



MANAGER'S MESSAGE // PAT CARRUTH

General Manager



Year-End Numbers Complete

Auditors have been in to give the board their annual audit report of the cooperative books, as well as our subsidiary organizations. Overall, we had a great year financially. On a consolidated basis, we ended the year with an operating margin of \$1,074,979. We had a consolidated total margin of \$2,676,173. This is our operating margin plus primarily non-cash allocations from other cooperatives that we are part of such as our power supplier, Basin Electric.

Our year-end consolidated total margin was more than we expected this past year. This was due, of course, to several factors which include: we expect to be reimbursed by FEMA for most of our storm damage, Basin gave us a power bill credit in November of \$549,406 and a patronage allocation of \$1,268,240 and we realized an after tax margin of \$680,262 from our subsidiaries Karian Peterson Powerline Contracting and Minnesota Valley Tree Service. We also were nicely surprised that energy sales were over 13% higher than the previous year, which obviously helped our bottom line. Anyway, your cooperative is in great shape financially. Therefore, the board approved retiring \$1,867,262 in capital credits. This retirement is for all of 2010 and 50% of 2011. If you bought power from us in those years, you should be getting a check in the mail around Annual Meeting time.

Join us for Brunch at Your Annual Meeting on Saturday, March 25th

We will begin serving brunch at the Prairie's Edge Casino and Resort at 8:30 a.m. The business meeting will start at

10:00 a.m. and will wrap up around 11:00 a.m. We will be giving away something to every member who comes, as well as plenty of door prizes and Basin Tour trips. Elections for directors from Districts 5 and 7 will take place during the business meeting.

Cooperative annual meetings are informative and interesting simply because of what they represent. They represent a business structure that was created by, and continues to be operated by, self-reliant people. People have always come together through cooperative organizations to meet their common needs and economic aspirations. Cooperatives have always been, and will always be, an effective way to meet these goals. This is simply because every person taking service, like you, owns and controls them.

This is your business. You own it. When you pay your light bill, you are paying for a service from a business that you actually own. Any margins left over after the cost of providing that service are returned to you in cash as capital credits. As an owner of this business, you actually choose the people who control the utility. You elect your board members. Through them, you have control over how the business is run, how it is maintained, how responsive to your needs it is and how it will prepare for the future. Cooperative ownership is truly something to cherish and nourish.

With that in mind, please join your friends and neighbors on the morning of March 25th for a great breakfast and a chance to hear firsthand how YOUR business is doing.

2023 ANNUAL MEETING // SATURDAY, MARCH 25TH, 2023

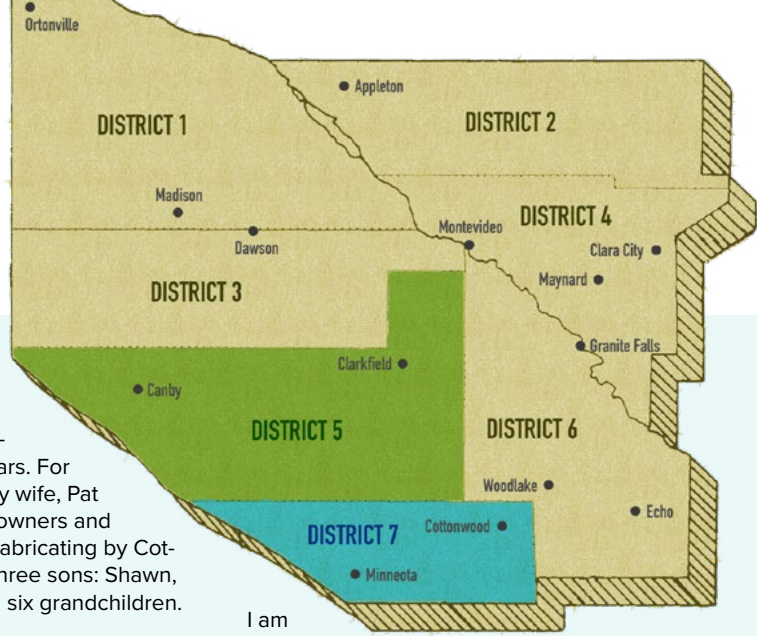
Our **2023 Annual Meeting** will take place at Prairie's Edge Casino in Granite Falls. Breakfast will be served at 8:30 a.m. with the **business meeting** starting at 10:00 a.m.

MARCH

25

2023 ANNUAL MEETING

2023 Director Candidates



District 7

Wayne Peltier



I have been farming southwest of Cottonwood for 40 plus years. For the past 27 years, my wife, Pat and I have been co-owners and managers of P & K Fabricating by Cottonwood. We have three sons: Shawn, Quinn and Colin and six grandchildren.

I have been a director at Minnesota Valley Cooperative for 24 years, currently serving as president of the Basin Electric Board of Directors. I have also served on the Cottonwood School Board and the Cottonwood Co-op Oil Board.

I am seeking to represent District 7 on the Minnesota Valley Board because I believe my 24 years on this board and my involvement with Basin Electric have prepared me for the challenge of serving in this capacity.

District 5



Darryl Bursack

My wife Susan (LP at Sanford Canby) and I have been married 46 years and live five miles north of Canby. We have three married daughters, eight grandchildren and two great grandchildren.

I am a retired farmer and recently retired seed salesman. I took over the farm at age 17 with my brothers when our dad passed away in 1972 and have loved the farm ever since.

Presently, I am a member of the Gideons and jail ministry, an active member of Bethel Fellow-

ship church, on a golf league and we are always involved in family activities. In the past, I have sat on the Cenex board, church board and was president of the Yellow Medicine Pork Producers three years. I was very involved in 4-H and youth ministry.

I decided to seek reelection to the board of directors for many reasons. I have really enjoyed the learning and challenges of serving District 5 as your director for the past nine years. I have always believed in and have a heart for member-owned cooperatives. I trust the integrity and leadership of Minnesota Valley's management, board and employees.

I believe I have the growing knowledge, passion and skills needed and gathered over the past nine years to continue to represent District 5 well. Personally, I am friendly, approachable, reliable, willing to be a team player and open to new ideas.

We have, as a cooperative, faced many successes and challenges over the past nine years. I am proud to have the privilege to be part of Minnesota Valley's very capable board and to see first hand our manager Pat's outstanding knowledge and decisions with our members always in mind.

Since I am also a consumer and member of Minnesota Valley, I want to be involved and it is my goal to represent District 5 consumers by doing my part in keeping our electricity reasonably priced, reliable and clean 24/7 to each of your homes and businesses. In the past nine years, we have done just that! I am excited and optimistic for what our cooperative and energy sources will continue to accomplish for our members.

So far during my term as director, I have been able to take a small part in Operation Round Up and the scholarship committee, and appreciate that Minnesota Valley goes the extra mile for our communities and students.

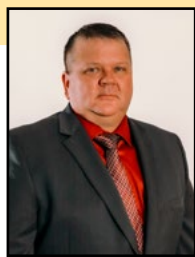
I support Minnesota Valley and the members of District 5 — 100%. Together we can continue to make a difference and have even more successful years ahead.

I especially enjoy getting to know each member, so if you ever have concerns or comments, please feel free to stop in or contact me. Thank you all for your continued support and confidence in our cooperative and in me as your director.

I hope to see you all at the March 25th Annual Meeting for a time of great food, great information, great prizes and a chance to be heard, cast your vote and connect with each other.



ENGINEERING & OPERATIONS // ERIC WOLLSCHLAGER



Manager of Operations

The February weather has been kind so far this month. Valentine's Day brought in some rain for the afternoon and then some snow overnight, along with a lot of wind. A couple line outages caused by down tree limbs and burned down wires were the only problems we had to deal with. Line crews said traveling was tough going in

the early morning on February 15th. All outages had been restored by mid-morning.

Line crews continue with the annual line patrol process, as well as maintenance items. Pole change outs are also on the list of items to be attended to. For two twenty-nine zero four The 2023 Work Plan has some single phase line rebuilds in the Minneota, Riverside and Valler's Substation areas to get started on soon. OCR maintenance has also been completed for 2022.

Karian Peterson continues to make progress on the Minneota transmission line rebuild. In the process of stringing in new wire, it is sometimes necessary to work with other utilities. Scheduling an outage to string over or under another utility can take some time because they may not be able to shut down a line at any given moment. The only crossing we have on this project is an East River transmission line. It was able to be scheduled a couple days out due to them shutting down the line for their own maintenance at the same time.

Minnesota Valley R.E.C. will be accepting applications for the summer Pole Treating Crew until April 14th, 2023. Applications are available at the Minnesota Valley office or on our website, www.mnvalleyrec.com.



Ruth Ann R. Karty

Spouse: Brian Karty (Retired Farmer and Truck Driver)

Family: Brian and I are blessed with two daughters. Rebecca Olson is married to Troy, lives in Clarkfield, and is a Vice President at Minnwest Bank. Sharon Lozinski is married to Chad and lives in Clara City. Chad and Sharon manage a large swine operation. We have nine grandchildren and one great grandson. Our son Matthew passed away in September 2020.

Occupation: I have been a Professional Business Consultant with the Southwest Minnesota Small

Business Development Center for more than 30 years. In my role, I work with small businesses across 18 counties of Southwest Minnesota. The services include providing assistance to individuals and businesses who are beginning, expanding, or exiting their small businesses. I work with business planning and cash flow projections, financing proposals, financial analysis, strategic planning, and general business consulting. I have also worked with multiple government agencies to assure that my clients receive the correct information and are in compliance with all the rules related to their businesses.

I have also been a Minnesota Farm Advocate, contracted to the Minnesota Department of Agriculture since 1986. In that role I work with farmers and farm families who are beginning their career, struggling with financial matters, expanding their operation, creating long term plans, or preparing to exit or transition farm ownership. I work with families to meet their personal and professional goals, and to assist them in creating strong relationships with their lenders, accountants, and other professionals.

Community involvement: Through my working relationships, I have been deeply involved in the economic viability of Southwest Minnesota for many years. I have worked with government agencies, local banks and lending agencies of all types,

education providers, and the general public to promote economic strength in this region.

Being blessed with nine grandchildren, it is my desire that they have the opportunity to live and work in Southwest Minnesota if they desire. Far too many young people leave this area for opportunities that are not available here. It's important to create not only the opportunities but also the infrastructure that allows them to thrive and to raise their families.

Reason for deciding to run for the Board:

I believe that Southwest Minnesota, and the region that Minnesota Valley serves, faces challenges related to energy. Our local and federal governments continue to strive to meet the goal of clean energy. Minnesota Valley has diligently worked toward that goal. Recently our governor signed a Carbon Free Energy Bill. While I understand the reasoning, I frankly don't believe that moving to eliminate the use of fossil fuels to generate electricity is achievable.

For many years I have followed the progress made by Minnesota Valley and at this time I am interested in working toward being part of the solution.

Additional comment: I am honored to be nominated for a position on the board of Minnesota Valley and if you choose to select me, I will do my best to represent you well.

Find your number and claim by the 25th of March to receive:

Congratulations to Lawrence Vogt, who identified his number to earn \$20 off his energy bill!

\$10





Member Services Manager

Has your appliance become a hazard?

household appliances.

Computers, televisions, stereos, refrigerators, water heaters and many other smaller electrical appliances are wonderful life-enhancing conveniences. But when the time comes to replace and dispose of them, they can become a dangerous nuisance and hazard if not discarded properly.

Unfortunately, many second-hand unsafe appliances wind up in other people's homes as electrical shock or fire hazards, or illegally dumped in ditches, back alleys, vacant lots or other places where they become serious safety and environmental hazards.

Minnesota Valley Cooperative warns people to never attempt to use a malfunctioning or previously discarded electric appliance and to beware of old appliances sold in flea markets and garage sales. Such appliances may pose a fire or electrocution hazard and may be no 'bargain' in the long run.

Managing the safe disposal of the vast amount of electrical appliances that wear out, become obsolete or damaged can be a challenge, but there are safe disposal alternatives.

Take advantage of local recycling opportunities. Before throwing away electronics, check on programs that collect and repair unwanted phones and computers for contribution to charitable organizations and schools.

Many communities sponsor collection events that accept electronic appliances. However, be aware that stringent state and federal laws now govern the disposal of many electrical appliances. Most electronics

have parts that contain hazardous materials, such as lead, mercury, arsenic, cadmium, PCBs and Freon. In most states, landfills can no longer accept certain appliances unless banned materials and components are first removed.

Minnesota Valley Cooperative offers these guidelines for safe appliance disposal:

- Have a qualified professional remove Freon, PCBs and mercury switches from old appliances. For assistance, contact your local public works department or appliance service provider.
- After removal of unsafe materials and components, arrange to have the old appliance taken to a scrap yard where the metal can be salvaged for recycling. High steel prices have made old appliances attractive to scrap dealers.

- Never leave or store an unused or damaged appliance in an open, unsecured area. Discarded appliances are a safety hazard, especially for children. In addition, discarded appliances may provide shelter or a breeding place for vermin.
- Before disposal, remove electrical cords from damaged items so they are not reused by someone else.
- If larger household items, such as washers, dryers, stoves and refrigerators, need to be replaced, have the dealer remove the old appliance.

Don't keep old, inefficient appliances that are costly to operate and will pose a future disposal problem. C three fourteen zero three A Replace old, worn appliances with new, high-efficiency models. Make certain that all new electrical equipment you purchase is safety-tested and bears the Underwriters Laboratories (UL) label.



Comparative Report

	Jan-Jan 2023	Jan-Jan 2022	Jan-Jan 2003
Kwh Purchased	23,634,641	26,122,025	15,349,424
Kwh Sold	22,150,838	24,903,388	14,360,539
Cost Of Purchased Power	\$978,433	\$1,078,641	\$372,548
Patronage Capital Margins	\$158,951	\$295,037	\$127,929
Reserve For Taxes	\$24,000	\$21,417	\$19,134
Cost Per Kwh Purchased (mills)	41.40	41.29	24.27
	January '23	January '22	January '03
Total Plant	\$91,616,802	\$86,437,975	\$34,932,967
Number of Active Services	5,298	5,312	5,224
Avg. Residential Bill	\$297.80	\$307.42	\$143.21
Avg. Residential Kwh Consumption	3,018	3,427	2,251
Avg. Kwh Usage All Consumers	4,181	4,688	2,748
Peak Kw Demand (Peak Load)	41,709	46,441	28,488

