



COOPERATIVE

CONNECTIONS



Wall Meats Expansion

Reviving Local
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New Underwood
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the Grid
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Lacreek Electric Association's 2023 Annual Report



Josh Fanning
General Manager

We would like to welcome our members to the 76th Lacreek Electric annual meeting. As always, our goal at Lacreek Electric Association Inc. is to serve our members as best we can in today's environmental/technology driven world, and to provide our members with safe, affordable and reliable energy.

We feel strongly that our responsibility to the membership is to continually improve our community's energy infrastructure and implement new technologies as we strive to maximize the efficiency of our operation.



Wade Risse
Board President

Through the planning and foresight of your board of directors and management, a tremendous amount of hard work from the employees and the support of the members, Lacreek showed operating margins of \$531,139, non-operating margins \$481,264 and G&T margins of \$737,793. In 2023, we retired \$784,130 in cooperative and \$318,983 in G&T capital credits along with \$137,477 in Estates. At the beginning of the month, we mailed out 100% of the 2002 Coop & G&T capital credit checks in the amount of \$1,097,253.

2024 Annual Meeting Operations Report

We got off to a bit of a rocky start in 2023, with everyone in a hundred-mile radius reeling from 2022 snowstorms that left drifts in some places that did not melt till June but it did bless the agricultural aspect in this area with needed moisture.

At Lacreek Electric we forged ahead with upcoming plans to replace the overhead Sub-Transmission feeder coming to the Martin Rural Substation from the Martin WAPA Substation with an Underground Feeder. This relatively short project will significantly increase the reliability of our Martin to Shannon Tie.

With a new underground feeder in progress between Wounded Knee and Manderson, we

have reinsulated power lines in those areas with Loneman North and Denby East also having been reinsulated and prepared for a voltage upgrade.

Lacreek Electric installed three-phase power to Tribal and County Schools on our system as they expand to meet the needs of a growing student body. Wolf Creek High School has installed a new Water Tower, a Sports Complex, Bus Garage and is adding to its Teacher Housing facilities. Loneman Elementary has added a Bus Barn to their campus and Wounded Knee District School at Manderson has shared plans for a new School. Lacreek has installed 73 new services in 2023 across our system, close to 1% growth for our cooperative.

We were not without some severe and damaging storms last summer. In early July straight-line winds or a tornado ripped through our Sub-Transmission line just east of the Gordon Junction and snapped off 25 transmission poles. Keller Construction was hired to help get the line back up and on. Lacreek crews were busy with distribution poles that were down in that area from the storm.

Ram Utilities has been doing pole testing for Lacreek Electric for some years but was recently bought out by Exo Wood Pole Inspections. A different company and name but are mostly the same technicians doing the same excellent work.

In 2023 they tested poles in all of the Manderson, Rockyford, and Cunny Table areas then finished on the Kyle Sub West and South Circuits. They tested 5,547 poles and found 211 rejects for a 3.8 percent reject rate.

In conclusion, many thanks to Keller Construction, Exo Pole testing, Rushmore Engineering and the Lacreek Employees for

Contributors: Lacreek Operations
and Finance Manager

**COOPERATIVE
CONNECTIONS**

LACREEK ELECTRIC

(USPS No. 018-912)

Board of Directors

Wade Risse – President
 Scott Larson – Secretary
 Tom Schlack – Treasurer
 Clarence Allen – Troy Kuxhaus
 Cole Lange – Clifford Lafferty
 Neal Livermont – Marion Schultz
 Jerry Sharp – Connie Whirlwind Horse
 Donovan Young Man

Management Staff

Josh Fanning – General Manager
 Mike Pisha – Operations Manager
 Tracie Hahn – Office Manager
 Kasi Harris – Finance Manager
 Sherry Bakley – Work Order/Staff Assistant
 Ashley Turgeon – Administrative Assistant
 Jessica Cook – Member Services/IT

Office Personnel

Amy Pisha – Right of Way Specialist
 Cody Larson – Accountant
 Terri Gregg – Member Service/Billing Specialist
 Katrina Fish – Member Service/Billing Specialist
 Lisa Jensen – Member Service Representative

Operations Personnel

Line Foreman: Jesse Byerman
 Journeyman Linemen:
 Jordon Bakley – Dane Claussen – Lonny
 Lesmeister – Garrett Metzinger – Aaron
 Risse – Trace Scott – Damon Wangerin
 Apprentice Linemen:
 Tee Allen – Les Cuny – Kody Hagen
 Matthew Kruid – Chayson Schofield
 Riley Meis – Cameron York
 Staking Specialist: Ryan Pettit
 Warehouseman: Henry Johnson
 Maintenance Man: Justin Smokov

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Reprint of
Official Notice
 of Lacreek Electric Association’s 76th Annual Meeting
Thursday, April 25, 2024
Old American Legion Auditorium, Martin, S.D.

Dear Member,

Please plan to attend the 76th annual meeting for members of Lacreek Electric Association, Inc. on Thursday, April 25, 2024, at the old American Legion auditorium in Martin. Prizes include eight \$50 and one \$300 grand prize. A \$20 bill credit will be given to each voting member attending the meeting. In lieu of a meal, a meal voucher will be given to each voting member. The voucher is redeemable at several locations across our service area.

The evenings events will include:

- 5:00-6:00 pm – Member Registration at Old American Legion Auditorium
- 6:00 pm – Business Meeting Begins
- At End of Meeting – Drawing for the eight \$50 prizes and one \$300 Grand Prize

During the meeting, four directors will be elected. The following candidates are running:

- o Zone 2 – East Bennett County
 Cole Blu Donovan
 Brent Ireland
- o Zone 4 – East Oglala Lakota County
 Marion Schultz, incumbent
- o Zone 7 – Cherry County, NE
 Tom Schlack, incumbent
- o Zone 9 – West Oglala Lakota County
 Donovan Young Man, incumbent

Capital credit checks will NOT be given out at the meeting, as they will be mailed April 1st.,

See you there!

Respectively yours,
 Scott Larson, Secretary

76th ANNUAL MEETING PROGRAM	
5:00 p.m.	Registration Begins
6:00 p.m.	Drawing for Early Attendance Prize
PRESIDENT, WADE RISSE	Call to Order
	Invocation
	Determination of Quorum
	Introduction of Directors
	REPORTS
SECRETARY, SCOTT LARSON	Secretary's Report
	Proof of Mailing of Notice of Meeting
	Minutes of Previous Meeting
TREASURER, TOM SCHLACK	Treasurer's Report
GENERAL MANAGER, JOSH FANNING	Introduction of Guests
	Manager's Report
	SDREA Legacy of Leadership
	Youth & Community Support
	Washington, DC - Youth Tour
ROBERT SCHAUB, ATTORNEY	Scholarship Presentation
	Election of Directors
PRESIDENT, WADE RISSE	Old Business
	New Business
	Adjournment
Drawing for Prizes (All Prize Winners Must Be Present)	

Your Safety Matters

Prevent home electrical fires

Eight out of 10 fire-related deaths occur at home – the place that embodies comfort and security. That’s why it’s important to take steps to keep everyone safe.

Faulty or deteriorating electrical cords are a top cause of fires at home. Cords that become frayed or cracked can send sparks to flammable surfaces. Check your cords to ensure that they are in good shape, and replace any that are worn.

In addition, make sure you are not overloading circuits. If you’ve been in your home for more than 10 years, have your circuit breaker box inspected by a licensed electrician to tighten loose connections and check for overloaded circuits.



Homes with copper wiring need to be inspected every 20 years, and homes with aluminum wiring should be inspected every five years.

Check all Ground Fault Circuit Interrupter (GFCI) outlets several times each year by pushing the test/reset button to be sure they are working properly.

If breakers are continually tripping or if fuses are blowing frequently, that’s a sign of potential trouble. The cause could be old wiring unable to handle the load demand of today’s modern appliances. If needed, ask a licensed electrician to install additional circuits for safety.

Use surge protectors and power bars to help prevent overloading an electrical outlet, plugging no more than three cords into the strip.

May is National Electrical Safety Month. We urge you to take the time and steps needed to lower the risks of electrical fires. Keep your family safe.



Stay Away from Power Lines

Weston Koistinen, Age 6

Weston Koistinen warns readers to be safe by staying away from power lines. Weston’s parents are Dion and Stephanie Koistinen, members of H-D Electric Cooperative.

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.

SUMMER CASSEROLES

BREAKFAST CASSEROLE

Ingredients:

- 1 5 oz. package croutons, any flavor
- 2 cup sharp Cheddar cheese, shredded
- 1 lb. sausage, fried and drained
- 9 eggs
- 1 can evaporated milk
- 1 tbsp. mustard

Method

Spray 9x13 pan with vegetable oil. Arrange croutons on bottom. Sprinkle cheese over croutons and put sausage over cheese. Combine eggs, milk and mustard. Beat to blend and pour into pan. Bake covered at 350 degrees for 45 minutes.

Janet Ochsner
Box Elder, S.D.

CHICKEN CASSEROLE

Ingredients:

- 1 package Chicken Stove Top Stuffing mix
- 3 cups cooked cut up chicken
- 1 can cream of mushroom soup
- 2/3 cup milk
- 1 can cream of chicken soup
- 2 eggs, beaten
- 2 cups chicken broth

Method

Grease a 9x13 pan and put 1/2 of the stuffing mix in the pan. Cover with chicken. Combine soups and milk and spoon over chicken. Spread other 1/2 of stuffing over the top. Pour 2 cups of chicken broth over all and spread with beaten eggs. Bake at 350 degrees for 1 hour.

Gail Lee
Brookings, S.D.

TACO CASSEROLE

Ingredients:

- 1 1/2 lbs. ground beef
- 1 package taco seasoning mix
- 1 can (16 oz.) pinto beans, drained and rinsed
- 1 can (15 oz.) tomato sauce
- 1 can (11 oz.) whole kernel corn, drained
- 1 cup shredded Cheddar cheese
- 1 cup coarsely crushed tortilla chips

Method

Preheat oven to 400°F. Brown meat in large skillet on medium-high heat. Drain fat. Stir in seasoning mix, beans, tomato sauce and corn. Bring to boil. Reduce heat to low; simmer 5 minutes. Spoon into 2-quart baking dish. Sprinkle with cheese and tortilla chips. Bake 5 to 10 minutes or until cheese is melted. Serve with assorted toppings, if desired.

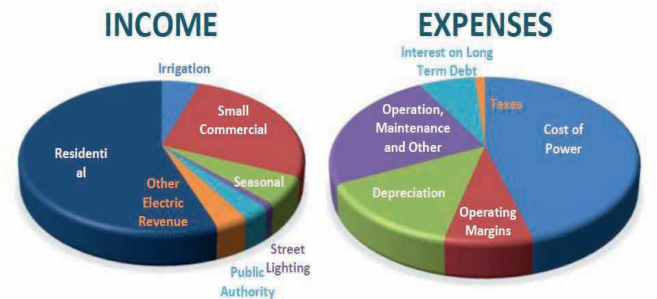
McCormick

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 2024. All entries must include your name, mailing address, phone number and cooperative name.

FINANCIAL STATEMENT

Balance Sheet (as of December 2023)		
ASSETS:	2022	2023
ELECTRIC PLANT:		
In Service	\$ 74,523,037	\$ 77,886,637
Under Construction	\$ 757,329	\$ 428,758
Total electric plant	\$ 75,280,366	\$ 78,315,395
Less Accumulated Depreciation	\$ (30,417,598)	\$ (31,142,239)
Electric Plant - Net	\$ 44,862,768	\$ 47,173,156
OTHER PROPERTY AND INVESTMENTS:		
Investments in associated organizations	\$ 8,229,223	\$ 8,668,735
Other Investments	\$ 155,591	\$ 500,000
Special Funds	\$ 500,000	\$ 151,641
Total Other Property and Investments	\$ 8,884,814	\$ 9,320,376
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,849,634	\$ 1,740,132
Temporary Cash investments	\$ 4,916,398	\$ 4,307,172
Investment in equity securities	\$ -	\$ -
Account receivable, less allowance for uncollectible accounts	\$ 1,705,850	\$ 1,319,810
Material and Supplies	\$ 4,311,854	\$ 5,143,866
Prepayments	\$ 127,935	\$ 171,473
Interest receivable	\$ 6,540	\$ 130,873
Total current assets	\$ 12,918,211	\$ 12,813,326
Deferred Debits	\$ 812,179	\$ 708,011
TOTAL ASSETS	\$ 67,477,972	\$ 70,014,869
EQUITIES AND LIABILITIES		
EQUITIES		
Patronage capital	\$ 18,279,649	\$ 18,494,757
Other Equities	\$ 6,019,991	\$ 6,453,199
Total equities	\$ 24,299,640	\$ 24,947,956
LONG-TERM DEBT, LESS CURRENT MATURITIES		
CURRENT LIABILITIES:	\$ 37,568,165	\$ 39,613,509
Current maturities long-term debt	\$ 2,203,919	\$ 2,402,000
Accounts payable	\$ 1,480,235	\$ 896,268
Customer deposits	\$ 445,180	\$ 458,530
Taxes accrued	\$ 210,064	\$ 195,899
Other current liabilities	\$ 300,449	\$ 372,744
Total Current liabilities	\$ 4,639,847	\$ 4,325,441
DEFERRED CREDITS		
Customers' energy payments	\$ 470,320	\$ 627,963
Electric revenue deferral	\$ 500,000	\$ 500,000
Total deferred credits	\$ 970,320	\$ 1,127,963
TOTAL EQUITIES AND LIABILITIES	\$ 67,477,972	\$ 70,014,869

Statement of Operations (as of December 2023)		
OPERATING REVENUES:	2022	2023
Electric	\$ 15,109,227	\$ 14,750,215
Other	\$ 521,706	\$ 495,599
Total Operating Revenues	\$ 15,630,933	\$ 15,245,814



OPERATING EXPENSES:	2022	2023
Cost of Power	\$ 8,027,693	\$ 7,305,315
Transmission	\$ 172,032	\$ (43,949)
Distribution - Operations	\$ 692,665	\$ 680,128
Distributions - Maintenance	\$ 947,698	\$ 1,018,135
Customer Accounts	\$ 460,037	\$ 448,410
Customer Service and Information	\$ 123,568	\$ 131,772
Administrative and General	\$ 1,556,818	\$ 1,593,581
Depreciation	\$ 2,206,608	\$ 2,262,551
Taxes	\$ 209,966	\$ 195,897
Interest on Long-term Debt	\$ 921,267	\$ 1,111,705
Other Deductions	\$ 11,671	\$ 11,130
Total Operating Expenses	\$ 15,330,023	\$ 14,714,675
Operating Margin Before Capital Credits	\$ 300,910	\$ 531,139
Generation and Transmission and Other	\$ 1,056,038	\$ 737,793
NET OPERATING MARGIN	\$ 1,356,948	\$ 1,268,932
NON-OPERATING MARGIN		
Merchandising, less costs and expenses	\$ 19,783	\$ 3,250
Gain on disposal of assets	\$ 83,520	\$ 42,058
Paycheck Protection Plan loan forgiveness	\$ -	\$ -
Other Patronage Dividends	\$ 47,652	\$ 23,670
Interest income	\$ 143,539	\$ 412,286
Total non-operating margin	\$ 294,494	\$ 481,264
NET MARGIN	\$ 1,651,442	\$ 1,750,196

2023 Year End Statistics

Year Energized.....	1948	Avg Number of Active Meters.....	6,871	Revenue per Kwh Residential.....	\$0.1162
Plant.....	\$78,315,396	Average Monthly usage, Residence.....	1,291	Winter Demand.....	32,430
Equity.....	35.63%	Number of Electric Heat Homes @ Year End.....	852	Summer Demand.....	22,710
Service Area.....	5,174	Number of Irrigation Systems.....	131	Power Supplier :	
Total Miles of Line.....	3,183	Number Of Directors.....	13	Basin Electric.....	86.91%
Miles Transmission.....	204	Number of Members.....	4,250	WAPA.....	13.09%
Miles Distribution.....	2,657	Number of Employees.....	31	Counties Served: Bennett, Jackson,	
Miles Underground.....	322	Number of Security Lights.....	4,014	Oglala Lakota, Todd and Mellette in	
Meters per Miles.....	2.16	Kwh Sales.....	127,488,642	South Dakota and Cherry in Nebraska	

Explanation of 2023 Dollars Spent

COST OF POWER: This is paid to Rushmore Electric Power Cooperative, our power supplier, who receives 86.91% from Basin Electric (which consists of a blend of coal, hydro, nuclear, natural gas, renewables (wind and waste heat) and 13.09% hydropower.

TAXES: This includes real estate taxes and 2 percent gross revenue taxes in South Dakota and personal property taxes in Nebraska.

INTEREST: Monies paid to Rural Utilities Service and Cooperative Finance Corporation for interest on our loans.

DEPRECIATION: The value of the property of the

cooperative is set up to decrease annually over a set period of time.

MARGINS: Revenue over and above the cost of operation. Margins are assigned to the members in the form of patronage capital or capital credits.

OPERATIONS, MAINTENANCE and OTHER: Includes the cost of maintaining 3,183 miles of line, 4,014 security lights, billing approximately 6,871 meters a month, plus insurance, transmission expense, sales expense, customer service expense, and other costs required to operate the cooperative.

Lacreek Electric Scholarship Winners

Annually, Lacreek Electric awards scholarships to four first-year college or technical school students and one second-year college or technical school student. This year there were a total of four qualifying applicants. Applicants must be members or dependents of members of LEA and citizens of the United States. In addition, the applicants must carry a cumulative high school grade point average of 2.5 or higher and demonstrate scholastic achievement and community involvement.


The Lacreek Electric/Basin Electric Power Cooperative Scholarship in the amount of \$2,500 was chosen by Basin Electric. This scholarship is awarded to one recipient who is entering their first year of continuing education. This year, the scholarship was awarded to **Emily Zickrick**.

The Rushmore/Lacreek Electric Board of Directors Scholarship in the amount of \$2,000 was chosen by Basin Electric. This scholarship is awarded to one recipient who is entering their first year of continuing education. This year, the scholarship was awarded to **Grace Wolf**.

Two Lacreek Electric Association scholarships in the amount of \$1,500 were drawn from the remaining applicant pool by the LEA board of directors. These scholarships are awarded to two recipients who are entering their first year of continuing education. These scholarships were awarded to **Dante' Rascher** and **Kassidy Heathershaw**.


In 2021, the employees of Lacreek Electric got together and decided to have an Employee Scholarship as well. This scholarship fund is contributed to by the employees and is a \$1,000 scholarship. This year, the fund only grew because there were no employees with seniors. One additional Lacreek Electric Association scholarship in the amount of \$1,500 was drawn from the applicant pool from the previous year of non-scholarship recipients. This scholarship was awarded to **Carter Anderson**.

On behalf of the Lacreek Electric Board of Directors, General Manager, Staff and Employees, we want to congratulate the recipients of these awards.



**CUT THIS OUT, FILL IT OUT,
BRING THIS TO THE
ANNUAL MEETING, April 25th, 2024
TO BE ENTERED IN AN ADDITIONAL GRAND PRIZE DRAWING!**

NAME: _____
ACCOUNT #: _____ METER #: ____-____





Patsy Besson helps package fresh cuts of meat at the Wall Meat Processing plant.
Photo Credit: Shannon Marvel

Wall Meats Revives Local Meatcutting in South Dakota Through New Underwood Expansion

Shannon Marvel

shannon.marvel@sdrea.coop

A local meat processing plant is expanding its footprint in Pennington County in a way that will put more locally produced protein on dinner tables and bolster the local meat processing workforce throughout South Dakota.

The man behind this plan is local business owner Ken Charfauros, who owns Wall Meat Processing, which has locations in Wall and Rapid City.

Charfauros is currently raising funds through a capital drive campaign to finance the construction of a 30,000 square foot meat processing facility in New Underwood. The new facility will help train the next generation of meat processors through a partnership with Western Dakota Tech in Rapid City.

“We are at \$2.8 million in our drive. We also have the \$3.3 million USDA Rural Development grant, which is a meat and poultry expansion plan grant. We are about \$200,000 short of our goal,” Charfauros said.

He added that the New Underwood processing plant will also use funding from the Meat and Poultry Intermediary Lending Program (MPILP), which according to the USDA’s website “provides grant funding to intermediary lenders who finance – or plan to finance – the start-up, expansion, or operation of slaughter, or other processing of meat and poultry. The objective of the MPILP is to strengthen the financing capacity for independent meat processors, and to create a more resilient, diverse, and secure U.S. food supply chain.”

Charfauros said he’s still meeting with potential investors and has a financial team focused on creating relationships with local ag producers.

“After we get our capital drive, the plan itself will be about \$21 million,” he added. “And then we start the project. The groundbreaking is going to happen in about a year and the facility will begin operations six months after that.”

Charfauros said he expects to purchase the property to site the new plant this spring.

Returning to a Passion

Wall Meats Processing opened for business 57 years ago, but

Charfauros took ownership over the facility in 2017. His passion for meat cutting began when he was a teenager while working for a local meat plant in Delaware.

“It was my high school job and I loved it. After I graduated high school, I felt that my country needed me, so I joined the Air Force and did 30 years. But I always missed that part of my life,” Charfauros recalled.

“A guy that taught me how to cut was like my second dad, and I always wanted to come back to it. My son had just graduated from South Dakota State University, and I had retired from the Air Force. That’s when we decided to buy a plant.”

His son manages the store in Rapid City while Ken’s three nephews help run the family’s businesses in Wall, which include Wall Meats and the Red Rock restaurant.

Supporting Local Producers

Building the new facility has been a challenging venture that’s been years in the making.

“We started building this plan about four years ago, then COVID hit and got in our way. Then, we were lucky enough to get those grant awards last year, and ever since we have been working diligently to get the format right,” Charfauros said.

“I have drawings. I have an equipment list all put together — everything is ready to go except for this capital drive that we are undergoing.”

Charfauros said he has been meeting with both potential and locked-in investors daily over the last year to produce the required financing.

“We have met with over 600 people with 99 percent of those people being producers, because this is all for them. This plant offers them premium pricing above the market rates,” Charfauros said.

While the cattle market is high now, Charfauros remains realistic that the market can change for the worse.

While he hopes the market remains high enough for producers to survive, his partnership with producers will serve as

added security. That means the partnership must be tightknit.

He knows he cannot do it alone.

Reviving a Dying Art

“Meat cutting is a dying art, and we teach meat processing at our store in Rapid City to bring that art back. We’re trying to fight for that industry as it is,” he said.

Three meat processing students are currently being taught at the Rapid City facility through a partnership with Western Dakota Tech, which recently began offering the two-year program.

Pam Stillman-Rokusek, director of communications and marketing at Western Dakota Tech, said three students are currently enrolled in the Meat Processing program. Of those three, two will graduate in May.

But the college is still working on more outreach.

“Enrollment has been a bit low in the program, so the plan is for a hiatus this fall. They’ll revamp the curriculum. Then, we will certainly do additional outreach. We have done advertising, gone to the schools. We have reached out to 4-H

groups and done some traveling, but we need to turn it up a notch to produce more students in the program. That is our goal,” Stillman-Rokusek said.

Despite the Meat Processing program being put on hiatus, the school will still ensure that the remaining student completes the program while actively working on developing the program and outreach methods.

“There’s such a high need for meat processors and we’re looking at different ways to fill that gap. It’s something we’re committed to doing,” she added.

The goal is to enroll at least five students in the following school years when the program restarts.

The learning center that will be built within the New Underwood facility will also teach producers, in addition to students, the art of meat cutting.

“We are trying to bring that industry back to what it should be—regionally processed protein,” Charfauros said.

“That means we must build the environment to spark that passion. In anything you do, you need to learn how to do it the right way.”



Wall Meat Processing plant, established in 1957. Photo Credit: Shannon Marvel

SEVENTY-FIFTH ANNUAL MEETING OF THE MEMBERS

April 27, 2023

The 75th Annual Meeting of the Members of Lacreek Electric Association, Incorporated, was held at the Old American Legion Auditorium, on the evening of April 27, 2023, beginning at 7:00 P.M. Member Services/IT Jessica Cook drew for the Early Bird prize and welcomed the members to the meeting. She asked for everyone to rise for the National Anthem.

Member Services/IT Jessica Cook called upon President Wade Risse who called the meeting to order and gave the invocation.

President Risse reported the determination of a quorum was met with 69 members registered.

President Risse introduced the Board of Directors and the incumbent candidates running unopposed: Zone 1- City of Martin, Clarence Allen, Zone 5 - Jackson County, Jerry Sharp, Zone 6 - Todd and Mellette County, Clifford Lafferty, and Zone 9 - West Oglala Lakota County, Cole Lange. He then called upon Secretary Scott Larson.

An employee video was shown.

Secretary Larson started by asking the linemen and employees to stand and gave them thanks for all their hard work during the bad winter storms this past year. He then read the Proof of Mailing of Notice of the 75th Annual Meeting.

Secretary Larson asked if we could dispense with the reading of the minutes from the April 21, 2022, Annual Meeting and referred to the minutes printed in the program. The members agreed, and upon motion duly made, seconded, and carried, the 2022 minutes were approved.

Secretary Larson called on Treasurer Tom Schlack for the treasurer's report.

An employee video was shown.

Treasurer Schlack gave an overview of the financial statement and advised the members that the actual full financial report is printed in the program. Treasurer Schlack asked for a motion from the members to approve the treasurer's report. A motion was made, seconded, and carried to approve the treasurer's report.

An employee video was shown.

General Manager Josh Fanning introduced the following guests: Attorney Robert Schaub with the Law Firm of Schaub Law Office, P.C., Amanda Kelly, and Eric Nelson with Rushmore Electric Power Cooperative, and past director Melvin "Aage" Jorgensen.

General Manager Fanning welcomed the membership to the meeting and assured our members that Lacreek Electric continues to strive to meet the members' needs by identifying improvements that can be implemented in future work plans to ensure our system remains strong. He then directed the members to the Manager's report printed in the program. General Manager Fanning then handed the microphone over to Lacreek's Member Services/IT Jessica Cook to walk us through Lacreek's past 75 years of history. Before doing so, he thanked both the members and employees for their patience and hard work while navigating the copious

amounts of snow this winter.

Member Service Representative Jessica Cook took the membership back to the very beginning of Lacreek Electric Association, Incorporated 75 years ago. She touched on how bucket and digger trucks have made new construction easier for linemen and how automation and computers have made office work more efficient. Through a slideshow presentation, the members were able to see a timeline of historical photos and sub-stations being energized as progress allowed. Lacreek is continually working to better our system to make it the most efficient and reliable for our members. A video of Jim Bradford played as he discussed remembering when his generation first got electricity to their homes and what a big deal it was at the time. She then called upon President Risse.

President Risse called upon Lacreek's Attorney Robert Schaub with the Law Firm of Schaub Law Office, P.C. Attorney Schaub advised that all incumbent directors ran unopposed: Zone 1- City of Martin, Clarence Allen, Zone 5 - Jackson County, Jerry Sharp, Zone 6 - Todd and Mellette County, Clifford Lafferty, and Zone 9 - West Oglala Lakota County, Cole Lange. Attorney Schaub asked for a motion to approve the reelection of those Board of Directors. A motion was made, seconded, and carried to approve the reelection of those unopposed directors. They will all serve a 3-year term.

An employee video was shown.

Treasurer Schlack announced that the Basin Electric Power Cooperative and Lacreek Electric scholarship winner was Reece Ohrtman. Reece is the son of Dave and Valerie Ohrtman. The Rushmore Electric Power Cooperative and Lacreek

Electric scholarship winner was Ellen McDonnell. Ellen is the daughter of David and Danielle McDonnell. The two Lacreek Electric scholarship winners are Megan Begeman and Felicity Keegan. Megan is the daughter of James and Jenny Begeman and Felicity is the daughter of Pat and Becky Keegan. The winner of the Lacreek Electric Employee Scholarship was Taylor Byerley. Taylor is the daughter of Jesse and April Byerley. The second-year 2023 scholarship winner was Laney Fanning. Laney is the daughter of Jason and Aundi Fanning.

Treasurer Schlack congratulated all the winners and President Risse presented them all with a certificate.

President Risse asked for any old business. There was none.

President Risse again called upon Robert Schaub, Lacreek's Attorney who asked for a motion to approve the actions taken by the Board of Directors of the Association since the last Annual Meeting of the Members; with a motion made, seconded, and carried to approve the Board's actions.

President Risse called for any new

business. There was none.

President Risse thanked Stuart Livermont for the sound system, the Raptors 4-H Club for serving the meal at the New Legion earlier, and everyone else that helped prepare the food and set up.

There being no further business to come before the meeting, upon motion duly made, seconded, and carried, the meeting was adjourned.

The Grand prize winner of \$300.00 cash was won by Rockie Smith.

Five Members Seek Lacreek Director Seats

MEMBERS ATTENDING THE 2024 LACREEK ELECTRIC ASSOCIATION ANNUAL MEETING WILL ELECT DIRECTORS TO REPRESENT ZONES 2, 4, 7 AND 9 FOR THREE-YEAR TERMS. THE FOLLOWING INDIVIDUALS HAVE FILED PETITIONS TO RUN FOR THESE POSITIONS. THE FOLLOWING IS A BRIEF BIOGRAPHICAL INFORMATION ON EACH OF THE CANDIDATES.

ZONE 2 - EAST BENNETT COUNTY

BRENT IRELAND - BRENT WAS RAISED IN MARTIN AND IS A GRADUATE OF BENNETT COUNTY HIGH SCHOOL. HE EARNED A MECHANICAL ENGINEERING DEGREE FROM BRIGHAM YOUNG UNIVERSITY. HE SPENT NINE YEARS IN THE OIL, GAS AND PETROCHEMICAL INDUSTRIES (MOSTLY IN TEXAS) BEFORE RETURNING TO MARTIN TO THE FARM/RANCH HE GREW UP ON. HE AND HIS WIFE, TAUNA, HAVE FOUR CHILDREN. SINCE RETURNING TO MARTIN HE HAS BEEN INVOLVED WITH AREA YOUTH ATHLETICS (FLAG FOOTBALL, BASEBALL, WRESTLING) AND IS CURRENTLY COACHING WRESTLING AT BENNETT COUNTY HIGH SCHOOL. BRENT HAS SERVED ON LACREEK'S BOARD SINCE 2015.



COLE BLU DONOVAN - BLU HAS SPENT HIS ENTIRE LIFE DEEPLY ROOTED ON HIS FAMILY FARM NEAR VETAL, SD WHERE HE WAS BORN AND RAISED. HE GRADUATED FROM CODY-KILGORE HIGH SCHOOL IN 2006. SINCE 2011 HE HAS BEEN FOLLOWING HIS LIFE LONG DREAM OF FARMING/RANCHING.



BLU LOVES HELPING THE COMMUNITY AS MUCH AS POSSIBLE AND ENJOYS BEING A VOLUNTEER ON THE VETAL VOLUNTEER FIRE DEPARTMENT SINCE 2005.

ZONE 4 - EAST OGLALA LAKOTA COUNTY

MARION SCHULTZ - HE GRADUATED FROM GORDON HIGH SCHOOL AND RECEIVED A DEGREE IN ECONOMICS AND POLITICAL SCIENCE AT SOUTH DAKOTA STATE UNIVERSITY. HE HAS RANCHED IN THE BATESLAND AREA ALL OF HIS LIFE. MARION HAS BEEN ON THE BATESLAND FIRE DEPARTMENT FOR MORE THAN 50 YEARS. HE HAS BEEN ON THE COUNTY COMMITTEE FOR USDA FOR 16 YEARS AND HAS ALSO SERVED ON THE BENNETT COUNTY CO-OP. MARION HAS SERVED ON LACREEK'S BOARD SINCE 2000.



ZONE 7 - CHERRY COUNTY, NE

TOM SCHLACK - TOM IS A GRADUATE OF BENNETT COUNTY HIGH SCHOOL AND OF THE UNIVERSITY OF SOUTH DAKOTA. TOM ALSO WORKED FOR LACREEK ELECTRIC AS A JOURNEY LINEMAN FOR SEVEN YEARS. HE HAS RANCHED IN THE ELI AREA FOR THE PAST 37 YEARS. TOM HAS SERVED ON LACREEK'S BOARD SINCE 1988.



ZONE 9 - WEST OGLALA LAKOTA COUNTY

DONOVAN YOUNG MAN - DONOVAN GRADUATED FROM PINE RIDGE HIGH SCHOOL. HE ALSO SERVED ON THE OGLALA SIOUX TRIBAL COUNCIL FROM 1992-1996. DONOVAN HAS WORKED FOR THE OGLALA LAKOTA COUNTY SCHOOL DISTRICT FOR 40 YEARS AND ALSO RAISES CATTLE ON HIS RANCH EAST OF OGLALA. DONOVAN HAS SERVED ON LACREEK'S BOARD SINCE 1994





CYBERSECURITY ON THE GRID

Frank Turner

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Imagine sitting at your desk on a typical Monday morning. You have logged into your computer with coffee in hand, ready to tackle the day. But as you begin, your computer displays an ominous message: “Your files have been encrypted. Pay a ransom to regain access.” It’s not just your computer; your co-workers have received the same message. Overnight, the entire office has fallen victim

to a ransomware attack that has locked away critical data. Your office computers will remain unusable until a payment is made.

This scenario, among others, has become a primary concern for workplaces everywhere, including electric cooperatives. As a result, local co-ops are taking action in the cybersecurity space to prevent bad actors from disrupting the critical goal of delivering power that is safe, affordable and reliable to their members. Electric co-ops are focused

on enhancing cybersecurity resilience and readiness to defend against potential cyber threats.

Co-ops are routinely monitoring and managing cyber risks, working with federal and local law enforcement agencies and the North American Electric Reliability Corp. to protect critical infrastructure. By working as a network, co-ops are enhancing grid resilience, ensuring reliable electricity for their members.

According to an FBI Internet Crime Report, the U.S. reported more than \$12.5 billion in annual losses in 2023 due to cyberattacks like the one described. A significant number of these attacks target the elderly and vulnerable. When breaking down the losses by age group, individuals aged

20 to 29 accounted for \$360.7 million of the total losses, while those 60 and older incurred losses of \$3.4 billion in 2023 alone.

And it's not just about the money. These attacks also have the potential to undermine the stability of entire systems, including the electrical grid. This year, directors of the FBI, NSA, and CISA testified before Congress about Chinese Communist Party hacking groups that had gained access to the electric grid and other critical infrastructure to "wreak havoc and cause real-world harm to American citizens and communities."

"Many cyberattacks are conducted by criminals trying to steal money or collect a ransom," explains Chief Security and Compliance Officer Daniel Graham of Basin Electric Power Cooperative. "Nation-states

target electric utilities for different reasons. Some nation-states want to steal intellectual property. Others want to be able to disrupt our electric grid."

So how is it done? To execute their schemes, bad actors employ a long list of complex strategies and techniques, such as phishing, data breaches and malware to adversely impact their targets. Business email compromise, one of the most common techniques, occurs when an impostor poses as a legitimate business contact, seeking to steal sensitive information such as credit card numbers, bank account information or login credentials.

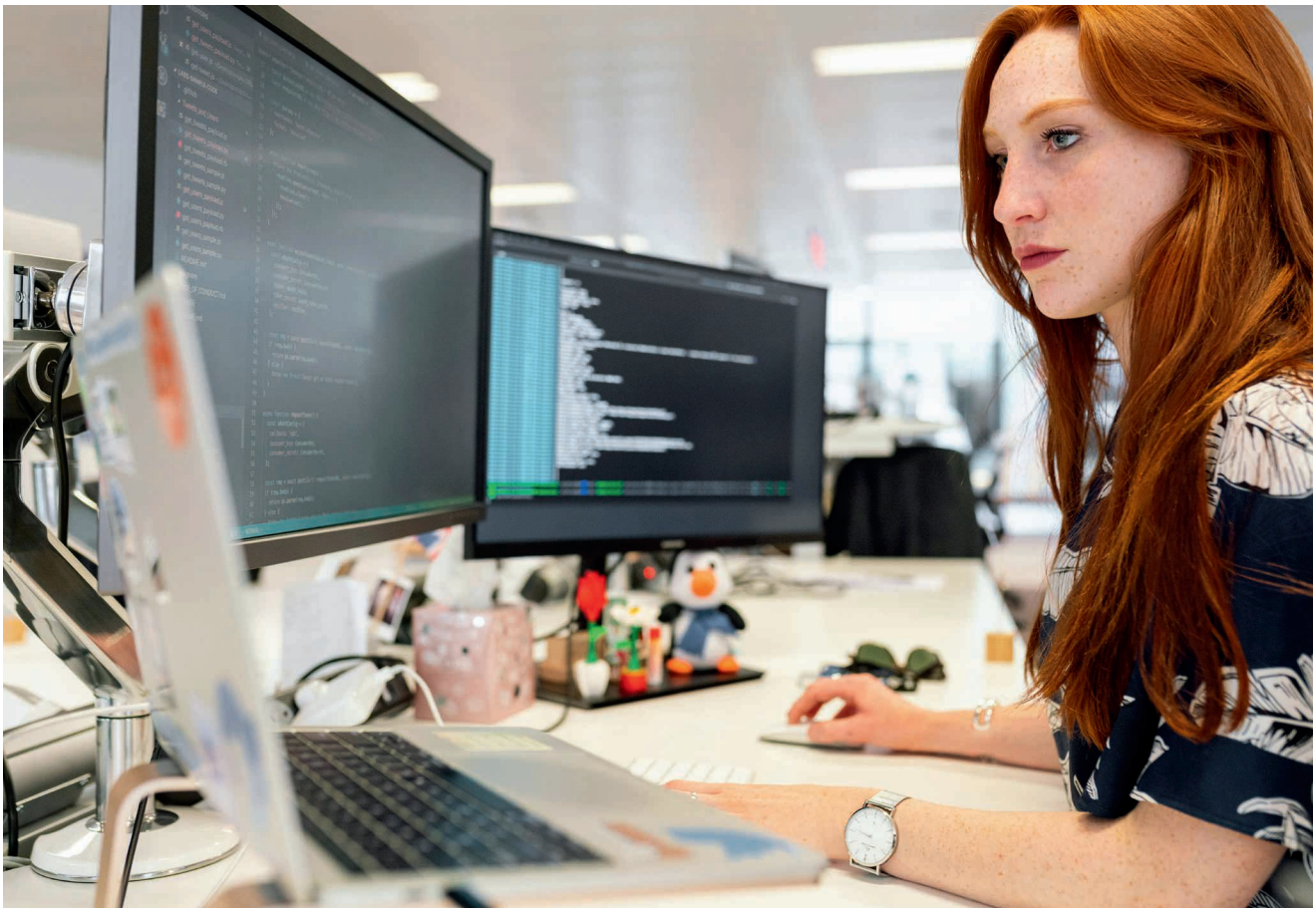
Luckily, co-ops are implementing a variety of tools, policies and training to help mitigate attacks and secure the grid. Programs like NRECA's Co-op Cyber Goals Program help co-ops build fundamental cybersecurity

measures, such as employee training, developing cyber incident response plans, and regular self-assessment. These strategies help co-ops reduce the risk of a successful cyberattack in the ongoing battle against cybercrime.

"Additionally, co-ops can conduct cybersecurity exercises to determine the effectiveness of current defenses and practice responses," Graham says.

Despite these efforts, the threat of a successful cyberattack persists, making vigilance an essential component of effective cybersecurity.

"If you see something suspicious, report it to your cooperative," explains Graham. "Electric co-ops are an essential part of our country's critical infrastructure. We can best protect our electric grid by working with each other."





Living Prepared

South Dakota's survivalist community live in bunkers

Jocelyn Johnson

jocelyn.johnson@sdrea.coop

It's a semi-underground community of survivalists acting as humanity's last chance.

These survivalists, otherwise known as preppers, have prepared for security and safety within what's touted as the world's largest survival community – in southwest South Dakota.

Vivos xPoint, owned by real-estate mogul Robert Vicino, is located south of the Black Hills, near Edgemont, S.D. It was formally established as the U.S. Army's Black Hills Ordnance Depot – a military base created to store

ammunition and bombs. The base's history began in 1942, just after the United States entered World War II.

Once humming with approximately 6,000 workers and their families, the military base was eventually retired in 1967, leading to its eventual abandonment. The army sold the property to the town of Edgemont, S.D., which in turn, sold it to local cattle ranchers.

"This land was used by landowners to graze cattle, until one of these ranchers sent me an email asking if I would be interested in the bunkers," Vicino said. "It took me about a minute, and I said yes. So, in 2016, I acquired the southern

Vivos xPoint owns 575 bunkers. *Photo Credit: Vivos xPoint*

portion of the base. That portion is about three-fourths the size of Manhattan. We take people up on a local hill that's about 300-400 feet higher than the rest of the site. From there, you can almost see all the quarters of the property. At a distance, the bunkers are like specs...you can't really tell what you're looking at. That's how big this thing is."

Vicino owns just under 6,000 acres of land where these bunkers sit. Originally, the army built 800 bunkers, but Vivos xPoint owns 575. Today, approximately 200 of these bunkers are being leased for 99 years with an up-front payment of \$55,000. Additionally, the ground lease is \$1,200 per year and utility payments are \$108 per month.

Mark Bowman, a retired tenant at Vivos xPoint, moved from Chicago with his wife to live in one of the bunkers



Photo Credit: Jocelyn Johnson



Each bunker is 2,200 square feet. Photo Credit: Vivos xPoint

seven years ago. Keeping busy by doing odd jobs and helping others get settled, Bowman commented that people from various backgrounds lease these bunkers. Some visit on occasion and some live in them full time.

“Eventually, we plan to have a health club, meeting hall and store out here too,” Bowman said. “It’s a work in progress.”

Each bunker is 2,200 square feet. It’s relatable to a narrow Quonset fixed underground, measuring 80 feet long and 26 feet wide with 12-foot ceilings. Vivos xPoint boasts 575 bunkers in total. Tenants can access floor plans and choose to have a Vivos xPoint contractor customize their bunker. Currently, there is a one-year backlog for customization services provided by a company contractor.

“It’s cavernous on the inside,” Vicino said. “We can build out a five-bedroom interior with a living room, two bathrooms, laundry room...everything you will need. When we build it, it’s effectively a submarine. The power we get from the local electric cooperative is to run our well pump that pumps water 4,300 feet underground up to a cistern on a hill. From there, it’s distributed to

the bunkers via gravity.”

Vicino noted that one of the most important features to these bunkers is the location. It’s centrally located within the United States and remote – making it an unlikely target in war. The off-grid area is also located at high altitude in a non-seismic area, relatively safe from natural disasters.

“Sometimes, I get asked why would anyone want one of these,” Vicino

commented. “And I say, ‘well, have you ever watched the news?’ Look what’s going on in this country.”

“All of the bunkers have NBC filtration, which is nuclear, biological and chemical filtration,” Vicino explained. “The air that comes in is scrubbed, so it’s breathable on the inside. We’re even adding CO2 scrubbers, which scrub the air you breath out if you had to shut off the air to the outside. You can do that for a week maybe.”

This isn’t a project that Vicino took lightly or stumbled upon in his business ventures. He emphasized it was years in the making.

“When I was 27 years old, I had a vision or an inspiration in my head. I could hear the words of a woman talking to me in total silence. The only thing I could attribute it to was the Holy Spirit. What she said to me was, ‘Robert, you need to build bunkers deep underground to help thousands of people survive what’s coming our way.’ The message was very loud and quick, and so I tucked it away for 30 years, thinking about it occasionally.... Then, I got the feeling I didn’t have any more time. It’s either now or never.”



Mark Bowman, right, shows an empty bunker to Calvin Romey, left. Bowman has been a tenant in a neighboring bunker for seven years with his wife. Photo Credit: Jocelyn Johnson



MAY 11, 2024
Cinco de Mayo Fiesta
 Falls Park
 Sioux Falls, SD

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.

MAY 4
Jones County Pheasants
Forever Banquet
 Murdo, SD

MAY 10
Mother's Day Tea
 1 p.m.
 Spearfish Senior Center
 Spearfish, SD

MAY 11
Opening Day
 1880 Train
 Hill City, SD

MAY 11-12
Best of Hill City
 Main Street
 Hill City, SD

MAY 12
Hill City Senior Sunday
Breakfast
 8 a.m.
 Hill City Center
 Hill City, SD

MAY 12
Mother's Day Special
 1880 Train
 Hill City, SD

MAY 17
"Heart of the Hills" a
musical
 2 p.m.
 Spearfish Senior Center
 Spearfish, SD

MAY 18
Booth Day
 10 a.m.
 D.C. Booth Fish Hatchery
 Spearfish, SD

MAY 18
Fundraising Breakfast
 7:30 a.m.
 Spearfish Senior Center
 Spearfish, SD

MAY 18
Grand Re-Opening & New
Artist Reception
 3 p.m.
 ArtForms Gallery
 Hill City, SD

JUNE 1
Spring Volksmarch
 Crazy Horse Memorial

JUNE 7-9
Gumbo Ridge Wagon Trail
Ride
 Murdo, SD

JUNE 8
Mt. Rushmore Rodeo
 Palmer Gulch Resort
 Hill City, SD

JUNE 8
Sportsman's Bash
 2 p.m.
 Weston County Senior Center
 Newcastle, WY
 605-440-1842

JUNE 9
1880 Train Old West
Shootout
 5 p.m.
 Hill City, SD

JUNE 14-15
Fine Arts In the Hills Show
& Sale
 Hill City, SD

JUNE 15
The Big Mick
 The Mickelson Trail
 605-673-5154

JUNE 15-16
Friends of the Library Book
Sale
 Hill City Public Library
 Hill City, SD

JUNE 20
Murdo Ranch Rodeo
 Murdo, SD

JUNE 20
Kadoka Ranch Rodeo
 Kadoka, SD

JUNE 21-22
Scavenger's Journey
 Yard sales, farmer's markets &
 specialty shops
 Wall, SD to Wagner, SD
 www.scavengersjourney.com

JUNE 21-22
Kadoka Reunion Weekend &
PRCA Rodeo
 Kadoka, SD

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