



Annual Meeting Edition

SOUTHEASTERN ELECTRIC
JUNE 2023 VOL. 24 NO. 2

COOPERATIVE CONNECTIONS



Building a Dream

South Dakota's
Unique Getaway
Pages 8-9

CPR & AED
Training
Pages 12-13

"Transition"



Brad Schardin
General Manager

Enclosed in the center of this newsletter is your 2022 Annual Meeting report. As many of you know, this magazine is your "Official Publication" as a member of Southeastern Electric Cooperative, Inc. Your Bylaws specifically require communication with you through this format for legal notification and communication of the activities of your electric cooperative. The Cooperative Connections magazine has 8 pages of general content for all electric cooperatives in South Dakota and Southeastern is responsible for the content of the additional 8 pages each month. This format was developed nearly 30 years ago to help keep our mailing and publication costs down for all electric cooperatives in the state and to provide a broader more inclusive content for all electric cooperative members. This month our Cooperative Connections magazine to you is loaded down with our 85th Annual meeting notices, materials, reports, and information. Please look this over for all the details relating to our 2022-year end financials, overall operations, and your invitation to our 85th Annual Meeting scheduled for Thursday, June 8, 2023, beginning at 5:00 p.m. at the Lennox High School Auditorium in Lennox, South Dakota.

I titled my column this month "Transition" for a reason. In June of 2022, I communicated with your elected Board of Directors that I planned on finishing out my duties as your General Manager in July of 2023. Please refer to the Annual Meeting report in the center section for more information on this transition to a new Chief Executive Officer/General Manager (CEO/GM) in the next couple of months. I have enjoyed working with all our members over the past 33 years through our consolidation of Lincoln Union and Turner Hutchinson back in 2000 to form Southeastern Electric Cooperative, Inc., (Southeastern) and the merger of McCook Electric Cooperative into Southeastern in 2006. With those changes, direction from your elected Board of Directors and support from you, we have worked hard to

streamline Southeastern into one of the most efficient and productive electric cooperatives that we can be. All of this brings value to you, our member owners of Southeastern every day when you turn on that switch, start that motor or heat/cool your home, farm, or business. I am extremely proud of the progress we have made through our Membership, elected Board of Directors, Management, Staff, and dedicated Employee group working together to meet our growing needs in southeastern South Dakota. A Special Thanks goes out to ALL our Southeastern Member Owners, Board and our Employee group for your help, cooperation, and determination to provide dependable, affordable, and reliable electric service. Next month I will provide more comments on my 40 years of working with and for our electric cooperative members in southeastern South Dakota.

Last, but not least I would like to send out a big "Thank You" to our friend and News Director at WNAX, Jerry Oster on his upcoming retirement. Jerry has done an excellent job providing a balanced and informational approach to his news/broadcasting over his 40+ years of radio reporting for all of us in this 5-state area. I for one, appreciate Jerry's reporting style and format. You are a "Big Friend" of ours Jerry and we want you to know that your hard work, dedication, and "trusted" reporting style in today's world of media headliners and "fake news" concerns is and has been very much appreciated! Thanks Jerry and all the best in your years ahead from "Your Big Friend" Southeastern Electric Cooperative, Inc., and all electric cooperative members in this 5-state trading area!! A job very well done indeed Jerry!!

If you can make it to YOUR electric cooperative annual meeting on June 8, 2023, at the Lennox High School Auditorium we would sure enjoy seeing you. Have a beautiful day and I look forward to visiting with you more next month!

**COOPERATIVE
CONNECTIONS**

**SOUTHEASTERN
ELECTRIC**

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General Manager

Brad Schardin
brad@southeastern.coop

Editor

Todd Nelson
todd@southeastern.coop

Board of Directors

Don Heeren, President
Steve Holmberg, Vice President
Johnathan Wildeboer, Secretary
Daryl Terveen, Treasurer
Robert Wollmann
John Ostraat
Chris Hofer
Carlos Hofer

www.southeasternelectric.com
1-800-333-2859



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@SE_Electric

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southeasternelectric

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NOTICE OF ANNUAL MEETING OF SOUTHEASTERN ELECTRIC COOPERATIVE, INC. of Marion, South Dakota

NOTICE IS HEREBY GIVEN, that the annual meeting of the members of Southeastern Electric Cooperative, Inc., of Marion, South Dakota, shall be held, pursuant to call by the Board of Directors in accordance with its bylaws, on Thursday, June 8, 2023, from 5:00 PM to 8:00 PM, at the Lennox Junior and Senior High School, 1201 South Main Street, Lennox, South Dakota.

The purpose of the meeting shall be as follows:

- a) To hold the regular annual meeting of the Cooperative, as required by the bylaws.
- b) To elect directors of the Cooperative, as required by the bylaws, and to pass upon reports and other business.
- c) To transact any and all business which may be necessary, convenient, or desirable in connection with any of the foregoing, or which may properly be brought before the meeting or at any adjournment or adjournments thereof.

By order of the Board of Directors, dated this 19th day of January 2023, at Marion, South Dakota, at a regular monthly meeting of the Board of Directors of the Cooperative.

Johnathan Wildeboer, Secretary

Electric Vehicle Car Show

We are again asking our members to participate in our EV Car Show at this year's annual membership meeting. Please bring your all electric or hybrid electric vehicle!

The event will begin at 4:30 p.m. on June 8 and go until the start of the membership meeting at 7:00 p.m. The theme this year is TAILGATING! Bring a lawn chair to enjoy the tailgating fun. Southeastern Electric will



provide a pork chop meal for you and friends. Members participating in the EV Car Show with their vehicle will receive a \$100 bill credit for attending and showing their EV to our membership that evening.

Home Electrical Safety Tips

Electricity always seeks the easiest path to the ground. It tries to find a conductor, such as metal, wet wood, water – or your body! Your body is 70% water, so if you touch an energized bare wire or faulty equipment while you are grounded, electricity will instantly pass through you to the ground, causing a harmful – or fatal – shock.

The amount of electricity used by one 7.5 watt Christmas tree bulb can kill you if it passes through your chest. Even if it isn't fatal, electrical shock can easily cause serious falls, burns, or internal bleeding.

Your Home Wiring is just a number of loops, or circuits. A "live" wire brings current to a light or an outlet. A "neutral" wire returns current to its source. Between inside wiring and outside power lines is a service panel.

Most service panels have a main switch. Use it to cut all power when changing a fuse or in case of fire or shock. If you don't have a main switch, turn off all circuit breakers. Don't tamper with your electric meter. You'll risk shock, explosion, or fire.

Your service panel contains fuses or circuit breakers which interrupt power to specific circuits in case of a short circuit or overload. If this happens:

- Unplug appliances.
- Switch off power at the main switch.
- Try to determine the cause of the problem and correct it if possible.
- Replace the fuse that has a broken metal strip with a new fuse of the same rating – typically 15 amperes.
- If you have circuit breakers instead, switch the one that's "off" to "on."
- Restore power.

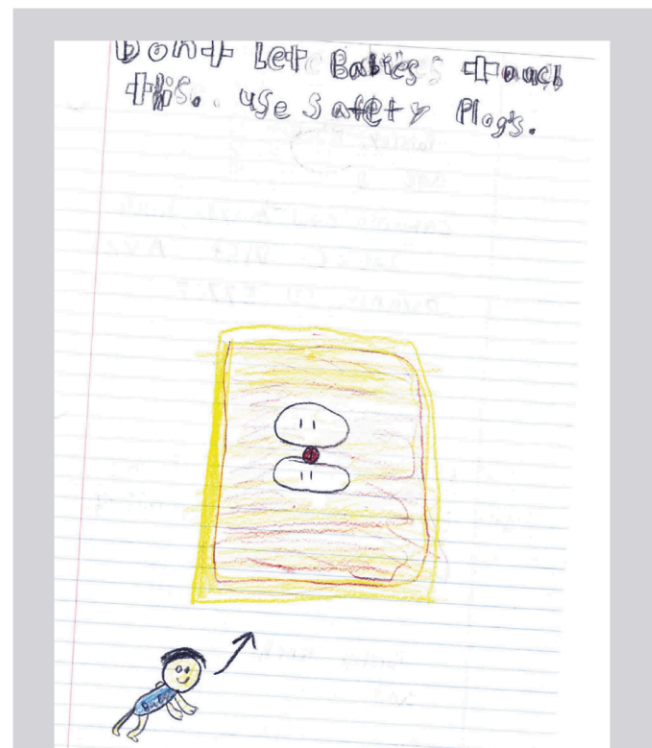
Never use anything other than a fuse to replace a fuse – you could cause a fire. If fuses blow or a circuit breaker trips often, contact a qualified repairman.

Grounding: The Third Prong

When you use a plug with three prongs, the third prong connects inside the outlet with a "ground wire," which usually connects to a water pipe or a ground rod at the service panel. As a result, in case of a short circuit, electricity should flow through the grounding system instead of through you. Never remove the third prong.

Appliance Safety

Remember the most important rule for appliances – electricity and water don't mix. Keep appliances, especially hair dryers, away from bathtubs, puddles, sinks and wet hands. Wet skin increases the risk of shock, so unplug an appliance before cleaning – even if off, it can shock. Never put metal objects in live parts of appliances or in outlets. If an appliance overheats, unplug it and have it checked. Don't overload outlets. Use only appliances that are approved by a nationally recognized testing laboratory, such as Underwriters Laboratories.



Power Line Safety

Paisley Koch, age 8

Paisley Koch, age 8, warns about the dangers of electrical outlets and babies. She gives great advice on keeping children safe. Paisley is the daughter of Cameron and Kayla Koch from Owanka, S.D., members of West River Electric.

Kids, send your drawing with an electrical safety tip to your local electric cooperative (address found on Page 3). If your poster is published, you'll receive a prize. All entries must include your name, age, mailing address and the names of your parents. Colored drawings are encouraged.

DAIRY DESSERTS

SWEDISH CREME

Ingredients:

- 2 cups heavy cream
- 1 cup plus 2 tps. sugar, divided
- 1 envelope unflavored gelatin
- 1 tsp. almond extract
- 1 tsp. clear imitation vanilla extract
- 2 cups sour cream
- 1 cup fresh or frozen red raspberries

METHOD

1. In a saucepan, combine cream and 1 cup sugar. Cook and stir constantly over low heat until candy thermometer reads 160 degrees, or steam rises from pan. (Do not boil). Stir in gelatin until dissolved; add extracts. Cool 10 minutes.
2. Whisk in sour cream. Pour into eight dessert glasses or small bowls. Chill at least 1 hour.
3. Before serving, combine raspberries and remaining sugar; spoon over each serving.

Joanne Singrey-Johnson
Watertown, S.D.

NO-CHURN BLACK FOREST RIPPLE ICE CREAM

Ingredients:

- 12 oz. Pitted cherries (fresh or frozen) thawed, halved
- 1/4 cup sugar
- 2 cups very cold heavy cream
- 1 14 oz. can sweetened condensed milk
- 1 tsp. pure vanilla extract
- 4 oz. bittersweet choc. chunks

METHOD

Place the cherries, sugar and 2 tbsps. water in a large sauce pan. Bring the mixture to a boil, then reduce heat and simmer, stirring often, until the cherries break down and the liquid turns to a thick syrup, 10 to 12 minutes. Transfer to a bowl and refrigerate until cool, about 15 minutes. Using an electric mixer, beat the cream, condensed milk and vanilla in a large bowl on medium/high until stiff peaks form, 3 to 4 minutes. Gently fold in the choc. chunks. Spoon half the cream mixture into a 4 1/2 x 8 1/2 loaf pan or 1 1/2 qt. freezer safe container. Spoon half the cherry mixture on top. Using a knife, swirl the cherry mixture through the cream. Repeat with the remaining cream and cherry mixture. Cover with plastic wrap and freeze until set. Keep frozen for up to 2 weeks.

Sue Hove
Sioux Falls, S.D.

RHUBARB STRAWBERRY CHEESECAKE

Ingredients:

- Rhubarb Sauce
- 2 1/2 cups thinly sliced fresh rhubarb
- 1/3 cup sugar
- 2 tbsps. orange juice
- Crust
- 2 cups finely crushed oreo cookies, (about 18 cookies)
- 1/3 cup butter, melted
- Filling
- 9 oz. white baking chocolate
- 3 packages (8 oz. each) cream cheese, softened
- 1 container (7 oz.) sour cream, at room temperature
- 1/2 cup sugar
- 1 tbsp. cornstarch
- 2 tps. pure vanilla extract
- 1/2 tsp. salt
- 3 extra large eggs
- Topping
- 1 pint strawberries, remove tops
- 1/4 cup strawberry jelly
- 2 tbsps. water
- Prepared whipped cream

METHOD

Preheat oven to 350°F. For the Rhubarb Sauce, mix rhubarb, sugar and orange juice in a medium saucepan. Bring just to boil and reduce heat. Cook about 5 minutes or until rhubarb is tender, stirring occasionally. Set aside to cool. For the Crust, mix cookie crumbs and butter in a medium bowl. Press mixture evenly into bottom of 10-inch springform pan sprayed with no stick cooking spray. Set aside. For the Filling, melt chocolate according to package directions and set aside. Beat cream cheese, sour cream, sugar, cornstarch, vanilla and salt on medium-high until well blended (about 5 minutes). Add eggs, 1 at a time, mixing on low speed after each addition just until blended. Gradually beat in chocolate. Add cooled Rhubarb Sauce to the filling mixture, stirring gently to incorporate. Pour Filling mixture over cookie crust. Bake 1 1/2 to 2 hours or until edge of cheesecake is firm and center is almost set. Allow to cool 30 minutes. Refrigerate 4 hours or overnight. When cheesecake is completely cooled, place strawberries on top cut side down. Mix strawberry jelly and water in a small bowl. Brush over strawberries. Pipe whipped cream border around the cheesecake before serving.

mccormick.com

Please send your favorite recipes to your local electric cooperative (address found on Page 3). Each recipe printed will be entered into a drawing for a prize in December 2023. All entries must include your name, mailing address, phone number and cooperative name.

Director Nominee: Carlos Hofer

District 1



Carlos Hofer lives in Sioux Falls and has been a member of Southeastern Electric for 50 years. He currently farms in the Freeman area and is a Trusted Choice insurance agent for the Carlos Hofer Agency.

Carlos has 1 ½ years of board experience with Southeastern Electric Cooperative and 6 years with the Freeman Regional Hospital as well as serving as the Township Clerk and Supervisor.

When asked why he wanted to serve on the Southeastern board, Carlos replied, “To maintain reliable and affordable electricity and maintain the cooperative system.”

Director Nominee: Chris Hofer

District 4



Chris Hofer has been a member of Southeastern Electric Cooperative for 29 years, has a business degree from Sioux Falls College, manages the family business, Lee’s Meats and Sausage, near Tea and manages and owns real estate.

He is active in his community including involvement with his church, the local National Wild Turkey Federation, Rocky Mountain Elk Foundation, and Pheasants Forever.

Chris has 23 years of board experience including tenures on the Lincoln-Union Electric

Co., Southeastern Electric Cooperative and Lincoln County Rural Water boards.

When asked why he wants to serve on the Southeastern board, he replied, “Being a business person as well as a resident in my district, I believe that I have the abilities and experience that businesses and residents in my district need to represent them. My interest is to be a part of the decision making processes that will be in the best interest of the members of Southeastern Electric.”

Director Nominee: Donovan Kost

District 7



Donovan Kost lives in Sioux Falls and has been a member of Southeastern Electric for 11 years. He worked in the Dairy, credit card and petroleum equipment industry and spent 31 years with O’Day Equipment and Dockendorf Equipment. Donovan has also worked as a valet for Sanford Health Systems.

Donovan is proud of his previous board experience which includes the Harrisburg Town Board, Harrisburg School Board, Lincoln County Commission, Lincoln County Planning and Zoning Board, and the Urbanized Development Commission.

He also served 20 years on the board of the Selective Service System. Donovan has also been blessed by giving back in his volunteer experience

for Meals on Wheels, Active Generations of Sioux Falls, Ducks Unlimited, is a past member of the Harrisburg Jaycees, and, as a team member, has worked with the local Multiple Sclerosis groups to raise money and help find a cure.

When asked why he wanted to serve on the Southeastern board, Donovan replied, “To make a difference in the community by having a positive impact on the lives in the community by ensuring they have access to reliable and affordable electricity. To be an advocate for and the implementation of sustainable energy solutions. To represent the interests of the members of the cooperative and ensure that their voices are heard in the decision making process.”



Carlos Hofer
District 1



Bob Wollmann
District 2



Don Heeren
District 3



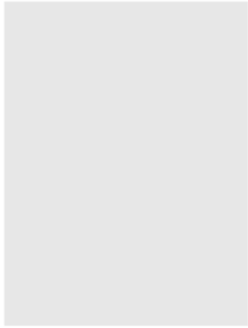
Chris Hofer
District 4



John Ostraat
District 5



Johnathan Wildeboer
District 6



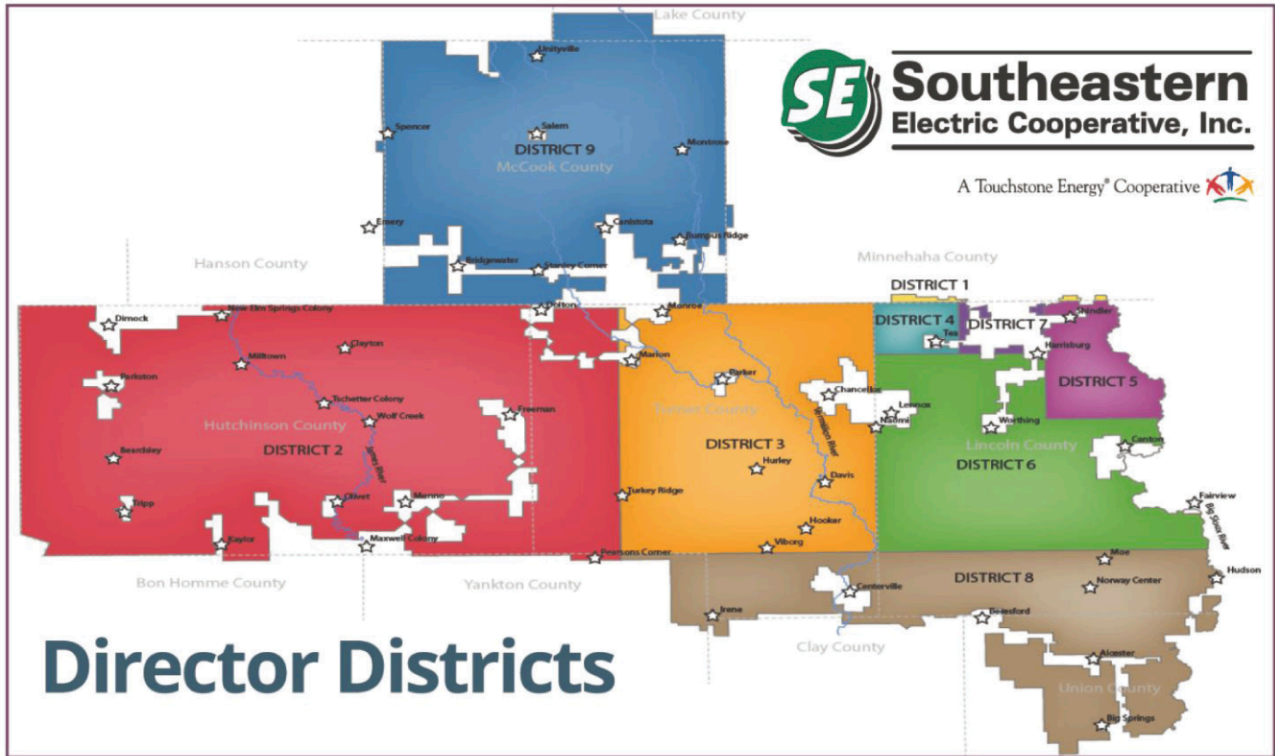
Open Position
District 7



Steve Holmberg
District 8



Daryl Terveen
District 1





BUILDING A DREAM

J. Dylan Moro and his cousin, Knut Finnevolden, stand outside Moro's family-built treehouse yurt.

Moros' Treehouse Yurt Offers Unique Dakota Getaway

Frank Turner
frank.turner@sdrea.coop

From the vast, open prairies of the east to the towering Black Hills in the west, South Dakota's diverse landscape presents a breathtaking tapestry of natural beauty for camping enthusiasts to explore. With 13 state parks, six national parks, and numerous recreation areas at their disposal, visitors and residents alike are always within arm's reach of a world-class camping experience, complete with the guarantee of an unforgettable sunset.

The allure of South Dakota's outdoors extends well beyond aesthetics. Outdoor enthusiasts can also find a plethora of adventure by rock climbing the steep quartzite cliffs of Palisades State Park or catching a glimpse of a wild buffalo or bighorn sheep in Custer State Park.

Given the abundance of breathtaking

locations, it comes as no surprise that many enthusiasts desire a camping experience that matches the splendor of their natural surroundings. Simply put, sometimes a basic tent just doesn't suffice. Campers have embraced a variety of specialty camping styles, such as staying in treehouses and fully furnished cabins. With options ranging from off-grid yurts to glamping tents outfitted with complimentary Wi-Fi, these innovative accommodations elevate the traditional outdoor experience, catering to each individual's preference, comfort, and style.

J. Dylan Moro and his wife, Keena Byrd-Moro, both residents of Spearfish,



Moro's treehouse yurt is fully furnished, complete with tables, couches and a wood stove.

85TH ANNUAL MEETING

TOGETHER
TOWARDS
TOMORROW



2022
ANNUAL
REPORT

June 8, 2023
Lennox High
School Auditorium
1201 S Main St.
Lennox, SD 57039

SE **Southeastern**
Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 



REPORT OF THE PRESIDENT AND GENERAL MANAGER

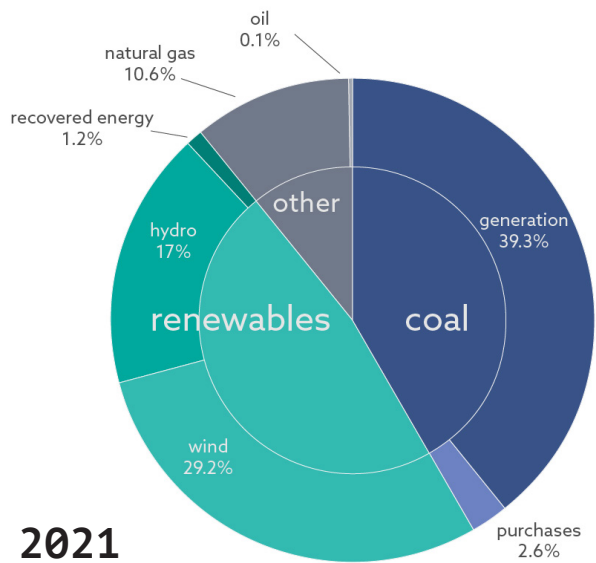
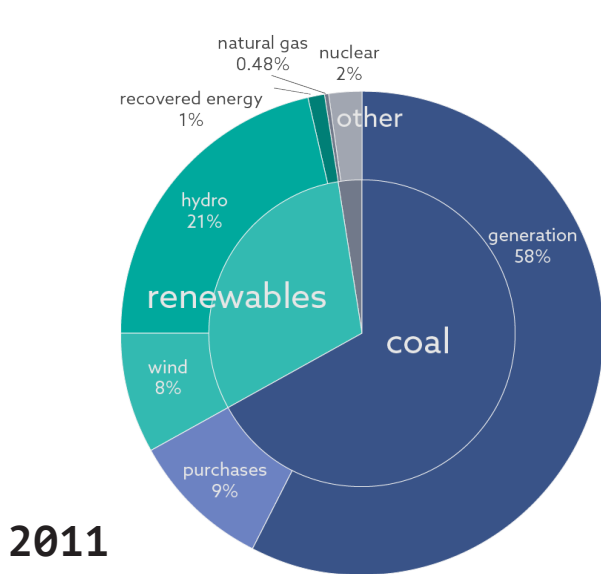
Working together your Board of Directors set our 85th annual membership meeting for the Lennox High School Auditorium on Thursday, June 8, 2023. We look forward to meeting with you and visiting about the issues and items impacting your electric cooperative. We will start the annual meeting at 5:00 p.m. with registration, a member electric vehicle show, children's bouncy house out front, and a sit down meal. Our business session will begin at 7:00 p.m. for any and all members who can make the trip to Lennox, SD. We look towards our annual meeting format as an opportunity to meet with you and provide you with more information on the activities of your Electric Cooperative Power Supply System designed to meet your electric needs today and for tomorrow!

Working **together** with our power supply cooperatives of East River Electric Power Cooperative, Inc., (East River) out of Madison, SD, Southeastern Electric Cooperative, Inc., (Southeastern) can meet the growing needs of our members for your home, farm, and business. East River transmits our electrical power from the Missouri River hydro-electric and Basin Electric Power Cooperative, Inc., (Basin Electric) generation out of Bismarck, ND to one of the East River 32 (soon to be 33) distribution substations strategically located throughout our 5-county service area. Southeastern's employees then distribute that electricity out to you, our member/owners over 4,482 miles of line and equipment to 22,165 different services. We are very fortunate to have stable power supply costs in a very volatile energy world these days. Purchased power costs for 2022 remained at just over 70% of our annual costs of providing you with electric service. Working with East River and Basin Electric our cost of purchased power has remained stable over the past 6 years allowing us to hold our 2017 rates in place for yet another year. Please look for more on Southeastern's financial condition in Treasurer Daryl Terveen's report for year-end 2022 in this insert.

Looking **towards** the future requires both short and long-term planning for Southeastern, East River, and Basin Electric to make sure you have the electric power you need at the flip of a switch. Our power supply continues to grow and expand, fueling the rapid expansion and growth throughout East River and Southeastern's service area and the Basin 9 state region. Planning for **tomorrow** has always been a priority for your electric cooperative power supply generation, transmission, and distribution systems.

As noted in the charts on the next page, the power generation mix continues to evolve in an effort to provide you with reliable and affordable electric power over the past 85 years. Our Cooperative Power Supply has an "All of the Above" energy strategy, meaning we will continue to utilize the cleanest coal/natural gas plants in the world, a small amount of nuclear and fuel oil generation, along with a mixture of renewable energy resources from hydro, wind, solar, and waste heat to keep your electricity reliable, affordable, and dependable. Please take some time to review the East River summary in Cooperative Connections for more information on your cooperative power supply system. Additionally, we work with our statewide and national organizations to make sure your voice as an electric cooperative member is heard loud and clear through South Dakota Rural Electric Association (SDREA) and the National Rural Electric Cooperative Association (NRECA). Please review the SDREA summary found in the Cooperative Connections as well. These partnerships provide all our members with the best power supply arrangements and legislative voice in the world designed to meet your growing electrical needs today, tomorrow, and into the future!

ENERGY SALES BY FUEL TYPE



2023 Budget & Rate Study

We were pleased to announce that your Board approved the Management and Staff 2023 Budget without the need for a rate increase at this time. Southeastern's last approved rate change by your Board of Directors was back in 2017 and we have been operating on those rates for the past 6 years. In this day and age of rising costs for practically everything we use or purchase, we are proud of the fact that our 2023 budget projected adequate revenues to cover our costs while meeting our mortgage and budget requirements. **With huge cost increases for items like wire, transformers and practically every type of product we use to upgrade, repair, fix or build electric service to meet your everyday electrical needs, holding our rates for another year for our members is a good accomplishment.** We will be doing a rate review and cost of service study in 2023 and will work with our cooperative power supply group to look for ways to continue to provide you with the reliable, dependable, and affordable electric power. We will keep you posted on our rate study results and what we see for any future adjustments needed to keep you cooperative operating on a sound financial basis.

2022 Membership Report

Our Employee Group did an outstanding job working with our electrical contractors to make sure the equipment, materials, supplies, and manpower were available to get our members connected to the cooperative power supply system. **Words cannot express the pride and gratitude we have for our entire employee group, cooperative power supply system (East River & Basin), our electrical contracting partners and you, the member owners, for your confidence in us to be your electric utility provider.** We treat this member/owner relationship very seriously as we work to accomplish our mission statement of "Member Focused - Member Driven" in all that we do!

Dedicated/Committed Employee Group

We are very proud of the safe, reliable, and efficient work of our Southeastern employee group. Our employee group continues to grow as we add more and more members, electric plant, equipment, and office/warehouse space to meet our growing membership needs. **Thanks to all Southeastern Employees for your dedication to your job and serving our member/owners with reliable and affordable electric power!** We strive every day to be "Member Focused - Member Driven" as our Mission Statement directs for your electric cooperative.

GM REPORT CONTINUED

Chief Executive Officer/General Manager (CEO/GM) Search and Selection

In June of 2022, current **General Manager, Brad Schardin indicated to the Board that he would be finishing his duties as our CEO/GM for Southeastern at the end of July 2023.** This one-year notice is based on our long-established policy requesting a longer transition period by the CEO/GM to the Board. Brad began his career at Douglas Electric Cooperative Inc., in Armour, SD on July 1, 1983, and then was hired by Turner Hutchinson Electric Cooperative on July 1, 1990. Over the past 33 years the Members, Board, and Employees have become accustomed to working with Brad and have appreciated his guidance and leadership on a local, statewide, and national basis. With the announcement of his departure, **your Board selected Great Co-ops to begin the management search, screening, and selection process in October of 2022 working in conjunction with your Board of Directors every step of the way.** The application, screening, and interviewing process was coordinated with your Board along with the guidance of the Great Co-ops management search and selection team. **It is our plan to make a public announcement for the next CEO/GM of Southeastern soon** and review this process with you at our annual meeting. Please make plans to come and visit Brad at his last annual meeting and get updated news on our CEO/GM selection process.

Youth Programs and Scholarships

Our next generation of leaders, members, employees, or directors will come from our youth. **Southeastern continues to provide several opportunities for our young people to interact with your electric cooperative network through electrical safety training, safety poster contests, the Dakota News Now Scholar of the week and college scholarships.** This year our Youth Tour programs have been reactivated on a national and statewide basis and

we have continued scholarship funding to help our area youth accomplish their future educational goals. If you have any questions relating to our youth programs and activities, please **feel free to give us a call, watch our Cooperative Connections monthly newsletter for details or go to our website at www.southeasternelectric.com.**

Office/Warehouse Expansion projects

With delayed materials and supplies our Sioux Falls area office expansion just off Interstate 29 exit 68 (Lennox/Parker) has experienced an extension of its completion date. Currently it is planned to be completed by the end of August 2023. This expansion will provide much needed office space, meeting rooms, and board room capacity. Our architect's rendition is shown in this report, and we have hopes to be able to show this new facility to our members at our Member Appreciation Day in early November of 2023. This project was postponed from a 2021 start date due to a host of shipment delays and material/labor shortages. **This expansion is part of our 20-year office/warehouse renovation process for our 6 Southeastern facilities at Alcester, Marion, Parkston, Salem, Sioux Falls, and Viborg.** Additional warehouse expansion plans are underway at the Sioux Falls area office location to help us better manage our expanded inventory due to a variety of manufacturing/shipping delays and the need for more inventory due to supply chain interruptions over the past several years.

Change of Principal Office Location

As the Board and Membership transition to a new CEO/GM, the need to make the 47077 276th Street, Lennox, South Dakota facilities our principal business office/future headquarters location. Over the past 15 years this change of principal office/headquarters location has become more evident. Now, with the current office renovation/addition planned for completion later this year along with the

selection of a new CEO/GM, your Board of Directors felt that the timing was right to make this change. **The Southeastern Board of Directors unanimously recommended a change to Southeastern's principal office/headquarters designation from the Marion Office to our location at 47077 276th Street, Lennox, South Dakota.** Pursuant to South Dakota Codified Law § 47-21-76, your Board of Directors is asking the Southeastern Membership to authorize their recommendation by voting in favor of the principal office location change for "Official" notifications, mailings, and legal descriptions. This change will provide our lending organizations of the Rural Utility Services (RUS or the old REA program), National Cooperative Financing Corporation, Inc. (CFC, our supplemental lending cooperative bank) and all our insurance, cooperative, statewide, and national organizations with a new mailing and location address. This change is administrative in nature and does not alter the obligation to provide all our members with reliable, affordable, and dependable electric service from each of our office/warehouse locations. **Our Alcester, Marion, Parkston, Salem, and Viborg facilities will continue operating as normal, it just makes sure any/all "Official" notices and information get provided to the location where the CEO/GM and Management Staff will be located.** This transition has been occurring over the past 25 years due to our consolidation of Lincoln-Union and Turner-Hutchison Electric Cooperatives which began with our Shared Management Agreement back in 1997 and the merger of McCook Electric Cooperative, Inc., into Southeastern beginning back in 2003. Please refer to the "Principal Office Location" question and

answer information in this report as well.

Southeastern Board Members

We would be remiss if we didn't acknowledge the hard work and dedication of your elected Board of Directors. Each month they sort through hundreds of pages of material from Management and Staff relating to the operations of your electric cooperative. Directors are asked to complete a comprehensive set of courses to be certified Directors through our statewide and national organizations to best represent you, our member/owners. This year you will have the opportunity to elect 3 Directors to represent you on the Board of Directors. Please take some time to review the Director Candidate profiles included in this annual report for your voting preferences. **Thanks so much to our dedicated Board of Directors for your time, energy, vision, and commitment to our mission of "Member Focused - Member Driven".**

Southeastern Membership

Thanks for your cooperation and participation in your electric cooperative. As we continue to grow and expand in all directions, we are proud to be of service to you - our member/owners. **Please know that your elected Board of Directors, Management, Management Staff, and Employee group are working hard together to continue this long-standing tradition of looking "Together Towards Tomorrow" to meet your electrical needs each day.** As always, we look forward to seeing many of you at your annual meeting scheduled for Thursday, June 8, 2023, at the Lennox High School auditorium in Lennox South Dakota.

In June of 2022, current General Manager, Brad Schardin indicated to the Board that he would be finishing his duties as our CEO/GM for Southeastern at the end of July 2023.

2022 TREASURER'S REPORT

The 2022 and 2021 Statement of Operations, Comparative Statistics and Balance Sheets as of December 31, 2022 and 2021 are presented on the following pages for your review. **I am pleased to report that the operating results for 2022 were excellent and the financial condition of your electric cooperative remains very strong.**

Thankfully, 2022 felt more normal than the two years prior or maybe this is the “new” normal. We continue to experience record growth across all areas of the cooperative.

We sold a record 749,416 megawatt hours (Mwh) in 2022 which is a year over year increase of 41,725 Mwhs or 5.9%. That is the equivalent of adding 2,800 residential customers! The median cooperative in the United States sells around 330,000 Mwhs. Load growth can stem from growth in members, seasonal weather changes, customer class composition or any combination of these. Fortunately, our load growth is diversified. We have growth in membership spread across residential, agriculture and commercial.

To support that growth, you need to have the infrastructure. In partnership with East River and Basin, we are able to have the infrastructure in place to not only handle our growth in kWhs but also offer a continuity of service index of 99.977%. In coordination with East River, we added two substations to our distribution area in 2022. In addition, our distribution plant grew by over \$12.5 million or 7.5%. Of course, not all the work that is completed is just for growth. We completed nearly 30 miles of hazard mitigation work in the Salem area taking overhead lines to underground. We also

experienced a Derecho storm which hopefully is not “normal”. In addition, we completed and received approval from the board of directors on our construction work plan for 2023-2026 estimated at over \$60 million.

Not all growth is wanted. Inflation and the supply chain issues have impacted all our lives. **We went from carrying around \$4 million in inventory to carrying just over \$9 million in inventory due to these issues.** Underground cable prices increased by 50% in that time frame. The time to get that cable went from 3-6 months to 12 months IF we got our order in. Interest rates have increased as well. We finance almost 100% of our distribution plant through long term debt. We’ve been fortunate to see the weighted average cost of our debt decrease over the last 15 years. Going forward, interest expense growth will be compounded by increasing interest rates.

Some things are just hard to understand. If Southeastern has not raised rates and we are experiencing pressure on our costs, how did our margins increase? As Brad mentioned, purchased power from Basin and East River equates to over 70% of total expenses. Any shift up or down will have a significant impact on our earnings. In 2022, our cost per KWH sold decreased. **Basin’s financial performance was such that they were able to pass along bill credits to its members while investing for future growth.** We as a cooperative deferred some of those dollars into 2023 to ensure that we did not have to increase electric rates in 2023. In addition to stable rates, we retired almost \$2.8 million in capital credits to our members during 2022. The general retirement credit was included on your August 2022

electric bill if you are an active member and sent in the form of a check to those who no longer receive electric service from Southeastern.

Our CPA firm of Eide Bailly LLP conducted an audit of your cooperative's financial statements for 2022 and once again issued a "clean" opinion. If you wish to see the entire audit report including all the financial statements and related footnotes or if you have any questions on the 2022 financial statements presented with this report, please contact the Cooperative.

Overall, we are extremely pleased that we have been able to maintain the general retail electric rate schedules implemented in 2017. In addition, **we were able to generate operating margins adequate to satisfy our loan covenants and financial requirements while retiring capital credits to our members.** We are proud to say that your electric cooperative is in sound financial condition and working hard to plan for and meet your electrical needs for years to come!



"In addition to stable rates, we retired almost \$2.8 million in capital credits to our members during 2022."

Daryl Terveen
Treasurer

SOUTHEASTERN 2022 FINANCIALS

BALANCE SHEET

ASSETS

	2022	2021
ELECTRIC PLANT		
In Service	\$192,709,479	\$181,257,614
Under Construction	\$5,366,774	\$2,620,077
Total Electric Plant	\$198,076,253	\$183,877,691
Accumulated Depreciation	(\$47,888,928)	(\$45,103,514)
Electric Plant - Net	\$150,187,325	\$138,774,177
OTHER PROPERTY AND INVESTMENTS		
Investments in Associated Organizations	\$46,636,906	\$41,733,335
Other Investments	\$3,152,768	\$907,773
Total Other Property and Investments	\$49,789,674	\$42,641,108
CURRENT ASSETS		
Cash and Cash Equivalents	\$2,611,945	\$3,052,097
Accounts Receivable - Electric	\$6,359,522	\$6,209,534
Other Receivables	\$1,659,361	\$120,593
Materials and Supplies	\$9,881,048	\$8,443,044
Prepayments	\$5,571	\$7,246
Other Current Assets	\$545,120	\$570,087
Total Current Assets	\$21,062,567	\$18,402,601
DEFERRED CHARGES	\$2,466,513	\$2,381,515
TOTAL ASSETS	\$223,506,079	\$202,199,401

EQUITIES AND LIABILITIES

	2022	2021
EQUITIES		
Patronage Capital	\$79,105,604	\$71,018,808
Other Equities	\$3,490,306	\$3,300,968
Total Equities	\$82,595,910	\$74,319,776
LONG TERM DEBT	\$124,942,958	\$115,214,193
NON-CURRENT LIABILITIES	\$899,705	\$434,042
CURRENT LIABILITIES		
Notes and Accounts Payable	\$5,750,440	\$4,979,645
Customer Deposits	\$469,141	\$452,777
Current Maturities of Long Term Debt	\$4,540,712	\$4,100,000
Other Current Liabilities	\$2,235,530	\$2,068,009
Total Current Liabilities	\$12,995,823	\$11,600,431
REGULATORY LIABILITIES & DEFERRED CREDITS	\$2,071,683	\$630,959
TOTAL EQUITIES AND LIABILITIES	\$223,506,079	\$202,199,401

STATEMENT OF OPERATIONS

OPERATING REVENUES	2022	2021
Residential - Rural	\$15,061,305	\$14,250,120
Residential - Urban	\$15,867,528	\$14,743,459
Irrigation	\$1,000,338	\$810,792
Small Commercial	\$14,071,194	\$13,091,471
Large Commercial	\$24,370,887	\$24,391,859
Street Lighting	\$226,515	\$220,053
Public Authorities	\$488,847	\$501,103
Deferred Revenue	(\$1,159,657)	\$0
Other Electric Revenue	\$485,726	\$542,089
Total Operating Revenues	\$70,412,683	\$68,550,946

OPERATING EXPENSES		
Cost of Power	\$46,634,275	\$48,124,259
Distribution - Operations	\$2,756,126	\$2,324,518
Distribution - Maintenance	\$1,973,227	\$1,807,814
Customer Accounts	\$1,246,813	\$1,131,352
Customer Service and Informational	\$711,731	\$663,359
Sales Expense	\$34,548	\$21,832
Administrative and General	\$2,326,009	\$2,231,534
Depreciation	\$5,772,293	\$5,334,253
Taxes	\$1,200,376	\$1,132,307
Interest on Long Term Debt	\$3,259,584	\$3,129,055
Interest Expense - Other	\$67,542	\$0
Other Deductions	\$51,209	\$45,563
Total Operating Expenses	\$66,033,733	\$65,945,846

MARGINS		
Operating Margins	\$4,378,950	\$2,605,100
G&T and Other Cooperative Capital Credits	\$6,245,891	\$2,976,962
Non-Operating Margins	\$253,769	\$87,875
Total Margins	\$10,878,610	\$5,669,937

COMPARATIVE STATISTICS	2022	2021
Electricity Purchased (KWH)	766,637,004	723,981,745
Electricity Sold (KWH)	749,416,189	707,691,051
Average Monthly Use Per Consumer (KWH)	2,934	2,909
Average Number of Consumers	21,286	20,276
Electric Revenue Per KWH Sold	\$0.09486	\$0.09610
Cost of Purchased Power Per KWH Sold	\$0.06223	\$0.06800
Electric Revenue Per Consumer	\$3,340	\$3,354
Cost of Purchased Power Per Consumer	\$2,191	\$2,373
Equity Ratio	37.0%	36.8%
Long Term Debt to Total Electric Plant	63.0%	62.7%
Average Plant Per Consumer	\$9,346	\$9,069
Total Miles of Line	4,482	4,434
Average Consumers Per Mile of Line	4.75	4.57
Total Capital Credits Refunded	\$2,791,814	\$2,248,151
Continuity of Electric Service	99.977%	99.978%

ANNUAL REPORT DEDICATION



Leslie Mehlhaff

Leslie Mehlhaff served on the Turner-Hutchinson and Southeastern Board of Directors from 1996 to 2016 representing the members of Hutchison and part of Turner County. In addition to being a long time Director locally, Les was elected to serve on the East River Board of Directors for 10 of those years and a variety of statewide and Basin committees reflecting the local cooperative view at each opportunity he had. Les died June 14, 2022 and our thoughts and prayers go out to Kathy and the entire Mehlhaff Family on this loss.



R. Alan Peterson

R. Alan Peterson served as Southeastern's legal counsel for 16 years (2006 to 2022) while practicing law with the firm of Lynn, Jackson, Shultz & LeBrun, P.C. (Lynn Jackson) for over 36 years. While a majority of his practice focused upon trial work, Attorney Peterson looks upon his work with rural electric cooperatives as the most satisfying in terms of people and relationships. Attorney Peterson has provided excellent legal guidance and direction for your electric cooperative Board of Directors, Members and Management Staff throughout his tenure. Your Board has engaged the services of Michael Nadolski with Lynn Jackson to continue as our legal counsel since Mr. Peterson's departure. Attorney Nadolski is a litigator at Lynn Jackson, with a great deal of experience in administrative, public sector, commercial, construction, and real estate law.



Robert "Bob" Schrag

Robert "Bob" Schrag started his career as an apprentice lineman at the Marion Office on February 17, 1977, and quickly moved his way through the apprenticeship program to obtain his journeyman lineman certificate. Bob's skills of working with the line crew and members moved him to the Marion area line foreman. Bob continued to grow and improve with his employee and member skills and finished out his career as the Line Superintendent for Marion, Parkston and Salem areas on November 1, 2022 after 45 years and 7 months of service to our Members. Congratulations Bob & Kaye, we wish you all the best in your retirement years ahead!

Thanks Family of Leslie Mehlhaff, Attorney Peterson, and Bob for your hard work and dedication to Southeastern!

OFFICIAL BALLOT

For the Election of Directors at the Annual Membership Meeting of Southeastern Electric Cooperative, Inc. of Marion, South Dakota, held at the Lennox Junior and Senior High School, 1201 South Main Street, Lennox, SD 57039, on June 8, 2023.

EXPLANATION

A total of three directors are to be elected, one from each of the below-named districts within the service area of the Cooperative, each for a three (3) year term. Each member is entitled to vote for one candidate in each district. The candidate from each district receiving the highest number of votes shall be considered elected as a director. Every member may vote for a candidate in each district, by marking a cross ("X") in the square opposite the name of the candidate he or she desires to vote for. Ballot shall be marked by the member, if an individual, or if a corporation by its authorized representative. A joint membership shall be entitled to one vote.

Vote for one candidate in each district. Districts 1, 4, and 7 are each 3-year terms.

District No. 1. (3-year term)

Carlos Hofer, of Sioux Falls, SD

District No. 4. (3-year term)

Chris Hofer, of Tea, SD

District No. 7. (3-year term)

Donovan Kost, of Sioux Falls, SD

OFFICIAL BALLOT

Seeking Member Authorization to Execute and File Certificate of Change of Principal Office with the Office of Secretary of State as provided by SDCL § 47-21-76

EXPLANATION

South Dakota Electric Cooperative Law requires each rural electric cooperative to designate the address of its principal office within its articles of incorporation. Rural electric cooperatives may later choose to change this designation upon the authorization of either the board of directors or the members of the cooperative.

The legal authority for making this change is found in SDCL § 47-21-76. That statute provides: "A cooperative may, upon authorization of its board of directors or its members, change the location of its principal office by filing a certificate reciting such change of principal office, executed and acknowledged by its president or vice-president under its seal attested by its secretary, in the Office of the Secretary of State."

The Board of Directors has unanimously recommended that the location of the principal office for Southeastern Electric Cooperative, Inc., be changed from its current designation of P.O. Box 388, 501 South Broadway Marion, SD 57043 to 47077 276th Street Lennox SD 57039. It now seeks authorization from the members to execute and file a Certificate of Change of Principal Office with the Office of Secretary of State in accordance with SDCL § 47-21-76.

Each Member is entitled to vote whether to authorize the Board of Directors to execute and file such Certificate of Change of Principal Office to implement the Board's recommendation.

A member desiring to provide authorization to execute and file a Certificate of Change of Principal Office should mark a cross ("X") in the square opposite the words **YES**. A vote "YES" will authorize the Board of Directors to officially change the address for the principal office to 47077 276th Street Lennox SD. 57039.

A member desiring to withhold authorization to execute and file a Certificate of Change of Principal Office should mark a cross ("X") in the square opposite the words **NO**. A vote "NO" will maintain the current address for the principal office at P.O. Box 388, 501 South Broadway Marion, SD 57043.

YES. AUTHORIZE BOARD TO EXECUTE AND FILE A CERTIFICATE OF CHANGE OF PRINCIPAL OFFICE WITH THE OFFICE OF SECRETARY OF STATE.

NO. DO NOT AUTHORIZE BOARD TO EXECUTE AND FILE A CERTIFICATE OF CHANGE OF PRINCIPAL OFFICE WITH THE OFFICE OF THE SECRETARY OF STATE.

PRINCIPAL OFFICE LOCATION

Q & A

Southeastern Board of Directors Unanimously Supports the Change of Principal Office Location.

Question (Q): What does the “Principal Office Location” mean?

Answer (A): The location at which your electric cooperative receives all pertinent information “Official” notifications, mailings, and legal descriptions. This change will provide our lending organizations of the Rural Utility Services (RUS or the old REA program), National Cooperative Financing Corporation, Inc. (CFC, our supplemental lending cooperative bank) and all other insurance, cooperative, statewide, and national organizations with a new mailing and location address.

Q: Why is the Marion Office listed as the “Principal Office Location” anyway?

A: In 1999, when the former Lincoln Union and Turner-Hutchinson Electric Cooperative Board of Directors voted to bring the consolidation of our two cooperatives together, they chose the Marion location as the “Principal Office Location” since it was where the General Manager, Brad Schardin lived and was more centrally located in our new service area. With General Manager Schardin’s announced departure, the new CEO/GM will be reporting to work at the Sioux Falls area office/Lennox address where the current Chief Financial Officer and Operations Manager work from. With the Management and Staff located together, meetings, coordination of activities, communication, and overall planning will be enhanced and strengthened for your electric cooperative.

Q: What does it take to change the “Principal Office Location”?

A: Pursuant to South Dakota Codified Law § 47-21-76. “Change of location of principal office – Certificate to secretary of state. A cooperative may, upon authorization of its board of directors or its members, change the location of its principal office by filing a certificate reciting such change of principal office, executed and acknowledged by its president or vice-president under its seal attested by its secretary, in the Office of the Secretary of State.” **The Southeastern Electric Cooperative, Inc. Board of Directors has unanimously approved this change and in the realm of being transparent with our Members we felt it was important to review this change with our members and seek your ratification of the change as well.**

Q: Does the change need just a simple majority vote of the Members?

A: Yes

Q: If the change of “Principal Office Location” is approved what will that mean for the Marion, Alcester, Parkston, Salem, or Viborg facilities?

A: This change is administrative in nature and does not alter the obligation to provide all our members with reliable, affordable, and dependable electric service from each of our office/warehouse locations. Our Alcester, Marion, Parkston, Salem, and Viborg facilities will continue operating as normal, it just makes sure any/all “official” notices and information

are directed to the location where the CEO/GM and Management Staff will be located.

Q: What happens if the change of "Principal Office Location" is "not" approved?

A: "Official" notifications, mailings, and legal descriptions will continue to be mailed to the Marion address requiring us to make sure all mail is being redirected to the CEO/GM and Management Staff on a regular and routine basis. No changes would then need to be provided to our lending organizations of the Rural Utility Services (RUS or the old REA program), National Cooperative Financing Corporation, Inc. (CFC, our supplemental lending cooperative bank) or all our insurance, cooperative, statewide, and national organizations.

Q: What would our elected Board of Directors say is the most compelling reason for the Members to vote in favor of this change of "Principal Office Location"?

A: Over the past 85 years, you have entrusted your elected Board of Directors to provide you with direction, leadership, and guidance to provide you with the most affordable, dependable, and reliable electric service possible. This change of "Principal Office Location" designation continues our long-standing commitment to be "Member Focused, Member Driven" as our 2020 Mission Statement sets forth. It also continues our efforts to be as efficient and effective with providing electric service to our members throughout our 5-county service area.

With unanimous support of your elected Board of Directors, we encourage you to vote in favor of this change of our "Principal Office Location" for Southeastern Electric Cooperative, Inc. We would be willing to answer any other questions you may have about this change and look forward to seeing you at the Annual Meeting scheduled for Thursday, June 8, 2023, at the Lennox High School Auditorium.



CONSTRUCTION PHOTOS

Southeastern Electric Cooperative Office located at 47077 276th Street, Lennox, South Dakota.



CONGRATULATIONS, BRAD SCHARDIN!

Brad Schardin began his distinguished career with electric cooperatives at Douglas Electric Cooperative Inc., in Armour, SD, on July 1, 1983, as the General Manager. In July of 1990, Brad went on to become the General Manager of Turner-Hutchinson Electric Cooperative, Inc. in Marion, SD. During his years at Turner-Hutchinson, Brad's leadership presence in the cooperative world grew, as did his relationships and enthusiasm for cooperative members and his employees.

In 1997, while working as the General Manager of Turner-Hutchinson Electric Cooperative, Brad began work under a shared management agreement with Lincoln-Union Electric Company in Alcester, SD, becoming the General Manager of both electric cooperatives. In 2000, this joint venture led to the consolidation of those two electric cooperatives, forming Southeastern Electric Cooperative, Inc. (Southeastern). After this consolidation, Brad began work under another shared management agreement with McCook Electric Cooperative, Inc. (McCook), which led to the merger of McCook into Southeastern as it is known today. Brad has led the charge at Southeastern, always reminding the employees that cooperatives are here to serve our member/owners, but also letting the employees know how much he appreciates everything they do.

The board of Southeastern and the employees are thankful for the dedication and commitment Brad has shown to our electric cooperative over the years. We wish you the best in your future endeavors Brad!



AGENDA

5:00 PM to 7:00 PM

Registration of Members

Evening Meal by Central Catering

Member Door Prizes

Blood Pressure Screenings

Electric Vehicle Show (Enter your electric vehicle to receive \$100 credit on your electric bill)

Member Services Displays (sign up for the drawing to win an electric grill)

6:45 PM to 8:00 PM

Children's Activities

6:55 PM

Introduction of Special Guests

7:00 PM to 8:00 PM

Meeting Called to Order

National Anthem and Pledge of Allegiance

Invocation by Pastor

Address of Welcome by the Mayor

Approval of Notice of Meeting

Approval of Minutes of Previous Meeting

Election of Directors & Vote on Bylaw Changes

President's Report

Treasurer's Report

Manager's Report

Election & Principal Change of Office Results

Adjournment

8:00 PM

Grand Prize and Other Prize Drawings

REMINDERS

Bring the registration page included with the May billing statement.



A Touchstone Energy® Cooperative 

S.D., erected one such location on the outskirts of Lead, S.D., with the help of their family and neighbors in 2015. After both serving in the military as Army Reserve Nurses, Dylan and Keena saved up enough money to purchase a lot of land and realize their dream of building a treehouse yurt in the Black Hills.

“It was always my dream to build up there,” said Dylan. “We wanted to create an experience where people could escape and reconnect with nature.”

Their dream became a reality thanks to the amazing effort put forward by their family, friends and neighbors. More than 10 individuals contributed to the project, assembling the yurt in just two days despite a snow storm during the construction process.

“I remember being so close to finishing the project in one day,” he recalled.

“Despite the snow, I could see the finish line and wanted to keep going, but the conditions were getting slippery. For safety, my wife convinced us to wait, and she was right, of course.”

Even Keena’s late father, who had Alzheimer’s and Parkinson’s during

the project, assisted how he could by peeling logs and building railings for the treehouse yurt. Dylan shared that having Keena’s father as part of the project made the experience even more special for their family. The structure now stands as a testament to his memory and provides a connection with their family’s past.

“He loved being up there and part of the project,” he shared. “I can honestly say that we built this structure by hand without any machinery. We relied on the many hands of our friends and family to get the job done.”

When the family finished, the end result was a rustic treehouse yurt perched between two pine trees on a mountain slope, overlooking the Mickelson Trail. Today, the Moros’ treehouse yurt guarantees a remote escape, free from nearby tents or campers. And while it’s only accessible by dirt road, the location still offers easy access to some major attractions of the Black Hills, including Deer Mountain Ski Resort and Pathways Spiritual Sanctuary.

“It’s a really cool spot, and for me, I love having access to the trail for easy

biking and running,” said Dylan. “And it’s not unusual to catch a glimpse of an ongoing bike race or marathon on the Mickelson Trail from the deck of the yurt.”

Listed on Airbnb, the location has garnered over 241 reviews and 4.83 stars from campers from all over the United States, featuring two beds, a wood stove, and an indoor fireplace. Even still, the getaway location isn’t for the faint of heart. With no running water or onsite electricity, campers must rely on the yurt’s amenities, which cater to campers seeking a balance of comfort and authenticity in their outdoor experience.

“Part of the beauty of the yurt is that it’s totally off-grid, but people need to know what they are getting into,” he said. “But that shouldn’t scare anyone away. We have hosted people from all walks of life: people who have never camped before, people who are driving across the country and want a unique stay, and even locals who just want to get away. Everyone finds something here that they enjoy.”



Perched between two trees, the Moro family yurt provides a unique getaway location for visitors to the Black Hills of South Dakota.

Unapproved minutes of the 2022 Annual Meeting

The 2022 Annual Membership Meeting of Southeastern Electric Cooperative, Inc. was held on Thursday, the 9th day of June 2022 at the High School Auditorium in the city of Lennox, Lincoln County, State of South Dakota pursuant to the annexed “Notice of Meeting”.

Registration started at 5:00 PM. Prior to the meeting, there was an electric vehicle show, blood pressure screenings were available by the Lennox Ambulance EMTs, members could view various displays and an evening meal was served by Central Catering. Supervised activities were available during the meeting for small children. Prior to the start of the meeting, Manager Brad Schardin recognized former directors, former employees and special guests in attendance.

Board President Don Heeren called the meeting to order at 7:00 PM. Following a video production of the National Anthem, the Pledge of Allegiance was recited. Manager Schardin offered the invocation and Lennox Mayor Stacy DuChene welcomed the attendees to the City of Lennox.

Carlos Hofer advised that there were 483 members registered, a quorum was present, and the members were in legal session to transact official business of the Cooperative. A list of the registered members is attached to and made part of these proceedings.

A motion was duly made, seconded and adopted by voice vote to dispense with the reading of the proof of Notice of the Meeting and approve the notice as mailed. A motion was duly made, seconded and adopted by voice vote to dispense with the reading of the minutes of the previous Annual Meeting and approve the minutes as mailed.

President Heeren then called on Attorney R. Alan Peterson to conduct the election of directors for Districts #2, #5 and #8. In addition, there was a special election in District #7 due to the untimely death of Director Anderson. However, no nominating petitions were filed for District #7. Attorney Peterson explained that the Cooperative Bylaws state that the Board is responsible for making plans to fill the vacancy for District #7. Attorney Peterson noted that four nominating petitions had been filed and the candidates for Districts #2 and #5 were uncontested. He then introduced the two candidates for District #8, Cleo Waters and Steve Holmberg, and each candidate was given the opportunity to address the membership.

Attorney Peterson then called on President Heeren to introduce the board recommended bylaw changes that were mailed to each member with the Annual Report. President Heeren outlined the board’s process in preparing these bylaw changes. He noted that the recommended changes were unanimously approved by the board of directors.

President Heeren then called on Attorney Peterson to answer any member questions on the proposed bylaw changes. Attorney Peterson then asked the membership to cast their ballots on the proposed bylaw changes and the election of directors for the Election and Credentials Committee to collect and tally the ballots.

In the President’s Report, Don Heeren reflected on the theme for the meeting “Cooperatives: The Power of Working Together” as it relates to you and the electric cooperative as we reflect on the events of 2021 and the recent May 12, 2022 storm. President Heeren discussed the challenges that the cooperative has faced in 2021 including the cold snap in February 2021 that resulted in an energy emergency for all the Midwest. He reported on the value of “Working Together” with our generation and transmission cooperatives Basin Electric Power Cooperative and East River Electric Power Cooperative to provide our members with dependable, affordable, and reliable electric power. In addition, President Heeren discussed future expansion plans for the Sioux Falls office and warehouse along with the recent purchase of land surrounding the Sioux Falls office. To conclude his report, he introduced the board of directors, manager and attorney and thanked them and the employees for their dedicated service as well as the membership for their continuing support.

Treasurer Daryl Terveen highlighted some of the financial information included in the Annual Report issued to all members. He noted the continuing growth in new services, the record energy purchases from East River and discussed what this growth means to the cooperative including the additional capital investments required to serve new loads and the debt financing of those new assets. Several graphs were presented including a breakdown of 2021 statement of operations, historical cost of wholesale power, historical capital investments in plant, and the benefits of access to low-cost financing. Southeastern’s strong history of capital credit refunds and positive results from the annual audit were cited to reaffirm the excellent financial position of the Cooperative. The Treasurer’s Report was then approved upon a motion duly made, seconded and adopted by voice vote.

President Heeren then called on Manager Schardin to present the Manager’s Report. During his Manager’s Report, he focused on our cooperative power supply system producing and delivering affordable, reliable, and dependable electricity throughout this region. He reviewed the hydro-electric power supply from the Western Area Power Administration (WAPA) and how Basin Electric, East River and WAPA work together within the power supply footprint of a regional transmission organization called the Southwest Power Pool (SPP). Manager

Minutes, continued

Schardin stressed that it takes an All of the Above Energy Strategy to meet our member's growing needs for electricity throughout the region. 43.7% of our electric use in 2021 came from renewable energy resources for our Member's everyday electrical needs. Over 70% of our total costs go to paying for the electric power needed for our members use. He indicated that our 2017 rate structures will not need to be changed for 2022 yielding 5 years of rate stability for our members during these very volatile times. He also highlighted the various member related services provided through the Cooperative and the plans to continue to meet our mission statement of being "Member Focused, Member Driven". He finished out his report highlighting the need for continued office security, the lease of an electric vehicle for more knowledge/information on the future member uses for electricity and the Sioux Falls office expansion for our continued membership growth throughout our service area. In his concluding remarks he thanked the directors, employees and members for their dedication and support of the cooperative.

Attorney Peterson was then asked to report on the results

of the balloting as certified by the Election and Credentials Committee. He reported that the proposed bylaw changes were approved by the members. In the election of directors, Robert Wollmann of District #2, John Ostraat of District #5 and Steve Holmberg of District #8 were each elected for a three-year term.

President Heeren then made a special award presentation to Attorney Peterson for his 15 years of dedicated service to the cooperative. Attorney Peterson recently announced that he will be retiring after the June regular monthly board meeting and a plaque stating our sincere appreciation for Attorney Peterson's 15 years of dedicated service was presented by President Heeren.

Following some announcements, Chairman Heeren declared the 2022 Annual Meeting of the Members of Southeastern Electric Cooperative, Inc. officially adjourned at approximately 8:09 PM upon a motion duly made, seconded and approved. Membership prizes and drawings were coordinated by staff to finish out the 84th annual meeting for all members present.

April 2023 board minute summary

The Board of Directors of Southeastern Electric Cooperative met in Marion on Thursday, April 20, 2023, with all directors present. Also, present were Manager Brad Schardin, Attorney Mike Nadolski and staff members John Euchner, Jon Wunder and Todd Nelson.

Manager Schardin in his report reviewed with the board the following items:

1. Reviewed the Basin financials, Basin's committee for large crypto mining and data processing loads, East River's federal funding application for grid resiliency, a new substation request and an update on the current rate study.
2. Discussed carbon pipelines and the Sioux Falls office addition.
3. Reviewed the circulation folder and various member-related issues.

CFO Jon Wunder reviewed his written report, including the preliminary financial report, a summary of the financial statement and single audit results, an update on the NRECA agreed upon procedures report on employee benefits and current procedures for outstanding checks.

Operations Manager John Euchner reviewed his written report, which included any close calls, recent safety meetings and outages. He also talked about the projected future

services, the construction work plan, the distribution automation task force and the 811 positive response program.

Member Services and IT Manager Todd Nelson reviewed his written report, annual meeting planning, East River load control receivers, Verizon AMR conversion, disconnects, past due accounts, IT project, cybersecurity and load management.

Attorney Nadolski provided a legal report to the Board of Directors in executive session.

The board acted on the following motions:

- A motion was made and seconded to approve the agenda, along with additions. Motion carried.
- A motion was made and seconded to approve the consent agenda. Motion carried.
- A motion was made and seconded to accept the audit report, single audit report and letters as presented. Motion carried.
- A motion was made and seconded to set the June board meeting for Thursday, June 15, 2023. Motion carried.

Next regular monthly meeting will be held on Thursday, May 18, 2023, at the Marion office.

SAFETY TRAINING



Photo Credit: Nate Breske

Essential No Matter What Field You Work In Or Play On

Laura London

Lake Region Electric Association

Millions of sports fans who tuned into Monday Night Football on January 2nd watched in shock as what had moments before appeared to be a regular night of sporting rivalry, turned into a heroic lifesaving response. Buffalo Bills defensive safety Damar Hamlin, a strong, athletic 25-year-old, suddenly collapsed on the playing field seconds after making a routine play against the Cincinnati Bengals. Almost instantaneously medical personnel sprang into action. The grave situation was reflected in the faces of the players, coaches, staff and fans. While Hamlin had no underlying medical condition, it was later determined that he had

experienced an often-fatal condition called commotio cordis, which is a rare disruption of the heart rhythm caused by a blunt, nonpenetrating impact to the chest that causes arrhythmia without structural damage to the heart. The quick response and administration of CPR saved Hamlin's life.

There are certain professions where the possibility of using life-saving interventions such as CPR and AEDs is more likely than others, and training is necessary. Certain risk factors, whether it be profession, age or health condition, can also increase the likelihood of someone experiencing a cardiac event. The fact is that cardiac arrest can happen anywhere, at any time, to any person.

CPR and AED training is vital regardless of what field you work in or play on.

Nate Breske, a Webster graduate, and member of Lake Region Electric Association is the head athletic trainer for the Buffalo Bills NFL franchise. Breske's affable personality and engaging smile can seem out of place when pictured amongst the hard appearing coaches and personnel of the NFL, but there he is shining bright on the sidelines and behind the scenes to make sure the program runs smoothly. The multi-faceted position of head athletic trainer comes with a load of responsibility, including looking out for the health and safety of the athletes, designing rehabilitation programs for injured players, working closely with the performance and coaching staffs to get the most out of each player on gamedays, managing the medical

staffs, administrating care for injured players, and working with the GM and upper management to bring in players through free agency and the draft. Breske never expected that one of his players would suddenly collapse on the field from cardiac arrest seconds after attempting a tackle, but Breske and his team were prepared.

Breske described what went through his mind when he saw Hamlin collapse on the field, “I instantly knew that it was a major medical issue that would require our assistance and expertise to help. We were prepared, willing and able to help do whatever we could to help save his life.” Lifesaving action was taken and CPR was performed by multiple people on the field in what Breske describes as “a complete team effort.” An AED was also used before Hamlin was transported by ambulance to the hospital. Something that Breske would like others to know: “You have permission to help out to the best of your ability when there is an emergency situation that may make you uncomfortable. Doing something is better than doing nothing at all!”

Breske says the Bills organization requires even non-medical personnel

to have CPR training “Everyone is certified, and we practice our EAP regularly to ensure that we are prepared for emergency situations such as this. The non-medical personnel are educated and will continue to be educated in the importance of knowing what to do in an emergency situation.” Breske has never had to personally perform CPR but recalls performing the Heimlich maneuver on Andy Meek, a high school classmate. Breske said the incident with Hamlin taught the Bills, “It is important to be prepared for situations like this. You never want to be put in this situation, but if you are, being prepared will help to give you the best chances for a good outcome. Not everything was perfect, but we had the best outcome that we could have hoped and prayed for.”

Due to the quick response and efforts by everyone on the field and the medical staff in Cincinnati, Hamlin was recently cleared to return to the game. Breske travelled with him to several heart specialists around the country to make sure all of the doctors were in agreement that Hamlin was physically and mentally healthy enough to return to action.

Damar Hamlin has teamed up with the American Heart Association to encourage people to learn how to perform CPR. Breske calls this a great thing. “The more people that know what to do in this situation will help save lives.” You can join Damar Hamlin’s #3forheart CPR Challenge by visiting the American Heart Association website <https://www.heart.org/en/damar-hamlins-3-for-heart-cpr-challenge>.

Electric Cooperatives in the state of South Dakota require all linemen to be CPR trained and get a refresher every year per OSHA regulations. Mark Patterson, Manager of Loss Control Services at South Dakota Rural Electric Association (SDREA) said that not all co-op staff are required to have the training, but the majority are trained because emergencies don’t just happen in the field.

AED devices are recommended at each work site through the Rural Electric Safety Achievement Program (RESAP.) Patterson concurs with Breske that CPR is a good skill to have and refresh. He said employees go through the training “hoping that you never have to use it but if you do, it will come back to you automatically.” While there have been a number of electrical contacts during Patterson’s 13-year career with SDREA, only one time has CPR been performed and in that case, saved the life of a lineman.



American Heart Association

Damar Hamlin's #3forHeart™ CPR Challenge

Join Damar in taking 3 simple steps to support CPR education and training, research and other lifesaving programs. You can help save lives today.

TAKE THE CHALLENGE

WWW.HEART.ORG/3

East River report



Bob Sahr
General Manager

Hello, I'm East River Electric General Manager Bob Sahr, and I want to thank you for the opportunity to talk to you today about how East River continues to work together towards tomorrow alongside our member systems to make important decisions that will position us for success, not just this year but for decades to come.

For 72 years, East River has embraced the goal of enhancing the value of our members. We're focused on the future while embracing a history filled with examples of working together to face challenges and seize opportunities. With a commitment to each other and our members at the end of the line, we will continue working to do so into the future in a way that is member-focused and innovative. We're much stronger when we work together than any of us could be on our own. This cooperative network was originally put together by those who came before us, and it's now our responsibility to move it forward, adapt to the current issues of the day, and strengthen it for those who will come after us.

Our cooperative family faced many challenges this year including economic impacts and supply chain disruptions that continue from COVID-19. Every year the weather in our region can be challenging, but this past year was one to remember. The spring and summer of 2022 were some of the most active for severe weather on record. Back-to-back storms in May brought winds over 100 miles per hour in some areas, knocking down trees, throwing grain bins around the countryside and knocking down power poles across a wide area. From the far southern part of our service area stretching all the way to the far northeast corner of our system, the destruction was widespread.

East River crews responded to restore power as quickly as possible. Many employees suffered damage to their own homes, vehicles and property, but worked to bring power back on for members.

From severe weather to severe heat, we saw a record amount of summer demand for electricity across the East River footprint which led to a number of energy alerts and warnings. Fortunately, our regional transmission partners were able to meet peak demands and no outages were needed. We are grateful for these partnerships which help us to keep electricity more affordable and reliable for consumers across our region.

These weather events have begun to change the national narrative surrounding fossil fuel generation – emphasizing the need for firm resources. Because non-firm renewable

resources like wind and solar cannot be relied upon in extreme conditions, regulators, lawmakers and the public are beginning to understand how important an all-of-the-above generation strategy is to keeping the lights on in extreme conditions.

East River is currently in the fourth year of our Transmission System Upgrade Plan. Despite supply chain difficulties and severe weather, East River's employees made significant progress over this past year. We completed several key projects that are designed to strengthen our system's backbone with a primary focus on ensuring the safety of our workforce.

The upgrade plan is designed to accelerate additions and replacements to our infrastructure and was originally approved by East River's board of directors in August 2018. The projects we've identified will improve the reliability of the system and provide for future economic growth.

East River and our power supply partners are continuously looking to ensure we have a mix of power resources to serve our membership with reliable and affordable electricity. As a result, we employ an 'all of the above' generation strategy. Part of that strategy is using renewable energy. We continue to see an increase in the amount of renewables within our generation mix. In 2021 we reached an exciting milestone, with more than 46 percent of our power supply coming from wind and hydropower, including nearly 30 percent of that total from wind energy. Solar will also soon be added to our generation mix through our power supplier Basin Electric's new solar projects being implemented in western South Dakota. The Wild Springs Solar Project which recently broke ground, and the West River Solar Project, are slated to begin power generation in the near future. With the increasing cost of gas and diesel, people are increasingly looking to electric vehicles and we want to ensure we are in a position to meet that demand.

East River's board-driven farm safety campaign continued in 2022. It's a collective effort of our cooperative network that reminds farmers to be aware of electrical equipment when working on the farm. It also educates them on the steps to take if their equipment contacts a power line. East River and its members also hosted our first annual "Who Powers You" contest – adapting the once-national Touchstone Energy program to a regional one. We asked people to nominate their friends and neighbors in our service territories who are making a difference in our communities. Weekly finalists were featured on the Keloland Living television program each week and three contest winners were announced in May. We continue to see positive results from these campaigns and will continue to implement these as well as new efforts to enhance our member outreach and education.

Since 1996, the Rural Electric Economic Development,

East River, continued

or REED, Fund has provided nearly \$115 million dollars in economic investments to 379 businesses and community ventures to aid in our region's development. The REED Fund and its partner lenders have combined to distribute more than \$946 million dollars in economic investment. Governed by 26 cooperatives in South Dakota and Minnesota, including your co-op, REED highlights the strength of our membership's commitment to our communities and helping the region grow.

We also work collaboratively with our member systems in many other ways to live out the cooperative principle of commitment to community. We do this by giving back to those we serve through charitable giving, events, youth outreach programs and education. This dedication extends to 4-H, the FFA Foundation, Feeding South Dakota, the United Way, Special Olympics, Junior Achievement and many more

organizations that have positively impacted our region.

East River was formed by the determination and collective effort of our members and we exist to enhance the value of those member systems. Our success comes from remaining focused on that mission and our continued success will rely on our cooperative family staying committed to our unified future. The great working relationships between East River and our member systems will enable us to shape an even stronger future as we continue working together towards tomorrow.

I'll close by thanking Southeastern Electric Cooperative General Manager Brad Schardin and your East River board representative John Ostraat for their support of our cooperative family. They are both great people and they represent you well. And thank you for being engaged member-owners of your cooperative and for attending your annual meeting. Thank you.

SDREA report

Maintaining Reliable Infrastructure in Dynamic Times



Steve Barnett
SDREA General Manager

The electric industry is a dynamic and ever-changing landscape that demands constant adaptation to new technologies, public policy shifts, and fluctuations in the marketplace. At SDREA, we take pride in providing the highest quality of service to our member cooperatives to help them deliver power that is safe, affordable, reliable, and responsible.

As we navigate an uncertain future, our mission is to uphold the guiding principles that define us as member-owned, member-controlled cooperatives.

Over the past year, we've undergone several significant changes that have strengthened our organization. With the addition of four new employees, including myself as general manager, we've expanded our team's expertise in the industry. Joe Denison brings years of hands-on experience to the safety and loss control department, while Beth Giddings has a proven track record of community involvement as our new loss control coordinator. Frank Turner has returned to his hometown of Pierre as our new communications specialist.

Like many industries, our sector has faced many challenges over the past year, including labor shortages, inflationary pressures, supply chain disruptions, and post-COVID rebalancing. Despite these challenges, we remain committed to supporting our members and staying ahead of the curve. We believe that our new personnel, combined with our

longstanding commitment to excellence and dedication to serving our members, position us well to navigate the challenges and opportunities ahead.

While we continue to fulfill our obligation to provide reliable communication, I see a prime opportunity to be seized. With so much public and political attention being paid to the recent trends in our industry such as electric vehicles and charging networks, renewable power, grid reliability and more, I see an open invitation for us to frame these discussions, to share our story about who we are, to convey the co-op message that clearly outlines our mission, our tradition, our purpose and our vision for the future. Through the various platforms at our disposal, such as the largest circulating publication in the state, our many social media channels, our marketing efforts, our annual meetings and our personal interactions with civic leaders, lawmakers and other stakeholders, we have an opportunity to open new conversations and create new connections with those who share our commitment to serving in the best interests of our members.

As member-owned, member-controlled organizations, we strive each day to improve the quality of life across our state and promote prosperity in every community we serve. The stage is set for us to champion our ideals and our principles, and to spread the word that cooperative membership has tremendous time-honored value. There is no better time than now to promote our mission, tradition, purpose, and vision for the future, and we look forward to continuing to serve our members with excellence and dedication.



June 3-4, 2023
Siouxland Renaissance Festival
 100 N Lyon Boulevard
 Sioux Falls, SD
 866-489-9241

To have your event listed on this page, send complete information, including date, event, place and contact to your local electric cooperative. Include your name, address and daytime telephone number. Information must be submitted at least eight weeks prior to your event. Please call ahead to confirm date, time and location of event.

JUNE 3
Health Connect of South Dakota: The Human Race 5K
 9 a.m.
 Sertoma Park
 Sioux Falls, SD

JUNE 3
Lunafest Zonta Women's Art, Music & Film Festival
 2:30 p.m.
 Custer Beacon
 Custer, SD

JUNE 3-4
Siouxland Renaissance Festival
 100 N Lyon Boulevard
 Sioux Falls, SD

JUNE 4
Sioux Falls American Legion Post 15 Pancake Breakfast
 8:30 a.m.
 1600 West Russell St at the SD Military Heritage Alliance Building
 Sioux Falls, SD

JUNE 11
River Honoring Community Potluck
 5 p.m.
 Clay County Park River Shelter
 Vermillion, SD

JUNE 16-18
Fine Arts In The Hills Show & Sale
 Main Street
 Hill City, SD

JUNE 21
2023 McCrossan Boys Ranch Golf Classic for Kids
 Central Valley Golf Course
 Hartford, SD

JUNE 21-24
Crystal Springs Rodeo
 Clear Lake, SD
 605-874-2996

JUNE 23
Flandreau Fridays
 5 p.m.
 Downtown Flandreau
 Flandreau, SD

JUNE 25
Zion Lutheran Church's 125th Anniversary
 Service at 2 p.m. with lunch to follow
 700 Oregon Ave
 Hurley, SD
 605-261-7270

JUNE 30
Gregory Community Foundation Polka Fest Fundraiser
 6 p.m.
 Gregory 4H Building
 Gregory, SD

JULY 2
Sioux Falls American Legion Post 15 Pancake Breakfast
 8:30 a.m.
 1600 West Russell St at the SD Military Heritage Alliance Building
 Sioux Falls, SD

JULY 15
Huron MS Walk/Run
 8 a.m.
 Lake Byron
 Huron, SD
 605-350-5922

JULY 22
SD MCC Relief Sale - Helping Others Round the World
 Museum opens 9 a.m., food court at 11 a.m., live auction and silent auction
 Pioneer Hall on Freeman Academy Campus
 Freeman, SD
 605-925-70009

JULY 30-AUG 3
Lincoln County Open Class
 4-H Building, North Room
 27711 SD Hwy 17
 Lennox SD

AUG 13-14
Twin Brooks Threshing Show
 Featuring Allis Chalmers
 Twin Brooks, SD
 605-880-2884

Note: Please make sure to call ahead to verify the event is still being held.