

## Our Coop's Responsibility to our Members



**BILL AHLBRECHT**  
GM / CEO

I've been asked to compare ourselves to other cooperatives and private ag companies in our area. People wonder what it is that makes us different from others. I can't speak to the strength or weaknesses of other companies, but I can tell you what it is that drives us. At Ag Partners we are continually challenging ourselves as to how we can bring maximum value to your farming business.

Ag Partners was built from the very beginning on a platform of providing exceptional service to our customers. Selling products is easy, it's providing added value in services that is our primary responsibility to our members. At the heart of those services are our people: employees that understand they make a difference in the performance of the products we're selling. Our quality of service impacts the additional workforce you need on your farm and even the quality of life that you are afforded because we can reduce some of your stress or workload.

It also takes a large commitment to keep



our equipment and facilities updated with the latest technology and to assure our customers we will continue to grow with them and provide the needed services of the future. The amount of capital needed to assure that we remain a survivor into the future is significant. Over the last 5 years we have grown our assets from \$126,995,500 to \$317,702,000. We are well positioned for continued growth.

By pooling our purchasing power and efficiencies, Ag Partners has served to keep prices competitive in our market area. Ag Partners' positive impact on pricing is eventually met by our competitors; it is at that point our cash patronage and equity revolvment determine if we are providing more in ownership value than perhaps another supplier. As the owners of this cooperative, you share directly in profits that are produced by your company. Over just the previous 5 years, Ag Partners has paid

out cash patronage of over \$33,510,000 and retired equity of \$10,430,000. This year in December we will be distributing the largest cash patronage in our 26-year history. I can't wait!

Finally, what separates us from others the most are our customers. A cooperative is most successful when we are all seeking the same goals. It is the trust and faithfulness that you have in us that has made Ag Partners what we are today! I assure you that we do not accept that lightly. It is with great respect that we operate this company for you and accept the responsibility of providing you with the best value.

Thank you for your business, trust and faithfulness!

-Bill

## Why a Newsletter?

Welcome to our new publication focused on our growers- all of you who are made up by crop farmers, livestock producers, commercial businesses and more. There is always so much going on at Ag Partners because we are constantly innovating new ways to serve you more effectively.

This Fall of 2022 newsletter has been produced in both print and digital forms, however, this is the only issue which will be in both! Please look for this again each quarter by e-mail. If you don't already receive e-mails from us, go to agpartners.net to subscribe!

We hope you find the following articles and information beneficial to your operation, no matter how large or small. From all of us at Ag Partners - Thank you, in advance, for reading!



**TERRA WIERSEN**  
Communications  
Specialist

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# 2022 Annual Meeting

There will be three chances for coop members to attend the Ag Partners Annual Meeting this December.

The official Ag Partners Annual Meeting will take place on **Wednesday, December 7 at the Goodhue high school**. A supper will be served at 7pm and the meeting will start at 8. The Director voting will take place this night.

A second meeting will be held in **Le Sueur on Thursday, December 8** at the Ag Partners main office, 901 N. 4th St. An informational meeting will be held at 10:30 am. Attendees are welcome to stay for lunch at noon.

The third and final meeting will take place in **Stewartville on Thursday, December 8** at the Civic Center. Come for supper at 6pm and an informational meeting at 7.

**PATRONAGE CHECKS WILL BE DISTRIBUTED AT ALL THREE MEETINGS.** This year Ag Partners total patronage distribution amount will be record-breaking. Thank you for an excellent year!



## A New Flow of Energy

Hello, my name is Mitchell Reese, and I am excited to take over as the Energy Manager for Ag Partners' energy department. I started my Coop career in western North Dakota in a small, but busy community called New Town. I worked for the local Farmers Union that specialized in energy, retail, and service to the community. I went through about every position possible during my time there, starting at the c-store and moving all the way to the energy department. I ran the Farmers Union energy department for the last 2.5 years until I got the oppor-



**MITCH REESE**  
Energy Manager

tunity to interview for Ag Partners. I am thrilled to have the chance to take the role with Ag Partners and make the move to southern Minnesota.

One of my first goals as I get started is to bring more of our energy presence into the former All-American Cooperative region. We want to start introducing our energy capabilities to the customers already being serviced through other Ag Partners departments.

Along with our sales team, I will be in the area a lot to communicate with folks about any questions they may have, or just to visit. I am excited for the challenges that are here, and looking forward to growing our cooperative's footprint, and bringing our strong service and products to our patrons and the area. If I'm not in your area and you want to talk, give me a call in Goodhue: 651-923-4496.



*Newest to the Energy fleet: a 5,300-gallon refined fuel truck*

## Members of the Board meet monthly.

## Ag Partners Board of Directors Representation

**Jim Grobe**  
President  
**Andy Buckwalter**  
Vice President  
**Isaac Nellesen**  
Secretary  
**Joe Horstmann**  
**Zac Johnson**  
**Pat Judd**  
**Eric Nigon**  
**Greg Piller**  
**Ron Regenscheid**  
**Keith Saemrow**  
**Dave Severson**  
**Mike Thompson**  
**Chris Buck**  
Advisor  
**Todd Myren**  
Advisor



# Low Water Woes



RIDGE ERDMANN  
Grain Specialist

Each harvest brings its own unique challenges and the harvest of 2022 is no exception. If you remember last fall, Hurricane Ida had just unleashed its damaging winds upon the Gulf which disrupted fall barge movement and made river shipping difficult. However, in 2022 the drought has brought a different problem. The western drought has spread across the middle of the country in late summer and this fall creating a deficit where there is very little water flowing into the Mississippi and her tributaries. Water levels on the lower Mississippi, downstream from St. Louis, have reached historically low levels. This impacts barge freight movement and prices.



For every 1 foot the river level decreases, a 15-barge tow will be loaded with 75,000 fewer bushels in order to remain navigable. That means that 75 truckloads must hitch a ride on the next tow. Lower Mississippi barges have reduced their capacity by as much as 35% causing a dramatic shortage in freight. Even with emergency dredging taking place, water levels have dropped so much that vessels are running aground daily and creating a backlog of barges. This would be one of those black swan events that was unexpected and has rippled all the way up to our backyard, impacting local basis values. This has made the US less competitive in the world market for grain as 60% of grain exported from the US must first flow down the river. We'll all hope for a return to normal rainfall for our soil moisture recharge - and for the river.

Ask Rick or Ridge about  
**ACH**  
Grain deposits!  
651-923-4496

## Grain Bin Safety

Ag Partners recently hosted grain bin rescue training at several facilities with local fire departments and first responders. This provided the opportunity for them familiarize themselves with our facilities as well as practice with life saving techniques and specialty equipment. Every minute is precious in an emergency. Grain bin accidents occur far too frequently in both commercial and in farm bins. By implementing good safety practices, many tragedies can be avoided.

The first priority is to maintain grain in good quality. Grain that is properly dried and cooled will keep longer and maintain its value. Good quality grain flows easily from the bin. Grain in poor condition can crust and will bridge over an empty cavity or wall up creating an unsafe environment inside the bin. Often when these unsafe conditions are present is when people will enter a bin in an effort to make grain flow, and become engulfed. Simply put, if you don't enter a bin, you cannot become trapped.



TYLER CARRIGAN  
Stewartville  
Location Manager

► *If you have to enter a bin, follow these safety rules:*

- Never work alone
- Never enter when bridged grain or a standing wall of grain may be present
- NEVER enter when unloading equipment is operating. Enter only after all power equipment including the sweep has been de-energized and secured by Lock out/Tag out.
- Check for safe atmospheric conditions

It's amazing to see what the rescue workers can do in case of an emergency, but we hope to never have to see it needed for a real situation.

On 8/17/22 the Plainview and Elgin Fire Departments and the Elgin Ambulance



EMTs trained at the Elgin Grain facility. The bottom ring on the empty bin was due to be replaced so we allowed the departments to use their equipment to practice cutting holes in the steel. They found that the Cordless Milwaukee M18 metal circular saw worked better than the gas-powered saw. Both departments then practiced retrieval methods using the back board and rope rigging.

On 8/29/22 the Stewartville Fire Department participated in grain engulfment training at our Stewartville location. The department also toured the feed, agronomy, and grain areas. A grain trailer was filled half-way with corn and a fire department volunteer was sunk down to their waist. The department then worked together to extract them using the grain rescue tube.



On 9/8/22 the Pine Island Fire Department toured the feed mill, grain, agronomy, and LP & fuel storage facilities in Pine Island. After the tour the firefighters trained on confined space rescues by using an empty grain bin. They also trained in deploying their ladder truck in different areas to learn what could be reached using the ladder in case of various emergencies.

A HUGE THANK YOU - and beyond to these departments and volunteers for what they do for us all.





# Growth & Improvements



**DALE JOHNSON**  
Senior Operations  
Manager

Despite the material, labor and supply chain challenges Ag Partners had a successful year navigating the issues and completing several projects. Construction is dramatically different today than it was even a few years ago. Engineering to meet local and state codes has changed not only the building design but increased cost to all projects. One other challenge is the diversity of building projects that Ag Partners undergoes. Whether it is agronomy, feed, grain, or energy they all require a separate set of guidelines that unfortunately require different state and local agencies to be involved. Having professional agencies and contractors involved to navigate new rules and codes has been a new staple in our growing business. Here are some of the



**Office Addition in Morristown:** A new building addition gave Morristown a large meeting space, a new breakroom, two

restrooms, and additional office space. The project also provided a facelift to the original building with new flooring, furniture, and remodeled bathrooms. A new control room was also added to operate a new fertilizer tower in the future. This office renovation was completed during the summer of 2022.

**Chemical Loadout Addition in Morristown:**

A 40' x 60' building addition to the current chemical building brings additional efficiency to inbound and outbound product delivery. We added 20,000 gallons of additional bulk chemical storage, interior heat, and lighting, and incorporated existing liquid fertilizer and chemical into an

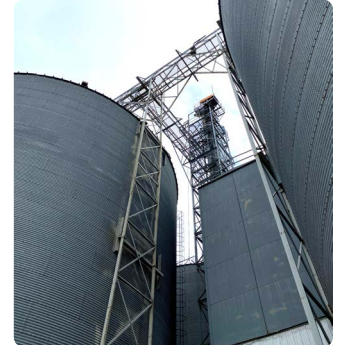


automated dispatch system.

**Kenyon Chemical Building:** Just like Morristown, the Kenyon facility

was built to meet the demands for bulk chemical and liquid fertilizer needs. We constructed a 54'x72' building that meets new standards set by the Minnesota Department of Ag and more importantly brings a better customer experience. This chemical building was put into service the summer of 2021.

**Bin Work in Stewartville:** New overhead conveyers, distributor and an upgraded soybean pit were installed just in time for fall harvest at the Stewartville location for more efficient grain movement. In addition, new bulk fuel tanks were added for company use.



**Office Upgrades in Lewiston:**

A much needed remodel in the Lewiston feed store creates a brighter, cleaner workspace and corrected structural issues. Despite some supply-related setbacks, creating a longer project than anticipated, the employees in Lewiston said their temporary displacement was well worth it.



**Expansion in Elgin:**

To add to the agronomy center in Elgin's countryside, this site is anticipated to open early spring 2023 with a new liquid fertilizer plant, a chemical shed, seed storage building, and a new shop and office. The upgrades at this facility will allow this site to become one of our major agronomy hubs in southeast Minnesota.



*More photos are on our website under the About tab.*





# Overcoming Volatility in Agronomy

For many of us, the time between the spring of 2020 and the summer of 2022 seemed like an eternity. We faced challenges at home, school, work, church, virtually around every corner. The Ag industry, both locally and internationally, was no different. Although those two years seemed to last forever, it is amazing to see how many changes have been made in a little over two and a half years. Lead times on orders, ingredient shortages, inventory challenges, shipping disruptions, unexpected price changes, all of these have led to pivots in how we conduct business on a daily basis. As we compare the beginning of the pandemic to now and the differences for Ag Partners, we are focusing more on early commitments and early shipments. Many of you have felt these changes as well. Regarding agronomy products, for the farmer, historically, purchasing has taken place once or maybe twice a year, typically in the fall or early winter. Now that purchasing window has been extended to the entire year. The buying habits of the farmer are mirroring those of the retailer. In many cases, this can provide some price stability, or at least better price transparency. For example, selling grain and having the option to purchase fertilizer at the same time provides opportunities to take some uncertainty out of the budget.

Other changes made, for the retailer, are with warehousing. Running out of inventory is not an option. With disruptions in shipping, and much longer lead times, having just in time inventory makes it very difficult to operate, especially with many of the narrow application windows we have in our business. Chemical arriving in August makes it difficult to make June applications. We have expanded our warehouses because of this. With Distribution consolidating their warehouses, reducing freight routes, and trucking shortages, it's imperative we have local solutions to ensure availability of product when you need it. Another considerable challenge with the changes in buying habits is access to capital. Trying to purchase two years of inputs in a single year puts pressure on the availability of capital. Conversations about financing options are becoming common place. Many customers are utilizing channels not needed in the past. This continues to add complexity to both of our businesses.

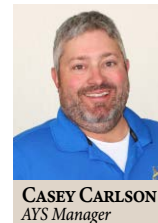
Ultimately, it comes back to transparency being the key component. Communicating challenges and working together to develop strategies to overcome them will ultimately lead to greater opportunities for success for all of us. Farmers deal with adversity every day. Fortunately, we are outside of the box thinkers. The box has just become larger and more dynamic. The only constant is change.



**RYAN NESS**  
Assistant Agronomy  
Manager - East

# AYS Trends & Yields

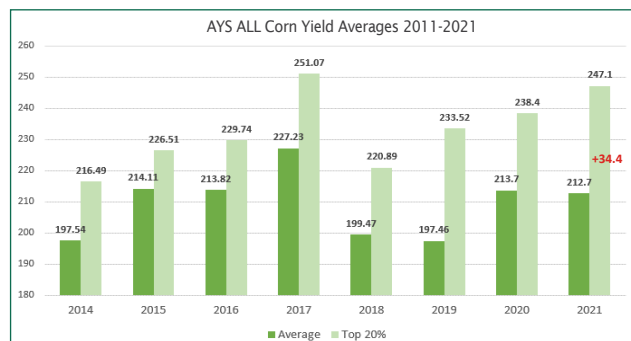
10 years ago, several customers in the Goodhue area challenged us with coming up with better ways to bring value to all the on-farm data they were collecting. The customers wanted more from their yield maps than just a colorful map in a book. In 2013 we launched Advanced Yield Systems (AYS) to meet the growing demand for yield map analytics with corn and soybeans. We started with a staff of 2, 22 customers, and 20,875 acres enrolled. Today we have grown to staff of 15 servicing 270 customers farming 357,433 acres.



**CASEY CARLSON**  
AYS Manager

AYS started with three pillars of service: yield analytics, variable rate rec writing, and monitor support. In 2022 they are still the core of our AYS program, but much has changed in 10 years. In 2013 roughly 33% of corn acres and 0% soybean acres were variable rate planted. In 2022 roughly 95% of corn acres and 50% of soybean acres are variable rate planted. In 2013 it was common to have one fertility plan for an entire operation and no variety placement plan. Today, by using analytics for variety placement, N,P,K,S rates, and fungicide response, our top producers have a plan for every field

and every productivity zone within that field. The results can be seen in the yields of the top 20% of growers. The yield gap between the top



20% of growers and the average for the group has steadily gotten wider over time. Implementing changes based off on-farm data can result in dramatic improvements in yield and profitability.

What will the next 10 years bring? We wrote our first variable tillage



▲ **Case IH autonomous applicator**

five years. The Ag Partners AYS team wants to be the source for autonomous support services such as RTK boundary mapping, and autonomous vehicle path management. Yields will continue to rise in the next 10 years. If a field can yield 250-bushel corn in 2022, by 2032 300-bushel corn should be an accepted possibility.

**John Deere autonomous tractor plowing a field**





# Showing our Appreciation Through Food, Golf, & Getting Together Away from the Farm & Work

On Tuesday, August 16 an estimated 650 Ag Partners customers and family came for a great evening in Le Center. The staff at did a great job providing a meal, setting out equipment and lining up a few little farm animals for the kids.

The meal served was a roast beef sandwich, sides and a beverage. Equipment was out for display and the picture of the collection here doesn't give it justice. Our staff enjoyed the chance to visit with customers and talk about general life and not just all work.



On Thursday, August 18, around 2,000 Ag Partners customers and family attended the customer appreciation and golf event at Gopher Hills Golf Course. Of those, over 500 people registered for a tee time. This was the most Gopher Hills has ever put through their course in a single day, and it went smoothly.

Thank you all for coming out - for all kinds of reasons, even if it was only for one of the 3,700 new Ag Partners t-shirts! We love spotting someone wearing our shirts whether it's out to dinner, at school, or on the farm.

There was a lot of positive feedback from customers and staff alike. The two events this year were a huge success, and they will repeat in 2023 - with the addition of a third event in Elgin! We just can't wait!

**Mark your calendars for 2023** - Le Center: Tuesday, August 15; Elgin: Wednesday, August 16; and Gopher Hills Golf Course: Thursday, August 17.





# Livestock Feed & Nutrition at its Core



**REBEKAH MATTHEWS**  
M.S., Calf & Heifer  
Nutrition Specialist

Having worked for Ag Partners for 8 years, watching the company evolve, yet keep its core values prominent, has been a privilege. In 2014, we had a feed nutrition staff of 19, operating from two feed mills. Retirement, hiring, mergers, and acquisitions has brought today's team to a staff of 24 nutritionists pulling feed from our three mills. Specialties include dairy, beef, calves, swine, and lifestyle.

Ag Partners maintains a vision statement stating, "Making a difference with our experience, innovation, and customer focus." Our patrons have held us to this standard. With market volatility, changing conditions of agriculture, and adoption of technologies on farm, the feed staff feels commitment to our patrons and analyzing feed investments and strategies for each operation is what best cultivates success for you, and ultimately our cooperative, as a whole.

Our team strives to provide unequaled expertise in our trade territory. Many nutritionists have a specialty that our other nutritionists' can reference when required, whether it be forage quality, youngstock nutrition, milking robots,



show animal nutrition, or veterinary knowledge. Regular internal meetings allow us to hear from external specialists, understand industry demands, and move ideas for patrons forward together.

I can't wait to see what the next 8 years will bring!

## Feed Orders:

Call or E-mail

Goodhue - 651-923-6001

Stewartville - 507-533-4222

Lewiston - 507-523-2188

Pine Island - 507-356-8313

[feedorders@agpartners.net](mailto:feedorders@agpartners.net)



## Specializing Feed Mills

All Ag Partners feed is manufactured in three mills in southeast Minnesota. Goodhue is our largest mill and manufactures primarily dairy feed. Pine Island manufactures most of our hog feed and our Stewartville mill is transitioning to primarily manufacture pelleted feed. The three mills manufacture about 900 tons of feed daily and operate 17 semi and straight trucks each day.

Over the next few newsletters, I'll explain the features of each mill. Lets take a look at the Stewartville mill first.

### The Stewartville Feed Mill

The feed mill in Stewartville is the latest mill to be added to our Ag Partners manufacturing system. This mill is the only facility within Ag Partners that has pelleting capabilities. Since our merger with All-American Co-op last October, we have moved most of Stewartville's dairy feed production to our Goodhue facility and some of the hog feed production to Pine Island. This has allowed us to manufacture all the Ag Partners beef pellets and most of our calf pellets in house instead of contracting pellet production with a third party. Robot dairy feed, goat, sheep and other specialty feed is a growing business that is adding to the demand for pellets.

The Stewartville feed mill operates 5 days per week on a 15-hour split shift. Looking forward to the future, some of the long-term goals of this mill is to improve the bagging operation, add warehouse space and expand the current pelleting capacity.



◀ Stewartville's pelletizer and pellets.



**JAY VOTH**  
Feed Management

**Invoices,  
Statements  
or Both!**

**Go Paperless!**

set up paperless  
statements and/or invoices  
by e-mailing to:  
[heathers@agpartners.net](mailto:heathers@agpartners.net) or  
[rachel.watson@agpartners.net](mailto:rachel.watson@agpartners.net)



Ag Partners Coop  
P.O. Box 218  
101 Broadway Street N.  
Goodhue, MN 55027

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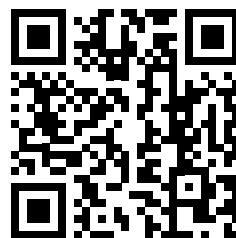
651-923-4496  
agpartners.net



Hello there...  
See inside for Ag Partners  
new grower-focused  
(*that's you!*) publication:  
**On the Home Front.**

News, updates, trends &  
what we've been up to!

**Ag**  
PARTNERS



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### **We're Hiring!**

Full time, part time & seasonal!  
See [agpartners.net/careers](http://agpartners.net/careers) for a current  
list of openings and details.

### **Welcome to the Ag Partners team, Western Wisconsin Nutrition!**

Ellsworth Farm Store & Grange Hall | September 1, 2022  
with the same great service, products and employees!