



Director's Report

Dan Jones, Board Chairman

Changes in the Cooperative Landscape

Summer is here! The last days of May and early June promoted rapid crop growth. I know there have been some problem areas causing some replanting to take place. However, according to the USDA reports, Minnesota is one of the garden spots of the U.S. Corn belt. The merger of FCA Co-op and Crystal Valley is well into the fifth month of operation and, as with most mergers of large organizations, not without its challenges along the way.

Truthfully, there is never a perfectly seamless transition in any merger and ours has been no different. As issues have surfaced, they've been analyzed and taken care of with the best solution possible. We're focused on moving forward and we think that the future is bright.

Crystal Valley would like to sincerely thank all our patrons for their support and loyalty through this transition period. And, on behalf of the board of directors, I want to thank the employees for the great amount of time and effort they have put in to make this merger successful. Quite a number of employees took on new and additional responsibilities to get us through this first combined spring season.

Changes in the co-op neighborhood.

Mergers are happening all around us. Farms are getting larger, banks are consolidating, seed and chemical companies are combining, and cooperatives continue to unify. All these moves are taking place for similar common goals: to achieve operational efficiencies, strengthen the balance sheet, improve service to members, maintain relevance with suppliers and vendors, and, in some cases, provide a succession plan for management. The cooperative landscape is changing in southern Minnesota. A little over a year ago, WFS and Central Valley came together to form Central Farm Service (CFS). A vote in early April approved the merger of Harvest Land Cooperative of Morgan with Coop Country Farmers Elevator of Renville, to be effective on September 1. A vote in mid-June approved the merger of River Region Cooperative based in Sleepy Eye with South Central Grain & Energy Co-op, headquartered out of Fairfax, with an effective date of August 1. There are merger discussions taking place between NuWay Cooperative and K & H Energy based out of Clear Lake, Iowa. Also, Genesis Cooperative and Ag Partners of Goodhue are in partnership talks. No doubt, there will be additional changes for cooperatives in the coming years.

This is a little advance notice to mark your calendars for our Customer Appreciation Pork Chop Feeds. This year they will be held in Jackson on Tuesday, September 12, Madelia on Wednesday, September 13, and Janesville on Thursday, September 14. You won't want to miss a great meal.

Enjoy the rest of your summer, make some great memories, and stay safe!! Thank you!



Manager's Report

Roger Kienholz, *General Manager*

Wow – the summer is half gone already and there's less than two months until Crystal Valley's fiscal year end on August 31. From my travels throughout southern Minnesota, it appears we've got some terrific looking crops in our trade area. With current grain prices, we're going to need some pretty healthy corn and soybean yields again this year.

As a company family we were deeply saddened in May by the tragic and untimely death of Dan Trullinger who died from injuries suffered in a car accident just a week before Memorial Day. Dan had been with us for nearly eleven years in Agronomy Sales and was a true professional – well respected by both his fellow employees and his loyal farmer patrons. He will be greatly missed by all who knew him.

As we informed you in the spring newsletter, the boards of FCA and Crystal Valley decided last winter to close our facilities in Okabena, Wilder and Sherburn and to put the grain elevators in Sherburn and Wilder up for sale. On June 15, the Dan Pike Auction Company conducted the sale and the Wilder and Sherburn properties were sold to private parties – both young farmers.

A few other items and parcels were auctioned off as well: two Quonsets located just south of the Wilder elevator, a grain bin in Lakefield that was detached from our grain elevator and has to be moved, a storage warehouse in Trimont on the east side of town, and a slim piece of land along the railroad tracks in Trimont with two old 7500-bushel bins on it. Overall, we were pleased with the results of the sale.

The grain project in Trimont has been moving along right on schedule. The grain bin has been delivered and erection should begin in mid-July with completion in August. The dryer is in place, the new in and out-bound scales are in place, the scale house construction has begun and the new dump pit is largely done. As Jeff states in his grain report, we should be ready to go for harvest by mid-September.

The much-needed project to remodel the offices at the feed mill in Jackson is complete and Feed employees Jeremy Ebeling, Thomas Cunningham, and Holly Burnett were able to move in at the end of June. This will improve operations and communications for both employees and customers alike.

The board of directors will be evaluating fixed asset needs and capital expenditures for fiscal year 2018 over the next couple of months as managers from the different divisions and departments present their priorities. We will also be taking the board and senior leadership team up to the Cities in early August for a strategic planning retreat at the Land O' Lakes headquarters in Arden Hills.

Also on the board's plate is determining the amount of equity revolvment to make to patrons later this summer. Based on our operational earnings, balance sheet and working capital projections, a decision will be made on the total dollar amount to revolve. Most likely it will include retiring the remainder of 2002's members' equity and possibly a portion of 2003 equity, with checks being mailed out in late August.

Thank you all for your business and support of Crystal Valley. We will continue working the bugs out from the merger as we work through all the operational and communication issues that arise whenever you combine two similar, but yet different organizations. Have a great summer!

CRYSTAL VALLEY
COOPERATIVE



In Loving Memory

Daniel Lee Trullinger

1981-2017

Daniel Lee 'Dan' Trullinger was born to Larry and Sheryl Trullinger on November 9, 1981 in St. James, MN, the third of five children. Dan grew up in Madelia and was a graduate from Madelia High School in 2000. He went on to attend college at SDSU, graduating with a Bachelor's Degree in Agronomy. His first job was in Tyler, MN as an Agronomist in 2004. In 2006, he returned to his hometown of Madelia, taking a job at Crystal Valley Coop where he would work the rest of his career. Dan lived and breathed farming, a passion which was clearly evident in his work. He never passed up an opportunity to be outdoors whether it be hunting, fishing, target shooting or playing sports with

family and friends. He enjoyed spending his free time on his parents farm, always finding something that needed to be done. Dan loved spending time with his nieces and nephews, especially giving them rides on his IH 560 tractor.

There was nothing more important to Dan in his life than family, it is what he based everything around. He lived each day for his family and friends. Dan could light up every room he was in, and put a smile on anyone's face with his witty comments and infectious laugh. Dan greatly adored children and they loved him beyond measure.

Daniel Lee Trullinger age 35, of Madelia, MN died on May 21, 2017, at the Madelia Community Hospital.

Dan is survived by his parents, Larry and Sheryl (Lokre) Trullinger; siblings, Amy (Bruce) Osborne of Madelia, Jason (Sherry) Trullinger of North Mankato, Matt Trullinger of Madelia, Sarah (TC) Chantler of Hanska; grandmother, Bonita Lokre of Madelia; nieces and nephews, Katie, Jordan and Chase Osborne, Jewel Trullinger, Vivian and Roman Chantler. He was preceded in death by grandparents, Palmer Lokre, Floyd and Florence Trullinger.

*You will be deeply missed by your
Crystal Valley family.*



Agronomy Report

Dale Botten, *Agronomy Division Manager*

Summer Outlook 2017

Late April weather allowed for a small window of suitable soil conditions for spring planting. After a few days of rain in early May, planting started again. The

remainder of the corn and 90% of the beans were planted in 11 days. The amount of time needed to plant the spring crop seems to get shorter and shorter each year.

The fast rate of spring planting required a significant amount of fertilizer and herbicide to be custom-applied in a short period of time. A big thank you goes out to our operations and custom application staff. They continue putting in long hours to ensure best possible service to our customers.

Spring brought an increased use of pre-emerge herbicide on both corn and soybeans crops. With the timely rain, we hope to see good weed control using this herbicide program. As we move into the summer growing season, we encourage growers to work with our agronomy team to evaluate additional nutritional, herbicide, insecticide and fungicide needs to hit your maximum return-per-acre.

Fertilizer prices continue to be soft; reflecting new production and supply throughout the world. Retail

fertilizer dealers were focused on having empty bins and tanks by the end of this application season. We expect to have a reset in fertilizer prices for the fall application season. Your Crystal Valley agronomist will keep you posted as we announce fall fertilizer pricing.

Our precision ag team was busy this past winter preparing for the spring planting season. We continue to see increased demand for service and product offerings of our precision department. Please contact a Crystal Valley agronomist to find out how our precision staff and products can help your operations.

We recommend summer soil sampling which allows for a more precise crop nutrient placement prior to fertilizer application this fall. Contact a Crystal Valley agronomist to line up your sampling needs.

Our goal is to increase our customer's per-acre-profitability. We are committed to growing our precision ag offerings by relying on our agronomists with support from our in-house Precision Ag Ddepartment. Thank you for allowing us the opportunity to partner with you to meet this goal. We look forward to working with you this summer and are committed to helping you maximize your bushels harvested this fall and positioning you for a successful 2018.

Crystal Valley *would like to recognize...*



5 Years

Courtney Hennis
Communications
Lake Crystal



5 Years

Kyle Kurth
System Administrator
Lake Crystal



5 Years

Tom Cregeen
Grain Trucking
Jackson



5 Years

Nathan Rolling
Agronomy Sales
Madelia



Agronomy Update

Matt Schoper, *Agronomy Sales Manager*

Fungicide Is a Proven Practice

Corn and soybean fungicide applications are right around the corner. We have been using fungicides for many years, and with complete research, whether it is in a field or in a controlled test plot, we have seen the results of fungicide in dry and wet seasons. The final conclusion after all the years of using fungicides? It works. Yes, there are some cases that side-by-side doesn't pay. However, out of 422 checks, with either yield monitor or weigh wagon, we are averaging a +11.1 bushel advantage on corn. In those completed checks, 70% resulted in a return on investment. This is an incredible positive percentage. Last year, we completed a trial that evaluated hybrid information. In our research trial with untreated vs. treated with fungicide, out of the 21 hybrids that we tested, only three hybrids did not show enough return on investment to pay for the fungicide application. There were 11 hybrids with a 15 to 27 bushel advantage. For those that haven't tried fungicide, there are some different recommendations or best practices we have at Crystal Valley that enhance fungicide performance. Additionally, not all fungicides work the same way. Please make sure you are asking your agronomist what fungicides are recommended for your farm.

Introducing our newest Member of our sales Team



I'm pleased to announce that Kyle Edlin joined the Crystal Valley Agronomy Sales team. Kyle will be working out of the Jackson location. Kyle grew up on a farm in the Jackson area and completed two Bachelor of Science degrees from the University of Minnesota. Kyle worked as an intern for two seasons with FCA Co-op while attending college. In Kyle's spare time he enjoys golfing, fishing and hunting. Please help me welcome Kyle to Crystal Valley. He is looking forward to serving the Jackson area.

Thank you for your business!

Kyle Edlin
Agronomy Sales

...the following employees for their years of
DEDICATED *service to our patrons.*



10 Years

Mike Schwanke
*Bulk Oil / Lubes
Delivery Driver
Madelia*



10 Years

Jeff Spence
*Grain Division
Manager
Lake Crystal*



20 Years

Mike Scheibel
*Operations
Manager
Madelia*



35 Years

Paul Lange
*Compliance & Safety
Lake Crystal*



40 Years

Doris Miller
*Admin. Assistant
Lake Crystal*



Grain Report

Jeff Spence, *Grain Division Manager*

Grain Update

How fast our weather can change? We went from a cold wet spring to warm dry summer conditions in a hurry. It has definitely had an effect on both the corn futures and basis markets. The funds were unusually short going through the spring planting season for both corn and beans. With this early weather scare we have seen the funds driving the futures' markets up as they get out of their short positions. Now that the funds are back to near even, we believe they will wait on the crop condition to go long or short again.

As with any weather market, we have no idea when the weather will change. Thus, the futures' markets could start going back down instead of up. There are several over-the-counter offerings you may want to talk to one of our grain marketers about in order to make sales without the risk of riding the futures up and then down again. The corn basis started to run away and hide at the beginning of June when we had a small futures' rally. However, it has come back to about where we were prior to the rally. I believe that if we have another rally or farmers start dumping their old crop corn to make room for the harvest grain, we will see the basis run away and hide for the remainder of the summer. Because we have such a large carry-out of corn to deal with this summer, there are people thinking we have seen our best corn basis until after harvest. Again, I would suggest talking to our grain marketers to look at different ways to address the corn basis.

Even with the futures going back up, the bean basis is hanging in there. I believe it is because there are low inventories and the selling has been very light. If the bean futures run up, I expect we will eventually see the bean and corn basis weaken up.

We had an auction on June 15th and were able to sell everything we had put on the auction bill. The following items were sold on the auction: the Sherburn and Wilder elevators, two Quonsets south of the Wilder elevator, a 250,000 bushel bin in Lakefield (not on our property or connected to our elevator) and a Quonset and two small bins and property in Trimont.

Due to the dry weather, the building project in Trimont is moving along ahead of schedule. We are expecting to have everything in Trimont ready by the middle of September. In addition, we are making necessary repairs to our other facilities to have them ready for harvest as well. We are emptying out all of our grain facilities to make sure we have enough room to handle this fall's crop.



We did find a number surprises with grain quality issues at several of the former FCA grain facilities. However, we will have them all cleaned up prior to harvest. We will be publishing our Fall Grain Policies after we present them to the Board in August. We are not expecting to make many changes from the Crystal Valley grain policies from last year. However, they may be different from past FCA's policies.

Have a safe and enjoyable summer.



Grain Marketing

Megan Tusa, *Grain Marketer*

Summer Markets - Where do I go from here?

Range-bound markets and weather are the two main stories of the last several months. The 20 cent trading range has had the corn market stuck for over four months until the early June weather scare. Weather will continue to play a huge role in the summer markets. The close to 2.3 billion bushel expected carry-out is still going to weigh on the old crop corn market. The processors and feed mills seem to constantly be getting enough corn for their usage. Therefore, holding out for a significant basis improvement doesn't look likely this summer.



Jim Johnson
Grain Marketer



Ryan Brandts
Grain Marketer

Beans have been on the downward tumble since it reached its 6-month high back in January. The combination of the South American new crop being harvested and coming into the market in February and March and the United States' plantings being over 5 million acres more than last year have both put pressure on the soybean futures. Although weather may play a factor, beans aren't made until August. This leaves us a couple months of it to play out yet.



Joe Williams
Grain Marketer

So how do we make the best of our old crop sales when we are running out of time before harvest? We have over-the-counter products available that can offer you a premium on your old crop bushels in exchange for an offer on a portion of your new crop bushels. Contact one of the grain marketers to discuss if they could fit into your marketing plan!



Bob Bloomgren
Grain Marketer

As the crop continues to progress and we see what size of harvest we are looking at, I encourage everyone to calculate their break-evens for both corn and soybeans. Having that valuable piece of information can help you in making your new crop sales and give you comfort in knowing your profit position when you make a sale.

Contact any one of our team to discuss current markets and see how we can help you make the best of the current market conditions!

Thank you for your business and have a great rest of your summer!

Get Social With Us!



[facebook/crystalvalleycooperative](https://www.facebook.com/crystalvalleycooperative)



[twitter@CrystalValleyMN](https://twitter.com/CrystalValleyMN)



Energy Report

Nathan Monroe, *Refined Fuels/Lubes Operations Manager*

Summer Energy News

Summer is the time to start thinking about fall fuel. We will be offering an early fill program which will be starting in August and will go through September. This is a one-time fill for FieldMaster® only. Your customer balance will be due November 30. All accounts must be current and in good standing to qualify.

It is also the time to fill up with our full line of CENEX® lubes and DEF products. We deliver oil with a state-of-the-art truck. It allows engine oil, hydraulic oil, transmission oil, antifreeze and DEF to have separate pumps. Thus, there is no cross-contamination.

Thank you for your continued business and enjoy the summer!



Propane Report

Jim Jung, *Propane Operations Manager*

Propane Updates and Rebates

I hope everyone is having a good summer so far. At the end of May, you should have received our yearly summer-fill letter and

Duty to Warn information in the mail. We hope you took time to review the information. We feel they are a good review for you and your family's safety. Please remember, call us right away if you ever smell propane or suspect a gas leak. We will send someone right out. If you have changed any appliances or had any work done on the gas system, please let us know. We will come out and perform a free system check. Remember our service department is here to help you with any propane problems. We are committed to you and your family's safety.

appliances. They include: furnaces, water heaters, fireplaces/space heaters, clothes dryers, and garage heaters. Rebate amounts vary for each appliance. The program should be funded through the end of the year. For details call 507-726-6455 and ask for Propane Service or visit www.discoverpropanemn.com

Summer has just begun. However, heating season will be just around the corner. We can help you with heating your garage, shop or barn. We offer Modine Hot Dawg® garage heaters, Modine shop unit heaters, and Roberts Gordon tube heaters. We offer a complete line of LB White barn heaters and stock Genuine LB White parts. Call 507-726-6455 for a free quote on any of these products. We service what we sell and stock most parts for these units.

\$\$ REBATES \$\$

The Minnesota Propane Association is offering rebates of up to \$400.00 on a number of new propane

Let Hot Dawg® Bring Heat To Your Pet Projects.

To chase away the cold in any space or garage, new or old, just call on the Hot Dawg® compact unit heater.

- » Hush-puppy quiet warmth from natural or propane gas.
- » Better fuel efficiency and more-even heating than other heater styles (electric, infrared, salamanders, etc.)
- » Certified for residential, commercial and industrial use.
- » Lightweight, easily installs (only 1" from ceiling) with quick connections to gas and electricity.
- » Exhausts combustion gases (and moisture) from work space.
- » Simple venting through wall or roof with standard power exhaust.
- » New separated-combustion units burn outside air for:
 - » Increased durability in dusty, dirty or humid work spaces.
 - » Greater heating efficiency.





Energy Sales Update

Chad Larson, *Energy Sales Manager*

Energy Sales Happenings

Staff – I am pleased to announce in this release of the newsletter, the addition of Sarah Libra to our sales team. Sarah joins us in our Jackson location. Sarah is a Jackson native and has many community connections that will aid in building relationships for Crystal Valley. Please help us welcome Sarah when you see her. She will be based out of the office located by the Cardtrol gas pumps and elevator after June 30.

Markets – What a fall and spring we have had! When I started with Crystal Valley in October, the OPEC production cuts were trying to get some traction. We saw little knee-jerk reactions in crude and its products towards the end of 2016. Traders were squaring their long and short positions. Domestic production has offset the OPEC cuts. We are seeing post-Memorial Day downside. My experience with the months of May and June has proved to be a good time to look at LP contracting. This coincides with most summer-fill programs and is a good time to look at contract values. Diesel fuel values didn't get carried away last fall. However, that's not the case every year. If you'd like to look at fall diesel, contact your local salesperson or myself to discuss. Contracting is the best way to protect against upside potential in season.

I have been with Crystal Valley as the Sales Lead/Sales Manager for eight months. Although new to Crystal Valley, I have 11 years of energy experience. I have had a conscious eye on what your Crystal Valley energy team can do for you. The dynamic of the ever-changing markets, access to products and services, compliance and regulation and timely decisions of when to buy or contract are challenging. Having knowledgeable people to help you navigate through all of these issues is key to managing your operation effectively and efficiently.

I encourage you to visit our new website at www.crystalvalley.coop to learn more about your energy team. Thank you for your trust and your continued support.



INGREDIENTS:

- » 1 bag (16 ounces) sweet frozen corn kernels, defrosted
- » 1 (15 ounces) can black beans, drained and rinsed
- » 1 large red bell pepper, chopped
- » 1/2 large red onion, finely chopped
- » 2 tablespoons red wine vinegar
- » 3 tablespoons chopped parsley leaves
- » 1 tablespoon olive oil
- » 1 teaspoon sea salt
- » 1/2 teaspoon fresh ground pepper

CALORIES PER SERVING 145

NAME: **Black Bean Succotash**

DIRECTIONS:

- Combine veggies and beans in a large bowl.
- Add the parsley, vinegar, olive oil, salt and pepper. Stir to combine.
- It's best served cold or at room temperature! Store leftovers in a covered dish in the fridge.





Feed Report

Bob Raue, *Feed Division Manager*

Feed Division Introductions

The Feed Division would like to welcome Brad More to our team. Brad will be the new Quality Assurance Coordinator for the Feed Division. He grew up and graduated high school from Blue Earth, MN. He will be graduating in the fall from South Central College in Mankato with a degree in Ag Business. Brad was a past Crystal Valley feed intern during the summer of 2016. As the Quality Assurance Coordinator, he will be responsible for directing the feed team to meet customer needs and achieve standards related to safety, bio-security, quality, cost, efficiencies and waste. Brad also will be overseeing the mill's SOP's, HACCP, and FSMA programs. Brad will office out of the Vernon Center feed mill and will work with all four of the Crystal Valley feed mill locations.



Brad More
*Quality Assurance
Coordinator*

We would also like to welcome our 2017 summer feed intern, Olivia Grave, to our team. Olivia's hometown is Lennox, SD, which is located ten miles southwest of Sioux Falls, SD. Olivia is attending SDSU in Brookings, SD. She plans to graduate with a B.S. in Animal Science with minors in Ag Business & Marketing in the spring of 2019. Olivia will live in the Blue Earth area this summer and work out of the Vernon Center feed mill.

THANKS FOR YOUR CONTINUED BUSINESS!

Our Feed Division has been busy presenting checks to the Mankato Back Pack program and the Jackson County Food 4 Kids program. Crystal Valley loves giving back to causes helping to feed the world!



Bob Raue and Jeremy Ebeling pictured with Jackson County Food 4 Kids.



Dave Limoges and Bob Raue pictured with Mankato Back Pack program.

MINIMIZING HEAT STRESS IN PIGS DURING THE SUMMER

Although more common in tropical and subtropical regions, heat stress in pigs can and does occur in the upper Midwest at certain times during the summer. Extreme warm conditions can result in death loss if attention is not given to providing supplemental cooling to animals, but more commonly losses are realized in reduced growth performance in nursery, growing and finishing pigs, along with decreased reproduction in the breeding herd. Heat stress can affect pigs, but becomes more pronounced and occurs at lower temperatures in heavier pigs due to lower optimum temperatures for those animals.

There are two major methods pigs will use to minimize the effects of heat stress, increased heat dissipation and reduced production of body heat. Pigs will attempt to increase heat dissipation by increasing contact of their body with a cooler surface (floor) by sprawling out. Increased respiration or panting increases air flow and evaporation of water from the lungs releasing additional heat. Pigs do not sweat like humans and therefore cannot sweat or utilize evaporative cooling to cool themselves. Pigs also reduce the amount of body heat generated by reducing feed intake. Digestion of components in the feed releases heat which must then be dissipated so reduced feed consumption reduces the amount of heat generated from digestion.

Side Effects of Heat Stress in Sows

Feed intake, milk production, number of piglets born alive and piglet body weights decrease due to heat stress. Failure to maintain pregnancy, increased mummies and still born rates can occur. During extreme heat, death can also occur.

Side Effects of Heat Stress in Grow Finish

Feed intake, body weights, carcass quality and feed efficiencies can be affected, as well as death loss in extreme cases.

There are a number of methods and areas producers can evaluate and utilize to minimize heat stress in their pigs.

Water Supply

Ensuring adequate quantities of quality water are available is extremely important to ensure pigs do not become dehydrated. Cool drinking water provide the most heat relief. A large amount of the water consumed during hot weather is utilized to dissipate heat via evaporative heat loss from respiration. Waterers need to be adjusted and functioning properly, with enough waterers available to allow adequate access.

Wet Skin Cooling

Pigs under natural conditions outdoors wallow in mud to cool themselves. The mud itself does

not provide significant cooling directly but instead evaporative cooling occurs as the mud dries, while it also provides a protective barrier against the sun. In confinement systems water sprinkler systems and drip coolers can also provide effective supplemental evaporative cooling. In group pens sprinkling water in 1 or 2 minute intervals every 20 – 30 minutes allows moisture to evaporate off the pig's skin before wetting and starting the cooling process over again and is more effective than leaving waterers on continuously. Larger droplets are the most effective, as fogging increases the humidity of the surrounding air and therefore indirectly reduces the evaporative rate for heat loss on the pig.

Nutrition

Pigs will reduce voluntary feed consumption at temperatures above their ideal range in order to reduce the amount of heat being generated due to digestion. Diets should be reformulated in the summer to be more nutrient dense ensuring nutrient needs (amount/day) are still being met. Including higher levels of fat such as choice white grease will increase caloric density while also reducing the amount of heat generated during digestion. Fat is typically added at levels of 2 – 6% of the diet.

Adequate Ventilation

Rapid air movement over pigs increases the rate of evaporative and convective heat loss and is particular important in confinement buildings. Providing supplemental operation fans over pens to increase air velocity to at least 3 mph is very effective in warm conditions. Additionally air exchange in mechanically ventilated buildings should be increased in hot weather to increase the removal of humid air from barns.

Floor Space

Under conditions of heat stress it is encouraged to increase the minimum floor space allowed per pig when possible. Increased floor space improves the ability of each pig to dissipate heat and is particularly important in larger pigs that are more vulnerable to increased temperatures.

Adequate Insulation

Properly designed and maintained buildings should contain ample levels of insulation to not only prevent excessive heat loss during the winter but also help minimize solar heat build-up during the summer. Buildings that were originally designed and built with adequate levels of insulation can have reduced effectiveness later on. Age and rodent infestation can greatly reduce the insulating value or R-value of the insulation material and therefore needs to be evaluated at least annually.

Note: Information from the University of Minnesota Extension, Dr. Mark Whitney, Assistant extension Professor, University of Minnesota Extension

2017 Interns



Katharine Lewer

daughter of Tim and Sara Lewer is entering her sophomore year at the University of Wisconsin - Madison. Katharine's focus is in Biochemistry, specifically Agriculture Research. She joins us this summer to work with our Agronomy team in Janesville.



Olivia Grave

daughter of Kevin and Sonja Grave of Lennox, SD, is entering her junior year at South Dakota State University majoring in Animal Science and Business and Production. Olivia will be interning in the Feed department, primarily out of our Vernon Center location.



Jay Sorg

son of Randy and Kelly Sorg of Hastings, is entering his junior year at University of Wisconsin – River Falls majoring in Crop and Soil Science. He will be working primarily at our Waldorf Agronomy location.



Karissa Meitner

daughter of Mark and Kristi Meitner from West Union, Iowa. She is a senior this year at the University of Wisconsin-River Falls and her studies are in Agricultural Business, Spanish and Animal Science. Her time this summer will be spent helping the Precision Ag team in Madelia.



Alee Larson

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



Matt Funk

son of Jeff and Sue Funk of Fulda, is entering his final year at South Dakota State University majoring in Agronomy with a minor in Animal Science. Matt will be joining the Agronomy team in Jackson.



Megan Hoffmann

daughter of Bill and Chris Hoffmann of New Ulm. Megan is entering her sophomore year at South Central College majoring in Agribusiness, Service and Management. Megan will be working primarily in the Grain division at our Madelia location.



Jordan Bartholomew

son of Brad Bartholomew and Dan and Tracy Murphy of Kilkenny. He is entering his sophomore year at St. Olaf College majoring in Exercise Science. He will be spending his intern experience working at our Madelia location in Precision Ag.



Tanner Lewis

son of Dave and Cheryl Lewis of Lake Crystal. Tanner is entering his sophomore year at South Central College majoring in Ag Business Service Tech. He will be working at our Madelia Agronomy shop.

Crystal Valley Happenings



Eleven students and their instructor from SCC Mankato, MN visited the Crystal Valley Feed and Grain facility in Vernon Center. Bill Coonradt, Feed Location Manager and Justin Nilson, Grain Location Manager, gave the students a tour. At the end of the tour the students had some good questions about what we do and our industry as a career choice.

Crystal Valley, with La Salle Fire Department, sponsored a preplan emergency response tour of the La Salle facility on April 11. La Salle, Madelia and St. James Fire Departments toured the facilities and discussed situations that could be encountered during an emergency response.



Leadership Owatonna toured our Hope Grain facility on May 9. It is a great leadership program designed to enable candidates to learn about Owatonna resources, values, strengths, weaknesses and challenges. The interest was wonderful and the Hope team did a great job explaining and introducing our facility to the group.



The Silent Roamer: Interest Rates

How many of you have been focusing so much on today and its concerns of cash flow on the farm that long-term business decisions have been put on the back burner? It is easy to manage the tangible concerns of today's business as they are right in front of us. When it comes to long-term viability, the unknown may sweep Marketing and Long-Term Planning under the rug. I won't promise to be a marketing specialist, but I do know farmers can make or lose more money with one moment of marketing than in an entire season of managing the right agronomics. Now, I am not saying forget about the agronomics, because agronomics must be in place to have something to market. However, I am saying to take a look at what the future could bring to the table. What could money cost us in the next decade?

In 2008, interest rates hit their second lowest in the last 220 years. The only time interest rates have been lower was in WWII. In the last decade, interest rates have gone up at approximately the same increments as they had gone down. Many speculators think those timely increments will stay consistent in the next decade. However, we all know there are no guarantees. In the last year, long-term interest rates have gone up nearly 20%. If this continues, we would see 10% interest rates in five years. What makes this next decade unique is that we are now in a global market. There are many outlying factors that can alter the cost of money and ultimately the value of the dollar. The Federal Reserve has already indicated an incremental interest rate increase this summer. In a growing economy, inflation increases. With the inflation, interest rates rise. I hope we do not see 10% interest rates in the next five years. However, it's hard to predict how difficulties half way across the world will affect us here in the USA. The home mortgage market is already predicting an increase in long-term interest rates this summer. With all those unknowns, it would be a good idea to assess your long-term needs and make sure they are in a financial vehicle that will protect your equity and preserve the ability to grow your operation. We all hope the cold hollow bellow of the 1980's does not happen again. But if it does, and low corn prices continue to eat up working capital and can no longer shield high interest rates, how will it affect you and your operation?



Ryan Feist, AgQuest® Financial Services

For all your Financial and Insurance needs.

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





P.O. Box 210
Lake Crystal, MN 56055
www.crystalvalley.coop

PRSRT STD
U.S. POSTAGE
PAID
PERMIT NO. 16
MADELIA, MN
56062

DIRECTORY

MAIN OFFICE

507-726-6455
800-622-2910

DARFUR

507-877-5011
800-658-2475

ELYSIAN

507-267-4305
866-317-3136

HOPE

507-414-0036

JACKSON

Main Office
507-847-4160

JANESVILLE

Agronomy
507-234-5155
507-835-1720
866-458-9886
Grain/Feed/Petro
507-234-5610
507-835-3646
800-201-3646

LAKE CRYSTAL

Grain
507-726-2051
800-451-3984

Agronomy

507-726-2057

Petro-Propane

507-726-6455

LAKEFIELD

Agronomy/Energy
507-662-5285

Grain

507-662-5271

LA SALLE

507-375-3468
507-642-3300
507-439-6385
888-544-7687

MADELIA

Agronomy
507-642-3276
800-245-5857

Elevator/Hwy 60

507-642-8896

NICOLLET

507-232-3453
800-720-3453

ROUND LAKE

507-945-8153

TRIMONT

507-639-2031

VERNON CENTER

Agronomy
507-549-3056

Grain/Feed

507-549-3722
888-501-5947

WALDORF

507-239-2172
800-569-1321