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Director's Report

Dan Jones, Board Chairman

FISCAL YEAR 2017

August 31st marked the end of Crystal Valley's fiscal year for 2017. Our company auditors will be here in a few weeks to do our year-end audit and the results will be presented to the board in early November. Throughout the summer, the management team has been working on budgets, working capital projections and fixed asset needs to be able to hit the ground running for fiscal year 2018.

BOARD RETREAT

In early August, we held our summer board and staff retreat. This year it was hosted by Land O' Lakes and held at their company office in Arden Hills. Some of the topics discussed at the retreat were: developing sustainability plans, suggestions on how to market the Crystal Valley brand and developing a strategic intent statement for Crystal Valley.

EQUITY REDEMPTION

In early September, 8,860 equity revolvment checks totaling over \$2.3 million went out in the mail. This year the Board approved redeeming all member equities remaining from 2002 and 65% of 2003. Every year a large number of checks are returned to us because of an incomplete or non-current address. Please call our main office in Lake Crystal (507-726-6455) or (800-622-2910) to update your address. If you know of someone else that might not get this newsletter that needs to update, please inform them to do the same.

ANNUAL MEETING

It's not too early to start thinking about this year's annual meeting. The event will be held on January 30, 2018 at the Verizon Center in Mankato. More information will be coming as we get closer to the event.

Directors whose terms are up for re-election this year are Bryon Christenson of LaSalle, Tim Lewer of Waseca and Gene Meyer of Round Lake. If any member is interested in seeking information about running as a candidate for the board of directors, please contact any member of the director nominating committee listed below:

- Steve Fransen.....507-840-0972
- Mark Christenson507-380-2369
- Dan Jones.....507-381-6385

Summer is gone, Fall is upon us. In a few days we will all be busy harvesting and hoping for good weather to help make harvest go smoothly. Please stay safe this harvest season! Thank you for your continued support of Crystal Valley!

“AGRICULTURE, it is our wisest pursuit because it will in the end contribute most to REAL WEALTH, GOOD MORALS, and HAPPINESS.”

-Thomas Jefferson



Manager's Report

Roger Kienholz, *General Manager*

Open House and Pork Chop Feeds

The weather cooperated wonderfully for us as we had sunshine and warm temperatures for our Customer Appreciation suppers on September 12, 13 and 14 in Jackson, Madelia and Janesville. Our sincere thanks to all those who came, to our employees for their terrific service, and to the Martin County and Nicollet County Pork Producers for cooking up the nicest chops in Minnesota – 3,000 of them in all!

It was a beautiful day on September 11 as well for the Open House in Trimont to showcase our expanded grain facilities. We had a nice crowd over the noon hour to enjoy an excellent pulled pork meal provided by Ole's Gathering Place. Patrons got to tour our new 730,000-bushel grain bin, a 20,000 bushel-per-hour receiving pit, new inbound and outbound scales and the upgraded 2400 bushel-per-hour corn dryer. The project is all but wrapped up and ready for harvest.

There are a couple new names for cooperatives in the neighborhood. River Region Cooperative and South Central Grain & Energy merged together on August 1 as Central Region Cooperative, headquartered in Sleepy Eye. Harvest Land Cooperative and Coop Country Farmers Elevator merged together on September 1 under the new name of Farmward Cooperative with its main office in Morgan.

In early August we had an interesting visit with an Agribusiness trade delegation from the Republic of Kazakhstan. Included in the group were the Ambassador of Kazakhstan to the United States, their agriculture Secretary, and numerous other business, trade, governmental, and academic representatives. They were on a week-long tour of U.S. agricultural manufacturing and trading organizations that included stops in Illinois, Iowa and Minnesota. On August 10th, they stopped and toured our Hope grain elevator and rail-loading terminal. They were very impressed with the size of our grain bins and the speed at which we can receive, as well as load out grain. Our employees did a great job of hosting and explaining the inner workings of a modern, state-of-the-art, grain handling operation.

As Chairman Jones mentioned, August 31 marked the end of FY2017 for Crystal Valley. Total company sales were up only slightly over last year. The additional revenues brought in by the merger with FCA Co-op were offset by lower input and commodity prices along with a considerably reduced bushel handle as farmers have been reluctant to sell at these reduced grain prices. As always, the auditors will be in during October to review our financial statements and we'll report the results to you in our next newsletter and at the annual meeting in January.

Thank you for your business, and have a safe and bountiful harvest!



Madelia Customer Appreciation Dinner



Jackson Customer Appreciation Dinner



Janesville Customer Appreciation Dinner

2017

CRYSTAL VALLEY COOPERATIVE **FALL GRAIN POLICIES**

The following Grain Policies are in effect as of 09/01/2017; but remember, this can change at any time and we will try to provide advance notice of any changes.

There is a 10-day grace period for delivered grain. If you know how you want your bushels applied at time of delivery, please give instructions to your driver so he/she can let us know. If you are undecided on what you would like to do at that time, the grain will be put into open storage until we are notified. If the grain is not priced within 10 days of being delivered, storage will be charged from the date of delivery.

Reminder: as in the past, there is no averaging of corn or bean discounts.

Storage charges on both corn and soybeans will be \$.00164 per bushel per day or \$.05 per month with no minimum at this time. With the size of the crop still an unknown, we may be forced to reconsider putting on a minimum storage fee to protect your coop in the event that we are forced to ship unpriced grain. We will post a notice to inform you of any minimum storage rate to be charged. Grain Bank corn delivered at harvest time will have no storage charges the first two months. A maximum of four months of projected grain bank corn usage will be allowed.

Corn - Corn drying charges will be \$.0225 per bushel per 0.5 point of moisture over 14% for open storage and warehouse receipt, and \$.0225 per each 0.5 point of moisture over 15% for cash, delayed price, grain bank and contracted. Shrink is 0.7% per 0.5 point of moisture.

Soybean - Soybean moisture discounts will be 1% of cash price discount per 0.5 point of moisture at 13.1% and over; 2% of cash price discount per 0.5 point at 14.1% and over. Beans with a moisture content of 15.1% and over are subject to rejection or a 3% of cash price discount per 0.5 point.

Checks or ACH will be issued only on request. Please contact any of our grain offices if you would like us to settle bushels that have been delivered.

Any grain applied to storage this fall that is not priced by August 31, 2018, will have the storage charges billed to your account. Storage will start accumulating again on September 1, 2018.

Off farm trucking will be on going this fall but we will require a three day notice to help us meet all our customer's requests. We do not haul direct delivered grain at harvest time.

HTA fees effective 09/01/2017;

Corn \$.03/ Beans \$.05	2017 crop year
Corn \$.06/ Beans \$.10	2018 crop year
Corn \$.09/ Beans \$.15	2019 crop year
Corn \$.12/ Beans \$.20	2020 crop year

Rolling Fees \$.02 per bushel

Arbitrage Fee \$.05 per bushel



Agronomy Report

Dale Botten, *Agronomy Division Manager*

Preparations for Fall

Your agronomy department had a busy summer serving our crop production customers. Rainfall amounts throughout the summer created optimistic yield predictions resulting in additional applications of crop nutrients and crop production products.

We are seeing lower crop nutrient prices compared to the past spring application season. Phosphate and potash prices have reset to levels we saw last fall. Nitrogen prices are lower than a year ago, thanks to new nitrogen production facilities throughout the county. The dry urea nitrogen price has come down, now comparable in cost per acre to anhydrous ammonia, this will be the best value for you going into fall. This is our eighth fall applying urea with nitrogen stabilizer Instinct, proving to be a very agronomically sound alternative to anhydrous ammonia.

We continue to expand our Precision Ag offerings with our in-house Precision Ag department. With a challenging farm economy, Precision Ag will position you to make the best investments on every acre on your

farm. The growing complexity of agriculture creates greater opportunity for Crystal Valley to help you with agronomic information, recommendations and service needs. Contact a Crystal Valley agronomist to review all our products and services we offer along with lining up your fall soil sampling needs.

As we move into the fall application season, Crystal Valley continues to make significant investments in people, equipment, facilities and technology to allow for precise and timely applications. Technology continues to improve and evolve, changing the way we operate, bringing additional value to our customers. Our experienced custom applicators are prepared to accurately apply your fertilizer and crop production products this fall.

With all the changes going on in agriculture, Crystal Valley is committed to serving your needs now and in the future. We are focused on providing you the best products and delivering you the best service possible for your farming operation. Thank you for your continued support of our Crystal Valley Agronomy Department.



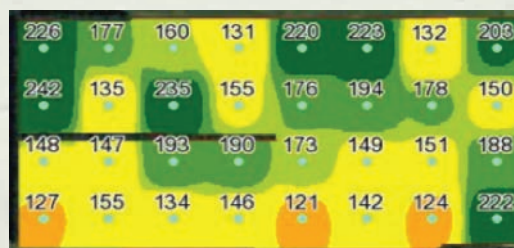
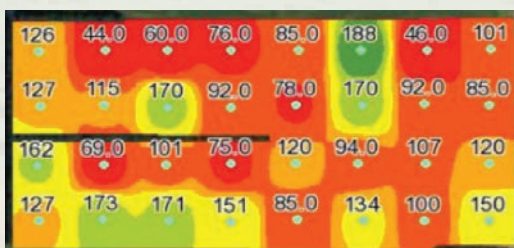
Agronomy Update

Matt Schoper, *Agronomy Sales Manager*

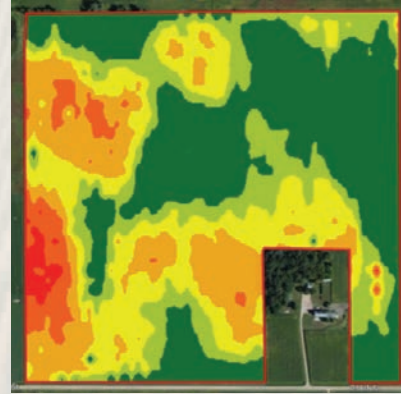
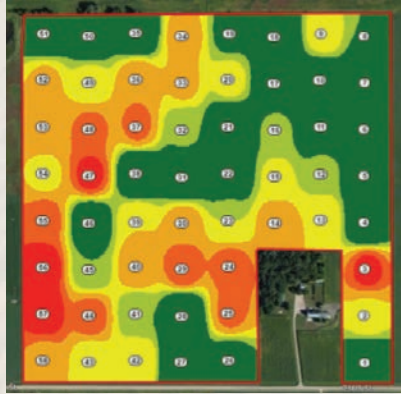
Precision Ag Is A Critical Component to Success

As we transition to fall, focus is shifting toward the final report card for the year: Yield. However, we need to keep in mind everything that got us to this point, and a critical piece of that is soil. Soil fertility and overall soil health are the base upon which we build our productivity year after year, and our Crystal Valley team is here to work with you to evaluate and/or build a comprehensive plan tailored to your operation.

Grid soil sampling remains the gold standard for macronutrient level analysis, and even though it's nothing new, it does deserve a piece of our focus. In addition to creating a Variable Rate fertility recommendation around the results, we also re-evaluate soil test levels after every resample period, which is typically every 4 years. This allows you to work together with your Crystal Valley agronomist, answering the questions around where additional fertility may be needed to achieve your production goals, or if your program is moving your nutrient levels in the right direction. The below graphics are a good examples of before and after implementation of a 4 year VRT program to build soil P&K levels.



Crystal Vue gives you the most accurate, high-definition representation of soil texture, nutrient holding capacity, and pH variation across your farm. In order to drive site-specific management of your fields to the next level, it is crucial not only to use multiple layers, but increase the clarity or definition of the layers used. To that end, Crystal Vue collects 10x the amount of pH data over standard 2.5 acre grids to truly define where acidity or alkalinity problems exist. The soil texture, Organic Matter, and CEC layers create a more accurate picture of productivity potential across that farm, as compared to SSURGO soil types. The maps below depict the increased accuracy of the pH pass with Crystal Vue vs. 2.5A grids.



We have consistently seen double-digit soybean yield hits in both low and high pH environments. While there's currently not an economically feasible way to lower pH levels across a farm, we can manage around it with soybean varietal selection and VR liquid amendments driven by the data we collect using Precision Ag. In low pH environments, lime has proven itself year-over-year to provide a positive ROI to both corn and soybeans as an amendment. Again, it all goes back to collecting and using the best data to inform the spreading operation, whether it's putting nutrients in the right place, or managing a high-ton lime spread scenario where we also want to be as pinpoint accurate as possible.

New Members of Agronomy Sales Team

We have had three new Agronomists join the team this past quarter. Arthur Forst & Logan O'Rourke both joined the team to serve the Waldorf area. Arthur is originally from the Gibbon area where he grew up on a farm and graduated from South Dakota State University with a degree in Ag Sciences. After graduation, he spent some time working for another coop in Central Minnesota. In his free time, he enjoys hunting and fishing with friends. The second Agronomist that joined the Waldorf team is Logan O'Rourke, growing up in the Minnesota Lake area. Logan is a graduate of Minnesota State University with a degree in Biological Sciences. Prior to coming to Crystal Valley, Logan was working for a regional coop in Eastern Minnesota. In Logan's free time he really enjoys spending time with friends and family. In the Madelia area, Tim Zander joined the team. Tim is a graduate of Minnesota State-Moorhead with a degree in Business Management and is originally from the Howard Lake area. After graduation from college, Tim spent the four years working for a cooperative in Northcentral Minnesota. In Tim's free time he enjoys playing and following sporting activities. Please help me welcome Arthur, Logan and Tim to the Crystal Valley Team.

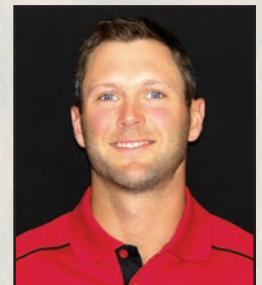
Thank you for your business.



Arthur Forst
Agronomist



Logan O'Rourke
Agronomist



Tim Zander
Agronomist



Grain Report

Jeff Spence, *Grain Division Manager*

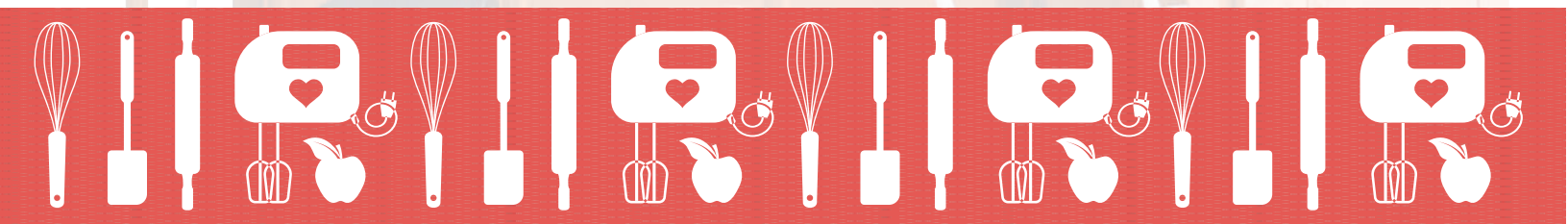
Fall Harvest Information

After a wet and cool summer, I believe we could have a better corn yield in our trade territory than last year. However, with the Powdery Mildew problem, and some Sudden Death Syndrome, the yield potential of beans are still up in the air. We did have a few areas, like always, that either received a little too much rain at one time or went a little longer without rain than was good for the crops. I still believe our crops may look the best of anywhere in the Corn Belt, with the government reports backing this up. The big problem is the prices for corn and beans. Right now the world seems awash in all grains. Last year South America had their largest grain crops ever once again, which is making grain exports very difficult. With all that said, we are at \$3.00 for corn and bean prices are in the \$9.00 range again. With these low prices, and still some people carrying over last year's corn, marketing will be hard again this year. Please contact one of our Marketers to help with any of your marketing needs.

We will be offering the same storage and drying programs we have been offering in the past. The Lake Crystal location will only be taking dry corn and beans and all our other locations will be taking wet corn, dry corn, and beans.

We will be posting our fall hours for each location on our web site. As always, please check with your location manager if you have any questions about the fall hours. Our normal harvest hours are Monday to Saturday 7:00 a.m. to 8:00 p.m. for truck elevators and Monday to Saturday 7:00 a.m. to 10:00 p.m. for the shuttle locations (Hope and Madelia). On Sundays, our truck locations will be open from 12 noon to 6:00 p.m. and shuttle locations open 10:00 a.m. to 6:00 p.m., depending on the weather.

We will issue checks or ACH payments only on request. We do not do any averaging during harvest and will apply to the oldest contracts first. You can find our fall policies in this newsletter and on the Crystal Valley web site (www.crystalvalley.coop). If after reading our policies you have any questions, please give us a call. Please have a safe harvest!



INGREDIENTS:

- » 30 oz. can pumpkin
- » 16 oz. can evaporated milk
- » 1 teaspoon ginger
- » ½ teaspoon ground cloves
- » 1 cup sugar
- » 4 eggs
- » 2 teaspoons cinnamon
- » 1 package yellow cake mix
- » 1 cup chopped pecans
- » ¾ cup butter

Serves 12-15

From the Kitchen of Lil' Luna

NAME: Pumpkin Dump Cake

DIRECTIONS:

1. Preheat oven to 350.
2. Mix pumpkin, milk, ginger, cloves, sugar, eggs and cinnamon in a large bowl. Pour into a greased and floured 9x13 pan.
3. Sprinkle cake mix and chopped pecans on top.
4. Cut butter very thin and cover all over cake mix.
5. Bake for 1 hour and served warm with whipped cream. ENJOY!



Bob Bloomgren
Grain Marketer

Grain Marketing

Bob Bloomgren, *Grain Marketer*

Getting Ready for Harvest

Grain markets finally got the rally they were looking for after the June 30th acreage report. This rally was fueled by fund short covering, weather premiums, and speculation the USDA was going to lower corn yield down 2 to 3 bushels an acre from the June report of 170.7 bushels per acre. The USDA's July 12th report kept corn and bean yields the same as the June report, 170.7 on corn and 48.0 on beans. Better than expected yield estimates and large carry outs on this report ended the rally. Producers rewarded this \$0.35 corn and \$1.20 bean price improvement to move old crop grain filling the pipeline to end users and widen basis.



Ryan Brandts
Grain Marketer

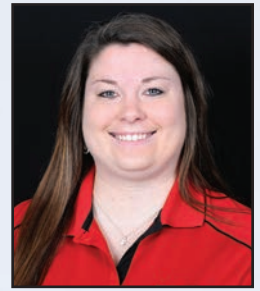
Since the USDA's July report, markets have made a steady decline with the producers moving little grain. South America's record crop, United States' large carry outs, and August rains have put pressure on this market. Corn and bean basis has seen an improvement with the lack of producer movement as the farmers waited on the September USDA report to see if they would surprise the market with lower yields. The USDA definitely did surprise with their yield estimates but unfortunately it was a surprise to the up side as the USDA increased

their estimates on corn yield from 169.5 to 169.9 and raised bean yield from 49.4 to 49.9 which subsequently ballooned the corn carryout estimate to 2.335 bu. This was a big blow to the bulls as they are left waiting and hoping that harvest yield reports paint a different picture.

The questions in these markets are, what is the size of this crop and how big of an export program will the U.S. have? Marketing crops in this environment is very challenging and having a marketing plan and knowing your cost per bushel is very important. With the carry in the market, don't forget about watching the prices for next spring and the summer months. If you have target prices, Good Till Cancelled offers are a good way for us to watch the markets as you are busy with harvest. We also offer Guaranteed Minimum Price (GMP) contracts that allow customers to sell their grain with the ability to re-own it with a call option. Megan Tusa, Ryan Brandts, and Joe Williams are licensed brokers that can place those orders through Crystal Valley. We also offer plenty of over the counter contracts if a producer is looking to diversify his marketing plan.

Crystal Valley offers a number of marketing strategies to fit your marketing needs and can set you up with text and email bids to keep you updated with the latest markets. Give us a call to discuss our different programs and let us put together a marketing program for you.

Have a safe harvest and thank you for your business.



Megan Tusa
Grain Marketer



Joe Williams
Grain Marketer



Energy Report

Bruce Lauver, *Energy Division Manager*

Energy Market Update

Important information for the upcoming busy fall and winter season.

After Hour Service:

After hour service needs for fuel deliveries and propane service: Please call 1-800-622-2910. This number will direct you to the needed service of your choice.

Energy Markets

It has been a calm summer for the energy markets, but as we turn our focus to fall harvest and winter heating season, we are facing new challenges.

We have seen the energy markets get turned upside down with hurricane Harvey and it will continue with hurricane Irma. It is normal to see prices surge ahead of storms and fall in a short term after. Opportunity knocks, as business returns to somewhat of a normal pace, we are expecting a short-term fall in the energy markets after the hurricanes. If you haven't contracted for fall diesel, propane corn drying and winter propane heating, this may be a good time to do so.

With long term focus on rebuilding the energy infrastructure in Texas and shortages in Florida, we expect to see the markets continue to steadily go up. Six refineries are currently restarting in the Texas Gulf. The refineries lost roughly 6 million barrels of fuel production during its 10-day outage. The plan is to have it running at 40% capacity before mid-September. We will definitely see more stress on the gasoline, diesel and propane inventories as we move into fall.

Fall Recommendations

It is our recommendation that you keep all your fuel tanks full going into fall harvest. And with a high probability of a larger corn drying season, we also recommend keeping your propane tank full as well.

Propane service has taken a huge increase after the merger this past spring. If you need propane service work for this fall, we recommend you schedule it early with Jim Jung or your local office locations. Lube oils, grease, def, are available upon your request and we do make door to door deliveries. Place your orders at your local locations or call 1-800-622-2910.

**Everyone at Crystal Valley and the Energy Team wish you the best and safe harvest.
Thank you for your business.**

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Energy Sales Update

Chad Larson, *Energy Sales Manager*

Energy Sales Happenings

Summer is gone already! We've seen crude and its products creeping up from the start of July up to the first part of September. Of course, the hurricanes did their part as of late to contribute to some strengthening. But looking back, even up to hurricane Harvey, we saw a 15-cent increase from mid-July to mid-August on diesel demonstrating why our sales staff makes it an effort to discuss contract levels with you early on ahead of fall or spring. This ensures you have the facts and current market dynamics at play so you can make an informed decision timely. I state this again because of the larger volumes our customers are using currently, a few cents can add up quickly. Cash and contract price strength in summer is not always indicative, as we may have high fuel prices in fall, but this is typically the pattern we see due to the demand picture at fall harvest. Contracting is still a good risk management tool overall against upside potential.

Corn Drying

This is the biggest guessing game we can discuss. As we sit today, we are at 2,181 degree days; Last year at this time, we were at 2,348 leaving us at 167 DD's behind last year. A fair share of you contracted LP, which is a good risk management approach if an average or above average drying does play out. We have seen many fall seasons pleasantly surprise us, this fall could do the same. However, as we sit today, we support the current position of our growers having secured some of their usage.

Lubricants

Lubricants continue to offer products for today's engine design. As the engine emissions standards continue, the fuels and oils have to perform to the demands placed on them. This is one area where it's valuable to have knowledgeable salespeople to help you understand what products work with the specific applications you have.

One way to save money is buying bulk oil versus containerized. This approach allows you to see what you have on hand with the measuring increment marks on the tote, getting you away from rocking the drum and guessing what is remaining before you begin your service. It's also a cleaner over all setup versus a dust/debris collecting drum in the corner of your shop. In my 11-year history, I have never heard anyone I have converted to bulk totes ever say to be I want to go back to drums.

Cenex® Total Protection Plan Warranty (TTP)

Lastly in addition to lubricants, please consider looking into the Cenex® Total Protection Plan Warranty. If you're using Cenex® fuel and oil already you should strongly consider putting your equipment on the TTP program. With the shear cost of repairs today, we are seeing repair bills of \$60,000 - \$70,000 on the CaseIH STX and the Deere 9R's, this is one of the greatest programs available to manage risk.

Most of you may know what dealer extended warranty can cost you, but with the Cenex® TTP program, the cost is minimal to enroll. If you don't use Cenex® fuels and oils, we can gladly explain what you need to do to get on board.

It has been a great year for myself and my team. We are very pleased with the relationships we've built and will continue to build. If there is ever any concern over anything, please feel free to call myself at 507-317-4488 or any of the management staff here at Crystal Valley. We don't want to just be your supplier, we want to be your partner. Thank-you for your business.



Feed Report

Bob Raue, *Feed Division Manager*

Thank you and New Items Around Crystal Valley

Thank You

We have another fiscal year in the books. Your Crystal Valley Feed team would like to thank all our customers for the business and support you have given us. It is because of you that we are successful, and we look forward to serving you in the future. Please let us know if there is anything that we could do to benefit you or your business. The Crystal Valley Feed team has been in discussion and we will be moving forward with some exciting new services that we will be offering to our customers in the future.

New Employees

We want to welcome Ben Johnson to our Feed team. Ben is our second shift mill operator at the Vernon Center mill and lives in the rural St. Clair area. Ben replaces Luke Eichberger, who has moved into a feed delivery position.

We also want to welcome Brittany Sieg to our team. Brittany is the new administrative assistant at the Vernon Center mill and resides in rural Madelia, MN with her family. Stop in and meet Brittany and help us welcome her to Crystal Valley. Brittany replaces Serena Groskreutz who has accepted the administrative assistant position at our Hope, MN facility. We wish Serena the very best of luck in her new position.

Welcome also Riley Oeltjenoruns. Riley works at the Jackson mill in mill operations. Riley assists with the daily operations of the mill and resides in rural Jackson, MN. Please welcome Riley to Crystal Valley when you see him.

Jackson Feed Mill

As many of you know, the Jackson feed mill office has been going through a remodel for part of the summer, and the work is now completed. Site manager, Thomas Cunningham, sales representative, Jeremy Ebeling, and the feed administrative assistant will now be located in the feed mill office. When you're in town, stop in to say hello and check out the remodel.

As was stated in one of our past newsletters, the Jackson mill is in the process of becoming a third-party HACCP certified mill; this will be completed within the next two to three months. Everything necessary for the certification is how the mill has been operating in the past, so you can expect no changes. The Crystal Valley mills are audited yearly by a third party; they audit our processes and procedures to verify we are following the checks and balances we have in place. We could choose to do our own audits as some mills do, but we feel using the third-party auditors gives our customers the extra assurance of quality they have become accustomed to when doing business with Crystal Valley.

New Equipment

A Rotap 13 Sieve Shaker has been purchased at the Jackson mill and is now being used to check the micron size of the corn going into swine rations. In the past, checking the micron size was done by using manual testing equipment, and with the purchase of the new Rotap, it will make this job easier and more efficient. Micron size testing is done on a weekly basis, or more often if needed and assures our customers they are getting the quality grind they want. All of the Crystal Valley mills have and use the Rotap shaker.

This summer we replaced a feed bulk box with a new eighteen ton hi-flow bulk box. We also replaced two feed trailers and two tractors. One unit is a twenty-seven ton hi-flow trailer and tractor and the other is a twenty-four ton hi-flow trailer and tractor.

In the future, we will continue to make improvements and updates at our mills to gain more efficiencies that will help us serve our customers even better.

New Packing Plants Scaling Up to Full Capacity

Slaughter for the week of August 14, 2017, was 2.16% above a year ago. Hog slaughter numbers are the largest in history, and it looks like this will continue through the end of the year. Future markets show slaughter expectations to go up 3 to 4%. It is no wonder new packing plants are under construction and the industry is in an all-hands-on-deck mode to get operational as soon as possible. The key going forward is whether or not packers will be able to grow sales, particularly to key export markets.

Gross packer margins for the week of August 14, 2017, were in the \$28.00 range. Lots of pigs and short packer space will leverage margins, and the packers will continue to have the upper hand, at least until the two new plants ramp up to capacity. The additional packing plants will help ease capacity constraints, which is good news for producers as more competition for their hogs should give them a bit more leverage. However, packers will want to hold their market share. To do so, they'll need to bid up for hogs and want to spread fixed cost over as many hogs as possible. No packer wishes to give up shelf space, food service, or export markets, as those are all incentives to pay a higher price for hogs to secure a quantity level that captures operating efficiencies.

In summary, the new plants should help the producers as the packers look for pigs, but the key to where the market goes will be demand. We have a lot of pork that needs to make it to the table.

Need For New Swine Facilities

As the swine industry grows, the need for more finishing facilities becomes apparent. We work with several swine producers who need nurseries, wean to finish, and finishing barns. Contracts are available for those who desire to build a facility. Pictured below is a 2400 head wean to finish that is in the process of being built in Faribault county and that will be filled by our customer in October. The owner is a young swine producer who farms with his father, and he will custom feed for the producer. Building the barn will allow this young farmer/producer the opportunity for more income while building equity for the future.



If you would like more information or assistance in a barn project, please contact your local Crystal Valley feed sales representative.

As always, we want to say thanks again to all our customers for their business, support, and the trust given to all our mills and employees. You are appreciated!

Fall harvest is just around the corner. Have a safe harvest!

Fall Barn Prep Checklist

VENTILATION

- All heaters cleaned out. This means cleaning all of the dust off the control valve and wiring in the control box. If using compressed air, the gas valve must be turned off and pilot light extinguished prior to blowing!
- Before closing soffit doors on the North and West side of the barns, clean the screens off with a broom or hand brush.
- Repair any torn or damaged screens. Wear eye protection!
- Tunnel Ventilated Barns: Curtains and cooling cells serviced and ready to operate.
- Suggestion: Bubble wrap curtain area when placing small pigs in the fall.
- Fan covers in place for small pigs.

ALARM

- Test your alarm system.

GENERATOR

- Send in your generator test run log for year to date.
- Slide on radiator exhaust has been removed from summer to winter setting. (This means the slide on the radiator is blocking the hot air from going into the hallway. Exhaust needs to go to the outside of the building. Not all farms have these slides.)

GENERAL BARN MAINTENANCE

- All garbage, tree branches, trash picked up, etc.
- All feed spills cleaned up, bin pads pressure washed if needed.
- Mouse bait stations checked and baited, (outside and inside).
- All pit covers sealed with Expand-A-Foam, to prevent drafting.
- Pit fans clean out for best efficiency.

Dan Trullinger Scholarship Recipient

Dan Trullinger was a Sales Agronomist, working for Crystal Valley for the past 11 years. Dan attended college at SDSU, graduating with a Bachelor's Degree in Agronomy. He interned for La Salle Farmers Grain (LSFG) prior to the merger with Crystal Valley. His first job was in Tyler, MN as an Agronomist in 2004. In 2006, he returned to his hometown of Madelia, where he started working for Crystal Valley. On May 21, 2017, Dan's life tragically ended as a result of a car accident.

Dan was a great mentor to his interns and took pride in watching them develop their Agronomic skills. In his honor, Crystal Valley created the Dan Trullinger Memorial Scholarship in the amount of \$2,000 to be presented to an outstanding intern. This year's scholarship was awarded to Alee Larson.

Alee is the daughter of Matt and Lisa Larson of Belle Plaine. She is studying at the University of Minnesota, Twin Cities majoring in Agricultural Communications and Marketing, with a minor in Agronomy and Agricultural Food Management. Alee spent her summer working in Madelia with the Precision Ag team.

Congratulations to Alee!



Alee, on the far left in the photo, is pictured with members of the Larry and Cheryl Trullinger family.



40 Square Cooperative Solutions is working diligently to bring sustainable health plan offerings to its membership. Our goal is to have coverage effective **January 1, 2018**, with open enrollment to take place in **late fall 2017**.

Please contact us at: **info@40square.coop** if you have any questions and sign up for updates at **www.40square.coop**.

Bringing health plan solutions to Minnesota farm families.



INTERNSHIPS

Crystal Valley is now accepting application for 2018 Summer Internships.

- » Agronomy Sales
- » Precision Ag
- » Ag Service Technician
- » Grain Marketing
- » Grain Operations
- » Feed Sales / Operations
- » Information Technology
- » Entry-level Sales

Send resume and cover letter to Ashley Beckius, Human Resources Director.
ashley.beckius@crystalvalley.coop | 507-726-4442

Look for Crystal Valley at SDSU, NDSU, SCC, UWRF, SMSU and Ridgewater.

HOW TO APPLY:

Visit the careers section at www.crystalvalley.coop

Congratulations on the successful completion of your 2017 summer internship with Crystal Valley! Good luck with the 2017-2018 school year!



Crystal Valley

would like to recognize the following employees...



5 Years

Tim Moonen
Feed Delivery
Jackson



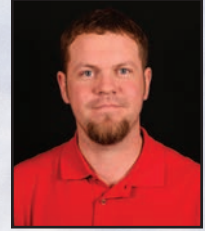
5 Years

Darrick Wegner
Agronomy Sales
Darfur



5 Years

Lee Freeman
Propane Delivery
Jackson



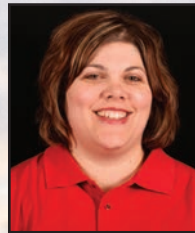
5 Years

Josh Coy
Custom Applicator
Janesville



5 Years

Justin Nilson
Grain Location Manager
Vernon Center



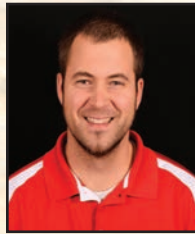
5 Years

Julie Lorentz
Administrative Assistant
Madelia



10 Years

Ryan Brandts
Grain Marketer
Madelia



10 Years

Josh Iverson
Custom Applicator
Madelia



10 Years

Gina Windschitl
Administrative Assistant
LaSalle



20 Years

Jeremy Ambrose
Location Operations
Lakefield



25 Years

Gary Spence
Agronomy Sales
Lake Crystal



25 Years

Kevin Monahan
Propane Delivery
Janesville



25 Years

Jim Friedrichs
Custom Applicator
Madelia

...for their years of **DEDICATED** service to our patrons.

Plan to Plant

With harvest just around the corner, and winter on its tail, it's time to get the "plan to plant" and get in on better pricing, discount programs and availability of "hot" hybrids that may not be available by the time the new year sets in.

There is still time to take advantage of prepayment options at Crystal Valley. The best prices and discounts are right now with prices only increasing as it gets closer to spring. Additionally, variety and abundance of seed may not be available to you by the time planting season comes around.

Another good reason to prepay is income tax liability management. Farming is one of the few industries which can still use cash-based accounting for income tax purposes. For example, if a farmer has carried over a large amount of 2016 crop and sold it in crop year 2017 (the case for many farmers this year), they have significant income tax liability, which can be decreased by paying for 2018 seed in the 2017 calendar year and offsetting the 2016 carryover grain and associated tax liability.

Take advantage of AgQuest's Companion Plus Operating Loan you may have in place for seed prepays for better expense, financial performance and progress tracking. Keeping your line of credit for fall rent, machinery and equipment payments separate from seed prepays allows you to compare the 2018 input costs with the 2018 crop outputs vs. intermingling expenses which can become confusing when multiple years crops are sold in one calendar year.

For more information and details on the advantages of input prepay, contact Ryan Feist 507-508-0206 your AgQuest® representative for Crystal Valley Cooperative.

Ryan Feist, AgQuest® Financial Services

For all your Financial and Insurance needs.



507-508-0206
rfeist@agquest.net
www.agquest.net





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Main Office
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800-201-3646

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507-726-6455

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Grain

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888-544-7687

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800-245-5857

Elevator/Hwy 60

507-642-8896

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800-720-3453

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TRIMONT

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888-501-5947

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800-569-1321