

# CULTIVATE

A MAGAZINE FOR CLIENTS AND FRIENDS OF COMPEER FINANCIAL® FALL 2019





Wishing you a  
**SAFE AND HAPPY  
HOLIDAY SEASON.**

Agriculture isn't just a market we serve. It's what we're founded on. It's who we are. And we're so thankful for the abundance provided by the hardworking individuals who work tirelessly to feed, clothe and fuel the world every day of the year. It's an honor to serve you. Our team members from Illinois, Minnesota and Wisconsin wish you a joyous holiday season.

#CHAMPIONRURAL



# CULTIVATE

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Fall 2019

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Cover: The 2020 Photo Calendar is now available at local offices. This beautiful image by Jenny Braun is a 2020 photo contest entry. Learn more about the calendar on page 22.

*Cultivate* is brought to you by Compeer Financial. This publication's name represents our cooperative's commitment to growing long-term relationships with our member-owners and championing the hopes and dreams of rural America. We hope you find the information and stories in each issue informational and inspiring. Please reach out with comments or suggestions for future issues to Rebecca.Peterson@compeer.com.



## Proud to work **BY YOUR SIDE**

Nothing else brings about a combination of calm and excitement like seeing a combine in the field on a clear fall morning. It's something I never get tired of. Similar to a painting waiting to be framed, a field about to be harvested is evidence of the long hours, hard work and countless decisions required to grow a bountiful crop.

I grew up on a family farm and am a lifelong member of FFA. I'm thankful my work keeps me connected to agriculture beyond what I see happening in the fields as I travel throughout our three-state territory. It's a privilege to participate in all of farming's seasons with you – even if it's by supporting from the sidelines rather than working, hands on, in the fields and barns.

At Compeer Financial, this time of year is filled with reflection on the months that have passed and the interactions our team has had while carrying out our mission. This year hasn't been without its hardships – we've seen that with you firsthand. A wet spring, low prices and trade volatility certainly tested farmers' tenacity. It also tested their ability to think differently in the interest of persevering in the most challenging of times. Each year is different in the hardships it brings, but the determination of farmers is consistently strong.

We're proud to work by your side, providing you with products, industry insight, networking opportunities and educational offerings to not only help you overcome challenges and make tough decisions, but also to meet your business, personal and family goals.

As we look ahead to 2020, we're unveiling new services and exploring others to give you more from your relationship with us. In this issue of *Cultivate*, you'll find information about the Lifeworks Resource Program tool for accessing experts when faced with life's varying challenges. We've developed these offerings in response to direct client requests and what we've learned from working with you.

Our aim for 2020 is to continue to enhance the value our partnership brings to agriculture and rural communities. Each client we work with has a different set of circumstances and goals that require customized financial solutions and offerings. We recognize what works for your neighbor won't necessarily work for you – even if your operations are pretty similar.

We're committed to offering our tools, knowledge and relationships to help you get where you want to go. Maybe you're like our clients at Keepsake Cidery, who set out to sell apples but quickly shifted gears to focus more on hard cider (pages 8-9). Or, you could be intrigued by the concept of expanding beyond row crops, like Scott Dierker has done with pumpkins (page 12-13).

Whatever your goals, your hopes, your dreams – we're ready to provide you with services and expertise so you can make them happen.

In gratitude for your partnership, I wish you the happiest of holidays this season!



Rod Hebrink, President and CEO

**“Each year is different in the hardship it brings, but the determination of farmers is consistently strong.”**



At far left: Ahead of the 2019 school year, the Baraboo, Wis., office collected school supplies for a local Backpack Project that distributed backpacks and school supplies to area kids in need.

At left: Compeer team members had a busy summer volunteering at many local and county fairs. In this photo, a group from the Normal, Ill., office donated their time to 4-H to help at the McLean County Fair.

At right: The Aledo, Ill., office donated \$500 to the Mercer County Health Department. The funds will purchase diapers for the Loving Bottoms Diaper Program. The department provides 3,000 diapers every month from the program to low-income families in west central Illinois.



At far right: The Agribusiness Council partnered with the Children's Museum in Baraboo, Wis., to design, fund, build and maintain a permanent ag display in the museum. Through funds received from a Compeer General Use Grant, the display was completed in October!



At far left: The Fond du Lac, Wis., office presented a donation to the Omro Food Pantry as part of the local food shelf initiative.

At left: A number of team members volunteered during the Minnesota State Fair in August at the Little Farm Hands exhibit, which takes fairgoers through various stations to understand where their food comes from.

At right: Compeer team members were joined by freshmen at the University of Wisconsin-River Falls to celebrate the first official Ag Day at the UWRF Falcons football game in September. The freshmen in this photo were all 2019 recipients of Compeer's High School Senior Scholarship.





**ELECTION RESULTS:** *Board of Directors and Nominating Committee*

The results of the Compeer Financial Board of Directors and Nominating Committee election were tallied by an independent third party on October 3, 2019. Three candidates were elected to the Board of Directors, and 24 candidates were elected to a one-year term on the Nominating Committee.

**BOARD OF DIRECTORS**

**RODNEY BOSMA**  
Rushmore, Minn.  
Region 1 • Four-Year Term



Rodney Bosma operates Bosma Farms in Rushmore, Minn., a diversified family farm producing corn, soybeans, hay, cattle and hogs. He has also done purebred Angus breeding stock sales for 12 years and operated an over-the-road trucking company for 14 years.

Bosma has served on Compeer's Nominating Committee and Client Advisory Council. He is also a 12-year member of the Rushmore Fire and Rescue Department.

Bosma graduated from the Ag Production Management Program at Worthington, Minn. Community College and the Minnesota West Farm Business Management Program.

He and his wife Bonnie have three daughters and one son, two sons-in-law and one granddaughter.

Newly elected to the board, Bosma has been a Farm Credit member since 1986.

**NOMINATING COMMITTEE**

**REGION 1**

- Rick Alberts**, Pine Island, Minn.
- Ruth Buck**, Goodhue, Minn.
- Sharon Hirsch**, Sleepy Eye, Minn.
- Ron Mohr**, New Ulm, Minn.
- Julie Sievert**, Gibbon, Minn.
- Diane Stenzel**, New Richland, Minn.
- Ben Storm**, Dover, Minn.
- Brent Ziegler**, Green Isle, Minn.

**TIM EVERT**  
North Freedom, Wis.  
Region 2 • Four-Year Term



Tim Evert is president of Evert Farms Inc. in North Freedom, Wis., which grows feed and raises heifers for United Dreams Dairy. He serves on Compeer Financial's Compensation and Governance Committee.

Evert graduated from the University of Wisconsin Farm and Industry Short Course with a dairy farm management certificate.

Evert is involved in a number of organizations, including FFA Alumni, National Wild Turkey Federation and Rocky Mountain Elk Foundation. He also is a member of the Town of Honey Creek Planning and Zoning Committee.

He enjoys hunting and fishing in Canada, spending time outdoors and being with his hunting dogs. He and his wife Lisa have one son and two daughters.

Evert was first elected in 2010 and has been a Farm Credit member since 1988.

**REGION 2**

- Dorothy Anderson**, Cambridge, Wis.
- John Bertram**, Malone, Wis.
- Marc Boettcher**, Bloomer, Wis.
- Steven Endres**, Waunakee, Wis.
- Sally Roe**, Monticello, Wis.
- Brian Schaal**, Burlington, Wis.
- Kimberly Wedig**, Darlington, Wis.
- JoAnn Wingers**, Randolph, Wis.

**ALLYN BUHROW**  
Ashton, Ill.  
Region 3 • Four-Year Term



Allyn Buhrow is a self-employed corn and soybean farmer in Ashton, Ill., farming in partnership with his family and parents. He also operates a seed sales agency serving approximately 100 growers and landowners in Lee and Ogle counties.

Buhrow has served on the Compeer Financial Client Advisory Committee. He has also been involved in numerous organizations, including the Lee County Farm Bureau, the Lee County Board, Illinois Leadership Committee for Ag Education (ILCAE) and Illinois Agricultural Leadership Program (IALP).

Buhrow is a graduate of the University of Illinois. He and his wife Amy have two teenage children, one son and one daughter, who are active in 4-H and FFA, showing livestock and playing school sports.

New to the board, Buhrow has been a Farm Credit member since 2006.

**REGION 3**

- Chad Bremmer**, Pearl City, Ill.
- Zach Henkel**, Sublette, Ill.
- Jenny Mennenga**, LeRoy, Ill.
- Kathy Reinhardt**, Seaton, Ill.
- Lynn Stoller**, Gridley, Ill.
- Jacob Streitmatter**, Sparland, Ill.
- Becky Thomas**, Mazon, Ill.
- David Westerlund**, Osco, Ill.

**RETURNED BALLOTS HELP DONATE OVER \$28,000 TO AGRABILITY**



As part of the 2019 director election, Compeer Financial's Fund for Rural America is pleased to be making a donation of \$5 per returned ballot to AgrAbility. In total, Compeer's gift will be \$28,425 for programs in Illinois, Minnesota and Wisconsin.

AgrAbility is an organization committed to helping disabled farmers and agriculture workers – enhancing their lives and helping them to continue to succeed in rural America.

At left (from left to right): Jim Williams, Field Coordinator for Illinois AgrAbility; Bob Aherin, Professor Emeritus at the University of Illinois; Karen Schieler, Senior Corporate Giving Specialist with Compeer Financial; Josie Rudolph, Assistant Professor at the University of Illinois; and Ronaldo Maghirang, Professor and Head of the Department of Agricultural and Biological Engineering at the University of Illinois.

**FOOD BANK BUYS DAIRY PRODUCTS WITH #GIVEGALLONS DONATION**

As part of our #GiveGallons donation, the Greater Chicago Food Depository was one of five food banks across the Compeer territory to receive a \$3,000 donation to assist in the purchasing of dairy products.

Below: Karen Schieler, Senior Corporate Giving Specialist with Compeer Financial delivered the donation to Joshua Sovell, Corporate Relationship Manager with the Greater Chicago Food Depository.



**UPCOMING GRANT PROGRAM DEADLINES**

For more information on the grants available or to apply for a grant, visit [compeer.com/giving-back](http://compeer.com/giving-back).

**General Use Grant**

**Application Period:** November 1–December 4



Compeer Financial's General Use Grant provides funding to programs and organizations whose work aligns with our mission and falls into one of four areas: education, environment, technology or quality of life.

**High School Senior Scholarship**

**Application Period:** January 1–March 15



Compeer Financial's High School Senior Scholarship is for graduating seniors who plan to major in agriculture or an agriculture-related field, or have a rural background and will attend a college, university or technical school. Special consideration is given to applicants who have parents who are Compeer Financial clients.

**County Fair Facility Upgrade Grant**

**Application Period:** March 1–March 31



Compeer Financial's County Fair Facility Upgrade Grant supports county fairs and others in rural areas of Compeer Financial's territory by funding repairs of existing fairground livestock buildings, 4-H buildings or livestock judging arenas.





# When passion DRIVES VISION

Keepsake Cidery brings customers out to the farm



At left: Nate Watters pours up some Keepsake cider for customers to taste. Top: The Keepsake Cidery tasting room serves up hard ciders, pastries and live music every weekend. Above left: Watters stands in his orchard, where the focus is on apple varieties specifically for ciders. Above right: From the field to the glass, customers can find the whole Keepsake process right in one place.

DUNDAS, Minn. – For Nate Watters, success in farming came from finding his passion. After years of working for a vegetable farm, he was tired of tending to crops that he considered “too needy.”

“Different personalities gravitate to different types of farming,” Watters said. “If you’re farming arugula, for example, you’re planting that every 21 days. It’s like, ‘come on, have some independence.’ For me, I want to invest in my crop and tend to it long term.”

So in 2014, Watters and his wife, Tracy Jonkman, decided to pursue their dream of growing apples and established their orchard. The original plan was to grow the apples to sell in a Community Supported

Agriculture (CSA)-style model and have a market on the farm. Then Watters’ friends introduced him to the world of hard cider.

“Once I had my first high-quality cider, it changed everything for me,” Watters said. “I fell in love with it and developed this passion. I felt like I found the type of business and farming that really fit my personality.”

And thus Keepsake Cidery was born.

Located in Dundas, Minn., Watters and Jonkman live, grow and sell all from one place. Their estate includes the orchard, their home and a tasting room that’s open on weekends, complete with local food on the menu and local music on the patio.

## THE PROCESS

As a small cidery, the focus at Keepsake is on the craft and taking time to make quality, local products. Once apples are picked, they’re dumped into a big water tank and sorted. The good apples ride a conveyer belt into a five-horsepower grinder that makes the apples into mash. Then comes the maceration process, during which the mash sits and breaks down while more juice is extracted.

“Red wine is made the same way,” Watters noted. “We think it helps build more character and picks up the wild yeast.”

From there, the mash is put through a huge press, made by the couple’s neighbor.

It takes about a half hour per pressing, processing about 13 bushels of apples at a time. After pressing, the juice is transferred into tanks where it sits for eight to 12 months to ferment. Then it is tasted, tested and bottled for thirsty cider lovers to consume.

Most ciders and wineries will add acids, sugars or sulfites to the tank to change up the flavor and the alcohol content. Not Keepsake, though.

“We decided we want you to taste local apples, local fruit, local yeast,” Watters said. “So we’re crafting particular fruits, blends and processes, taking our time and not using anything else. We want our cider to have a voice, and we want it to be different than everyone else’s.” ●

## KEEPSAKE’S KEYS TO SUCCESS

Nate Watters broke down the three things he believes have contributed most to the success of Keepsake Cidery.

### 1. Passion

“For us, it’s having a clear vision for what you want to do and fitting that to who you are as a person. What’s your passion? What do you want to do? Especially in farming, this isn’t something you pursue for the money.”

### 2. Flexibility

“Realize that things can change and you might have been wrong. You might sit down, write this beautiful business plan with successful projections and then two years in, it’s not working anymore. You have to be willing to stay nimble and adjust. Have a clear vision, but stay flexible and adaptable.”

### 3. Relationships

“Surround yourself with people who are going to bring passion and vision with them to your operation. If you’re doing it on your own, there’s a tendency to burn out. Build a team that is driven to keep moving through the challenges.”



# Granting RESCUE

First responders aid rural residents



Opposite Page: Rural volunteer emergency response teams are at the heart of their communities. The Compeer Financial Fund for Rural America is helping these departments with grants. Above left: Dallas Dietzel of the Dickeyville Rescue Squad said having a grant cover the cost of a swift water rescue boat will help save lives. Above right: The Dickeyville Rescue Squad is one of the rural volunteer emergency response departments to receive a grant from Compeer Financial.

DICKEYVILLE, Wis. – Dallas Dietzel took a basic first aid class with the intention of being prepared in case of an emergency.

“I just thought having some first aid skills go a long way, and it wouldn’t hurt to learn something,” he said. “I really enjoyed it and took more classes.”

That enjoyment started him on a path to become a first responder, starting with the Dickeyville Emergency Medical Service in 1996.

Now serving as the chief of the Dickeyville Rescue Squad, he has personally seen the importance of having the right tools in the right hands at the time of an emergency.

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**“When you are called, every tool makes a difference in making sure stories have a happy ending.” – Dallas Dietzel**

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Dietzel’s rescue team was among the first responders coming to the aid of Wisconsin residents in August 2018 when heavy rains caused flooding throughout Wisconsin. Starting Aug. 20, 2018, heavy rains and high winds, including tornadoes, caused flooding and extensive damage throughout Wisconsin. At least seven counties were declared to be in a state of emergency.

The Dickeyville Rescue Squad worked with other first responders on the Southwest Wisconsin Regional Technical Response Team, who were stationed along rivers and areas known for flooding waiting to respond.

The team responded to more than 35 calls for help during that week, helping people escape the rising flood waters in Dane and Crawford counties.

“You practice for swift water rescues, and have boats and tools that you hope you never have to use,” Dietzel said. “But when you are called, every tool makes a difference in making sure stories have a happy ending.”

After the flood water receded, the Dickeyville Rescue Squad learned their rescue boat was damaged beyond repair.

They applied for and received an Emergency Response Equipment Grant from the Compeer Financial Fund for Rural America to replace the boat.

“People need us there and expect us to be able to help them in all kinds of different situations,” Dietzel said. “Having this boat is just one more way we can help others. You never know how many lives you saved.”

The grant also helped several other first responders with equipment that was damaged during the flood rescue efforts.

In 2019, the Compeer Financial Fund for Rural America awarded 165 departments

with grants totaling \$448,544. The grant program is offered each year in August. Since the grant program started, it has been able to help 8,662 first responders with equipment needs, touching the lives of nearly 1.4 million people in rural communities across Compeer’s territory in Illinois, Minnesota and Wisconsin.

Through the fund, Compeer was also able to directly assist 39 clients who suffered substantial home, farmstead and building damage because of the August 2018 storms.

“Grants like this are essential for helping small departments like us that don’t have big budgets,” Dietzel said. “Grants like this make a difference to the volunteers who are away from their families trying to help others.”

## EMERGENCY RESPONSE EQUIPMENT GRANT

Compeer’s Emergency Response Equipment Grant opens each year in August.

Funding up to \$3,000 is available for emergency response equipment grants for rural volunteer fire, rescue or ambulance departments located in or providing direct services in Compeer’s 144-county territory.

Visit [compeer.com/giving-back](https://compeer.com/giving-back) for more information.



# IRRIGATING

*more than fields*

Farming spans generations



FOREST CITY, Ill. – In rural America, it's easy to find people who embody strong values and are dedicated to living by the golden rule. People like Scott Dierker of Forest City, Ill. Dierker is the fourth generation to work the dry, sandy, land in Mason County, Ill., where he and his wife Christine are raising their three kids.

Although the operation has grown from around 400 to nearly 2,000 acres since his grandfather was in charge, according to Dierker, the basic foundation and philosophy of the family business will never change.

As a boy, Dierker enjoyed school and was active in sports, but the farm was what he loved. At age 10, he decided to become a farmer, and that vision never wavered.

He began helping his dad, Lendell, with chores and could often be found shadowing his Grandpa Ot, helping manage the labor-intensive water winches used for irrigation. "I was old enough to be his helper, and

he was getting plenty old enough to be needing some help," Dierker said.

He added that growing up on the farm was central to his life. "I was very lucky to have Grandpa Ot as a big part of my childhood. He and I were very close."

"I learned a lot. Not just about raising crops and caring for livestock," Dierker continued. "I was exposed to the entire operation."

Working side by side with his dad and Grandpa Ot taught Dierker about setting and reaching goals, taking calculated risks and being part of something larger than himself. These experiences gave Dierker a daily purpose and strengthened his drive to someday run the operation on his own.

Today, at 40, Dierker is the only generation currently working on the farm. His dad passed away a few years ago and his kids, Max, 9, and twins, Sam and Nora, 7, are not quite in a position to take over yet.

About half of Dierker's acres are dedicated to corn and soybeans. He also grows several specialty crops, such as seed corn, pumpkins, green beans and popcorn. A huge part of his day-to-day work involves "babysitting" the 20 irrigation systems that add about an inch of water to his fields each week.

"This county has some ridiculously sandy areas," Dierker said. "Without irrigation, your chances of a good yield are pretty small."

Today's technology, however, makes it much easier for Dierker to manage the water works of irrigation than it was for his dad and grandpa. Instead of spending hours and driving miles to frequently adjust the systems like they did, Dierker controls the equipment whenever and wherever he chooses with a few taps on his smartphone.

Balancing good habits of years gone by with new technology, information and resources keeps Dierker constantly striving for better

results. He credits his dad with his desire to always improve and grow.

"My dad was very good at what he did. He took a lot of smart risks and taught me that farming is not an instant gratification occupation," he explained. "The decisions my dad and grandfather made are paying off for me. Hopefully, I can do the same for my kids if they are interested in taking over the farm someday."

Another way he's following his father's lead? Working with Compeer Financial. Dierker became a client in 1998 during his freshman year of college. His loan officer, Abby Deppert, has worked with him since she started with Compeer over a decade ago and became his loan officer a few years after that.

What makes their partnership effective? Mutual trust. "The area where my clients are is this unique part of Mason County," Deppert said. "It's beneficial to understand my clients' needs and how to position them

for growth and success."

She believes Compeer offers the best of both worlds, with local, experienced expertise and a deep credit team who understands the area's unique characteristics, but is impartial. "Our credit team is 100 percent objective," Deppert noted.

"That's why I like the Compeer system," Dierker agreed. "Just about everything you sell, I'm buying," he added with a smile. ●

*Above left: The dry, sandy soil in Mason County, Ill. requires a lot of irrigation to adequately grow crops.*

*Above right: Scott Dierker with his Financial Officer, Abby Deppert.*

*At right: It was a long wait, but harvest did eventually take place in Central Illinois.*

*Bottom right: While Dierker Farms grow mostly corn and soybeans, they also dedicate a portion of their acres to specialty crops such as popcorn and pumpkins.*





# Embracing CHANGE

Pork operation innovates for resiliency



NICOLLET, Minn. – A passionate advocate for agriculture, Kaye Compart has a presence that shines bright everywhere she goes. After growing up on a dairy farm and earning her agriculture journalism degree at the University of Minnesota, Kaye married Dean Compart and is now an integral part of Compart Family Farms in southern Minnesota. Kaye and Dean help operate the business, which was started by Dean's parents more than 65 years ago, alongside their extended family.

These pork producers primarily raise Duroc hogs, relying on extensive research and development to optimize the quality of the meat. The Comparts sell their branded pork directly to consumers through their online storefront; the meat also is available in select grocery stores and served in white tablecloth restaurants across the United States.

### EVOLVING THE BUSINESS

In 1997, the family added a boar stud to the operation, which Kaye and Dean manage. Twice weekly, semen is collected, tested and packaged for delivery and shipment. The majority of it is used on farms breeding Compart pork. Compart says genetics and technology are key in developing great-tasting meat.

"Every hog is scanned with a high-tech ultrasound machine for its loin size, intramuscular fat or marbling," Compart said. "Through our selective breeding program, we've increased the marbling in our pork, creating a juicier cut with a naturally distinct flavor profile."

It was a big decision for the family to launch their branded meat division, and they relied on their relationship with Compeer Financial for support.

**"Just like we have to make changes on the farm to stay viable and relevant, we have to take the same approach at Compeer."** – Kaye Compart

*Opposite page: Kaye Compart packages individual insemination doses from the family's boar stud for the morning deliveries. Compart and her husband, Dean, manage the stud, which was added to the operation in 1997.*

"As we've come up with these innovative ideas and our business has evolved, Compeer has been in lockstep with us the whole way, even when we've experienced bumps in the road," Compart said. "We've utilized their swine expertise, and Compeer has made our dreams a reality."

### PERSEVERING THROUGH CHALLENGES

While the family has intentionally diversified, some of their most pivotal innovations weren't planned. They've faced challenges over the years, but in the midst of crisis, they've persevered and embraced opportunities for change.

"Some of our best progress has happened after a crisis," Compart reflected. "In 1988, pseudorabies brought boar and gilt sales to a halt and caused us to spread out our breeding herd production to different locations. In 2004, we had a PRRS (porcine reproductive and respiratory syndrome) breakout in the boar stud, leading us to become the first boar stud to use a hospital-grade HEPA filtration system, which has been instrumental in keeping airborne diseases out. Then last fall, a fire took our farrowing barn at our Nicollet farm, so we expanded to an offsite location, which allowed us to increase the number of sows in our system."

And when Compart's father-in-law passed away unexpectedly six years ago, discussions about transitioning the farm happened sooner than expected.

"When it comes to transition planning, start early and have honest, open discussions," Compart advised. "It's not always easy. You have to remove emotion and take an honest look at what's best for the business. And don't wait until the older generation is near retirement. Have a plan well before that."

Kaye and Dean's oldest son, Kyle, is now in the process of buying out Dean's shares and moved onto the farm with his family, which was another part of their transition plan.

### SERVING BEYOND THE FARM

Compart's commitment to agriculture goes beyond the farm, as she currently serves on Compeer Financial's Board of Directors.



**KAYE COMPART**  
Nicollet, Minn.

- Family includes husband Dean, three grown children and five grandchildren
- Elected to the board in 2001
- Owns Compart's Boar Store, Inc. alongside her husband and other family members
- Serves on Compeer Financial's Enterprise Risk, Legislative Affairs and GroundBreakers Committees
- Represents Compeer on the AgriBank Nominating Committee

"Just like we have to make changes on the farm to stay viable and relevant, we have to take the same approach at Compeer," Compart said. "The board is continually reevaluating what's working and where we might make changes and find new ideas to serve our clients even better."

Compart is also committed to educating groups on agriculture and advocating for the industry with lawmakers.

"I provide some form of ag education about every day," she added. "We always have our story ready to go and are able to get our point across quickly."

While Compart continues to innovate and embrace change on the farm, there is one thing that remains a classic – her favorite pork dinner.

"A good pork chop, especially if it's dry-aged," she smiled. "And a sweet potato." •



# GRAIN MARKETING *makes the difference*

Creating a grain marketing plan can seem like a monumental task. Perhaps you created one long ago and haven't revisited your plan with fresh eyes. With the industry facing turbulent markets and tight margins over the past few years, a well-developed and maintained plan can make a big difference to your grain operation.

At a recent roundtable discussion, members of Compeer Financial's grain team addressed key areas you should focus on when creating your plan and putting it into action.

## KNOW YOUR NUMBERS

"It's hard to create a plan without knowing your numbers," said Glenn Wachtler, financial officer at Compeer. "Your break-even, cash flow numbers and cost of production are all major influencers when creating your plan."

Putting your plan in writing is an important first step. Write down a plan that includes price targets based on your estimated cost of production and decision dates to price grain based on seasonal highs in the market. The Center for Farm Financial Management (CFFM) at the University of Minnesota has a helpful grain marketing plan template online.

"If you know your numbers and know them well, you can better assess the amount of risk you can afford to take," said Sean Mulcahey, senior credit officer at Compeer. "Make sure you have a written plan. It helps you stick to the plan and acts as a tool to share with your team to help keep you accountable."

## SHARE THE PLAN

Once you have a plan in place, run it past your team and test a few different scenarios against it.

"Sometimes we get tunnel vision, so use your trusted advisers as a resource," said Bob Foerder, financial officer at Compeer. "They can help you determine if the plan is fully developed."

It's also important to run your plan through a few different scenarios. What might the markets do and how will that affect your plans? How will you respond?

Compeer Financial's Grain Margin Manager is a complimentary tool that can help. It lets producers plug in their numbers to calculate their cost of production per acre and per bushel based on yield assumptions. You can access the Margin Manager on the Compeer Financial website ([compeer.com](http://compeer.com)) under the grain section.

"Your team of trusted advisers are there to work for you," Mulcahey said. "Their feedback can give you an outside perspective and challenge you to think about possible alternatives."

Wachtler points out that you are ultimately the one in charge. "Take in their feedback, but know that you are the one who makes the decisions," he said.

## KNOW YOUR OPTIONS

There's no one right way to market your grain. Each operation is unique and should work to develop a plan that makes sense for them.

One characteristic the Compeer team sees from successful grain marketers is using their owned grain storage to capture the carry in the market. "Carry in the market" is simply the futures price differences between different delivery months. For example, December and July corn, or November and July soybeans. When we talk about a "large carry," that means positive carrying charges, where the deferred futures are trading at a premium to the nearby contracts.

Successful grain marketers might hedge their new crop corn production using the December futures contract. They have a "carry" goal in mind to roll that contract to a future month to capture the carry in the market – July futures are currently trading at a \$0.25 premium to December futures – and make their owned grain storage pay for them.

With this strategy, you also need to track local basis and have a basis goal in mind because you will likely be pricing futures and basis separately. Talk to your Compeer financial officer or your trusted grain marketing adviser for more information on capturing the carry.

Evaluation is a key part of the marketing plan that sometimes gets lost in the shuffle. Check in on your plan's effectiveness and make sure you're still as efficient and cost effective as you can be.

"A common mistake I have seen producers make is missing out on opportunities because it's outside the realm of how they have done things in the past," Foerder said. "Production uncertainty can make people shy away from forward marketing, but I would challenge you to make sure that you are making the best decision for your marketing plan."

## MARKET ON YOUR COVERAGE

"With your crop insurance plan, you are guaranteed a certain amount of bushels," said Rob Moline, crop insurance team leader at Compeer. "This should give you more comfort in any forward marketing strategies."

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**"A common mistake I have seen producers make is missing out on opportunities because it's outside the realm of how they have done things in the past."** – Bob Foerder

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Wachtler added that top producers aren't going over their guarantees until after they're done in the fields.

Work with your crop insurance partner to understand what your coverage gets you, and factor that into your plan for marketing grain.

"Look at the cost of the insurance plan you are on, and make sure you understand the benefit it's providing you," Moline said. "At the same time, look at the cost to make sure that the plan you're on is providing enough value back to you."

## EYES AHEAD

Understand the cycles of the market, and try to block out the noise.

"Everyone seems to have an opinion about where the market is headed, but I recommend focusing on your marketing plan and executing on profitable sales when the opportunities are there," Mulcahey advised.

"After you're done in the fields, be sure to review last year's plan to determine what you actually received, and evaluate the job that you did with your plan," Foerder said. "Be honest with yourself, and seek out additional help if you think you need it."

Wachtler added that nobody can predict the future. "But by understanding your performance year over year," he said, "you can hope to better plan for the year ahead and alter your plan as necessary." ●



Photo by Betsy Rowland, 2020 Photo Calendar Contest Entry



Bob Foerder

Rob Moline

Sean Mulcahey

Glenn Wachtler

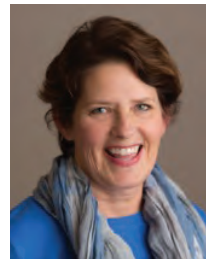
Contributors to this article include the following Compeer Financial team members: Bob Foerder, financial officer; Rob Moline, crop insurance team leader; Sean Mulcahey, senior credit officer; and Glenn Wachtler, financial officer.

To access Compeer's complimentary Grain Margin Manager tool, visit [compeer.com/grain-margin-manager](http://compeer.com/grain-margin-manager).



## HELPING YOUR COMMUNITY: *How to reach out to others in crisis*

By Cynthie Christensen, RN, LPCC



Cynthie Christensen

Cynthie Christensen is both a farmer and a licensed therapist with a passion for rural mental health. She has a private practice, Oak Ridge Teletherapy, offering therapy in-person, face-to-face video streaming and via telephone.

Have you ever stopped at the scene of a car accident or helped someone get their vehicle out of a ditch? Your foot instinctively reached for the brake as you drove by. And have you ever stopped your own harvest to help a

neighbor who has been in a farm accident or is struggling with an illness? You make these emergencies your business by offering to help because it's the right thing to do.

Today, some neighbors in your rural community are likely facing a different kind of emergency that may not be as visible or you may not think of as your business – a crisis of stress or mental health. It shows up in many forms, including depression, anxiety, withdrawing, shame and substance abuse. These issues may make you feel uncomfortable and vulnerable because you don't know what to say and so you don't say anything.

This article aims to raise awareness of the mental health crisis and provides some practical tips so you can help others and even yourself. As a good neighbor, it's important to be aware of what's happening in your community and take action.

Physical signs of distress are easy to recognize because you can see them, whereas people can mask their emotional distress. So, how can you recognize when something isn't quite right? As a farmer, you do it every day when you check your fields or

your livestock. When you notice something is a little off, you don't ignore it. You check it out and take action.

By increasing your awareness of others, you may begin to notice changes in their behavior. Are they acting differently? You can't know what someone is thinking unless they tell you, and people can hide their emotions. But it's harder for people to hide what they are doing or not doing.

Some things to watch for:

- Withdrawing from people and social activities (for example, no longer going to church or getting morning coffee at the elevator),
- Exhibiting changes in personality (for example, being more irritable or worried, increasingly negative or down in the dumps),
- Not being interested in doing things that used to be enjoyable,
- Having trouble making a decision (if that is a change), or
- Experiencing physical symptoms like trouble sleeping, loss of appetite, poor hygiene and poor eye contact.

If you notice any of these things in your neighbors, friends or family members, be curious about what is going on and start by asking "are you okay?"

If you are personally struggling with stress and hopeless thoughts, talk to someone. Sometimes just saying your worries out loud and getting some support from friends or family will lighten the heavy load you are carrying. Seeking help from a therapist is also a good idea.

Tragically, mental illness is often expressed in extreme forms through the media and pop culture. These portrayals might lead people to feel ashamed, alone and worried about the associated stigma. But in real life, mental health problems seldom present in these extreme ways and are actually not uncommon. In fact, one out of five adults struggle with their mental health issues at some point in their lives.

Life can be hard, but by feeling connected to others, things can seem more manageable. Reaching out to someone may feel awkward and uncomfortable, but your efforts can make a difference.

In my 25 years as a nurse, I've encountered only one life-threatening emergency outside of the hospital, when I witnessed someone having a medical episode. Even as a health care professional, I hesitated in the face of it; but, thankfully, the crisis resolved quickly. Turns out, I was surrounded by a psychiatrist, two nurses and an EMT – all trained professionals who also hesitated for a moment. I share this because, professionals or not, have the courage to jump in and help someone who is struggling with stress or a difficult situation. •

# LIFEWORKS

## Resource Program

### A PROGRAM FOR MEMBER-OWNERS AND FAMILY MEMBERS—AT NO COST TO YOU.

We know farming and life in rural America isn't always easy. Compeer's free LifeWorks Resource Program privately connects our members and their families with tools and resources to help navigate challenges related to work, family, life and health – whether it's a quick question or a larger issue.

### CONFIDENTIAL SUPPORT

Clients of Compeer and their families can speak privately to an experienced and knowledgeable consultant who will offer support and strategies for work and life issues. They can also connect you to counseling, set up consultations and refer you to local agencies and organizations. This service is completely confidential and will not be shared with Compeer Financial or anyone else. LifeWorks provides support for:

- Emotional well-being
- Addiction and recovery
- Estate planning
- Legal services
- Parenting and childcare
- Navigating the health care system
- And much more

### GET CONNECTED

The LifeWorks Resource Program is available any time (24 hours a day, 365 days a year) by phone, mobile app or online—all at no cost to you.



**Telephone** (888) 267-8126

Spanish (888) 732-9020 or  
TTY (800) 999-3004

Call LifeWorks 24/7 to speak confidentially with a caring, professional consultant.



**Mobile App** (for iOS or Android)

Download the mobile app to access support and resources on the go. Call LifeWorks with just one tap in the app.



**Online** [compeer.com/resourceprogram](https://compeer.com/resourceprogram)

Access the LifeWorks platform, including hundreds of articles, recordings, eBooks and online toolkits.

Compeer Financial member-owners and household members can also have up to three free counseling sessions per topic each with a trained LifeWorks expert over the phone.



## 2019 TAX PLANNING: *The key to success lies in the details*

By Compeer Financial Tax and Accounting Team Members

The 2019 fall season is the ideal time to review a range of topics to help you manage your tax liability before year end.

When developing an effective tax plan, your best chance for success requires accurate financials such as year-to-date amounts and reasonable projections for income and expenses through year end.

Be sure to partner with a tax professional committed to understanding you and your operation. Avoid the one-size-fits-all approach, which will lead you to make inefficient decisions. Examples of customized strategies are:

- Identifying depreciation planning opportunities;
- Utilizing the Qualified Business Income Deduction (§199A); and
- Reviewing available pre-tax deductions.

### ACCELERATION OR DECELERATION OF INCOME AND EXPENSES

This method is a simplified approach of carefully timing when you receive revenue or make purchases, allowing you to manage current-year net activity.

But many operators are owners in business entities, including partnerships, LLC (limited liability companies) and corporations. Tax planning for business entities is inherently complex and requires a comprehensive understanding of the specific entity, owners and circumstances of their individual tax returns. In short, what one owner needs individually may be insufficient for the other owners involved.

### DEPRECIATION EXPENSE

The recent tax reform increased allowable expenses for business owners in the year the asset is placed into service. Direct expensing, or Section 179, is a powerful tool that offers great benefits for business owners. However, an aggressive approach with Section 179 expensing may result in future tax liabilities exceeding cash flows. It's

advisable for businesses to align their depreciation amount with their loan payments because principal is not deductible. This can help you avoid a tax liability that exceeds cash flow. A comprehensive review of your specific situation is essential to determine if direct expensing is appropriate for your operation.

### ADDITIONAL DEDUCTION AVAILABLE

Also consider one of the impacts of the Tax Cuts & Jobs Act (TCJA) of 2017, which provides business owners (with the exception of C Corporations) the opportunity to deduct 20 percent of Qualified Business Income (QBI) as a deduction against taxable income. While appearing straightforward, this is a challenging calculation, especially for those with taxable income of \$321,400 married filing jointly (\$160,700 single) or greater. Beneficially, for taxpayers with multiple revenue sources, the deduction allows for aggregation of multiple business lines to increase the deduction.

### PRE-TAX DEDUCTIONS

Pre-tax deductions serve as a great way to tax plan and manage tax liabilities. Health savings accounts (HSAs) and retirement accounts are excellent options to reduce your taxable income, as they deal with tax-deferred monies. However, some retirement accounts have deadlines for creation or contribution limits, while others have extended contribution periods. Many retirement account products are available for both self-employed and wage earners, any of which could be a great option for tax savings. To maximize the benefit from a tax-deferred account, have an experienced professional review your specific circumstances along with current and future retirement tax rates.

Tax planning can be of great value to any taxpayers – W-2 wage employees, landlords with rental income or an active business with self-employment income. By doing some proactive planning, you can change your tax future today. •

## WE DO THE MORTGAGES. *You make the memories.*

At Compeer Financial®, we live and work in the same rural communities and small towns you do. We're your friends, neighbors and fellow volunteers. Though our cooperative has grown, we're still your local home mortgage financial partner, ready to help you achieve your goals.

*Because serving rural America is where we belong.*

[COMPEER.COM/HOME-MORTGAGES](https://www.compeer.com/home-mortgages)





## HOLIDAY HOURS

All Compeer Financial offices will be **CLOSED** on the following days in celebration of upcoming holidays:

- Thanksgiving** (Nov. 28)
- Day after Thanksgiving** (Nov. 29)
- Christmas Eve** (Dec. 24) – *Open until noon*
- Christmas Day** (Dec. 25)
- New Year's Day** (Jan. 1, 2020)

For your convenience, our **CONTACT CENTER IS OPEN:**

- Day after Thanksgiving** (Nov. 29): 8:00 a.m. to 3:00 p.m.
- Christmas Eve** (Dec. 24): 7:30 a.m. to noon

To reach the contact center, please call (844) 426-6733.



## SCHOLARSHIP APPLICATIONS OPEN IN JANUARY

The Compeer Financial Fund for Rural America is offering \$1,500 scholarships to high school seniors based on a combination of academic achievement, agricultural and community youth organization involvement, and an essay.

The application period is January 1 through March 15, 2020.

Visit [compeer.com/giving-back](http://compeer.com/giving-back) to download the application and for more details about qualifications.

## IMPORTANT NOTICE CONCERNING 2019 YEAR-END PAYMENTS, FUNDS HELD

Payments **received by your local Compeer Financial office before 2:30 p.m. on Tuesday, December 31, 2019**, will be applied as you directed on your payment stub; payments received at the Compeer Financial lockbox location will be applied on the date and to the year in which received.

Payments received at either your local Compeer Financial office or lockbox location **after 2:30 p.m. on Tuesday, December 31, 2019**, will be treated as 2020 payments.

Please allow extra time for mailing around the holidays.

If you have money in Funds Held on December 31, 2019, **AND** a payment is due on January 1, 2020, the interest portion of the installment will be paid in 2019 to the extent of any Funds Held balance so that you will have credit for paying the interest in 2019. If you **DO NOT** want your January 1, 2020, interest billing paid from Funds Held in 2019, please notify your local Compeer Financial office or call us at (844) 426-6733 **by December 26, 2019**.

## YEAR-END ELECTRONIC FUNDS TRANSFERS

If you use the Electronic Funds Transfer Program and would like it canceled, please **notify us by 3:00 p.m. on Monday, December 30, 2019**.



Photo by Phoebe Wilson, 2020 Photo Calendar Contest Entry

## 2020 PHOTO CALENDAR NOW AVAILABLE

We loved hearing the stories and seeing all of the photos submitted for our 2020 Photo Calendar Contest. Overall, we received more than 300 submissions, highlighting and honoring the diverse clients we serve. We sincerely thank each of you who entered. Congratulations to those whose photos were selected. Additional copies of the calendar are available at your local office.



## SAVE THE DATE FOR THESE UPCOMING EVENTS

### GrainVantage Meetings 2019

Gain insights into market projections for the year ahead, learn about global happenings, and get an update on the economy and interest rates. You will also learn strategies to manage your risk during times of volatility and uncertainty. Mark your calendar for one of our seven location offerings. Visit [compeer.com/GrainVantage](http://compeer.com/GrainVantage) for more information or to register.

- December 2 – Eau Claire, Wis.
- December 3 – Rochester, Minn.
- December 5 – Worthington, Minn.
- December 6 – Mankato, Minn.
- December 9 – Madison, Wis.
- December 10 – LaSalle, Ill.
- December 11 – Macomb, Ill.

### Resilient Farms Conference 2019

*In partnership with University of Wisconsin Madison, Division of Extension*

You're invited to a one-day conference bringing together farmers and experts to explore and develop innovative business ideas to help you create more resiliency on the farm.

- December 12 – Wisconsin Dells, Wis.
- Virtual attendance available in Normal, Ill., and Mankato, Minn.
- Register now at [compeer.com/ResilientFarms](http://compeer.com/ResilientFarms)

### 2020 Transition Planning Workshops

Compeer's inaugural transition planning workshops will provide hands on sessions specific to each farming generation, connect you with vetted transition planning experts to set appointments and grant you access to a cohort transition planning program. Additional details coming soon.

- January 28 – Wisconsin
- February 4 – Illinois
- February 11 – Minnesota

### Strengthening Your Roots in 2020

Join us for a one-day workshop covering what you need to know in 2020. Topics include crop insurance, tax planning, bookkeeping and farm finances. Additional details coming soon.

For information on Illinois and Minnesota crop insurance meetings, check your local office.

- |                                      |                                      |
|--------------------------------------|--------------------------------------|
| • January 13 – Eau Claire, Wis.      | • January 20 – Richland Center, Wis. |
| • January 14 – Wisconsin Dells, Wis. | • January 21 – Boscobel, Wis.        |
| • January 15 – Onalaska, Wis.        | • January 22 – Monroe, Wis.          |
| • January 16 – Watertown, Wis.       | • January 23 – Burlington, Wis.      |
| • January 17 – Fond du Lac, Wis.     | • January 24 – Janesville, Wis.      |

### 2020 Women in Agriculture Programs

Women in agriculture are invited to join Compeer for educational programs designed to empower, connect and support female leaders on and off the farm. Additional details on our annual seminars and our **new** retreat programs coming soon.

#### Women's Seminars

*One Day Each, Various Locations*

- March 2-6 – Illinois
- March 9-12 – Wisconsin
- March 16-19 – Minnesota

#### Women's Retreats

- March 13-14 – Fontana, Wis.
- March 20-21 – Red Wing, Minn.



## CHANGES COMING SOON TO CLIENT EXPERIENCE SURVEYS

Your satisfaction is important to us, and at Compeer Financial, we are continually working to enhance the way we serve you.

In the past, you may have participated in our client experience survey, which provides us with valuable feedback in understanding your experience with Compeer and how we can continue to improve.

**We are excited to launch a new survey tool in late 2019** that will give you even more options to share your feedback.

Today our surveys are only conducted via mail, but to make it even more convenient for you, **you'll soon have the option to also participate digitally via your phone or computer.**

Your feedback is essential in helping us to improve and ultimately better serve you. We appreciate your continued participation.







2600 Jenny Wren Trail  
PO Box 810  
Sun Prairie, WI 53590

## *Application opening soon for* **2020 HIGH SCHOOL SENIOR SCHOLARSHIP PROGRAM**

Compeer Financial believes in a strong future for agriculture and rural America. Compeer Financial's High School Senior Scholarship Program awards \$1,500 scholarships to students based on a combination of academic achievement, agricultural and community youth organization involvement and essay.

**Application Period: January 1 - March 15, 2019**

### **Applicant Qualifications:**

- Resident of Compeer Financial's 144-county territory
- Graduating High School Senior
- Cumulative GPA of 3.0 or better (on a 4.0 scale)
- Designated agricultural major, interest in an agriculture-related field, or have an agriculture or rural background
- Special consideration will be given to children of Compeer Financial clients.



**Learn more at**  
[compeer.com/scholarships.](https://compeer.com/scholarships)

**This scholarship program, and other grant programs, are supported by the Compeer Financial Fund for Rural America.**



COMPEER.COM | (844) 426-6733  
#CHAMPIONRURAL