

October is National Co-op Month

Cooperatives practice 7 business principles - here's how we observe them

Member's
co-op
history
goes way
back



CEO's Corner By Ryan Hentges



CEO Ryan Hentges has a coffee conversation with longtime member Leander Wagner of New Market.

Leander Wagner takes a sip of coffee, leans forward and launches into a story of the past. He's incredibly good with the details.

The great-grandson of early New Market-area settlers, Leander has seen generations of change and growth in the area, which is at the edge of MVEC's southeastern service area. His great-grandparents arrived in the late 1880s. "My Grandpa walked to Shakopee and back to work in the brick factory," he said.

As he remembered, his family always had electricity, going back to the 1920s when Northern States Power, an investor-owned utility, strung power lines along the more lucrative main roads in the area. He was five years old when "the REA came through"

around 1940, bringing electricity to the remaining farms off the main grid.

Minnesota Valley Electric Cooperative had been formed three years earlier, allowing farmers without power to take matters in their own hands and campaign their neighbors to join the new electric cooperative.

"I believe they needed at least five sign-ups per mile of line for it to make sense," said Leander. Though there were some stubborn hold-outs at the time, the majority agreed, and MVEC became the power provider in the area.

"I remember our first refrigerator. It had one door and was on tall legs. It wasn't very high, because I was five and could reach everything," said Leander. "There was a dome compressor on the top, and it was just big enough to hold the milk pitcher and usually some Jello and leftovers."

"It was delivered late one afternoon, and my older brother and I thought 'now that's something.' My Aunt didn't have electricity and had to put everything in her basement to keep cool."

Leander was the second child of five boys

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Additional resources and board meeting highlights available 24/7 at www.mvec.net



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MVEC

MINNESOTA VALLEY ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative

Our Mission: To create exceptional member experience



As a cooperative, MVEC is owned and operated by our member-owners (not shareholders) and focuses on your needs and local priorities. Because of our business philosophy, you are not considered a “customer” you are a “member-owner.”

MVEC was created not to make a profit, but simply to provide reliable electric service at affordable



rates. Our goal is to exceed your expectations.

You have a say in cooperative matters by voting on By-Laws and electing fellow MVEC members to serve on our Board of Directors. Ballots are sent in March, and you

can vote by mail or in person at our Annual Meeting, which is traditionally held the second Tuesday evening of April.



As member-owners, you share in the cooperative's dividends called Capital Credits during profitable years. MVEC's Board of Directors decides when Capital Credits are returned. Distributions are based on a first-in, first-out basis, meaning

Capital Credits from approximately 25 years ago are returned to those members first.

In March 2021, a distribution of \$1.45 million was made, which represented electricity purchased in 1996.

Unclaimed Capital Credits

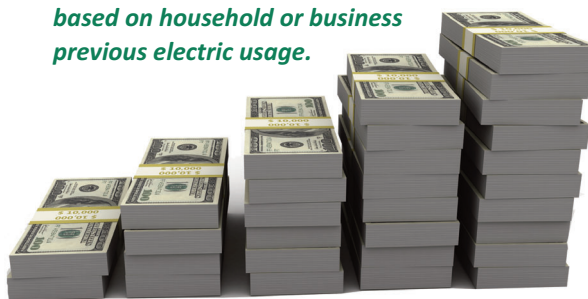
MVEC does its best to deliver Capital Credits to former or current members who have moved from their last known address or did not cash a check that was sent to them.

However, when these members are not found, under state

guidelines, unclaimed Capital Credits are donated to MVEC's scholarship program and other qualifying organizations as approved by the Board of Directors.

To see if you or someone you know is on our current list of unclaimed capital credits, visit www.mvec.net/your-cooperative/capital-credits/ and look under the Unclaimed Capital Credits tab.

Since 1959, MVEC has returned over \$27 million to member-owners, based on household or business previous electric usage.



This one is the hardest principle to explain. The long explanation is “Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.”

That's a lot of words to say that when making business deals or deciding members' electric rates, co-ops never compromise their autonomy or democratic member control. This is what makes a

cooperative's business model different than an investor-owned utility or municipal. Cooperatives exist to serve the interests and needs of their owners.



Our Vision: To be a trusted energy partner loyal to

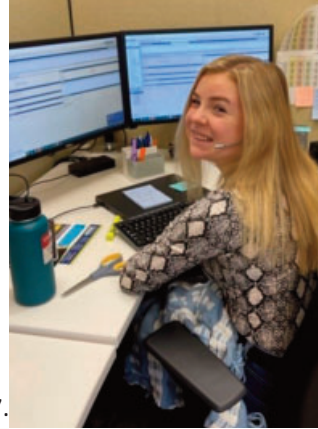
ences, while safely providing reliable energy at cost.

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EDUCATION, TRAINING AND INFORMATION

In addition to making sure staff and directors are well-trained to do their jobs above expectation, cooperatives provide education and information to their members. Call MVEC's office to talk with a member service rep who can help you understand your energy usage and answer any co-op membership and program questions. You can also visit www.mvec.net for info 24/7.



Education is also available in the form of free advice from knowledgeable energy specialists who help residential members learn how to save money on heating and cooling costs with Energy Wise programs, and key account executives who can help business members with several energy- and money-saving opportunities.

No matter who answers your phone call, our staff can help you - or find an MVEC Team Member who can.

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COOPERATION AMONG COOPERATIVES

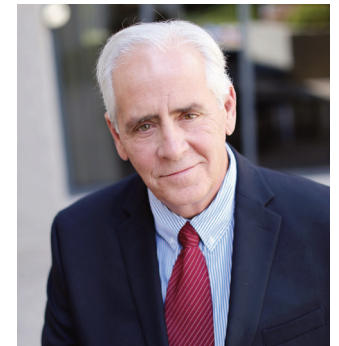
Linemen traveling to other electric cooperatives to provide mutual aid during times of widespread outages due to natural disasters is usually what comes to mind when talking about Cooperation Among Cooperatives. But sometimes the cooperation comes from behind the scenes.

MVEC is a member of other cooperatives including wholesale power providers Great River Energy

and Basin Electric Power Cooperative; billing and software provider National Information Systems Cooperative; financial institution Cooperative Finance Corporation; branding cooperative Touchstone Energy; and purchasing cooperative RESCO.

Staff and board members often serve on state and national committees and organizations to network, learn new ideas and

have MVEC's experience contribute to creating policies and procedures. Currently Director **Deb Erickson** (District 1) is the vice president on the National Cooperative Services Corporation Board. NCSC provides specialized financing services and solutions to help cooperatives across the U.S. run their businesses more efficiently **Jim Connelly** (District 3) represents MVEC on the Minnesota Rural Electric Association Board. MARE is the statewide organization providing unified support and service to 50 electric cooperatives in Minnesota.



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CONCERN FOR COMMUNITY

In addition to providing electricity to its members, cooperatives brighten their local communities in other ways. MVEC sponsors town celebrations, county fairs and other organizations that bring entertainment and enjoyment to the community. MVEC Team Members (that's what we call our employees) volunteer their time

and talents to a variety of community organizations - from youth sports to church groups and from civic organizations to blood drives, there's probably an MVEC Team Member lending a hand.



Operation Round Up is a way for MVEC members to combine cents by rounding up their electric bills each month to contribute to local charities organizations.

We are currently seeking a new ORU Board member

MVEC's ORU Trust Board, the group of members who decides quarterly grant

requests, will have an opening for a new board member (three-year term) from District 1 in 2022. If you live in the Prior Lake-Savage area, have a little spare time to research grant applications and attend quarterly meetings at the co-op, we invite you to apply. Email ChrisS@mvec.net for further information and an application.

to the community – now and for future generations.

Hey kids! Color the cookies for a chance to win a gift card

In honor of National Co-op Month, MVEC is holding our annual coloring contest for kids 12 and under!

coloring contest!



- Boys' first place prize: \$100 Target gift card
- Girls' first place prize: \$100 Target gift card
- 2 second place prizes: \$50 Target gift card
- 4 third place prizes: \$25 Target gift card

Go to www.mvec.net/coloring-contest, download and print out this sheet.

Color and return to MVEC at 125 MN Valley Electric Drive, Jordan, MN by Nov. 19, 2021. Entries will be judged by MVEC staff on neatness and originality. Child must live in an MVEC member household to enter.

Winners will be notified by email, and the first place entries will be published in the December *Electric Eye* newsletter.



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CEO Corner - Coffee with Leander continued from page 1

and 3 girls. In 1949, when he was 14, his father was in the hospital for appendicitis for two weeks. "I was a sophomore and had the barn cleaned, cows milked, and was on the school bus by 8 a.m."

Things were different in those days, he said. Neighboring farmers worked together and rallied together, even driving distances to help another farmer in need.

Leander spoke of an older neighboring farmer who was a mentor to him and offhandedly told Leander to check with him when he was older and he'd sell his farm to him. "Well, I remember it was the 6th of February, I brought it up to him, and by the 17th of March, he had his auction ready to sell. He was ready to let be done and retire."

Leander purchased that farm, and in 1960 became a member of MVEC. "It was natural to follow into my Dad's footsteps," he said.

In between his youth and running his own dairy and crop farm, Leander served in the Army from 1955-57 as a four-bar sergeant, stationed in Hanford, WA. He also worked

construction and "poured a lot of cement" working on the last addition to Xcel Energy's Black Dog power plant near Burnsville.

Leander has also served on several state and national agricultural boards, notably the National Farmer Organization for 17 years and the state and national American Dairy Association for over 20 years. Getting young farmers involved was a special initiative for him. He's active with his local church as well.

Serving takes time, but it is a responsibility, he feels. "We are all born with different God-given talents," he says. His specialty is asking questions. "You have to ask questions, especially when it involves the financial stuff," he said. "A good leader surrounds himself with people who can help get the job done."

It's been 140 years since his ancestors settled in. They wouldn't recognize their farming neighborhood today. Interstate 35 now borders to the east, and in 2007, New Market with a population of 330 in 2000

merged with Elko to become Elko New Market. The combined towns are now home to nearly 5,000 people. New Market's newer residential areas and a small strip mall now occupy the land that once was his great-grandparents' homestead. A large city park is named after the family.

Leander is still on his own 220-acre farm, the same farm he purchased from the Schmitz family in 1960. His son Darrian is the farmer now – the fifth generation on the land and the third generation of MVEC membership.

"4-H and FFA set me on my path and direction," said Leander.

Co-op membership – whether with MVEC or other ag organizations – helped him manage his money and invest in the future. "There's a need for unions and cooperatives. They just have to be managed right, just like any other business."

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