETINGS/CLASSES ATTENDED

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

CoBank North Dakota Meeting – Director DeGreef reported on his attendance of this meeting.

L&O Power Coop Annual Meeting – Director Weinacht reported on his attendance of this meeting.

BLC 928.1 Artificial Intelligence and Electric Cooperatives – Director DeGreef reported on his attendance of this class.

NOTICES OF MEETINGS, SELECTION OF DELEGATES, AND ATTENDANCE AUTHORIZATION

Co-Bank North Dakota Customer Meeting, March 25-26, 2026, Fargo, ND - Director Heinemann's attendance was ratified per a motion made by Mr. Roskamp, seconded by Mr. Johnson. The motion carried.

SDREA Legal Seminar, July 9, 2026 Oacoma, SD – Attorney Nadolski was authorized to attend per a motion made by Mr. Weinacht, seconded by Ms. Vostad. The motion carried.

Legal Seminar East, August 9-11, 2026 - Attorney Nadolski was authorized to virtually attend per a motion made by Mr. Weinacht, seconded by Ms. Vostad. The motion carried.

EXECUTIVE SESSION

Dr. Heinemann made a motion to move into executive session to discuss internal cooperative business, seconded by Mr. Roskamp at 11:20 a.m. The motion carried. The executive session adjourned at 11:53 a.m.

NEXT MEETING

The next regular board meeting will be held on Tuesday, May 26, 2026, in the Colman boardroom.

ADJOURNMENT

Mr. Roskamp made a motion to adjourn the Sioux Valley Energy board meeting at 11:54 a.m., seconded by Mr. Johnson. The motion carried.

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Donald DeGreef, Secretary

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