MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF CHERRY-TODD ELECTRIC COOPERATIVE, INC.
January 27, 2026

A regular meeting of the Board of Directors of Cherry-Todd Electric Cooperative, Inc., was held on the 27th day of January 2026.

Call to Order: The meeting was called to order at 10:11 am.

Roll Call: Directors Meek, Fullerton, Brickner, Valburg, Frederick, Bordeaux, Rattling Leaf, and Tucker were present. Also present were Attorney Jessica Hegge via Webex and Manager Tim Grablander.

Agenda: Motion to approve with the addition of miscellaneous items to the agenda by Tucker, seconded by Brickner. Motion carried unanimously.

Minutes: The December Board Meeting Minutes were reviewed, and Meek made the motion to approve the minutes as presented in the Board packet. The motion was seconded by Brickner and carried unanimously.

Financial Report: Office Manager Colleen Farley joined the meeting at 10:15 am and presented her financial report. There was discussion regarding the margins. Farley also discussed recent employee hirings for open office positions. Farley also presented the 2026 Budget. There was discussion on the final numbers Rushmore, and deferred revenue affecting the final numbers. Adjustments to the budget can be made in the future if necessary. Motion to approve the budget as presented in the Board packet by Brickner, seconded by Fullerton. Motion carried unanimously. Farley left the meeting at 10:25 am.

Manager's Report: Manager Grablander presented his report to the Board.

Check Audit: Valburg presented on the check audit. The explanations provided were satisfactory, and there were no further questions from the Board.

IBEW Meeting Request: Manager Grablander and Attorney Hegge presented a letter request by IBEW to arrange an informal meeting with the employees or their representatives under Article XIX, Section 22 of the IBEW Contract. Frederick made the motion to propose February 24, 2026; March 24, 2026; and April 28, 2026, as potential dates with a 9:00 a.m. start time. Seconded by Tucker. Motion carried unanimously.

Final Rates for 2026: Manager Grablander presented a spreadsheet of the final rates for 2026 that were approved at the December meeting.

AEC PAC and National AEC PAC Renewal: Manager Grablander presented the information to the Board for their consideration.

SD ACRE Renewal: Manager Grablander presented the information to the Board for their consideration.

SB36 Wildfire Mitigation Bill: Manager Grablander presented the information to the Board. Meek discussed SDREA's position on the bill.

Basin KWH Tax: Manager Grablander presented the final 2025 report for the KWH tax.

AT&T Lease Renewal: Manager Grablander presented the offers by AT&T. Motion to counter AT&T's offer and give Tim the authority to further negotiate amounts between $350,000-305,000 prior to the

February Board Meeting. Second by Tucker. Motion carried unanimously. Final offer will be subject to legal review prior to acceptance.

Co-Bank Director Position: Manager Grablander presented the information to the Board for their consideration.

Staff reports: Line Superintendent Mark Iyotte Jr. and Member Services Manager Chris Rahn entered the meeting at 12:30 pm. Iyotte presented the safety training schedule for 2026 and discussed the new SDREA employee who will conduct those trainings. Iyotte also gave updates on employee training opportunities, current projects, and RESAP audits. Iyotte exited the meeting at 12:40 pm.

Rahn discussed the Cooperative's 605 Live Ticket sponsorship estimates. The Cooperative has been a sponsor for a couple of years. Motion by Brickner, seconded by Valburg, to continue the 605 Live Ticket's sponsorship in the amount of $3,104.16. Motion carried unanimously.

Rahn also discussed the security system and server upgrades. Motion by Tucker to accept the estimate and pay $16,910.00 to Rushmore Electric for the security system and server upgrades as presented, seconded by Valburg. Motion carried unanimously. There was discussion regarding equipment and material tracking and documentation with the RESCO app. Rahn updated the Board on the joint trip with TUC to Basin which is scheduled for June 3, 2026.

Rahn discussed the need and costs for garage door panel and part replacements. Motion by Frederick to pay the invoice from Upper Midwest Garage Door for $5,746.10, second by Fullerton, passed unanimously.

Rahn exited the meeting at 1:10 pm.

Work Orders, Membership Applications, Membership Refunds, Stock Water Well Contracts, Etc.: Frederick motioned, seconded by Brickner, to accept the stated new memberships, canceled memberships plus refunds of said membership fees, refund capital credits allocated on the books to heirs or legatees of deceased patrons, stock well, irrigation contracts, and work order resolutions as presented in the Board packet. Motion carried unanimously.

Meeting Reports: Bordeaux and Meek presented on SDREA's monthly and annual meeting. Brickner reported on Rushmore Electric's Meeting. Fullerton added to the discussion regarding the NREA and Mid-west Meetings. Rattling Leaf and Bordeaux reported on the RST SRD Meeting. There were no other meeting reports.

Executive Session: Declared in executive session at 1:31 pm. Declared out of executive session at 1:49 pm.

Attorney Report: Attorney Hegge gave her report to the Board.

New Business: There was no new business.

Frederick motioned, seconded by Fullerton, to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 1:40 pm.

(SEAL)

Approved:

President

Attest:



Secretary