



Iowa Institute for
Cooperatives

CO-OPVIEWS

News and information for the benefit of Iowa cooperatives.

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An Alliance for Progress

ENOVUS = Energy, Innovation & Us

The electric utility industry, like other service-centered industries, has had its share of challenges over the past decade. In some cases, pressures like volatile markets, staffing costs, finding qualified employees and infrastructure upkeep have lead to mergers.

But in the case of two rural distribution electric cooperatives, Midland Power Cooperative and Nishnabotna Valley REC, the solution has been a more creative one.

Recognizing the intrinsic value of each cooperative as individual entities and not wanting to lose the member relationships that make cooperatives strong, Midland Power and Nishnabotna Valley created a professional management and shared services group known as ENOVUS Management Cooperative.

“The concept of a shared-services cooperative was discussed theoretically by the Midland Board a number of years ago,” says Bill McKim, CEO of ENOVUS, Midland Power and Nishnabotna Valley Cooperatives. “The idea for the two cooperatives to explore formally sharing services came from a conversation among three co-op leaders, Jack Runge, Midland board president; Paul Heineman, Midland board member; and Darrell Stamp, Nishnabotna Valley board president.”

In researching and, ultimately, pursuing this business venture, good due diligence was conducted by the boards and staff leadership teams at both cooperatives.

“There was an attitude of ‘this is something new, it’s a challenge, but let’s research and plan carefully and see if there is a business case for implementation,’” McKim says. “All of which, I believe, fits in with the sixth cooperative principle of ‘Cooperation among Cooperatives.’”

The shared entity now provides managerial, financial, communications, billing, information technology (IT) and human resources (HR) services for both member power cooperatives.

Benefits have included achieving first-year cost savings for both cooperatives, attracting some really great people to be part of the shared services team and knowledge-sharing,

Serving nearly 12,000 member businesses and households, Midland Power Cooperative is headquartered in Jefferson, Iowa. Nishnabotna Valley REC serves nearly 5,000 member businesses and households from its headquarters in Harlan, Iowa.

which allows them to cross over and utilize best practices to improve operations of both cooperatives.

“The ability to share knowledge and workflow process expertise has been a huge benefit,” McKim says. “Our organizations have learned from each other.”

Iowa Institute for Cooperatives Executive Director Dave Holm sees the value ENOVUS has delivered to its members.

“I commend both cooperatives for being creative in their problem-solving,” he says. “Attracting and retaining employees in rural Iowa is a challenge for all industries. The idea of cooperatives working together to leverage their expertise and experience is a win for both cooperatives and the employees. It gives the staff the opportunity to grow and develop while managing costs and accessing skilled employees for the two cooperatives.”

Membership in the shared services group doesn’t have to stop at two founding RECs. “ENOVUS was organized as a cooperative and the concept is scalable to allow others to participate,” McKim says.

ENOVUS is an example of the innovation that will be necessary for success in coming decades.

“We will have to continue to look for innovative solutions and opportunities to preserve businesses to serve rural Iowa,” Holm says. “Cooperatives have always been creative in their solutions and working together is a win-win for everyone.”



IIC Members Engage with Iowa Legislators

Iowa Institute's Annual Co-op Day at The Capitol



Joining IIC Director of Government Affairs, Katie Hall and IIC lobbyist, Mike St. Clair in the Governor's Office Meeting from left to right: Ron Balek (board member of Viafield), Jake Hamlin (CHS), Matthew Wohlman (Land O' Lakes), Governor Kim Reynolds, Brett Bell (Landus Cooperative), Brian Bailey (Heartland Co-op), Liz Hobart (Growmark), James Nygren (Farm Credit Services of America), Neal Keppy (board member of River Valley & Land O'Lakes)

I heard from several Iowa legislators that they were happy to hear our thoughts. Meeting our legislators in-person helps when you may reach out to them later by email or phone. Iowa Institute for Co-ops works hard on our behalf legislatively. We as farmers and managers need to show up and work side-by-side when we get the chance.

NEAL KEPPEY

River Valley Cooperative &
Land O'Lakes Board Member

I can't emphasize enough the importance of co-ops and agriculture having a seat at the table when it comes to creating policy at all levels of government. I encourage everyone to stay informed and get to know your legislators. They do value your input as co-op member or producer. When given an opportunity to visit our Capitols in Des Moines or Washington D.C., do it, you will find it rewarding and our industry will benefit from your involvement.

GARY KREGEL

Three Rivers FS Board Member

The ability for one-on-one time with state legislators is invaluable. We need to communicate our concerns and inform legislators and elected officials across Iowa of the important topics that they may not be aware of in our industry.

NATE SCHULTE

CFE Board Member &
Cooperative Energy Board President



Pictured: Justin Hupfer; Gracie Brandsgard and Murray Williams talking with Rep. Dave Williams; Rep. Landon talking with Dave Holm and Bill Beukema; and Mike St. Clair speaking with Rep. Anne Osmundson



Pictured: Adam DoBraska (Sen. Grassley's Regional Director) Rep. Jacob Bossman; Rep. Steven Holt talking with Justin Hupfer; Rep. Linda Upmeyer (previous Speaker of the House) with Dave Holm; and Rep. Dave Williams

FCA's Merle Lyons Continues Living the Co-op Legacy

Merle Lyons, General Manager at First Cooperative Association (FCA), couldn't imagine a world without cooperatives. "I'm the fourth generation of co-op employees in my family. I had my own double circle co-op coat when I was five years old so I knew from an early age I wanted to work in the co-op system," says Merle.

A native of Gibbon, Nebraska, Merle started working for his hometown co-op 40 years ago. From there he ended up in northwest Iowa where he became the Feed Division Manager at Agland Co-op in Alta, prior to Agland merging with two other co-ops to become FCA in 1997. He completed the University of Missouri-Columbia's Graduate Institute of Cooperative Leadership through the College of Agriculture, Food and Natural Resources in 2007, and the executive agribusiness program partnered through Land O'Lakes® and Purdue University in 2012.

For Merle, the most significant challenge facing FCA - and all cooperatives - is operating in the most efficient way possible and centrally position assets. He also believes that cooperatives must continue to invest in training employees and attracting talent. "The most rewarding part is when you are coaching

and mentoring your employee base, watching them grow and how they pull together as a team," says Merle, "That boils down to how well we take care of our customers. Why are we our customer's first choice? It's always because of the people."



Merle recognizes the legacy of FCA and how he plays a part: "We're building on a strong history that dates back to 1887, when the first ag cooperative in the nation was founded in Marcus, Iowa. Today, FCA is the 65th largest co-op in the country. We need to continue to focus on smart growth, as well as listen to the customer and adapt to keep FCA relevant and strong."

Who better to continue that legacy than someone who lives and breathes cooperatives? Merle chuckles as he says, "When I step into a co-op, no matter where I am, I feel like I'm home."

Merle and his wife, Beth, currently live in northwest Iowa and have four grown children: Jennifer, Becca, Stacey, and Jeromy, and 11 grandchildren.

“ When I step into a co-op, no matter where I am, I feel like I’m home. ”

Newly Appointed Board Members

Guiding the future of the organization, Iowa Institute's Board of Directors represent both geographical regions and regional cooperatives of Iowa. Currently, 15 directors serve cooperative members of the Iowa Institute.

Welcome to Marcus and Jason representing our regional members and Kenny representing electric co-ops.



MARCUS WILHELM
Regional Board Member
Regional Vice President
CoBank
Omaha, Nebraska



JASON BERKLUND
Regional Board Member
Underwriting Director
Nationwide Agribusiness
Des Moines, Iowa



KENNY VANDENBERG
IAEC Representative
Board Vice President
Chariton Valley Electric Cooperative
Albia, Iowa

IIC LOOKS TO THE FUTURE

Over the last several years, the IIC board has had numerous discussions on how our organization will look in 10 years. The IIC Board recognized the need to begin a strategic planning process to develop the vision and strategy plan for the Iowa Institute. At the March meeting, the board chose to partner with TPG (Transform.Perform.Grow) Companies to facilitate and lead us through this process.

TPG will begin by interviewing staff and board members to gain insights on the organization's history, culture, potential issues and future opportunities. Next, they will be reaching out to members and industry stakeholders to gain further perspective into the work of the Iowa Institute.

We are looking forward to the process as we help develop a dynamic plan that will be responsive to and add value to our members in the years to come.

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IIC'S MESSAGE TO MEMBERS

The COVID-19 pandemic has forced us all to make changes to our daily routine.

We are constantly assessing and adjusting our current work arrangements to address the needs and safety of our staff and members. Although our office is currently open, we have the ability to work remotely, and encourage our members to contact us via phone or email. We have canceled all in-person meetings and events at this time.

Our mission statement says it all: “Enhancing our

member cooperative’s success.” We are here to help and support our members, and are proud to work in an industry where cooperation and concern for community are two of our founding principles. With changes occurring daily, even hourly, we plan to provide you information and access to resources your cooperative needs. Please contact us with your questions and look for our email updates with the latest information and webinars.

