



SUPPORTING YOUTH DEVELOPMENT

Key Cooperative offers feed financing program for youth show projects

By Sara Clausen, Director of Communications, Sara.Clausen@keycoop.com

WE KNOW HOW MUCH TIME AND ENERGY goes into showing animals at our local county and state fairs. But did you know those projects actually begin now—when the snow flies? Families are weighing in their calves and mapping out farrowing schedules, and lambing season is right around the corner.

For years, Key has proudly supplied families with Purina Honor® Show feeds to produce the healthiest show-ready animals. Now, Key also offers 4-H and FFA

Pictured above: The Ellensohn kids are learning important life skills as they raise their show animals.

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GRAIN FEATURE

In their December report, the USDA raised our corn export number by 150 million bushels and raised corn usage via ethanol by 50 million, finally recognizing the good demand we've been having.

See page 2 for the full story.

FEED FEATURE

As we prepare for the birth of foals and lambs, it's critical to supply mothers with the best products to ensure ample energy for delivery. Let's review some options!

See page 5 for the full story.

Sign up to receive Key's e-newsletter every other month. Just scan the QR code and enter your email address!





Corn Might Be Peaking

By Zack Gardner, Grain Marketing & Origination Specialist, Zack.Gardner@keycoop.com

I'VE BEEN BULLISH, EVEN FRIENDLY, toward corn the past couple months. However, my bullishness is starting to wane. Based on the chart below, it seems like we might be peaking again.



Why is my bullishness starting to fade?

In their December report, the USDA raised our corn export number by 150 million bushels and raised corn usage via ethanol by 50 million, finally recognizing the good demand we've been having. It didn't send us higher because the market has known about our good corn demand from a strong cash market in the U.S. export system. It was more about confirming what we already knew and where we should be pricing. But the cap on the market was that the USDA also lowered the Chinese corn import figure by 2 MMT (78.7 million bushels), taking it down to 14 MMT. Lowering the Chinese corn import estimate—combined with selling pressure from farmers rewarding the rally—made corn struggle to break through the 200-day moving average of \$4.52 on March futures.

What does this tell us to do?

The easy answer is to part ways with any corn we're paying \$0.07/month storage on. We've seen an approximately \$0.50 cash rally since harvest, and we just got confirmation from the USDA that the solution to high prices is high prices (slowing Chinese

demand). This probably indicates that the top is near for the time being. After all, we need the market to continue rallying at least \$0.07/month to break even on bushels in storage. That's a tall order with prices currently at the high of the past six months.

For bushels in the home bins, I could make the case both ways. It could go higher, but taking the money and running at approximately \$4.50 futures probably isn't a bad move either. We're at the high of the past six months, and if we remember back to last year, the winners were the guys who settled for okay-ish prices and paid down interest in the first four months of the year. If it does go higher, we can always focus on marketing next year's corn crop, which we will probably need to be more diligent about anyway with the price of new crop beans likely causing more corn acres next spring.

What could cause us to break through the 200-day moving average of \$4.52?

I think for the time being, corn is running out of steam just shy of the 200-day moving average of \$4.52. Farmer selling is putting downward pressure on the market, supply is meeting demand and basis is backing off. Two wild cards are a potential yield decrease on the January report and China showing up to the table to buy corn. I still think our national yield should be in the 180s, as there is plenty of corn everywhere. But with how dry our corn harvest was, we left a lot of yield out in the field via shrink.

As for China buying, we're the only corn supplier in town until Brazil's safrinha corn crop is ready in July. I don't think China will need corn due to other cheaper feed substitutes, but if they do, we have the global market basically cornered on corn until next summer. ●



Join us!

Furrow Management Clinic

January 29, 2025
9:00 A.M. - Noon, Lunch to Follow
Grinnell Agronomy Center

Featuring representatives from
Precision Planting® and Ag Leader.®

Key Cooperative offers feed financing program for youth show projects

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members special financing on show feeds for their animal projects. This option allows youth to charge feed to their individual account with Key without accruing interest until after the project is complete. This gives them the opportunity to really own the project from beginning to end and learn about managing expenses along the way. Also new this year: 4-H and FFA members receive a 10 percent discount on all project-related feed items!

“I write all my own checks and handle my own feed bills,” said high school junior Katelyn Walters, who shows both her horse and cattle at the Boone County Fair. “My mom has encouraged me to take on this responsibility.”

Katelyn had her older brother to teach her what it meant to manage her own finances. Her love for animals has made her who she is today. “I truly enjoy taking care of my calves, watching them warm up to me then actually get excited to see me,” said Katelyn. “It’s through showing that I learned I want to become a vet someday.”

For the Ellensohn family in Ames, the experience of showing is the culmination of life skills they’ve learned over many months. “Being responsible for their own animals—understanding what it takes to raise them from beginning to end—is important to our family,” said father Aaron Ellensohn. “People don’t know where their food comes from, and I want that for my kids.”

The three oldest kids in the family—Brock (ninth grade), Sienna (sixth grade) and Savanna (sixth grade)—have grown their



Savanna Ellensohn poses with one of the family's chickens. They plan to add 300 birds to their operation next year.

production, Septenary Farms, which began with the sale of eggs.

“The eggs are where it all started,” said Brock. “We would review sales, expenses and daily production to understand the health trends of the hens.”

The family production includes meat birds, turkeys and pigs (and a bucket calf here and there). They intend to add another 300 birds to their operation next year. “We also held a Berkshire and a Herford pig back for breeding,” said Sienna. “I’ve also been researching quail,” added Savanna.

Overall, the family appreciates the youth feed financing program because it allows for various accounts to remain separate for the kids to learn how much feed it takes to raise an animal, then make a profit.

Participating in the youth feed financing program is easy! Simply fill out a brief project summary and submit a credit application for approval. 4-H and FFA members can reach out to a member of the Key Feed team to get signed up for the youth discount card. Just show your card when purchasing feed at your Key location! ●

Get to Know Your New Propane Drivers



Larry Pence

Larry and his wife, Lori, have two boys: Tyler and Adam. Larry was born and raised in Sigourney and has been delivering propane as a profession for nine years. Outside his propane truck, Larry enjoys spending time with his grandkids, riding his Harley motorcycle, hunting and caring for his cattle. Fun fact: Larry loves Mexican food but hates snakes!

You can find Larry delivering propane in and around Jasper, Mahaska and Poweshiek Counties. We welcome Larry to the Key team!



Riley Auld

Riley and his wife have one little girl and are expecting another. Born and raised in Roland, Riley chose to stay close to home after college, even choosing to move into his grandparents' home. Riley attended Ellsworth Community College and DMACC. He went on to work in criminal justice before coming to Key. Fun fact: Riley's grandfather worked for Heart of Iowa Co-op in the seventies!

You can find Riley delivering propane in and around Boone, Marshall and Story Counties. We welcome Riley to the Key team! 🟡

HELP US LOCATE THESE MEMBERS!

These members have unclaimed patronage dividends from Key Cooperative:

- Glenn Chedester
- Margaret Jensen
- Michael W. Johnson
- Isabelle Jones
- Bernard Molyneus
- Leroy Waddle

If you know one of these members, please contact Cassie Templeton at 515-388-8045 or email Cassie.Templeton@keycoop.com.

GIFT CARDS FOR GALLONS

November 1, 2024 - February 28, 2025

EARN A
\$50 GIFT CARD
FOR EVERY
100 GALLONS PURCHASED*

See program details and submit gift card requests at cenex.com/giftcardsforgallons.

CENEX

*This promotion only applies to the following qualifying premium Cenex® Lubricants purchased: Irriflex®, Maxtron® DEO, Maxtron® Enviro-EDGE®, Maxtron® GL, Maxtron® THF+, MP Gear Lube, Qwiklift® HTB®, Superlube 518® and Superlube TMS®.

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Bob Rabey | 641-521-6318
Chris Nady | 515-290-0009
Rick Kucera | 641-780-1624

Milk Replacer and Starter Feed Options for Foals and Lambs

By Joel Edge, Purina® Sales Specialist, jnedge@landolakes.com

AS WE PREPARE for the birth of foals and lambs, it's critical to supply mothers with the best products to ensure ample energy for delivery. Let's review some options!

MARES AND FOALS

When mixed with water, Purina Mare's Match® helps mimic actual mare's milk. Getting foals started immediately on the mare's colostrum is crucial. Mare's Match powder is highly digestible and provides balanced nutrition for proper growth and development until foals can digest and eat a complete feed, such as Ultium® Growth.

Mare's Match is also helpful when mares lack milk flow. Many horse breeders supplement foals to ensure adequate fat and protein for early development.

Ultium Growth is a premier complete feed for mares and foals that's especially good leading up to foaling. It's very dense in protein and fat levels; the fat is actually milk-based and supports early growth and body condition. Foals show substantial growth when they eat Purina Ultium Growth with the mares or as a creep feed.

We also recommend these Purina feeds for young foals: Impact® Mare and Foal, Omolene® #300 and Strategy® GX.

LAMBS

Land O'Lakes® Ultra Fresh® Lamb Milk Replacer is a very palatable milk replacer formulated to support gut health, strong immunity, feed intake and fatty acids for lamb growth. Ultra Fresh also includes essential oils to optimize digestibility and nutrient absorption. This product exceeds the competition in its ability to increase intakes for carbohydrates for proper absorption in baby lambs, which is crucial for early development.

We also recommend Purina Delta Lamb and Ewe, a complete feed that's very helpful when getting lambs started on feed. It also supports extra body condition in ewes, which is helpful during lactation and breed back. Lambs learn to eat with their mothers, so this product is fed with lambs at their side.

Key Cooperative also offers several superior Purina lamb creep feeds for commercial and show lamb producers. ●

Contact a member of the Key Lifestyle Feed team to review options for your animals:

JIM HAWKINS

Lifestyle Feed Sales
641-990-8964

KELCIE CARPENTER

Gilbert Feed Sales
515-520-1962

JOEL EDGE

Purina Sales Specialist
319-331-3667

GET YOUR FLOCK STARTED DURING

CHICK DAYS



Looking to order some chicks this spring but don't want to go through the hassle yourself?

Place your order with us!

We'll coordinate with Hoover's Hatchery and let you know when your chicks have arrived!

Preorder chicks February 1 - March 1, 2025 and receive \$10.00 off a 50 lb. bag of Purina® Chick Starter!

Pick up chicks at your Key location later this spring!

Celebrating another solid year

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also reduced our local leverage to less than 30 percent with no significant increase in our long-term debt position. This steady performance is a testament to the hard work and dedication of our staff and the support of our member-owners and partners. We're doing business with your business as an essential partner!

Your Board of Directors continues to prioritize revolving cash and deferred equity to our members on a consistent basis. The Board is also focused on making the best long-term decisions for the membership, balancing the return of profits to members with reinvesting in facilities, systems and equipment needs. The size of our current projects coupled with our financial position has recently stretched the distribution of equity across multiple fiscal periods. This year, the Board determined there would not be a cash patronage allocation. This decision was made after reviewing our financial position against the projects Key Cooperative is investing in to improve timely, efficient and innovative services for our members. We fully intend to balance cash allocations in the future with the demand for member-serving projects and as our financial position allows.

After serving on the Board of Directors for the past 12 years, Branon Osmundson has reached his term limit and will be stepping down. We would like to recognize Branon for his commitment and dedication to the members, employees and communities we serve. It has been a privilege for all of us to work with Branon over the years. He has held the critical role of secretary for many years and has done a great job keeping track of the details. He has also been involved in several committees and represented Key Cooperative at numerous regional meetings with our industry peers. Thank you, Branon!

In 2025, we will be implementing a new accounting and operating system. This exciting change will bring a significantly improved business platform, allowing our members to easily interact with our sales and operational teams for all the business they conduct with Key Cooperative. The enhanced visibility of the new system will make doing business with your cooperative faster, easier, more accurate, more efficient and more convenient. We will have this new system in place by next harvest.

We would like to extend our sincere gratitude to our members for their unwavering support, dedication and belief in Key. In turn, we remain committed to the success of our membership by delivering:

- **Innovation** through exceptional, customer-focused solutions
- **Leadership** through a healthy, adaptive team
- **Performance** through sustainable results that meet and exceed the needs of our members and the cooperative ●

Through winter, we're looking forward to supporting all our youth 4-H and FFA projects! Read our feature article to learn how we can be your essential business partner on those show animal projects.



Now Accepting Key Cooperative Community Scholarship Applications

Deadline: March 24, 2025

DON'T MISS OUT, STUDENTS! Key Cooperative will award twelve \$1,000 non-renewable scholarships this spring. To view the scholarship criteria or download the application, visit keycoop.com. You can also contact your local Key office for information.

Applicants' major course of study should be in an agricultural or ag business field. Other acceptable majors include animal science, communications, information systems, accounting, human resources and carpentry or masonry construction. Students must have a parent or guardian who is a Class A or Class B member of Key Cooperative in good standing.

Year-End Tax Notes

Items to take to your tax preparer:

1. 1099-PATR, which will be mailed to you in January. (Read more below.)
2. Form K-1 for any memberships in grain storage partnerships through Key Cooperative, which will be mailed to you in early 2025.
3. Letter from December 13, 2024, regarding DPAD.
4. Check stubs from any estate payments received during the year.

You may have received all or none of the above items, depending on business done.

The following information will be found on the 1099-PATR you receive from Key Cooperative:

- **Box 1 – Patronage Dividends:** The taxable amount of patronage that was paid to you by check. Any estate that had nonqualified patronage paid out will be included.
- **Box 3 – Per Unit Retain Allocations (PURPIMS):** Your gross grain sales to Key Cooperative before any deductions were taken from your check (storage, drying, checkoff, etc.). Based on calendar year.

- **Box 5 – Redemption of Nonqualified Notices:** Any estate that had nonqualified patronage paid out will be included here.
- **Box 6 – Domestic Production Activity Deduction (DPAD) or Section 199A(g):** The amount that was passed through to members from Key Cooperative. Members may be able to deduct this from their income taxes. Based on member grain sales to Key Cooperative during the fiscal year.
- **Box 7 – Qualified Payments:** Sum of Boxes 1, 3 and 5.
- **Box 8 – Section 199A(a) Qualified Items:** Qualified items include patronage dividends and PURPIMS (Boxes 1, 3 and 5).
- **Box 13 – Specified Cooperatives:** Check this box if you are an agricultural or horticultural cooperative engaged in the manufacturing, production, growth, extraction or marketing of agricultural products.

If you have any additional questions regarding your 1099-PATR, contact Danielle Kleve at 515-388-8037 or Stacey Webster at 515-388-8020.

Please refer any specific tax-related questions to your tax advisor.

Capitalize on Your Conservation Practices!

Have you adopted conservation practices like reduced tillage or planting cover crops in recent years? It's time to capitalize through Truterra's latest carbon program!

Get paid up to \$30.00 per metric ton on sequestered carbon by the field. Enrollment is now open, but don't wait—the program is filling up fast! Scan the QR code or visit truterraag.com/enroll.

Contact Conservation Agronomist Landon Van Dyke at 641-260-2103 for assistance and questions.



Photo credit: Truterra

KEY PERSPECTIVES

Celebrating another solid year

By Boyd Brodie, General Manager,
Boyd.Brodie@keycoop.com



WE'RE HAPPY TO REPORT ANOTHER YEAR of solid financial performance! Key Cooperative was able to achieve overall

savings of \$3.7 million. This represents our seventh year in a row generating profitable local earnings. More importantly, in that same period we've:

- Increased our membership by more than 26 percent, adding more than 400 members
- Grown our revenues over \$20 million (or 45 percent)
- Increased members' equity by \$25 million (or 34 percent)
- Increased working capital by \$11 million (or 73 percent)

All of this occurred while adding over \$80 million in property, facilities and equipment to better serve our members and customers. We've

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About the winning photo: One of our Key team members snapped this beautiful sunset photo at the end of a busy day!

Would you like to see one of your photos featured on this page?

The *Connections* photo contest is open to any member or customer who receives our newsletter. One winning photo will be selected and placed in the newsletter. Photos must feature agriculture, ag events, or rural settings; Iowa-based scenes are preferred. Photos must be submitted by the tenth of each month in order to qualify for the following month's newsletter. Please include your name, address, phone number and email address with your submitted photo(s).

Submissions may be emailed to Sara.Clausen@keycoop.com.

Key Connections is sent to you courtesy of Key Cooperative. Please send comments or suggestions to Sara.Clausen@keycoop.com or call 515-388-8030.



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PHOTO CONTEST WINNER MOONRISE OVER NEVADA

By Valaree Muhlenburg, S14 location

