

Newcomer Krocak joins two incumbents on Board



Brent Lawrence
District I

Brent and his wife Deborah reside in Credit River and have been members for 34 years. Brent is the President of Lawrence Auctioneering and serves on the city council of newly formed Credit River city.



Michelle Morrison
District II

Michelle and her husband Terry live in rural Belle Plaine and have been members for 30 years. Michelle is the clerk for the City of Cologne.

Welcome new Board Member



Liz Krocak
District III

Liz and her husband Bob live on a century farm in rural Montgomery and have been members for 41 years. Liz operated a dairy farm for 38 years and currently serves as the Lanesburgh Township clerk, in addition to several other boards.

MVEC embraces challenges, opportunities, growth at 86th Annual Meeting

Overcoming and embracing energy market challenges as well as opportunities in 2022 was the theme this year as Minnesota Valley Electric Cooperative returned to its hometown of Jordan for its Annual Meeting March 28.

MVEC held its 86th Annual Meeting – at Jordan High School after traveling to Arlington the previous year – where new CEO Marvin Denzer spoke of the challenges MVEC overcame to turn in a successful 2022. Through inflation and supply chain issues to government mandates and power grid balance, the co-op saw growth and is moving forward with competitive rates.

“I want to assure you, MVEC remains competitive with local utilities, including Xcel Energy and the surrounding municipals,” said Denzer, who added the co-op saw nearly 1,600 new members in 2022 to push total services over 46,000.

New to the Annual Meeting this year were video presentations. MVEC department heads gave video reports highlighting their respective areas, showing firsthand accounts of what’s going on at the cooperative.

Incumbents joined by new board member after race in District III

Nearly 100 people, representing 70 registered member households and businesses attended



MVEC members DeAnn and Pete Croatt visiting with new MVEC CEO Marvin Denzer at the co-op's 86th Annual Meeting.

the meeting, which was hosted by Board President Brent Lawrence and included one district race for the Board of Directors.

Prior to revealing election results, the board said goodbye to Fran Barten and Bill Heinlein, who retire after 11 years as representatives. Replacing Barten in District III will be Elizabeth (Liz) Krocak of Montgomery, who secured her position on the board with 984 votes. Also running for the District III spot were Julie Bifano of Montgomery and Prior Lake’s Anthony Albright, who received 463 and 479 votes, respectively.

Heinlein announced his retirement after the board candidate filings for 2022 had closed in January. Nearly 15 percent of eligible District III members cast votes.

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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

Lineworker Appreciation Day is April 10

There are countless days and weeks and months of appreciation dedicated to workers around the globe each year. But at MVEC, April is home to one that is special for many at the co-op. Tuesday, April 10 is Lineworker Appreciation Day, and at the co-op, lineworkers are integral to keeping the lights on.

Whether it's at noon on a sunny Tuesday in July or below zero in the drifts of January, our linemen are called upon for the members. On Lineman Appreciation Day, and every day, we celebrate and honor the MVEC crew.

Below, a few of our lineworkers took some time to answer questions about why they became a lineworker, what they enjoy most about working for Minnesota Valley and how the apprenticeship process has benefited them as linemen.



Lee Hoese Maintenance Foreman

"I got into it because I didn't want to sit in an office. I wanted to do something outdoors, something that's different every day and maybe a little adventurous. For me, when I grew up a little bit and turned journeyman, it feels like I make a difference and get to do something that helps people.

The crew is fun to work with. We have some good banter back and forth and I'll leave it at that! But as compared to a larger company, it's nice getting to know everyone that works here as well.

There's nothing better than on-the-job training. I can remember when I came out of line school, you learn more in one day in the field than you did in school. Learning from the guys, those tricks of the trade, just can't be taught in a book. I think that process really pays off in the end.

It's long hours but the payoff is high. It feels good to be a lineman."



"I wanted to work outside and I thought the storm restoration would be fun to do. And it is, it's a rewarding part of the job.

You definitely need an apprenticeship at a job like this. Learning from the guys out in the field keeps things safe for everyone. I like interacting with the people in our area. We have a great membership and something I've grown to appreciate is interacting with them through the years.

Andy Lynch Journeyman Lineman

You take pride in your work. I'm proud to say I'm a lineman. You get the power back on for people who might be miserable without it, or who might need it for something, that's a fun part of the job."



Joe McKernon Apprentice Lineman

"My grandpa, he was a lineman (for Nobles co-op) so that's kind of where my appreciation for linemen came from when I was growing up. I saw what he did and thought it was a cool career.

The guys here. They're awesome. They might give you a hard time, but sometimes you give it back, and we just have a good time here.

Through the apprenticeship, you meet a lot of guys from a lot of different areas and everyone has had a different experience. So you learn a lot from the guys. The journeyman and foreman, every single one of them, are willing to teach you anything. They won't rip you if you don't know something, they're willing to help you learn and grow as a lineman. "



Annual Meeting continued from page 1

In Districts I and II, respectively, Lawrence and Michelle Morrison of Belle Plaine ran unopposed and were returned to office by acclamation. Positions on the board were determined as well. Deb Erickson of Savage takes over as Board President, Le Center's Kevin Gibbs will serve as Vice President, and Tom Wolf of Prior Lake is the new Secretary.

In the annual Financial Report, consultant Gerry Mareck highlighted the cooperative's 2022 Balance Sheet. Mareck reported that member equity grew by \$3.7 million, which sits at around 35 percent of MVEC's total assets.

The annual meeting also featured scholarship presentations, funded by MVEC's unclaimed Capital Credits. Fifteen \$1,000 scholarships were



After 11 years on the board, Fran Barten (left) and Bill Heinlein formally retired from the Board of Directors at the co-op's 86th Annual Meeting.

Denzer officially named CEO, 7th in MVEC History



MVEC's Board of Directors made it official in February, naming interim Chief Executive Officer Marvin Denzer, the cooperative's seventh general manager/CEO since MVEC was established in 1937. Denzer recently spoke at the co-op's 86th Annual Meeting.

awarded to area high school seniors. MVEC's wholesale power provider, Basin Electric Power Cooperative of Bismarck, will also award a \$1,000 scholarship, though the winner has not been announced yet. Scholarship winners are available on MVEC's website, www.mvec.net.

Brandon Busch, a junior at Prior Lake High School, was announced as MVEC's representative on the 2023 Youth Tour, a national leadership trip to Washington, D.C., sponsored by America's rural electric cooperatives. Ava Joos of Chanhassen High School was chosen as the runner-up.

MVEC CEOs by the #s

Marvin Denzer marks the seventh CEO in MVEC history. Since 1937, Roger Geckler was the longest tenured at 32 years, followed by Herb Schimelpfenig's 24 years, which covers 56 of the co-op's 86 years in business.

- William Saltmarsh — 1938-1939
- Herb Schimelpfenig — 1940-1964
- Walter Zimmerman — 1964-1970
- Sandy Fiebelkorn — 1970-1983
- Roger Geckler — 1984-2016
- Ryan Hentges — 2016-2023
- Marvin Denzer — 2023-

Board approves \$1.34 million in Capital Credits

MVEC is member-owned, and each year, that's represented most through Capital Credits. The co-op's Capital Credit program represents the margins credited back to the members based on their purchase of electricity during designated year(s). Since 1959, MVEC has returned \$30.5 million to eligible members.

WHO

This time around, members — including current and former — who purchased electricity during the years **1989, 1990, 1993, 1997, 2007-08 and 2016-2020**, are eligible for reimbursement. Former members who have moved away from MVEC's service area are still eligible to receive the credit in the form of a check. A valid address must be on file for a check to be issued.

Interested in Capital Credits? Find out more at www.mvec.net/your-cooperative/capital-credits/

HOW

Current members who qualify and have a credit less than \$500 received the credit on their March electric bill, while those with a credit greater than \$500 will receive a check. Former members will receive a check in the mail if MVEC has a correct address on file.

WHEN

Capital Credits were distributed and reflected on members' March electric bill.

Did You Know?

MVEC has retired more than \$30 million to members since 1959. Because electric co-ops operate at cost, any excess revenues, called margins, are allocated and retired to members in the form of capital credits.



2022 Audited Financials

Annual summary of revenue, investments and expenses

Includes updated financials since March Annual Report was published

Balance Sheet

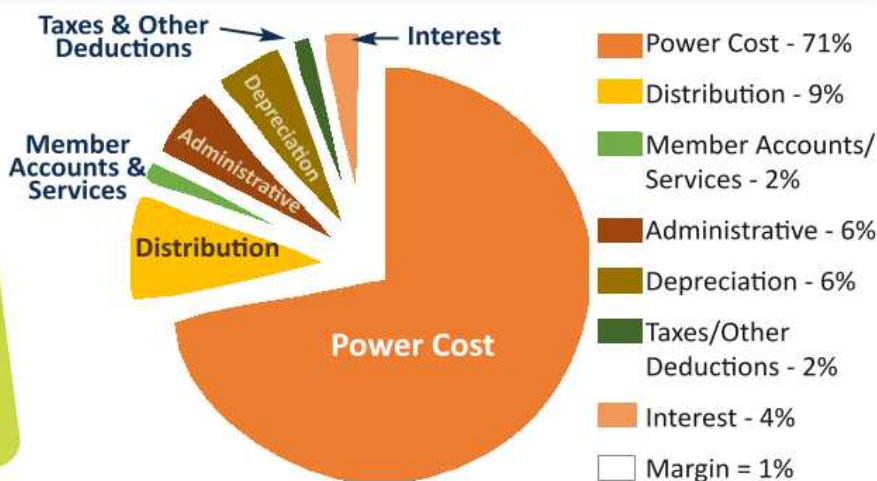
	2022	2021
Assets - What MVEC owns		
Net Plant Investment (poles, wires, etc)	\$163,101,000	\$155,165,000
Investment/Patronage In Other Orgs	\$50,281,000	\$47,558,000
Current Assets		
Cash in Bank Accounts and Investments	\$3,726,000	\$6,701,000
Receivables Owed to MVEC	\$9,956,000	\$7,172,000
Materials, Supplies and Prepayments	\$8,978,000	\$8,956,000
Other Assets	\$4,548,000	\$10,000

Total Assets - What MVEC Owns: \$240,590,000 2022 | \$225,562,000 2021

Liabilities - What MVEC owes

Current and Accrued Liabilities	\$38,444,000	\$18,027,000
Long-Term Obligations	\$118,657,000	\$123,019,000
Deferred Credits	\$2,143,000	\$1,589,000
Rate Stabilization Reserve Fund	\$0	\$5,248,000
Total Liabilities	\$159,244,000	\$147,883,000
Total Equity - MVEC Members' Ownership	\$81,346,000	\$77,679,000

Total Liabilities/Equity - What MVEC Owes: \$240,590,000 2022 | \$225,562,000 2021



Comparative Operating Statement

	2022	2021
Operating revenues and patronage	\$108,269,000	\$95,182,000
Less: Cost of Purchasing Power	\$76,938,000	\$65,487,000
Gross Margin	\$31,331,000	\$29,695,000
Less: Departmental Operating Expenses	\$18,226,000	\$17,160,000
Less: Depreciation, Interest and Taxes	\$12,195,000	\$11,742,000
Operating margins	\$910,000	\$793,000
Plus: Other Income	\$540,000	\$714,000
Plus: Capital Credit Allocations	\$3,990,000	\$2,044,000
Net Margins	\$5,440,000	\$3,551,000

Our mission

To create exceptional member experiences, while safely providing reliable energy at cost.



★★★★★

Wholesale Power

\$77 million



Plant Investment: \$163M
Property Taxes: \$1.8M
Fulltime Employees: 92

Serving
46,398

members in portions
of 9 counties

Miles of Line:
4,222

Members per mile: 11
Substations: 29

MVEC

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A Touchstone Energy Cooperative

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