WINTER 2020

# RVC INSIGHTS

## WITH YOU EVERY STEP OF THE WAY

## A PRAIRIE PARADISE

### Rest-A-Bit is home to pollinators and native plants

**Nestled on a small piece of prairie near Galva, Illinois, Kathy Huffman created a haven for pollinators after she heard about native plant programs through the Stark County Soil and Water Conservation District.**

## CAMP GROVE FACILITY OPEN FOR BUSINESS

## GIVING BACK TO OUR COMMUNITIES

## GROWING OUR FOOTPRINT: FACILITY UPDATES


## Central Office

254 E. 90th Street
Davenport, IA 52806

563-285-7820
1-866-962-7820

www.rivervalleycoop.com


## Locations

Altona • Annawan • Camp Grove
Clarence • Dixon • Donahue • DeWitt
Durant • Edelstein • Eldridge
Fenton • Galva • Geneseo
Kasbeer • Lost Nation • Martelle
Olin • Osco • Ryan • Sperry
Stanwood • Sunbury • Walcott

## Mission Statement

River Valley Cooperative is dedicated to delivering personalized services and expert solutions that enhance and ensure the longterm viability of our customer-owners, employees and communities





# Contents



# Our Story

## River Valley Cooperative

From one season to the next, River Valley Cooperative is there for member- owners and the communities we call home. More than just another supplier, we're neighbors invested in the success of local agriculture. Like you, we combine the latest technologies and insights with roll-up-your-sleeves hard work that doesn't end with harvest. To us, every season of the year is another opportunity to grow. That commitment is why we've been around since 1906 and why we'll be here for generations to come.

# BOARD OF DIRECTORS

## Nick Novak Elected to Three-Year Term

As a member-owned cooperative, we're focused on meeting the needs of area producers and serving our local communities while operating a financially sound business. River Valley Cooperative is guided by dedicated board members who have been elected to serve.

River Valley Cooperative welcomes Nick Novak as the most recent addition to its nine-person board. Nick was elected to fill an open seat on the board after longtime board member Dean Adrian chose not to seek another term.

Nick and his wife, Erin, have two children, Kolton and Kaylin. He began farming with his grandfather when he was in his teens and has been a member of the cooperative since 1996. His farming operation includes corn and soybeans, 20 stock cows, and feeding out 30-50 cattle each year.

Volunteering as a fire fighter, Nick has proudly served on the Lost Nation Fire Company for the past 15 years, the last six as 2nd Assistant Chief. He is also a member of the Iowa Soybean Association and the Sons of the American Legion in Lost Nation.

Nick looks forward to seeing how the cooperative system works, helping it grow in any way he can, learning what the cooperative's future plans are, and its impact on the local community.

**Current board members serving River Valley Cooperative are: Brian Corkill, Brent Daufeldt, Randy Haars, Neal Keppy, Doug Nelson, Ken Nelson, Nick Novak, Joe Sperfslage, Jim Von Muester**

# OPEN FOR BUSINESS

## Camp Grove, Illinois, Agronomy Facility is Operational

River Valley Cooperative is expanding its physical footprint and adding staff with agronomic knowledge to assist with purchase decisions and planning.

In late 2019, River Valley Cooperative expanded into the Peoria, Illinois, area, after a new state-of-the-art agronomy facility in Camp Grove was completed. The addition of this location opens the doors to a new geography and efficiency to serve customers in the Peoria, Marshall, and Stark County areas.

Aiming to grow sales in crop inputs, River Valley Cooperative completed the construction on the new facility after breaking ground in November 2018 Since then, the building housing chemicals was completed in June of 2019, the office was finished this past September, and the ammonia system was completed at the end of October and is now fully operational.

A 24/7 fertilizer loadout facility was constructed and has streamlined operations for customers and employees. Most often used by customers to pick up preplant starters and UAN, the 24/7 fertilizer loadout facility has increased the efficiency of customers and employees alike.

The staff at the Camp Grove location are local to farmers, and can talk them through decisions on seed, chemicals, fertilizer and disease issues.

We are proud to have Justin Stabler, previously an Agronomy Account Manager at Galva, as the Location Manager of the new Camp Grove facility.

Mark Feucht, Account Manager for River Valley Cooperative, will service sales. Mark is a great asset to the Camp Grove location. Bill Hensel's seed expertise will now serve both Edelstein and Camp Grove areas, as he provides area growers with quality seed varieties and service.

**Justin Stabler, Location Manager**

**Mark Feucht, Account Manager**

**The newly constructed facility provides agronomy inputs to area growers.**



**Luke Krans, Camp Grove Operator**

**Hunter White, Camp Grove Operator**


Interested in learning more about the new Camp Grove facility and all that it offers customers?

**CALL FOR A TOUR**

INTRODUCING 24/7 FERTILIZER LOADOUT

# Camp Grove, Illinois

In order to use the 24/7 facility, account managers set-up customers with a pickup load number which can be set for specific load quantities and products. Customers then have the ability and flexibility to pick up their order anytime that's convenient for them, day or night. River Valley Cooperative offers step-by-step instructions and one-on-one training prior to the start of the season.

River Valley Cooperative is committed to investing in the best technology, the best equipment, facilities, and people to continue to serve new and existing customers at a level that we consider operationally excellent. This standard of excellence is what we strive for, and we will continue to invest in resources to achieve this goal.

# A PRAIRIE PARADISE

## Rest-A-Bit is home to pollinators and native plants

**Jayne Carstensen, Communications Specialist**


**Nestled on a small piece of prairie in Galva, Illinois, Kathy Huffman has created a pollinators' paradise.**

A passion for plants, pollinators, and what some may consider pests, is quite evident in Kathy Huffman's prairie restoration project, Restabit (Rest-A-Bit). This little piece of prairie paradise, nestled in the middle of a 40-acre farm field just outside of Galva, Ill, is home to all of the above.

A staff support specialist at River Valley Cooperative's Galva location, Kathy has always had a love for flowers and farming, along with a zest for learning. When she and her husband, Jim, purchased a parcel of land near their current farm, she was particularly intrigued by a secluded six-acre area. None of it was conducive for farming, especially with its towering cottonwood trees and small creek running through it.

After plunking down some flowers, as Kathy put it, she heard about native plant programs through the Stark County Soil and Water Conservation District. Kathy confessed that she didn't know what they were talking about, but that's how everything got started.

She learned there were such things as native plants versus cultivars and how much more beneficial the native plants were for the whole ecosystem. That was about 10 years ago and things just evolved from there.

When asked why she started such an ambitious project, Kathy explained, "I enjoy learning and after going to a few meetings, I went to more meetings, and the more I learned the more excited I was."

Although the prairie itself is less than an acre, eventually Kathy would like to grow it to about three acres which would encompass what the Huffman family farms on either side of it. With a smile on her face, Kathy said, "I only do small amounts at a time, that which I can handle, because I don't have as much energy as I used to. It doesn't take a lot of maintenance, but I just like to keep a close eye on it."

> Native is the original plant that co-evolves with the whole ecosystem of insects, bees and butterflies and since they co- evolve, the plant, the flower and the nectar are there when the insects arrive.

Kathy purchased her first seeds from Prairie Nursery in Wisconsin, which at the time was one of the few places she could find actual native seeds. "Unlike cultivars, which are what you get at the big box stores and greenhouses in the area, natives are different," she explained. "Native is the original plant that co-evolves with the whole ecosystem of insects, bees and butterflies and since they co-evolve, the plant, the flower and the nectar are there when the insects arrive. Cultivars are not like that and some may or may not even have nectar or their nectar might not have any energy for the hungry insects, although some cultivars are good, too."

Prairie Nursery was a great resource for Kathy. She actually went there learning how to prepare the soil and what she was going to need to get started. They emphasized that this was going to be a long-term establishment and it wouldn't develop overnight, or even in a year. In fact, they told her it would take upwards of three years and it was going to look pretty unattractive for the first couple of years. Kathy exclaimed, "My patience paid off and now seven years later, it's beautiful and I just love it!"

Along her prairie journey, Kathy met some pretty interesting people, one being a speaker and former biology teacher in Stark County. He told the class about his pond, which was more like a wetland, where he established native plants which liked that type of soil and moisture content. Since building the pond, he has 12 or 13 different species of frogs. Kathy, slightly blushing, said she asked the speaker, "You know, I understand how birds, butterflies, insects, and all this other stuff gets there, but frogs can't just drop out of the sky. How did they get there?" His answer was simple, "You build it, and they will come."

This was just one more reason why Kathy got involved. She said, "While I don't have turtles yet, I have about everything else. I already had water with the creek, and like us, they needed a place to live. They needed shelter, which I had, but I had no food, and we all have to have food. Once the prairie was established, a whole new biodiversity ecosystem just developed on its own. Build it, and they will come."

Seeing all of these changes was very exciting for Kathy, especially the different types of birds that began visiting the prairie. She remarked that she had never really noticed or cared about all of the different insects, butterflies and moths before, but now realizes they all play a part in the development of the ecosystem on the prairie. She exclaimed, "I even have quail now, they found a place to live. It's been really exciting to watch what happens and it's fun. It just kind of restores my soul."

The whole project began as entertainment for Kathy, she had always loved flowers and gardening. When it comes to the prairie, she admits that she is not a purist and has planted some cultivars, such as sedum, among the native plants because they provide a lot of beauty and the bees love them.

As the prairie grew larger and larger, Kathy decided to add a bee hotel for even more entertainment. After a while, low and behold, there was something in the hotel. She wasn't quite sure what it was and did a little investigating. There were long tubes inside the hotel and the outside and the fronts were capped with what appeared to be clay soil. Through her research, Kathy found that the new residents of the bee hotel were in fact mason bees. Kathy remarked, "Honestly, I thought there were three kinds of bees; a honeybee, a sweat bee, and a bumblebee." Laughing, she said, "My biology teacher wouldn't be happy with me right now." Kathy soon learned there are actually over 400 species of native bees just in the state of Illinois alone.

Kathy explained how the mason bees fill their nest tubes with bee bread, which is pollen and nectar, then an egg, and then a partition. They keep doing this until they fill up the tube. The first couple eggs are going to be fertilized and will be females. The other eggs, which will be males, are unfertilized. They'll stay outside all winter long, whether it's in a tube, a stick, a cavity, or down in the ground, and in the spring the bees will start to come out.

Kathy stated, "There are several reasons that the boys are on the outside and the girls on the inside. If there is predation, it's the boys that are going to be sacrificed. When the bees start coming out in the spring, the boys come out first and stay right there waiting for the girls so they can do their thing. After that they don't live much longer, that's pretty much it for them, that's their only purpose. The female is basically like a single mother, taking care of all of them. It's been kind of intriguing learning about all of this and it's been a lot fun."

From the time Kathy started Restabit to when she put out the first native seeds was about three years. She said it took that long to learn and research about starting a prairie. "If you don't prep it right to start with, you're going to have a problem that will continue on forever."

She was particularly concerned about the hillside in the prairie because it is a lot of clay. "As agricultural producers, clay is not our best type of soil." What she found was native plants actually like clay soil and can break it up with their deep root systems. During her research, Kathy also learned she was going to have to keep the area dead for two summers where she wanted to plant the prairie. There are different philosophies on that, but at the time that's what was recommended.

For the first two years they used Roundup® and in the fall went in and just kind of scuffed the surface a bit.

Kathy stated, "If you go too deep it will awaken an existing weed bank, one that had been there for years, and it will all come to the surface, which isn't good."

Once the waiting was finally over, she seeded everything by hand as it was only about a half an acre in that particular spot. She quartered the spot off and then quartered the seed off so they wouldn't get halfway done and realize that they didn't have any seed left. Once seeded, they rolled it and over the next couple of years mowed it at about 10 to 12 inches. This basically took the weed seed heads off. "The third year, the prairie just exploded with approximately 25 to 30 types of plants between the grasses and the forbs (flowers)", Kathy exclaimed. "The prairie is pretty well diversified, but mostly a short prairie. I didn't want the really tall big blue and Indian grasses, I prefer the shorter grasses and a lot more flowers."

"The third year, the prairie just exploded with approximately 25 to 30 types of plants between the grasses and the forbs (flowers)," Kathy exclaimed

When asked to name some of her favorite species, Kathy had a pretty long list, but cautioned how important it is to have a variety of things which bloom very early in the spring all the way through to the very end of fall. "There are different species of bees out during each of the seasons and they all need food to survive."

In the spring, Kathy enjoys seeing the golden alexander and prairie smoke. She has four species of milkweeds, common, butterfly, whorled and swamp. There are a couple different kinds of asters and goldenrods, but not the invasive Canadian goldenrod. Kathy said, "Some of these are quite attractive and the bees just love them." Other species in the prairie include a variety of sunflowers, rattlesnake master, purple coneflower, Culver's root, liatris blazing star, Virginia mountain mint, baptisia, and wild quinine. Some of the plants like the dry, more loamy soil, while others want wetter soil, some even like clay. "Some varieties want shade, some want sun, so it's kind of fun to figure it all out," Kathy explained.

As far as trees in the prairie, there are a lot of older cottonwoods and one walnut that is about 15 years old. The Huffmans planted two younger butternut trees and about five oak trees, which are all less than five years old.

Kathy mentioned she attended a seminar featuring Doug Tallamy, a great author who shares his vast knowledge of native plants. He told the group that the oak tree is actually the number one tree for supporting insects and caterpillars, supporting about 400 different species. Compared to invasive Russian or autumn olive-type of trees, which support zero species. Kathy stated, "The Callery Pear, that a lot of people are planting, is a

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**Many bees living at Rest-A-Bit call this bee hotel home.**

beautiful tree in the spring, but doesn't support anything either. The cottonwood, black cherry, and some of the willows are right up there."

Kathy admits that not everything she's tried has thrived or survived. When she plants something from a small container or pot, she typically babies it the first year by watering it when it's dry and in the second year if it's not looking very happy, she might baby it again, but at that point, "it's the survival of the fittest."

"It's all just a big experiment and it's fun to see the wildlife," said Kathy. "There have been deer along with raccoons and possums, voles and moles." When she's in the prairie, Kathy enjoys writing down the different varieties of birds she sees, stating there were 28 different varieties this year. Kathy's favorite species have been the bluebirds, which took her five years to get, and the Baltimore orioles, who she learned like Welch's grape jelly better than generic.

Kathy's latest project on the prairie is building an agricultural living buffer. She added some young spruce trees, white pines, and native shrubs on one side of the prairie to protect it from the adjacent farm field.

One day, while walking along the eastern white pines, Kathy became concerned when she noticed at least a hundred little black caterpillars on one of the tiny little trees. Later that afternoon she realized that she had forgotten to go back to check on the tree. When she got there, four hours later, there was not one single caterpillar on it. "The birds had eaten them, the whole ecosystem was working", she exclaimed!

Even with a creek running through the prairie, Kathy said mosquitoes aren't an issue. She explained the barn swallows and tree swallows eat a ton of mosquitoes, as do the damselflies and dragonflies. "The whole system just kind of takes care of itself and it's really amazing how it all works together."

Kathy has taken a keen interest in pollinators, providing food and shelter for them. She said issues, such as colony collapse, are partially attributed to the loss of habitat and food. "Everybody can do something to help with this. Everybody. Even if it's taking a little four by four corner of your yard, just make sure you're planting native plants. Even people living in an apartment can do their part by putting a native plant in a flowerpot outside. It helps the whole ecological system and provides some food and nourishment for pollinators migrating through. They have to have fuel along the way, just like our cars do," explained Kathy.

"A lot of this is just a matter of changing our aesthetic view of what is beautiful. We like our manicured lawns, I have one too, but they are a desert to all pollinators," said Kathy. "It has no value whatsoever and it's a lot of work for us. We have it in our minds that everything has to be mowed in order to be beautiful, I thought that as well, but I'm learning that it doesn't have to be that way. It's just a matter of changing our perception." Kathy did go on to say that you can still plant cultivars among the native plants and they'll all coexist together. "It's a win-win, you can have a shared ecosystem."

**Kathy Huffman hosts a garden club at Rest-A-Bit.**

"Everybody can do something to help with this. Everybody."

-Kathy Huffman

**Close up of the bee hotel.**

"One thing about working with natives," Kathy explained, "especially the grasses, is that you have to be patient. Sometimes upwards of two to three years for these to really take off. I used to put a flag where I planted things, particularly potted plants as opposed to seeding. One time, after about four years, there was still a spot that was vacant. My husband Jim asked, 'Don't you think you should take that flag out, obviously there's nothing there?' I told him that it wasn't hurting anything, and I was just going to leave it there. Year five came around and up came some big blue stem, one of the taller prairie plants."

"You do have to have patience, especially with the grasses and you need to have some grasses in with your forbs, it's just a better diversity," said Kathy. "A lot of it is doing your research, and just like with anything else, you'll make some mistakes. It just takes time."

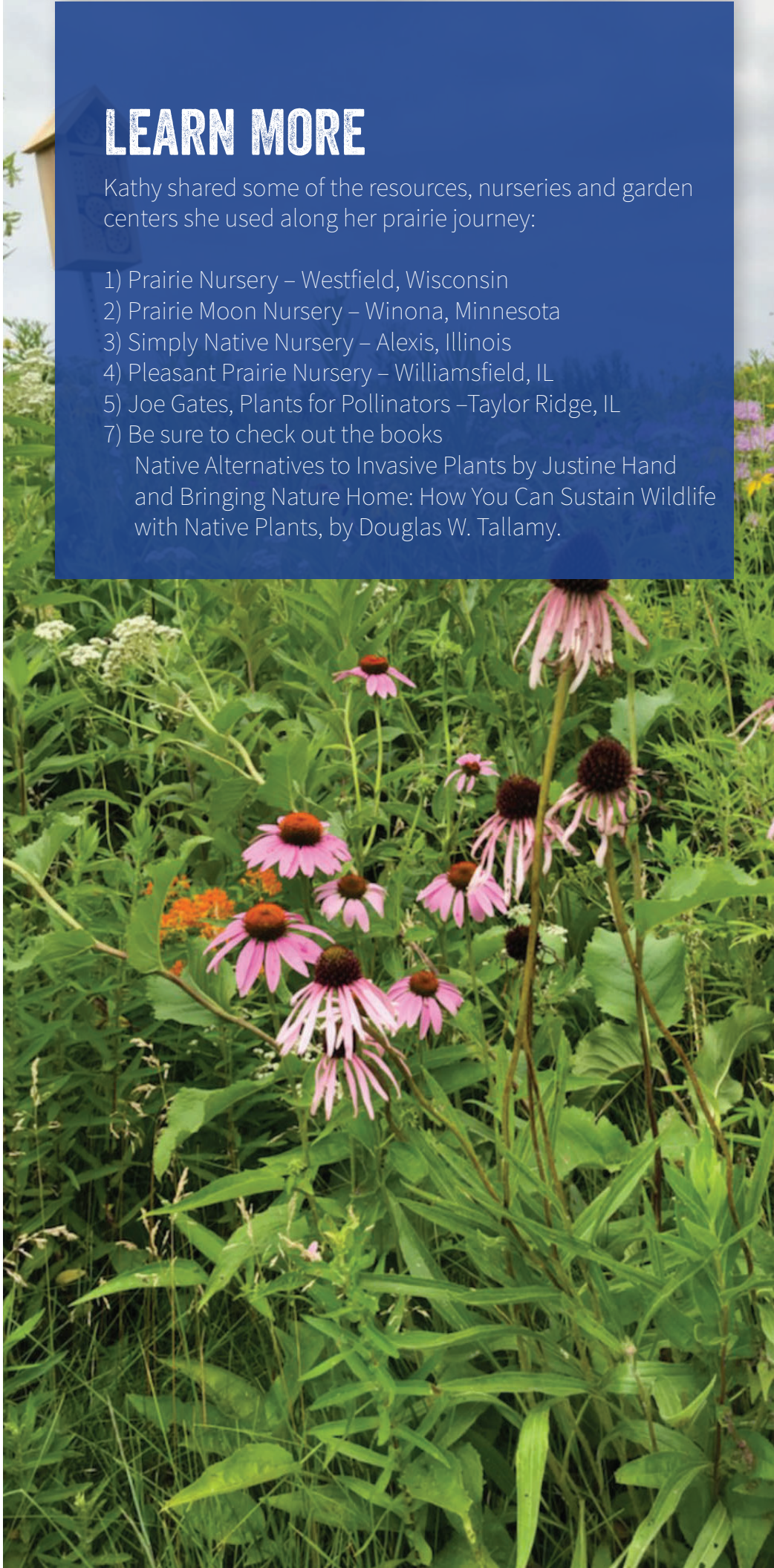
Everyone asks Kathy how Restabit got its name. With a fond look in her eyes, Kathy explained, "Restabit was named by a former coworker, Mark VanDeVelde, who unfortunately has since passed away. When we first bought the property, unknowingly to me, Mark had gone down there to do some soil sampling. When he got back to the office he came up to my desk and said very softly, 'I found your Restabit.'"

Kathy explained further, "It's Restabit for wildlife and it's Restabit for me, too. At the time we bought the land, all that was down there was a picnic table, not even any cell phone reception, although that's changed now." After pausing for a moment, Kathy quietly said, "That's how it got its name. Mark and I were coworkers for 25 years before he passed away, we worked very closely together, it's really special for me. It's the perfect name."

## LEARN MORE

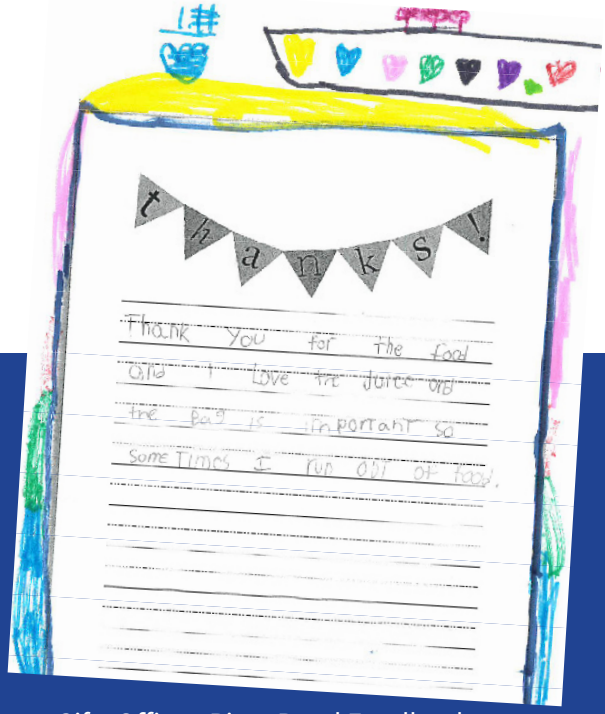
Kathy shared some of the resources, nurseries and garden centers she used along her prairie journey:

1) Prairie Nursery – Westfield, Wisconsin
2) Prairie Moon Nursery – Winona, Minnesota
3) Simply Native Nursery – Alexis, Illinois
4) Pleasant Prairie Nursery – Williamsfield, IL
5) Joe Gates, Plants for Pollinators –Taylor Ridge, IL
7) Be sure to check out the books
   Native Alternatives to Invasive Plants by Justine Hand and Bringing Nature Home: How You Can Sustain Wildlife with Native Plants, by Douglas W. Tallamy.



# GIVING BACK TO OUR COMMUNITIES

## Local organizations benefit from RVC donations


### River Bend Foodbank

Jake Williams, CFO, presented a check for $18,600 to Leslie Corlett, Corporate Gifts Officer, River Bend Foodbank, representing funds that were raised at River Valley Cooperative's annual Feeding Kids in Our Communities Event. The funds will be used for backpack programs in schools within our local communities in Illinois and Iowa.


### Together We Build Campaign

RVC employees presented a check to the Together We Build campaign to assist with the construction of the new Jackson County Fair & Extension/4-H Outreach Center at the Jackson County Fairgrounds in Maquoketa, Iowa.

From left: Kirk Dosland – RVC Agronomy Account Manager, Judy Tonderum - Committee Member, Amber Matthiesen - 4-H Youth Program Specialist & Program Coordinator for Jackson County Extension, Justin Wagner – RVC Lost Nation Location Manager, Dylan Meyer – RVC Agronomy Account Manager, and Dean Engel - Committee Member.

## HACAP

Savannah Sieren (center), Feed Support Staff, Clarence location, presented a donation of $9,400 to HACAP'S BackPack Program. Accepting the donation are Kim Guardado (right), Chief Executive HACAP Food Reservoir, and Allyn Glenn-Angell, Development Manager. The donation will benefit food insecure students in Cedar, Jones and Linn Counties by providing 1,880 backpacks. This equates to sponsoring 52 students for an entire school year.

## DeWitt Referral Center

River Valley Cooperative employees Dave Weiskircher (left), DeWitt Location Manager, and Karolyn Kruse (right), Marketing Specialist, stopped by the DeWitt Referral Center to deliver groceries and present a check for $5,000 to Referral Center Director, Michelle Ehlinger.



## The Lost Nation Fire Company

A $5,000 donation from River Valley Cooperative and Land O'Lakes Foundation was presented to the Lost Nation Fire Company. The funds will be used to purchase a Polaris side-by-side UTV equipped for fire and rescue with a 75-gallon water tank and backboard setup. This new vehicle will allow the fire department to access otherwise difficult to reach areas.

Presenting the donation to Lost Nation Fire Chief Robert Atkinson (right) is Justin Wagner, River Valley Cooperative Lost Nation Location Manager. Justin is also a volunteer firefighter for the Lost Nation Fire Company.

# IMPROVE SPRAY PERFORMANCE

## Discover the adjuvant that fits your business needs

**Dustin Hoeft, Agronomy Business Manager**
**Matt Boeckmann, Crop Protection Execution Lead**

**Optimize the ROI of your spray investment by hitting your target the first time, every time.**

Today's farmers are constantly adapting their management practices to combat pests and obtain the maximum return from their fields. To help farmers enhance their disease and insect management programs, adjuvants have taken the world of agriculture by storm.

With the ever-complex trait options in corn and soybeans also comes an even more complex offering of adjuvants to go along with these herbicide tolerant crops. In soybeans alone, there are a slew of varieties: Xtend (dicamba and glyphosate tolerant), Enlist (2,4-D choline, glyphosate, glufosinate tolerant), and GTLL (glyphosate and glufosinate tolerant) GT27 (HPPD and glyphosate) just to name a few. So, with all these options available on the market, what can and should be used?

Gone are the days where adding in AMS and crop oil is all one needs when it comes to the addition of an adjuvant. Although spray adjuvants themselves are not active in controlling or killing pests, they do modify the spray solution which improves the ability of the pesticide to penetrate, target, or protect the crop to which it is applied. Among the typical types of ingredients used are surfactants, emulsifiers, oils, and salts. Each of these ingredients modifies the spray solution itself to improve such properties as spreading, penetration, droplet size, and other characteristics.

With a wide variety of products on the market, selecting the right adjuvant and water conditioner is a critical part of a grower's management practice, especially as herbicide tank mixes become more complex in order to fight weed resistance. As new and old chemistries are added to the mix, adjuvant priorities shift. Both Xtend and Enlist technologies have very specific requirements that must be followed in order to spray. Because of these regulations, many existing adjuvants cannot be used as they were in the past.

A combination of drift reduction agents (DRAs), water conditioners, and crop oil enhance the performance in most complete management programs. Products such as DRAs are used in Xtend herbicide mixes to control off-target drift.

Crop oil concentrates help improve herbicide penetration into the leaf surface, and water conditioners enable more of the active ingredient to become available for the weeds to take up. Water conditioners soften the water, buffer pH, and tie up minerals that can neutralize herbicide active ingredients.

Herbicide manufacturers research and develop adjuvants as formulation ingredients that are specific to each product. These adjuvants include emulsifiers, dispersants, stabilizing agents, capitally agents, anti-foam agents, spreader/stickers, and others.

Optimize the ROI of your spray investment by hitting your target the first time, every time.

The River Valley Cooperative team offers a line of adjuvants to help improve spray coverage, optimize spray disposition, and reduce drift, so that pesticides hit their intended target the first time.



ADJUVANT

# FOCUS ON FERTILITY

## Small changes in plant nutrition can have a large influence on yield

**Dustin Hoeft, Agronomy Business Manager**
**Matt Boeckmann, Crop Protection Execution Lead**

Why focus on micronutrients?

The yield gap (difference between high yields achieved in NCGA contest and national average yields) has been between 300 and 366 bushels over the last six years.

There are many factors that make these high yields possible, but plant nutrition is a key driver.

N-P-K are table stakes. We all know these have to be managed properly to build the base to have a chance at a successful crop, but how do we achieve even more?

Tissue sampling reveals that several key micronutrients are potentially limiting to yields.

According to Dr. Jason Haegele, WinField United Agronomist, Zn, Mn, and B were the three nutrients most commonly deficient early in the growing season, and Mn and B were frequently deficient as the corn crop moved into reproductive stages. These deficiencies are also true on a national scale.

Although micronutrients are required in small amounts, even small changes in plant nutrition status can have a large influence on yield:

V5-V7: +2 rows = +25.7 bu/A

V12: +1 kernel length = +5.0 bu/A

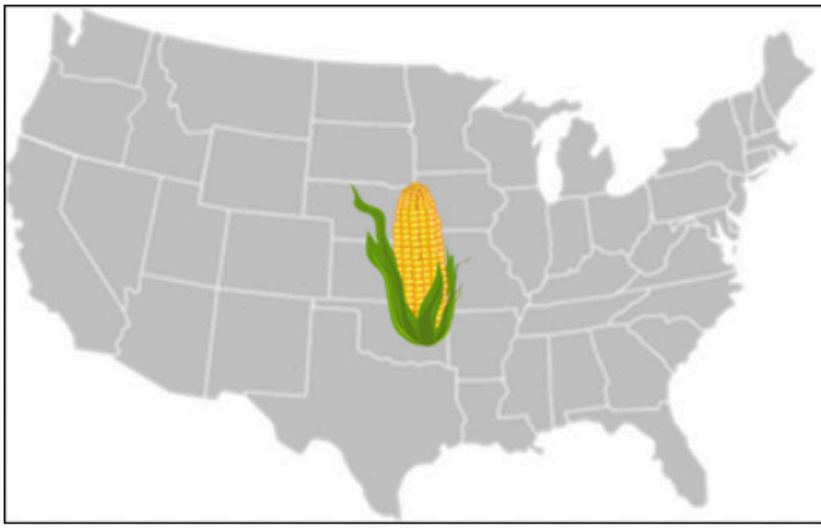
Estimated yield increases are based on 36,000 plants per acre, 85,000 kernels per bushel, and a baseline ear size of 16 rows by 30 kernels long.

When should micronutrients be applied to a developing crop?

Regardless of the source used, micronutrient applications should ensure that nutrients are not limited during key developmental stages.

Zinc is needed early in development for auxin synthesis, root growth, and enzyme activity.

Boron is needed early in development for root development, cell division, cell wall strength, and nutrient movement. Boron is needed again at reproduction for pollen viability and nutrient movement.



| Nutrient | % Deficient + Responsive |
|---|---|
| Zn | 80.5% |
| B | 76.1% |
| Mn | 66.8% |
| N | 62.6% |
| S | 57.7% |

Manganese is needed throughout crop development for enzyme activity and processes directly related to photosynthesis.

In reality, micronutrients are needed throughout the entire life cycle of a crop. Foliar nutrition is an effective way to supply zinc, manganese, and boron, but foliar applications are usually limited to several opportunities per season.

Soil applied micronutrients have the potential to supply needed nutrition throughout the season and support subsequent in-season foliar applications.

Micronutrients are needed in smaller quantities compared to macronutrients, but their importance in plant nutrition for your corn and soybean crops cannot be overstated.

Speak with your local River Valley Cooperative Account Manager to learn more about managing micronutrients to maintain yield potential, and develop a plan to achieve your goals for the 2020 growing season.

# 2019 YEAR IN REVIEW

## Diverse business leads to successful year

**TIM BURRESS, CEO**

Our fiscal 2019 timeframe will go down as one of the most challenging years in recent history for both our member-owners and the cooperative. Over the past year, we have experienced some of the most extreme weather conditions to hit our trade area over the last century. From a wet fall, to a record cold winter, to a record wet spring too, in some geographies, record dry conditions struck early this summer. Even with all of the climatic headwinds we faced this year, your cooperative once again delivered a successful and productive year, thanks in part to the diversity of our multiple business platforms, as well as our very talented and capable employee pool.

Sales for the 2019 fiscal year were $436 million, up $10 million over the previous year. Operating income at the local level was $2.5 million, down $3.3 million. Despite the weather challenges, our employees did an excellent job of working together as a cohesive team to effectively secure and manage product inventory levels, as well as deliver the products and services when needed, and as required by our customers. We believe this differentiated and enabled us to once again report a solidly profitable year when many other ag retailers struggled with red numbers.

For the third year in a row, grain marketed volumes set a record at 69.7 million bushels which is an 8% increase over last year's previous record of 64.5 million bushels. Also, for the first time in our company's history, our direct ship volumes accounted for more than half of our total grain volumes. Record flooding up and down the Mississippi severely diminished our ability to move significant volumes of beans to market this past fiscal year. As a result, we finished the year still needing to move a staggering four million bushels of contracted beans to market.

For the third year in a row, grain marketed volumes set a record at 69.7 million bushels which is an 8% increase over last year's previous record.

Despite our inability to move beans, and the negative impact financially, the grain division did realize its third successive year of profitability.

The year's agronomy activities were significantly delayed and compressed by the unprecedented spring rainfalls and wet field conditions across our trade area. This pushed a significant amount of agronomy product sales and custom application revenues well into next year's July and August activity, again, negatively impacting 2019 bottom lines.

Our manufactured feed volumes, once again, obtained record levels at 465,000 tons up over 5% vs. last year, helping to deliver profitable results to the division.

Our energy business recorded a solid financial year on flat volumes.

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**A new scale was installed at our Eldridge, location. Pam Rathjen, Support Staff, and her brother, Tom, watch as a River Valley Cooperative semi crosses the scale.**


**River Valley Cooperative invested in improvements to the feed mill in Galva, Illinois. The new catwalk that was installed is much safer for employees conducting maintenance on the mill.**

# UNDER CONSTRUCTION

## INTRODUCING A NEW AGRONOMY FACILITY

## Kasbeer, Illinois

River Valley Cooperative is growing its footprint with the addition of a new agronomy facility in Kasbeer, Illinois. At River Valley Cooperative, our ability to service the whole acre comes largely from having a dedicated employee team, and by having the right equipment, the right products, at the right locations.

The new facility will service Bureau County, in addition to other surrounding counties in Illinois. Construction on the new state-of-the-art facility is scheduled to begin in 2020. Once the new facility is completed, it will service customer's needs for anhydrous ammonia, liquid UAN, along with other crop protection products. As progress is made, more details on the new facility will be shared.


**With the large influx of customers using the 24/7 loadout facility in Lost Nation, Iowa, a second 24/7 facility was constructed to enable growers to pick up loads at their convenience.**

Even in the face of uncertain times, driven by weather and depressed grain commodities, we have continued our commitment of reinvesting aggressively back into your cooperative's business assets and infrastructure. The strength of our balance sheet built over the last decade has enabled us to invest another $12 million of capital this year which better positions River Valley Cooperative to serve the growing demands of our customers.

Some projects of note:

- Feed mill upgrade and capacity expansion in Galva, IL
- New feed truck shed constructed in Sunbury, IA
- New LP plant in DeWitt, IA
- Construction of a new seed warehouse in Annawan, IL
- Remodeling of the grain dump in Sunbury, IA
- Installation of a new NH3 plant in Durant, IA
- Construction of a new agronomy site in Camp Grove, IL
- Continued upgrade of rolling stock fleet across both Illinois and Iowa

We again have an aggressive capital investment commitment for fiscal 2020.

Our commitment to a safe work environment for our employees remains the top priority and a focus of your cooperative. We continue to have success embedding safety in our company's culture and it is being reflected in our reduced injury severity results. River Valley Cooperative's injury losses are approximately 30% below industry averages or what is expected for our type and span of business.

The entire organization is extremely proud of this tremendous and unprecedented accomplishment in our industry.

River Valley Cooperative has a strong commitment to support the communities in which our member-owners and employees live, work and play.

Over the past year, our year-long focus was to provide resources for food insecure children living within our communities.

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IMPROVE

With the help and extreme generosity of our vendors, member-owners, employees, local businesses and community members, we were able to provide over $40,000 to area food bank backpack programs, food pantries, and hunger programs in eastern Iowa and western Illinois.

We also continued our support of area youth involved in agriculture, by providing over $70,000 for local FFA and 4-H related projects and contributions to 18 county fairs.

We look forward to the New Year and continuing the execution of the many strategies that have been successfully deployed in recent years.

With the projects and initiatives highlighted above, you can see both the board and our employee team had a busy year.

This year, Dean Adrian of Maquoketa, IA has stepped down from our board of directors. We would like to thank him for his many years of dedicated service to River Valley Cooperative. Dean's leadership has helped to shape the company's vision and drive the success we experience today.

We truly appreciate our board members investing their time away from their personal farm operations to help set the strategic direction and lead your cooperative forward.

In closing, we certainly appreciate that the economic challenges which the entire agriculture sector is facing today drive uncertain times.

We also understand that each one of you, as a customer, have a choice on where you procure your products and services. For that reason, we value your business and thank you for your support and continued trust in River Valley Cooperative. Here's to 2020!


**Two new tanks were constructed at the Sunbury, Iowa, feed mill. These additions will provide much-needed storage space for ingredients to keep the mill operating efficiently.**

ON THE GROUND
RIVER VALLEY COOPERATIVE
YEAR-ROUND

# GO WITH THE GRAIN

## Partner with our Grain Team to navigate grain markets

If you're going to take full advantage of high grain prices, it helps to have a partner who can help you navigate today's volatile grain markets. Contact one of our Grain Marketing Team members to learn more.

Count on River Valley Cooperative for basis contracts, minimum price contracts, hedge-to-arrive contracts, price-later contracts, priced-forward contracts, deferred payment contracts, direct deposit of grain checks, grain hauling services, and grain market insights.

River Valley Cooperative provides two grain delivery options for marketing your grain, including:

- More than 27 million bushels of licensed storage space at our 14 elevator locations. Our facilities at Olin, DeWitt, Ryan, and Martelle are equipped with 15,000 to 30,000 bushels per hour of receiving capacity. Two locations (Galva and Sunbury) are connected with feed mills that utilize 25,000 bushels of corn per day.
- A direct-ship program that allows you to ship grain to local terminals. Bushels can be delivered to a number of delivery points through different freight options. The same marketing options that are available for grain hauled into our elevators are also available on direct-ship bushels. We offer multiple delivery points and can price the grain either delivered or as farm pick-up

If you're going to take full advantage of high grain prices, it helps to have a partner who can help you navigate today's volatile grain markets.

## MARKETEDGE PROGRAM

Our program is designed to provide grain producers flexible pricing programs and delivery options based on the needs of your farming operation. Utilize futures and basis contracting to support pricing opportunities on grain marketing.

We offer transportation and logistics support for timely and cost-effective delivery to market. In addition, utilize technology services aimed to improve the communication, execution and recordkeeping of your grain marketing supported by your Grain Marketing Team.

**Phil Knuth, Bridgett Wildermuth, Kurt Kramer, Scott Sallee, Kale Petersen, Allison Ryan, Oliver Dion**