



COOPERATIVE CONNECTIONS



South Dakota Art

**Trashyard
Treasures**

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**The Story of
Dude Dad**

Pages 12-13

A message to our members: Together towards tomorrow



Matt Hotzler
Manager



Bert Rogness
Board President

We invite you to attend your Cooperative's annual meeting on Tuesday, March 21, 2023, at the H-D Electric Headquarters located on Hwy 15 a quarter mile south from the Hwy 15 and Hwy 22 intersection in Clear Lake, S.D. Registration begins at 6:30 p.m. and the business meeting will begin at 7 p.m. Join us for cookies and coffee and each membership that registers will get a \$20 bill credit. Don't forget we will also have a \$1,000 bill credit if the member is in attendance and their name is drawn from the entire membership. Each year we draw a name and if no one wins we add \$100. We haven't had a winner for a while now so we have capped the balance at \$1,000 and started a second drawing which will be at \$300.

The Year 2022 will be remembered by us as the year of the storms. In May, we had tornados and high winds that caused a lot of damage to our electric system as well as many members' properties as well. In December, another storm impacted H-D Electric as an ice storm caused more damage to the H-D lines and required us to call for help to restore power to many members.

2022 Highlights

- **Rates** – No rate increase for 2022. None are expected for 2023.
- **Operations** – We installed 41 miles of new underground lines which seven miles were three-phase, and 34 miles were single-phase lines. Of the 41 miles, 31 miles replaced existing lines and 11 miles were for newly installed lines. We built 45 new services and disconnected or retired 28 for a net gain of 17 services.

- **Member Services** – We completed a total of 850 service orders, 587 were wiring service orders that generated \$445,000 in revenue and \$26,000 in non-operating margins. After having several inquiries about standby generators, H-D became an authorized dealer for the Kohler brand of generators and has access to other brands such as Generac or Briggs&Stratton. While we strive to provide you with reliable power on those rare occasions that power is out we can help you get a standby generator installed.
- **Bill Credit** – H-D Electric again had an exceptional year in sales of kWh. We saw this coming throughout the year so the board approved a \$300,000 bill credit for active members, based on the purchases made from January to October 2022. This bill credit showed up on the bills sent out on December 1st as a credit to your bill. The amount of the credit represented around 3% of the revenues paid in those months. You most likely saw a nice decrease in costs for your November usage billed in early December.
- **Communications** – H-D continues to build a following on social media with nearly 1700 followers on Facebook and over 100 on Instagram. Social media continues to be a great place to get the most up-to-date information on larger outages as we experienced in the May wind storms and the December ice storm.

Once again, I hope you will consider attending your Cooperative's annual meeting on Tuesday, March 21, 2023. Who knows you may even win a \$1,000 bill credit!

For more information on the annual meeting check out this link on our website at <http://www.h-delectric.coop/annual-meeting>.

COOPERATIVE CONNECTIONS

H-D ELECTRIC

(USPS No. 018-905)

General Manager: Matt Hotzler

Headquarters Employees:

Annie Aberle – Finance and

Administration Manager

Michelle Prins – Billing Clerk

Heidi Brewer-Grimlie – Accounting Clerk

Jami Bolden – Receptionist/Cashier

Roger Cutshaw – Engineer

Darren Matthies – Building Property
Worker

Operations:

Troy Kwasniewski – Operations Manager

Todd Sprang – Line Foreman

Line Crew:

Pat Kirby – Operations Support

Joe Raml – Lead Lineworker

Cody Scarrott – Lineworker

Derek Bille – Lineworker

Kevin Holida – Lead Lineworker

Matt Miller – Equipment Operator/
Mechanic

Joseph Jordan Jr. – Apprentice Lineworker

Eric Page – Apprentice Lineworker

Member Services:

Tom Lundberg – Member Services
Manager

Noah Reichling – Electrician

Brady Krause – Journey Electrician

Amanda Reese – Apprentice Electrician

Board of Directors:

President: Bert Rogness – Astoria

Vice President: Terry Strohhus – Hazel

Secretary: Roxanne Bass – Castlewood

Treasurer: Steven Hansen – Clear Lake

Dale Williams – Estelline

Casper Niemann – Lake Norden

Kevin DeBoer – Clear Lake

Laurie Seefeldt – Revillo

Todd Moritz – Castlewood

H-D ELECTRIC COOPERATIVE CONNECTIONS is published monthly by H-D Electric Cooperative, Inc., PO Box 1007, 18240 SD Hwy 15, Clear Lake, SD 57226-1007 for its members. Families subscribe to H-D Electric Cooperative Connections as part of their electric cooperative membership. H-D Electric Cooperative Connections' purpose is to provide reliable, helpful information to electric cooperative members on matters pertaining to rural electrification and better rural living. H-D Electric Cooperative is an equal opportunity provider and employer.

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Design assistance by SDREA.

Notice of 2023 Annual Meeting

March 21, 2023

Dear Member:

The regular annual meeting of the members of H-D Electric Cooperative, Inc. will be held at the H-D Headquarters in Clear Lake, S.D. on the 21st day of March 2023 at 7 p.m. pursuant to the provisions of Section I, Article VI of the Bylaws of said cooperative to act upon the following matters:

1. To elect Directors
2. Pass upon reports for the previous fiscal year.
3. Transact such business as may come before the meeting.

REGISTRATION OPENS AT 6:30 p.m.

The meeting begins at 7 p.m.

Your registration card will be located on the back cover of this newsletter. Please cut it out, sign, and present the card at the registration table. Your registration card will entitle you to an Official Ballot, a \$20 bill credit, a registration gift, and a chance to win a prize. Several prizes include two \$25 energy credits, two \$50 energy credits, one \$100 energy credit, and many more wonderful prizes will be awarded. You must be present to win.

A special \$1,000 and \$300 cash credit to energy bill drawing will be held at the end of the program. The entire membership is entered in this drawing. You must be present to win.

If you are disabled and need a reasonable accommodation to have full and equal enjoyment of this program, please notify the business office at 605-874-2171 or 1-800-358-7233.

Dated this 21st day of February 2023

Roxanne Bass, Secretary

H-D ELECTRIC COOPERATIVE, INC.

Operating Statistics:

	Dec. 2021	Dec. 2022
Customers	3,761	3,780
Amount Collected	\$1,169,526	\$1,231,982
Average Bill	\$310.96	\$326.09
Average Kilowatt-Hour	3,163	3,419
Kilowatt-Hours Purchased ...	12,568,983	13,683,139
Kilowatt-Hours Sold	11,896,346	12,918,867

Spring Planting Safety

Farming equipment has become more massive and technologically advanced over time. While these welcome improvements help farmers cover more ground in less time, taller equipment and longer extensions can bring added challenges around power lines.

As farmers prepare to enter the fields for planting, we urge everyone working in the agricultural field to be alert to the dangers of working near overhead power lines, poles and other electrical equipment.



Follow the 10-foot distance rule

To stay safe around overhead power lines, follow safe work practices at all times to help prevent serious and even deadly accidents. Start by making sure everyone knows to maintain a minimum 10-foot clearance from power lines.

This 10-foot rule applies not only to the area underneath the power line, but to the full 360 degrees around it. Not only can electricity change paths if direct contact is made, it can also happen when someone or something gets too close to a power line, and the current jumps, also known as arcing.

Other precautions

In addition to the 10-foot rule, take these steps to help decrease the chances of an electrical-related incident:

- If your machinery or vehicle comes in contact with a power line, do not get out of the cab because you could be electrocuted. Instead, stay where you are and call 9-1-1 to dispatch the appropriate utility to deenergize the power.
- If it is not safe to stay in the cab due to fire or smoke, make

a solid, clean jump with both feet landing at the same time. Hop away with feet together as far as you can.

- If you come across an accident or incident near a downed power line, alert individuals (from at least 50 feet away) to stay in the cab or vehicle as long as there is no imminent danger. Call 9-1-1 and do not approach the scene.
- Have a daily meeting with staff to go over possible hazards. Map out and review routes where equipment will be moved and ensure it will clear power lines.
- Teach anyone working with or for you (including family members and seasonal employees) about power line awareness and proper clearance distance.
- When working around power lines, always use a spotter, who has a broader vantage point than the person in the cab.
- Visually inspect overhead lines, which may not meet height codes due to age or pole damage. If a wire is hanging low, never try to move it; instead, contact your electric utility for assistance.
- Lower extensions to the lowest setting when moving loads.



Take care when plugging in appliances

Stella Nilson

Stella Nilson gives good advice on circuit safety. Overloading circuits is a major cause of residential fires, and she warns people to take care when plugging in appliances. Stella is the daughter of Kyle and Alision Nilson, members of Moreau-Grand Electric based in Timber Lake.

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.



SEAFOOD SPECIALTY

SEAFOOD PARTY DIP**Ingredients:**

1 pkg. mock crab sticks
 1 pkg. mock crab pieces
 1 pkg. mock lobster
 1 pkg. salad shrimp
 1 can water chestnuts
 1 medium onion (optional)
 1 c. real mayonnaise
 2 pkg. Philly cream cheese
 Dried parsley, garlic powder, salt, and pepper to taste

METHOD

Grind crab, lobster, shrimp, and water chestnuts. Chop onion. Using a mixer, blend mayo and cream cheese until smooth. Add parsley, garlic powder, salt, and pepper to taste. Combine with seafood. Mix well and refrigerate. Serve with various kinds of crackers.

Kari Larson Reder, Warner, S.D.

WALLEYE CAKES**Ingredients:**

8 oz. walleye (cooked, cooled, and flaked)
 1 1/2 c. mayonnaise
 4 eggs
 1 c. cooked wild rice
 1/2 c. Parmesan cheese
 4 green onions (chopped)
 1 sleeve saltine crackers (crushed)
 1 tsp. crushed garlic
 2 tsps. seasonings (salt, pepper)
 2 tbsp. oil or butter

METHOD

In large bowl, combine walleye, mayo, rice, onion, garlic, and cheese. Add eggs and seasonings. Fold in crushed saltines until the mixture is firm enough to form cakes. Fry in olive oil for 2-3 minutes on each side or until crispy. Serve with topping: 1/2 c. mayo, 1 tsp. garlic powder, and 1 oz. crumbled blue cheese. Mix together.

Dar Duncan, Milbank, S.D.

SHRIMP PASTA**Ingredients:**

1 can (14 1/2 oz.) diced tomatoes, undrained
 1 can (6 oz.) tomato paste
 1 c. water
 2 tsps. sugar
 1 tsp. basil leaves
 1 tsp. garlic powder
 1 tsp. oregano leaves
 1/2 teaspoon salt
 1/4 tsp. crushed red pepper
 8 oz. pasta, such as linguine or spaghetti
 1 lb. medium shrimp, peeled and deveined

METHOD

Mix tomatoes, tomato paste, water, sugar, basil, garlic powder, oregano, salt and red pepper in large saucepan. Bring to boil on medium-high heat. Reduce heat to low; simmer, uncovered, 20 minutes, stirring occasionally. Meanwhile, cook pasta as directed on package, adding shrimp during last 3 minutes of cooking. Drain. Return pasta and shrimp to saucepot. Pour tomato sauce over shrimp and pasta. Toss gently to coat well. Serve immediately with shredded Parmesan cheese, if desired.

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.

Minutes of the 2022 Annual Meeting

Minutes of the 79th annual meeting of the members of H-D Electric Cooperative Inc., held on Tuesday, March 22, 2022 at 7:00 o'clock p.m. at the Hamlin Education Center, Hayti, county of Hamlin, State of South Dakota.

The 79th annual meeting of the members of H-D Electric Cooperative, Inc. was held at the Hamlin Education Center, Hayti, Hamlin County, South Dakota, on Tuesday, March 22, 2022, at 7:00 p.m., pursuant to the notice of the annual meeting duly mailed to all members.

The President of the Board, Mr. Bert Rogness, called the meeting to order at 7:00 p.m. following refreshments in the hallway. Before the call to order, a video from East River Electric was played for the members.

The President of the board, Mr. Rogness, led the members in the Pledge of Allegiance and the singing of the National Anthem. Pastor Darren Shaw of Blom Prairie Lutheran Brethren Church gave the invocation.

The President of the board, Mr. Rogness, acted as the Chairman of the meeting and reported a quorum of 144 members were present. A quorum being present, Mr. Rogness, Chairman, announced the meeting was duly convened.

Mr. Rogness introduced the former H-D director Doyle Thompson and thanked him for attending the membership meeting. He also acknowledged those board members that have passed away and thanked them for their service to H-D Electric Cooperative, Inc. Mr. Rogness introduced the special guests from East River Electric Cooperative, Tom Boyko and Chris Studer. Then introduced Mark Hofer

who represents South Dakota on the National Rural Electric Cooperative Association Board. Mr. Rogness then introduced each of the current board members for H-D Electric Cooperative, Inc. In addition, he introduced the manager and the project attorney.

Ms. Roxanne Bass read the notice and proof of mailing for the annual meeting.

Mr. Bert Rogness referred the members to the minutes of the 78th annual meeting of the members on March 23, 2021, printed in the H-D Electric Cooperative Connections and mailed to the members. On motion duly made, seconded and carried, the minutes of the 78th annual meeting held on March 23, 2021, were approved.

The panel consisting of Mr. Bert Rogness, President, Mr. Matthew Hotzler, General Manager, and Mr. Steve Hansen, Treasurer, presented the H-D Electric Cooperative, Inc. Annual Report with the aid of a PowerPoint presentation.

Mr. Matthew Hotzler, General Manager, presented a discussion of Covid-19 response and preparedness, a busy year for new services, the aged asset replacement plan, the quality employees of H-D Electric Cooperative, quality electric products and services, outages, and the expectations for future years' electric costs. Margin stabilization can be used to cover margin shortfalls in leaner years.

Mr. Hotzler advised the membership there is no increase in rates planned for 2022. The long-range plan does, however, show 3-3.5% annually.

Mr. Steven Hansen, treasurer, reviewed the financial reports, which were available to the members in the Cooperative Connections Publication. Mr. Hansen reported that 2020 showed a clean audit.

The 2021 audit was in process now. There was growth during 2021. Mr. Hansen discussed revenue and expense with the margin stabilization funds, operating and non-operating margins, and capital credits from generation and transmission entities.

Mr. Bert Rogness, H-D's director of East River Electric Cooperative, Inc. presented a report from East River. Mr. Rogness discussed transmission through East River, the Dakota Energy case and the effect on H-D Electric Coop, Inc. He announced that H-D Electric was not planning the same actions as Dakota Energy. Mr. Rogness discussed reliability and market rates. Due to the structure of coops, H-D Electric is insulated from drastic market rate jumps in many cases.

Mr. Matthew Hotzler, General Manager, discussed Dakota Gasification Company as a subsidiary of Basin. He discussed how it was profitable until 2014 and then not profitable until this year. Mr. Hotzler discussed the sale of Dakota Gasification Company and the efficiencies gained with Dakota Gasification Company.

Mr. Matthew Hotzler discussed H-D Electric's Tesla model 3 known as "joule". Mr. Hotzler discussed the popularity of electric vehicles, the range of the vehicle, range anxiety and chargers. He noted that Joule is very economical.

Mr. Bert Rogness discussed youth events. There have been changes over the last couple of years due to the Covid response. The Coops in classrooms program is active this year. He announced the scholarship recipients to area students.

Mr. Hotzler discussed SDREA. He discussed the investment made at the safety meetings of H-D Electric. He reported that SDREA conducts three safety meetings with H-D Electric each year.

Mr. Bert Rogness advised the membership that the 2021 financial report needs to be approved by a resolution.

On motion duly made, seconded and

carried, it was resolved that the financial report for H-D Electric Cooperative, Inc. for 2021 is approved.

Mr. Bert Rogness then introduced the project attorney, Craig D. Evenson for instruction on the voting process. Mr. Craig D. Evenson advised the membership that candidates filing a petition in 2022 are the following:

District 1 – Terry Strohfus

District 2 – Roxanne Bass

District 6 – Kevin DeBoer

On motion duly made, seconded and carried, the following directors were elected as the directors for H-D Electric Cooperative, Inc. for a term of three years:

District 1 – Terry Strohfus

District 2 – Roxanne Bass

District 6 – Kevin DeBoer

Mr. Rogness asked if there was any old business. There was none.

Mr. Rogness asked the members if there was any new business. There was

none.

Mr. Rogness then introduced Troy Kwasniewski and Heidi Grimlie to draw for door prizes.

Mr. Rogness then asked for a motion to adjourn. On motion duly made, seconded and carried the meeting was adjourned.

The final total attendance was 147 members.

2023 Director Candidate Profiles

As of the February 1 magazine deadline, H-D Electric has received a completed petition for District 3 and 4 for the 2023 Director Elections. If more petitions are received on or before the February 24 petition deadline, a candidate profile will be posted on the H-D Electric website at www.h-delectric.coop.



District 3 – Todd Moritz

Todd and his wife, Angela, have two children, Matthew, and Emily. Matthew is a sophomore at Great Plains Lutheran High School and Emily is an eighth grader at St. Martins Lutheran School. The Moritz family live east of Castlewood in Hamlin Township where they operate a farm/ranch.

Todd is currently a board member at H-D Electric, having just completed his 1st term. He is also the board secretary for the Sioux Rural Water System.

"I have enjoyed learning about H-D Electric. I look forward to continuing to serve the members of the Coop," he said.



District 4 – Calvin Musch

Calvin and LeAnn live 3 ½ miles North of Tunerville on his family farm. Between them they have six children and ten grandchildren. He attended and graduated school from Grant-Deuel School. In his free time, he likes to fish, especially ice fishing. He has been a customer with H-D his whole life.

Calvin has served on the Portland Township board since 1981 and the State Towns & Township board for 16 years.

"I think I'd be a good asset being on the board knowing the needs and wants of the co-op and its patrons," he said.



District 9

H-D Electric has not received any completed candidate petitions for District 9 on or before February 1st, 2023, the deadline date to be featured in the Cooperative Connections.

If one or more petitions are received, on or before the February 24th, 2023, petition deadline, a candidate profile will be posted on the H-D Electric website at www.h-delectric.coop.

TRASHYARD TREASURES

Lee Lindsley of Piedmont turns trash into treasure when he isn't on the clock working for the South Dakota Department of Transportation.

South Dakota Man Welds Junkyard Scraps Into Pieces of Art

Frank Turner

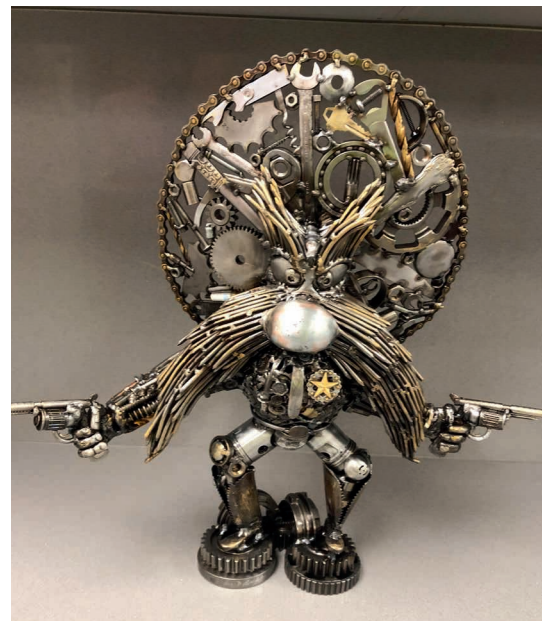
frank.turner@sdrea.coop

Lee Lindsley has a real talent for welding trash into treasure. Given the time, Lindsley can sculpt even the most unwanted junkyard scrap – busted gears, rusted lug nuts and mangled bicycle chains – into an artistic masterpiece.

By day, Lindsley works as a region inspector for the South Dakota Department of Transportation in the Black Hills, but by night, he can be found in his shop putting hours of work into his metallic puzzles, welding them together piece by piece.

When not on the clock, Lindsley is busy tackling his next project, investing anywhere from 30 to 100 hours into each sculpture. The end result often portrays a snapshot of rural life in the Black Hills: a life-size hunting dog made from a mix of old tools and spent rifle rounds, a miniature snowmobile standing on a displaced piston and a gun-slinging Yosemite Sam with a beard fashioned from old nails.

“Metal sculpting is some-



Famous cartoon character Yosemite Sam is one of Lindsley's favorite metal creations.

thing that anyone can do if they put their mind to it,” said Lindsley. “All I do is throw parts of junk together.”

In many ways, Lindsley’s passion for sculpting and welding echoes the resourcefulness of the very artwork he makes. When Lindsley began his metal sculpting journey, he didn’t have a formal education or even a background in art to guide him. Instead, he relied on his welding skills and the bits of scrap he had available to make his remarkable artwork.

“It’s hard to put a price on these pieces, but if my artwork does sell, I want to donate a portion of the sale to a charity.”

It was Lindsley’s second cousin Chris Degen, a teacher at Mitchell Technical College, who inspired Lindsley’s first foray into metal sculpting four years ago. Degen recalls gifting Lindsley’s son, a former lineman, a simple lineman made from nuts and bolts during the holidays. The quirky Christmas gift became a catalyst for the two to start creating new projects and bouncing new ideas off each other. According to Degen, Lindsley just ran away with the idea.

“He went crazy with it,” Degen laughed. “Lee started making sculptures that went way above and beyond what I was doing. I would put an hour into my project, and he would put one hundred into his.”

Taking another step forward in his hobby, Lindsley began researching works and art pieces posted online by world-famous metal sculptors, including metal sculptors John Lopez – a South Dakotan – and Brian Mock, whose masterpieces provided Lindsley a roadmap of what can be accomplished.

Since embarking on his metal sculpting journey, Lindsley has completed more than 18 metal sculptures, and his hobby continues to blossom. For the first time ever, Lindsley put one of his sculptures

up for sale in A1 Al’s Pheasant Ranch in Emery S.D. Since November, Lindsley’s metal hunting dog has stood proudly in one of the ranch’s hunting cabins, waiting for a buyer, and although the dog hasn’t left the shelf just yet, Lindsley said he is

excited to see his work out in the open and visible to the public eye.

“It’s hard to put a price on these pieces, but if my artwork does sell, I want to donate a portion of the sale to a charity,” he said. “We will see what happens.”

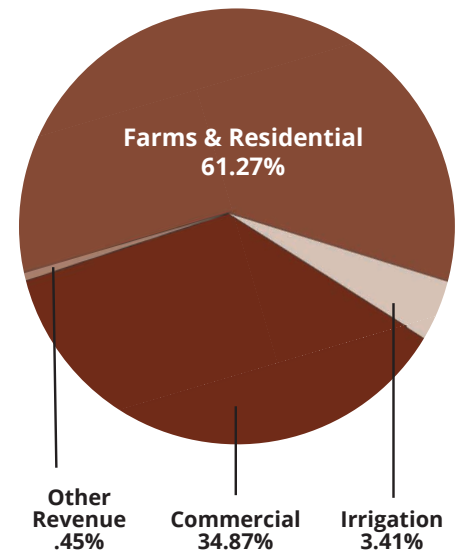


Lindsley’s metal German shepherd sits proudly in his workshop.

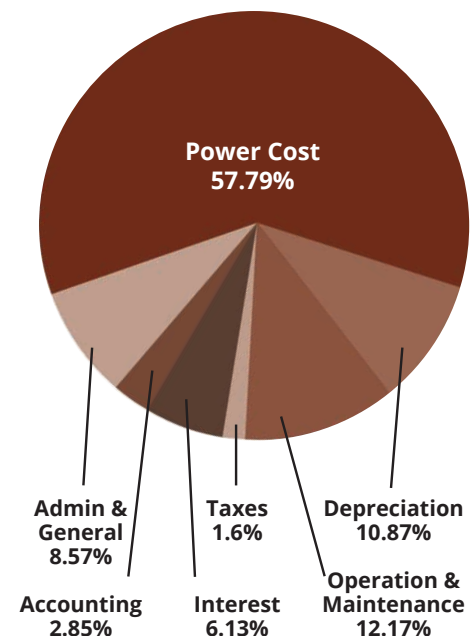
CO-OP FINANCES

Operating Summary	2021	2022
Income		
Farms and Residential	\$7,396,017	\$7,849,883
Commercial	\$4,438,259	\$4,467,344
Irrigation	\$499,613	\$437,283
Other Operating Revenue	\$62,858	\$58,174
REVENUE FROM ELECTRIC SALES	\$12,396,747	\$12,812,684
Margin Stabilization	(325,783)	(60,216)
TOTAL REVENUE	\$12,070,964	\$12,752,468
Expense		
Cost of Purchased Power	\$719,566	\$7,073,835
Operation of Lines	\$720,625	\$901,061
Maintenance of Lines	\$434,451	\$588,924
Consumers Accounting & Collecting	\$144,038	\$167,060
Customer Service Expense	\$202,486	\$177,866
Sales Expense	\$4,583	\$4,532
Other Administrative & General Expense	\$962,637	\$1,051,233
Depreciation	\$1,350,794	\$1,331,005
Taxes	\$185,550	\$195,348
Interest Expense	\$697,398	\$733,027
Other Misc. Expense	\$7,314	\$17,342
TOTAL EXPENSE	\$11,905,537	\$12,241,233
Operating Margins for the Year	\$165,427	\$511,235
Non-Operating Margins for the Year	\$103,717	\$145,668
G & T Capital Credits & Other	\$549,009	\$1,035,757
TOTAL MARGINS FOR THE YEAR	\$818,153	\$1,962,660
Balance Sheet	12/31/2021	12/31/2022
Assets		
Lines, Office Bldg, & Operating Equipment	\$44,723,651	\$47,393,160
Construction Work In Progress	83,001	371,363
Less: Reserve for Depreciation	(17,236,751)	(18,349,803)
TOTAL ELECTRIC PLANT LESS DEPR	\$27,569,901	\$29,414,720
Cash on Hand	\$21,367	\$27,081
Patronage Capital & Investments in Related Organizations	7,968,916	8,508,196
Working Capital, Member Loans & Investments in Other Organizations	3,486,356	3,990,451
TOTAL CASH AND INVESTMENTS	\$11,476,639	\$12,525,728
Receivables from Electric Consumers	\$1,188,764	\$1,252,611
Interest & Others	142,768	101,430
TOTAL RECEIVABLES	\$1,331,532	\$1,354,041
Material & Supplies	\$1,306,803	\$1,810,851
Prepaid Insurance & Dues	47,941	47,400
Deferred Debits	511,352	547,233
TOTAL MATERIAL & OTHER ASSETS	\$1,866,096	\$2,405,484
TOTAL OF WHAT WE OWN	\$42,244,168	\$45,699,973
Liabilities		
Amount borrowed from RUS and CFC	\$45,780,985	\$47,730,985
We paid back on Principal	(\$19,440,584)	(\$20,657,748)
Advance Payment to RUS	(1,074,539)	(8)
TOTAL LONG TERM DEBT	\$25,265,862	\$27,073,229
We Owe East River (Consumer Loans)	\$56,497	\$49,133
We Owe Consumers (Deposits)	39,815	35,581
Deferred Credits	130,652	399,995
Regulatory Liabilities	2,273,916	233,413
Accounts Payable & Other Liabilities	1,437,091	1,481,714
TOTAL OTHER LIABILITIES	\$3,937,971	\$4,300,555
TOTAL AMOUNT WE OWE	\$29,203,833	\$31,373,784
Patronage Capital & Other Equity	\$13,040,335	\$14,326,189
TOTAL LIABILITIES AND EQUITY	\$42,244,168	\$45,699,973

2022 Revenue Dollar



2022 Expense Dollar



2022 Financial Statements have not been audited.

Attention high school juniors and seniors

Win a trip to Washington D.C.

H-D Electric Cooperative will once again sponsor high school (juniors and seniors) on an all-expense-paid trip to Washington, D.C. Each June, more than 1,800 high school juniors and seniors travel to Washington, D.C., to participate in the Rural Electric Youth Tour. During the week, they learn about Washington, D.C., government, cooperative philosophy and rural electrification. The students are selected and sponsored by their local rural electric cooperatives. The South Dakota Rural Electric Association (SDREA) coordinates arrangements for the South Dakota students.

The all-expense paid trip includes transportation, room and board, entertainment and sight-seeing events. Students are asked to provide their own personal spending money for items such as snacks and souvenirs.

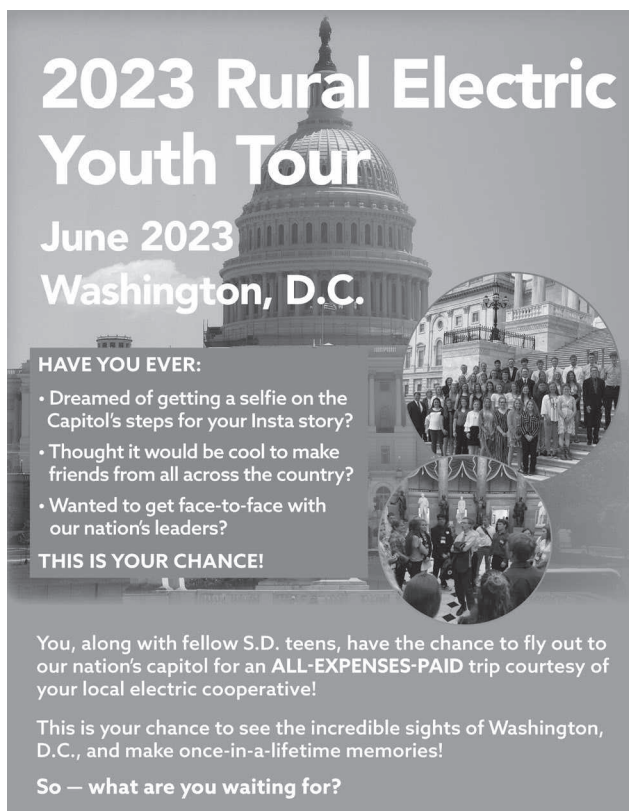
Some of the sites that are toured are as follows: the Lincoln Memorial, National Cathedral, The White House, Air and Space Museum, Washington Monument, U.S. Capitol, Ford's Theatre, The Kennedy Center, the Metro, Arlington National Cemetery, Mount Vernon, Tomb of the Unknown Soldier, The Smithsonian, Iwo Jima Statue, National Archives, U.S Supreme Court, and the Vietnam Veterans Memorial. Students will also participate in a breakfast briefing with the South Dakota Congressional Delegation.

How do I Qualify? Complete the Rural Electric Youth Tour application form that is available from your school guidance counselor or H-D Electric Cooperative website www.h-delectric.coop or in person at H-D Electric headquarters. Submit completed applications to H-D Electric Cooperative before Mar. 17, 2023.

To obtain the application form and essay questions contact H-D Electric, PO Box 1007, Clear Lake, SD 57226 or call 800-358-7233. You can also find the application form on our website at www.h-delectric.coop. Application must be completed and returned to the office of H-D Electric by **March 17, 2023** we look forward to receiving the applications and videos.

For more information contact:

Jami Bolden — jamib@h-delectric.coop
18240 SD Hwy 15
PO Box 1007
Clear Lake, SD 57226
605-874-2171
www.h-delectric.coop



2023 Rural Electric Youth Tour
June 2023
Washington, D.C.

HAVE YOU EVER:

- Dreamed of getting a selfie on the Capitol's steps for your Insta story?
- Thought it would be cool to make friends from all across the country?
- Wanted to get face-to-face with our nation's leaders?

THIS IS YOUR CHANCE!

You, along with fellow S.D. teens, have the chance to fly out to our nation's capitol for an **ALL-EXPENSES-PAID** trip courtesy of your local electric cooperative!

This is your chance to see the incredible sights of Washington, D.C., and make once-in-a-lifetime memories!

So — what are you waiting for?

ATTENTION H-D MEMBERS: MARK YOUR CALENDAR!

Tuesday March 21st, 2023, at the H-D Electric Headquarters in Clear Lake, SD.

Registration: 6:30 p.m.

Meeting: 7 p.m.

Registration Gift plus \$20 Bill Credit! Other prizes to be given away after the meeting!

All member bill credit drawing for \$1,000 and \$300. Must be present to win.



THE STORY OF DUDE DAD

Taylor and Heidi Calmus play with their kids (Theo, Juno and Otto) on a playset Taylor built. The family will welcome another baby in March.

Howard Grows More Than Corn

Tara Miller

Central Electric Cooperative

His kids may only know him as dad, but Jimmy Kimmel, the entire internet and 7 million followers can't be wrong – Howard native Taylor Calmus has evolved into a new-age celebrity. Better known as Dude Dad, Calmus is an accomplished actor, video producer, digital content creator, author, builder, television show host and comedian. Besides making regular appearances on Jimmy Kimmel Live, Calmus has also shared the screen with home remodeling experts Chip and Joanna Gaines, acclaimed actor Anthony Anderson and several YouTube stars.

Calmus is the son of Larry and Julie Calmus. He grew up west of Howard with siblings Zach and Maggie, and graduated from Howard High School in 2005. He now lives in Fort Collins, CO, but Calmus credits much of his creativity to his rural upbringing.

"Growing up in rural South Dakota was awesome because it forced us to create our own fun. My parents were big advocates of that. They would say, 'Go outside and

find something to do.' It enabled us to be creative," Calmus said.

His mom, Julie, agrees. "We were sticklers. We didn't let them play Nintendo or watch tv all day." Instead, the kids often spent time outside constructing BMX bike ramps, among other things.

Building Strong Connections

Now a dad himself, Calmus enjoys putting his ingenuity and building skills to work for his kids. "Building things with your kids is one of the best ways to bond with them," he said. "I've made carnival rides, backyard bike parks, multiple tree houses, a boat, just so many things. Being a dad gives you permission to imagine the impossible like kids do. It allows me to connect with them."

Calmus and his wife Heidi, who is originally from Fargo, have three children and another baby due in March. Heidi is often the subject of her husband's videos. Calmus puts his acting skills to work, sporting a long brunette wig as he comedically embellishes her life. Luckily, Heidi is a good sport, and they often share reaction videos in which she critiques his performance.

The couple went on tour this year, performing comedy shows as a team in North Dakota, South Dakota and Colorado. Calmus said without his wife, they would not have experienced this level of success. "Heidi believed in me before I did. Without her, Dude Dad wouldn't exist today."

The Evolution of Dude Dad

Success didn't happen overnight, Calmus explained. Early on, he would often pick up work doing set construction for tv shows and movie projects to make ends meet.

"When I moved away, I worked hard to make it in Hollywood as an actor, and I had some success," he said. "Then, when Heidi was pregnant with our second child, it was clear to me that I needed to do something more stable to support a family. That's when we created Dude Dad."

Mastering the Dude Dad brand took a great deal of time and commitment. Calmus constantly brainstormed new ideas for videos that would align with the brand and appeal to viewers. After all, the more views his content generates, the more income he earns from paid advertising on the various platforms.

A humble individual, Calmus doesn't necessarily consider himself famous. He said, "I think my content caught on faster in



Taylor and Heidi perform stand-up comedy as a team. They recently sold out shows in Fargo, Sioux Falls, and Fort Collins.

South Dakota because I have family here.”

But the numbers don't lie. Dude Dad content has more than 1 billion views on Facebook and roughly 150 million views on YouTube. So, his reach is far greater than just the state of South Dakota.

“With TikTok and other apps, there are a billion new creators every year, so it's a challenge all the time,” Calmus said. “Anybody can make videos online now, but not everybody can stand in front of an audience and perform comedy. It's been a fun and rewarding challenge. Now we get to see the people who are connecting with our content.”

Calmus authored a book entitled “A Dude's Guide to Baby Size” to help expectant dads understand their baby's size throughout pregnancy. He shares guy-friendly size comparisons for reference, such as a lug nut, a tape measure, a pound of ground beef and a football.

Giving Back

Because of his success, Calmus has been able to give back in unique ways. In 2019, he partnered with HGTV “Fixer Upper” star Chip Gaines to raise \$1.49 million for St. Jude's Children's Hospital. This partnership led to Calmus's television show, Super Dad, where he helps other dads build custom backyard play areas for their children.

Calmus is also a champion for Horizon Health Foundation's Smiles for Miles program. He helped the non-profit raise more than \$20,000 in a single day to provide free dental care for local kids.

Most recently, Taylor and Heidi performed

a live show in Fort Collins and donated the proceeds to a neighborhood family who sadly lost their father.

“He left behind two little kids who are friends with our kids, and we just wanted to be there for them however we could,” Calmus shared.

Making the Family Proud

Reggie Gassman, Calmus's uncle, is the Manager of Customer Electrical Services at Sioux Valley Energy in eastern South Dakota. He said he's proud of his nephew's accomplishments.

“When the kids were little, Taylor and Zach were already making home movies. His success creating videos doesn't surprise me at all,” Gassman said. “He takes something from normal, everyday life and sees it from a different angle.”

Gassman joked, “I told Taylor acting genes run in the family because I was named best actor in the junior class play. That's like the Emmys of Canova!”

Calmus said both sides of his family – Calmus and Gassman – are naturally funny and talented in different ways. While Gassmans are widely known for their baseball skills, his uncle Kurt (and his mustache) have famously inspired some of Dude Dad's most iconic characters.

He's Still Just Taylor

Despite his growing list of accomplishments, he's still the same guy his family knows and loves.

Calmus's mom Julie shared, “Since he was two years old, Taylor was always entertaining people and goofing around. His older brother Zach is just as clever, so there's always laughter when the family gets together. It's pretty cool he's been able to make a living doing that.”

She said when strangers recognize her son as Dude Dad, she chuckles. “He's still just Taylor to us.”



“Husbands of Target” is a viral video with more than 80 million views that Taylor developed in collaboration with other digital content creators.

Independent auditor's report

The Board of Directors
H-D Electric Cooperative, Inc.
Clear Lake, South Dakota

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of H-D Electric Cooperative, Inc., which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of operations, equities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of H-D Electric Cooperative, Inc. as of December 31, 2021 and 2020, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of H-D Electric Cooperative, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about H-D Electric Cooperative, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually

or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of H-D Electric Cooperative, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about H-D Electric Cooperative, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit,

significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated REPORT DATE on our consideration of H-D Electric Cooperative, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with

Government Auditing Standards in considering H-D Electric Cooperative, Inc.'s internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the Rural Utility Service's requirements set forth in 7 CFR Part 1773, we have also issued a report dated May 20, 2022, on our consideration of H-D Electric Cooperative, Inc.'s compliance with aspects of contractual agreements and regulatory requirements for electric borrowers. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not directed primarily toward obtaining knowledge of noncompliance. That report is an integral part of procedures performed in accordance with Rural Utility Service's requirements in considering H-D Electric Cooperative, Inc.'s compliance with certain regulatory requirements.

Touchstone Scholar of the Week

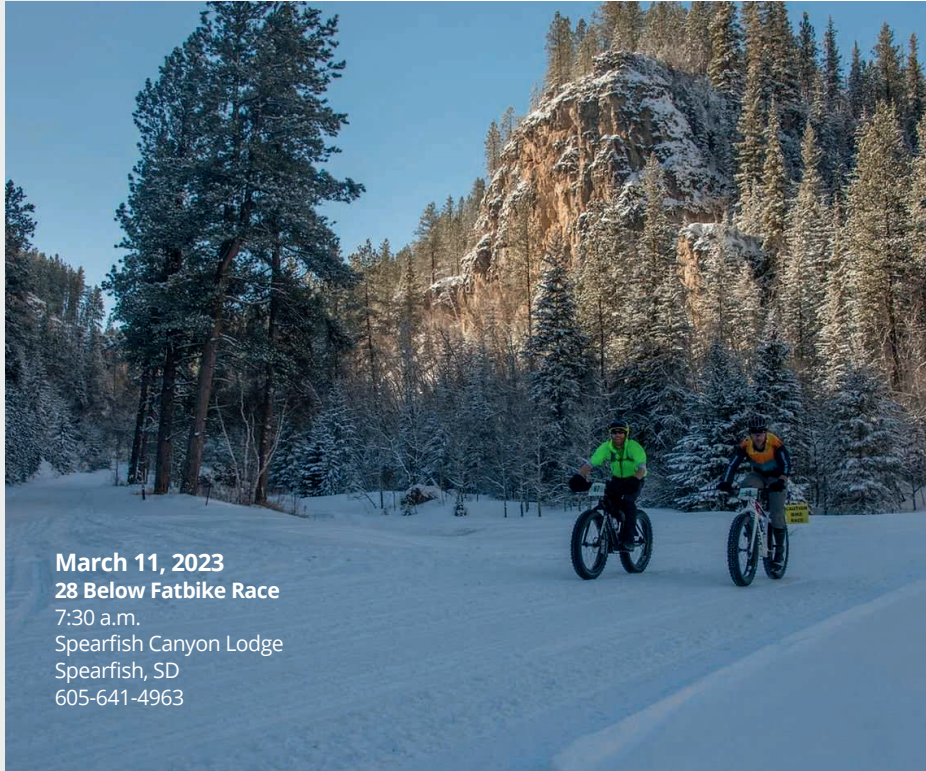
Congratulations to Jackson Baer a 2023 Touchstone Energy Scholar of the week. Jackson is a senior at Deuel School and the son of Matt and Tammy Baer. He plans on attending Lake Area Tech in Watertown in the fall of 2023 and going for Networking Cyber Security

The Scholar of the Week program is a partnership between Dakota News Now and your local Touchstone Energy Cooperatives that honors the region's accomplished high school students.

Each weekly winner receives a cash award from their local Touchstone Energy Cooperative and is featured on Dakota News Now. All winners are also eligible to receive one of the three scholarships that are given away



at the annual Scholar of the Year banquet. Nominations for the weekly awards are submitted by area school principals and faculty, whose selections were based on excellence in the classroom and service in the community.



March 11, 2023
28 Below Fatbike Race
 7:30 a.m.
 Spearfish Canyon Lodge
 Spearfish, SD
 605-641-4963

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.

MARCH 4
Hill City Arts Council:
Live On Stage
 5:30 p.m.
 High Country Guest Ranch
 Hill City, SD
 605-574-2810

MARCH 11
28 Below Fatbike Race
 7:30 a.m.
 Spearfish Canyon Lodge
 Spearfish, SD

MARCH 18
Hill City Arts Council:
Live On Stage
 5:30 p.m.
 High Country Guest Ranch
 Hill City, SD
 605-574-2810

MARCH 24-25
Schmeckfest
 Freeman Academy Campus
 Freeman, SD
 605-321-7351

MARCH 31-APRIL 2
70th Annual Hayes Play:
Trouble in Tumbleweed
 Hayes Community Hall
 Hayes, SD
 605-280-6556

APRIL 1
East Dakota Chapter
NWTF 30th Banquet
 Sioux Falls, SD
 605-940-0702

APRIL 21-22
Junkin' Market Days,
Spring Market
 W.H. Lyon Fairgrounds
 Expo Building
 Sioux Falls, SD
 605-941-4958

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

Please bring this page with you

MARK YOUR CALENDAR!

Attend H-D Electric's Annual Meeting

Tuesday, March 21, 2023

6:30 p.m.

Registration

7 p.m.

Meeting Begins

Meeting Location:
H-D Headquarters
 18240 SD HWY 15
 Clear Lake, SD 57226

Voter Registration Form
 To be used only by:
 Churches, Halls, Public Entities
 Corporations or Partnerships.
 Please present this form to receive a ballot.

REGISTRATION CARD

(Name of Organization)
delegate and appoints:

(Name of Voting Delegate)
as the person authorized to vote on behalf
of the above entity at the 2023 annual
meeting of H-D Electric Cooperative, Inc.

(Signature of Member)

(Signature of Officer)