

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
June 23, 2026**

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on June 23, 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	Chris Rieff
Ann Vostad	Dave Daniel	Gary Fish
Lucas Roskamp	Allan Weinacht	
Gregg Johnson	Mark Rogen	

Also present were Attorney Mike Nadolski, General Manager Tim McCarthy, Strategic Leadership Team members Ted Smith, Jason Maxwell, Carrie Vugteveen, Justin Moose, and Kimberlee Hansen along with Executive Assistant, Brenda Schelhaas. Guests in attendance were Molly Burmeister, Kit Talich, and Jay Buchholz.

REVIEW AND CONSIDERATION OF AGENDA

The agenda was presented for consideration. President Leuthold asked that Executive Session be moved from agenda item 21 to agenda item 13A. A motion to approve the amended agenda was made by Mr. Fish, seconded by Mr. Johnson. The motion carried.

REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES

A motion to approve the minutes of the May 26, 2026, regular board meeting was made by Mr. Daniel, seconded by Ms. Vostad. The motion carried.

AMERICAN CONSUMER SATISFACTION INDEX (ACSI) REVIEW

Keith Kaderly from Inside Information, LLC presented a webinar on the 2026 ACSI score/survey results for Sioux Valley Energy. Mr. Kaderly shared that this was a saturation survey with 1,208 total responses. He also showed statistics from this year's survey and the history of SVE's ACSI scores. Sioux Valley Energy's ACSI score was 83 this year, which is four points lower than last year's score. Keith's review then included SVE's Cooperative Attitude and Performance Score (CAPS) score which was 88, down three points from last year and SVE's NPS (Net Promoter Score) which was 52, down 13 points from last year. Keith acknowledged SVE's current challenges with wholesale power rate increases as reflected in the survey results. He noted that many cooperatives that recently had rate increases were seeing similar downward trends in their scores. He indicated SVE's scores, while lower than recent years, were still very good.

ANNUAL BOARD REORGANIZATION/ELECTION OF OFFICERS

President Leuthold designated Attorney Nadolski to act as Temporary Chairman to conduct the election portion of the meeting.

Attorney Nadolski distributed ballots and declared nominations open for the office of President. Attorney Nadolski tabulated the ballots and declared Dan Leuthold as President.

Attorney Nadolski distributed ballots and declared nominations open for the office of Vice-President. Attorney Nadolski tabulated the ballots and declared Dave Daniel as Vice-President.

Attorney Nadolski distributed ballots and declared nominations open for the office of Secretary. Attorney Nadolski tabulated the ballots and declared Don DeGreef as Secretary.

Attorney Nadolski distributed ballots and declared nominations open for the office of Treasurer. Attorney Nadolski tabulated the ballots and declared Ann Vostad as Treasurer.

The election portion of the meeting having been concluded by Attorney Nadolski, President Dan Leuthold resumed his position as Chairman and thereafter presided, and Don DeGreef acted as Secretary.

REVIEW AND CONSIDERATION OF WILDFIRE MITIGATION PLAN

Manager McCarthy called upon Kit Talich, Standards Engineer, to provide information regarding wildfire mitigation. The South Dakota legislature recently passed Senate Bill 36 which allows electric utilities and cooperatives to establish wildfire mitigation plans. SVE has developed a plan that addresses the nine requirements outlined in Senate Bill 36. Mr. Rogen made a motion to approve the Wildfire Mitigation Plan and allow for copy editing changes to be made, as needed, as Senate Bill 36 is reviewed and codified, seconded by Mr. Roskamp. The motion carried.

CALENDAR MONTH BILLING CHANGES

Molly Burmeister, Billing Supervisor, provided information on Sioux Valley Energy's transition to a calendar month billing structure in preparation for the new residential demand rate that becomes effective January 1, 2027. This transition will occur between July and September and will move all members to calendar month read dates and reduce the number of billing cycles from four to two. Member communications will be distributed throughout the transition to keep members informed of upcoming changes.

REVIEW OF CAPITALIZED LABOR

Manager McCarthy called upon Jason Maxell to provide information regarding capitalized labor. Jason defined capitalized labor, explained why it matters, outlined the criteria for capitalizing labor, and showed the impact on rates.

EXECUTIVE SESSION

Ms. Vostad made a motion to move into executive session to discuss internal cooperative business, seconded by Mr. Daniel at 11:17 a.m. The motion carried. The executive session adjourned at 12:12 p.m.

Director Weinacht left the meeting.

ANNUAL MEETING REVIEW

Carrie Vugteveen provided a review of the Annual Meeting which was held on June 9, 2026. She noted there were 375 registered members and a total attendance of 1,100. The main location was at Tri Valley School in Colton, SD with satellite locations in Sioux Valley School in Volga, SD and Pipestone Area School in Pipestone, MN. Carrie then 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.

REVIEW AND CONSIDERATION OF RESOLUTION OF APPRECIATION FOR RODNEY DEMENT

President Leuthold presented a Resolution of Appreciation for Rodney DeMent. A motion to adopt the following resolution as of May 26, 2026 was made by Mr. Johnson, seconded by Ms. Vostad. The motion carried.

Resolution of Appreciation for Rodney DeMent

WHEREAS, Rodney DeMent dedicated many hours to Sioux Valley Energy serving as the District 7 Director from 2008 to 2026; and

WHEREAS, Rodney has made significant contributions to Sioux Valley Energy; and

WHEREAS, the members of Sioux Valley Energy have greatly benefited from Rodney's knowledge, diligence and deep commitment to the mission of the electric cooperative; and

WHEREAS, Rodney has proven a powerful and effective standard-bearer for the principles of governance during challenging times for Sioux Valley Energy; and therefore be it

RESOLVED: That Sioux Valley Energy offers its deepest appreciation to and commends Rodney DeMent for his contributions to the Cooperative members and its power suppliers.

STRATEGIC PLANNING

The Board changed the date for Strategic Planning from July 20, 2026 to August 28, 2026. The meeting will begin at 8:30 a.m. in the Brandon Frontier Room.

POLICY REVIEW

Manager McCarthy reviewed Board Policies 1 and 2 and Board Operating Guides 2-1 through 2-4. Mr. DeGreef made a motion, seconded by Mr. Roskamp, to approve the board policies and board operating guides. The motion carried.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT

Jason Maxwell provided a statistical and financial summary for the period ending May 2026. The remainder of the report was submitted as written.

ACCEPT GENERAL MANAGER'S REPORT

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

REPORTS ON POWER SUPPLY MEETINGS

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

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

REPORT ON MEETING ATTENDED

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

NOTICES OF MEETINGS, SELECTION OF DELEGATES, AND ATTENDANCE AUTHORIZATION

New Director Orientation, August 3-4, 2026 Bloomington, MN – Director Rieff was authorized to attend per a motion made by Mr. Rogen, seconded by Mr. Fish. The motion carried.

Basin Electric Annual Meeting, August 11-13, 2026 Bismarck, ND – All directors were authorized to attend, and Mr. DeGreef nominated to serve as the delegate and Mr. Johnson nominated to serve as the alternate per a motion made by Mr. Fish, seconded by Mr. Roskamp. The motion carried.

SDREA Board Leadership Summit, August 30-31, 2026 Pierre, SD – All directors were authorized to attend per a motion made by Mr. Roskamp, seconded by Mr. Rieff. The motion carried.

East River Annual Meeting, September 9, 2026 Sioux Falls, SD – All directors were authorized to attend, and Mr. Daniel nominated to serve as the delegate and Mr. Rieff nominated to serve as the alternate per a motion made by Mr. Rogen, seconded by Mr. Johnson. The motion carried.

NRECA Regional 5&6 Meeting, September 21-23, 2026 Minneapolis, MN – All directors were authorized to attend, and Mr. Johnson nominated to serve as the delegate and Mr. Fish nominated to serve as the alternate per a motion made by Mr. Roskamp, seconded by Ms. Vostad. The motion carried.

NEXT MEETING

The next regular board meeting will be held on Tuesday, July 28, 2026, in the Colman boardroom.

ADJOURNMENT

Mr. DeGreef made a motion to adjourn the Sioux Valley Energy board meeting at 2:03 p.m., seconded by Mr. Roskamp. The motion carried.

Donald DeGreef, Secretary

Date Approved: _____