

Corey Damman and his brother, Craig, have been farming their grandfather's land since 1998. With help from Key Cooperative's custom drill service, they've been planting cover crops for the past three years.

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CONNECTIONS

A publication dedicated to informing and connecting members.



Key Perspectives

Reflecting on our progress, challenges and successes

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

AS WE REFLECT on the past fiscal year, we're excited to share the progress, challenges and successes of Key Cooperative. Your commitment to doing business with your business has been instrumental in our shared success.

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Love and Care for the Land

C & C Farms leans into conservation and precision ag

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

WE'VE ALL HEARD GEORGE WASHINGTON'S famous statement at Mount Vernon in 1797: "Agriculture is the most healthy, the most useful and the most noble employment of man." Can you imagine what Washington would think about the practices of today's modern farmers? Agriculture looks nothing like it did in the 1700s; however, farmers' love and care for the land remains strong.

Brothers Corey and Craig Damman (C & C Farms) began farming their grandfather's land in 1998. Since then, they have continuously looked for opportunities to grow their operation and cultivate the land. They purchased their first truck in the early 2000s to begin custom trucking. They expanded their acres in Jasper and Marshall Counties, added a cow/calf operation and began to custom feed pigs. This diverse operation may sound like many in Central Iowa, but over the past few years, Corey's interests have led him to try different practices and incorporate more precision ag technology.

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A Round of Applause for our Propane Delivery Drivers!

Plus tips to help keep them safe and make propane deliveries smooth this winter

AS THE WEATHER FINALLY

URNS COLD, we want to recognize the hard workers of Key Cooperative who bring warmth and comfort to so many during the winter. Our propane delivery drivers will work up to six or seven days a week during the coldest days to make sure everyone on their route is getting the propane they need to heat their homes, run their businesses or keep their livestock warm. During the holidays, families will have days off to spend time together. But our propane drivers will be out on the roads keeping everyone's fireplaces lit. When the snow falls, our drivers drag their delivery hoses to ensure tanks are full for hot showers, warm meals and dry clothes.

Our delivery drivers make our lives and homes a little more comfortable. We'd like to say thank you, and we ask that you help keep them safe and make deliveries as smooth as possible this winter by reviewing these tips!

KEEP YOUR DRIVEWAY CLEAR OF SNOW AND ICE

- To ensure safe access to your propane tank, please keep snow and ice cleared from your driveway and sand all inclines. A propane delivery truck is approximately two feet wider than a passenger car and much taller, so please keep any trees or bushes that line your driveway trimmed, including low-hanging branches. If our delivery person is unable to navigate your driveway without obstruction, we will not be able to fill your tank, which could result in you running out of gas.



CLEAR A PATH TO YOUR TANK

- Tramp down the snow as you clear a safe walking path to your tank. We can't see what is under the snow. In the past, we have discovered sharp objects, slippery pieces of metal and tripping hazards. These and other obstructions could cause our driver to be injured and interrupt your important delivery.

KEEP EQUIPMENT CLEAR OF SNOW AND ICE

- To prevent a gas leak, please keep your propane tank, equipment and piping clear of snow and ice accumulation. The weight of these elements could break gas connections.

KEEP GAS APPLIANCES CLEAR OF SNOW AND ICE

- To keep gas fumes from becoming trapped in your home, please make

sure your chimney and rooftop—as well as all gas appliances vented through the roof or walls—remain clear of snow and ice. If snow or ice covers a vent, the appliance may stop operating.

MARK THE LOCATION OF UNDERGROUND TANKS

- Please mark the location of your underground tank and provide a clear pathway. This will help us keep you supplied with gas all winter.

DO NOT DISCONNECT YOUR TANK

- Never disconnect your tank and hook up a spare or small tank to get by. When a propane tank runs out of gas or is disconnected, the piping system must be checked to make sure there are no leaks caused by the interruption. ●

“I started implementing cover crops about three years ago,” said Corey. “I took advantage of Key’s custom drill service, and I had about 400 acres of rye applied this year, which included one of my seed corn fields. On the end rows, I also planted some radishes and oats myself.”

Conservation practices like cover crops can be traced back to the Roman empire, but they have gained more and more popularity in Iowa because of the value they bring to the soil. Today, many farmers consider cover crops an annual agronomic decision that is part of each field plan.

“Corey and Craig have used cover crops in a fantastic way,” said Key Sales Agronomist Matt Hill. “By using the drill, they were able to protect their topsoil from erosion.”

Cover crops have many benefits—erosion reduction is one, along with building organic matter, competing against weeds and promoting water retention. “People do not like to be forced into practices like cover crops,” acknowledged Corey. “Even if they are beneficial, there should be

incentives to help offset the investment it requires to add them into your conservation plan.”

Practical Farmers of Iowa (PFI) and Natural Resources Conservation Service (NRCS) are two common cost-share programs that farmers turn to today to help implement practices like cover crops. PFI is a private program and NRCS is public; a farmer can apply for one private and one public program each year. “Through these programs, C & C has been very successful at capturing the incentives from their cover crop investment,” said Matt.

It doesn’t stop at cover crops for C & C Farms. Other practices, like variable rate planting and fertilizer application, are both good for the soil and ensure they are only investing in the necessary product. This past year, Corey turned to the CENTROL team at Key for a full planter rebuild.

“Key Cooperative needs to and has been able to evolve,” said Corey. “I look to them for better recommendations and the best precision equipment!” ●



A REWARDING EXPERIENCE FOR YOU AND YOUR EQUIPMENT

CENEX

Gift Cards for Gallons
November 1, 2023-February 29, 2024

Earn a \$50 gift card for every 100 gallons of qualifying premium Cenex® Lubricants purchased. See program details and submit gift card requests at cenex.com/giftcardsforgallons.

Cenex® is a registered trademark of CHS Inc.



When you buy lubricant products now through February 29, you'll be enrolled in the Gift Cards for Gallons program.

Want to know which product is best for your equipment? Call our Certified Energy Specialists!
Bob Rabey | 641-521-6318
Rick Kucera | 641-780-1624

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!

Pre-order chicks February 1 - March 1, 2024, and receive \$10.00 off a 50 lb. bag of Purina® Chick Starter!

Pick up chicks at your Key location later this spring!

How to Stack the Deck to Ensure a Successful Lambing Season

By Ceara Smothers & Brooke Gifford, Lifestyle Feeds Sales Specialists

THE PROFITABILITY OF YOUR SHEEP FLOCK starts at the very beginning—lambing season. As this season draws near, we'd like to share some key tips for success!

Sorting Your Ewes

First, it's important to sort out the ewes that are closest to lambing using their breeding date and physical appearance. These ewes will need more attention. Go ahead and pen this group of ewes up at night for easy access, so you can monitor and assist them if required. Once they're completely done lambing, you can turn them out into lambing pens.

Lambing Supplies Checklist

Let's ensure you have the right equipment and supplies for a smooth lambing season. You will want to have the following on hand:



- Iodine
- Towels
- Plastic sleeves and disposable gloves
- OB lube
- Scissors
- Ewe restrainer
- Baby bottle
- Stomach tube and two-ounce syringe
- Uterine boluses
- Halters
- Lamb milk replacer

What to Watch For

A telltale sign that a ewe is near lambing is the udder becoming engorged, swollen and slightly red. You may also

notice the vulva becoming red and swollen. The ewe may separate herself from the flock and even miss a feeding.

Be a Helping Hand

If you notice a ewe is having a prolonged birth, you may need to assist her to get the lamb out:

1. Restrain the ewe before attempting to pull the lamb.
2. Put on OB sleeves with OB lube.
3. Ensure the ewe is fully dilated, then check that the head and all the legs are to one lamb. Once you have one lamb positioned to come out, you will alternate pulling one leg and then the other at a slightly downward angle.
4. Put the lamb in front of the ewe right away and remove the restraint. Observe her to ensure she accepts the lamb.

Liquid Gold? It's Close!

Don't stress—Key Cooperative has Land O'Lakes® Ultra Fresh® Lamb Milk Replacer to help you this lambing season! This milk replacer is specially formulated to meet the nutritional needs of your lambs. It supports lamb growth, optimizes digestibility and nutrient absorption and supports palatability for optimal intake. It also supports immune responses and overall gut health. Research has shown that lambs fed Land O'Lakes Ultra Fresh Lamb Milk Replacer have optimal average daily gain compared to lambs that are naturally reared.

If quality maternal colostrum is not available, feed Land O'Lakes Bovine IgG Colostrum Replacer for Kid Goats and Lambs to help build immunity. ●

SAVE THE DATE
CENTROL Planter Clinic

February 23, 2024
9:00 A.M. - Noon, Lunch to Follow
Grinnell Agronomy Center

Featuring representatives from
Precision Planting® and Ag Leader®.

Dear Precision Ag Leaders,

Did you see a *GOOD* stand in 2023? Could you achieve a *GREAT* stand in 2024? Come to CENTROL'S clinic to learn how you can achieve that great stand ... with the planter you already own! Often, it's simple adjustments, settings and wear part conditions that make or break a successful planting season. Other planter maintenance clinics only tell you when to replace parts—at this clinic, you will learn alongside your neighbors how each part of your planter interacts with and affects your entire planting system.

Don't let a simple adjustment or neglected component hinder your success next season. Let's get set for success in 2024!

Your partner in precision,
Jared Togle, Key Precision Ag Manager



Having a Plan for This Year and Next Year's Crops

By Jarod Lemper, Grain Division Manager, Jarod.Lemper@keycoop.com

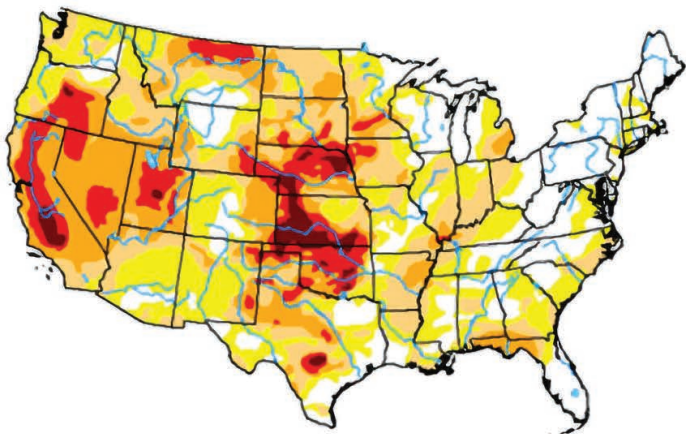
HOW QUICKLY THE CALENDAR FLIPS and a new year begins! In the grain marketing world, it isn't such a clean break. Harvest is fresh in our minds, with the bins still full. But next year's crop is already on the minds of many. Having a plan in place for both crops is important.

Currently, farmers own 16.5 million bushels of old crop grain in the elevator. This is up 96 percent from the previous three-year average. That tells me there are a lot of producers out there waiting for higher prices. The question then becomes: Will those higher prices develop?

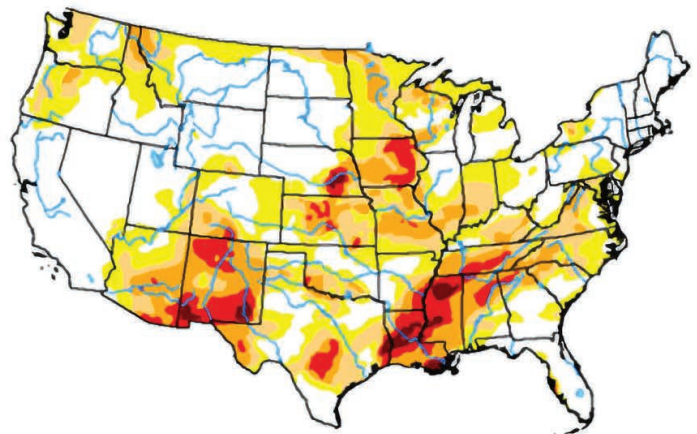
If we look back to a year ago, the projected carryout for the 2022–2023 crop was 220 million bushels for soybeans and 1.26 billion bushels for corn. Looking at the latest report for the 2023–2024 crop year, projected carryout figures are 245 million bushels for soybeans and 2.13 billion bushels for corn. That is a growth of 25 million bushels for soybeans and about 875 million bushels for corn. Rising carryout numbers are not usually conducive to higher prices.

May 2024 futures have not been above \$5.30 since late July 2023. But there have been a couple of runs at the \$5.20s, one as recent as late October. Based on the charts below, targeting anything in the \$5.10–\$5.25 futures area would be a good place to market additional old crop bushels.

Looking ahead, one of the greatest reservations of forward marketing is that we are going on year four of a drought, and we need to recuperate a tremendous amount of moisture before we can grow a crop. That being said, the Funds traders currently have another successful crop priced in for next year. We have grown three crops in a row in drought conditions, so they're not willing to bet against us producing a fourth (especially with nine percent interest costs on margining a long/bullish position on the board). However, just because a successful crop is already priced doesn't mean we won't see a weather scare rally. It just tells me that if or when we see one, it will occur more quickly and more drastically. Be sure to have a plan in mind and offers in for when we start seeing the markets move! ●



December 13, 2022



December 12, 2023



KEY COOPERATIVE COMMUNITY SCHOLARSHIPS

APPLICATIONS DUE BY MARCH 25, 2024

Key Cooperative will award twelve \$1,000 non-renewable scholarships this spring. To view the scholarship criteria or download the application, visit keycoop.com or contact your local Key Cooperative office.

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.

We're happy to report a solid financial performance for fiscal year 2023. We achieved local savings of just over \$1 million, which added to regional patronage and other income totaling just over \$4.58 million—a testament to the hard work and dedication of our staff and the support of our member-owners and partners.

We continue to focus on collaborative efforts to further strengthen our supply chain and improve efficiencies. Strategic alliances with the regional cooperative system enhance our ability to source inputs and streamline distribution both to and from the field and ultimately to our end-users and consumers.

Our CENTROL Precision Ag team continues to provide leading-edge solutions to our members, using innovative tools and technology to increase operational efficiencies and harness information to drive better data-driven decisions. Our Key Sales and Origination teams remain committed to providing sound programs and comprehensive solutions to enhance production and position our members for success.

We recognize the importance of supporting responsible and sustainable practices. We partner with our members and Truterra® (a Land O'Lakes company) to implement initiatives that improve soil health and nutrient utilization

while reducing our carbon footprint. These initiatives align Key Cooperative and our members with the broader industry's commitment to more sustainable stewardship practices. Working together, we can meet the growing demand for responsibly sourced agricultural products.

While celebrating our achievements, we acknowledge the challenges that persist in the agricultural sector. Our industry has seen the cost to serve increase by nearly 25 percent over the last two years, primarily due to the price appreciation of inventories, the rise of interest rates, the cost of human capital and the inflation of consumables. To address these challenges, we're focused on improving our processes while supporting a healthy and adaptive team to ensure the long-term prosperity of our members. Working together as essential business partners, we can continue to overcome challenges and create a more resilient and interconnected cooperative.

I would like to extend my sincere gratitude to our members for their unwavering support, dedication and belief in Key. In turn, we remain committed to the success of our members by delivering innovation; providing exceptional, customer-focused solutions; empowering a healthy, adaptive team; and achieving sustainable results for our members and the cooperative. ●



ENROLL NOW

Truterra® launches 2024 sustainability programs

TRUTERRA — A LEADING AGRICULTURAL SUSTAINABILITY BUSINESS — has announced new sustainability programs for 2024.

Truterra has expanded eligibility for its carbon program to include qualified, long-term adopters of conservation practices and those who adopted strip- or no-till and/or added cover crops in fall 2023 or spring 2024. (This includes a change in the tillage portion to include limited tillage.) Enrollment began December 1.



In addition to sustainability programs, growers who partner with Truterra have access to a special USDA funding program. If you planted a cover crop and/or reduced tillage for the very first time on your operation, you could qualify for \$25–\$80 per acre. Availability is limited!

Interested farmers can reach out to Key Sales Agronomist Landon Van Dyke at 641-260-2103 or Landon.VanDyke@keycoop.com, or you can scan the code to learn more. ●

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 2024.
3. Letter from December 11, 2023, 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. ●



TRANSITIONING MARKETS: DEMAND DRIVEN TO SUPPLY?

Presented by Trent Sauder, Advance Trading | Tuesday, January 9, 2024
Sully Community Center | 10:30 A.M. meeting | Lunch to follow at noon

CORN, SOYBEAN & CATTLE MARKETS: RECOMMENDATIONS FOR 2024

Presented by Kevin Clausen, John Stewart and Associates | Thursday, January 11, 2024
Jethro's BBQ in Ames | 10:30 A.M. meeting | Lunch to follow at noon

GRAIN MARKETING IN 2024: "COMFORTABLY NUMB"

Presented by Ryan Moe, StoneX | Wednesday, January 17, 2024
Le Grand Community Center | 10:30 A.M. meeting | Lunch to follow at noon

Sign up to secure your spot!
Scan the code to learn more
about each presenter and
RSVP for the grain outlook
meeting of your choice!



HELP US LOCATE THESE MEMBERS!

These members have unclaimed patronage dividends from Key Cooperative:

ORLENE EGELAND
BEN FISK
NELSON GEELS
MARTHA HILL
BETH RUMPH

If you know one of these members, please contact Vicki Gruhn at 641-594-8147 or email Vicki.Gruhn@keycoop.com.



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PHOTO CONTEST WINNER: BEST FRIENDS FUREVER

By Ruth Jansen, Sully



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These barn kittens are just too cute!

Would you like to see one of your photos featured on this page? Enter the Connections photo contest, which is open to any member or customer who receives our newsletter. One winning photo will be selected and placed in the newsletter. **Winning photographers will receive a \$20 gas gift card!** Photos must feature agriculture or rural settings; Iowa-based scenes are preferred. Photos must be submitted by the 10th 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 at 515-388-8030 or at Sara.Clausen@keycoop.com.