

CULTIVATE

A MAGAZINE FOR CLIENTS AND FRIENDS OF COMPEER FINANCIAL WINTER 2018

Remington

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COMPEER
FINANCIAL

CULTIVATE

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Cover: John Vanatta of Remington Cranberry, LLC. is one of the many Wisconsin farmers who lead the nation in production of the little red fruit.

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 to me with comments or suggestions for future issues at karen.schieler@compeer.com.

 Karen Schieler
Editor

We champion
THE HOPES AND DREAMS OF RURAL AMERICA.

COMPEER.COM | [#CHAMPIONRURAL](https://twitter.com/CHAMPIONRURAL)

Compeer Patronage: HOW MEMBERSHIP PAYS

Rod Hebrink earned his Bachelor of Science degree in Agricultural Business Administration from the University of Minnesota and attended the School of Banking at the University of Wisconsin—Madison for post-graduate education. In 2017, he was selected to serve as President and CEO of Compeer Financial.

If 2017 showed anything about the cooperative business model, it's that members have a say in how their cooperative is run and its future direction.

That power of membership was demonstrated by the members of 1st Farm Credit Services, AgStar Financial Services and Badgerland Financial in their vote to create Compeer Financial, the third largest cooperative in the Farm Credit System.

While there are many benefits to the cooperative business model and the creation of Compeer Financial, one of the most important benefits is our patronage program, which is designed to pay a portion of our profits back to our member-owners.

Although the creation of Compeer Financial meant existing patronage programs would change, the Board of Directors remained dedicated to strengthening patronage by increasing the amount of our total earnings paid out in cash each year.

The first major milestone in Compeer's patronage program was achieved in November 2017, when the Farm Credit Administration accepted the results of our stress testing, including conclusions for our capital plan and our intention to begin payment of the revolving equities consistent with the merger plan.

In early February, the first installment of allocated equities will be distributed to Compeer patronage holders. We intend, subject to our ongoing financial performance, to make an annual distribution of revolving equities in the first quarter of each year.

Cash patronage, also subject to our financial performance, will be paid each summer. This summer, we will be paying out 20 percent of adjusted 2017 earnings as cash patronage.

We understand this is a year of transition and the impacts of combining past patronage programs and designing a new, Compeer Financial patronage program is complicated. Be assured, we will honor the objectives of the former patronage programs, as well as implement a stronger cash patronage program for Compeer.

Our plan is to make two patronage payments each year. Early each year we will pay out a portion of past years' allocated equities. A cash patronage payment will be made each summer, representing the organization's success in the previous year.

Under this plan, we expect we will pay more patronage to all Compeer member-owners than we would have under the previous programs. We will continue to keep you informed about our patronage program and how it will impact you in the future.

You should know your Board of Directors remains committed to a long-term patronage program that provides value to all of our member-owners and maintaining a financially strong organization.

This is our commitment to you as your cooperative, creating member-owner benefits that pay.



Rod Hebrink
President and CEO



Nine members of the Brown County FFA Chapter in Illinois were awarded FFA official dress blue jackets from Compeer Financial. Pictured above are: Front row (from left to right): Karen Schieler with Compeer Financial, Allison Prather, Hayden Howell and Rylee Rohn. Back row (from left to right): Sadee Kassing, Bryar Lenover, Holton Burnett, Mason Markert and Jerad Geisler from Compeer Financial. Not pictured are Colin Boylen and Lauren Cassady.



Above left and right: Compeer Financial team members showed off their holiday spirit at their offices by participating in #NationalUglySweaterDay in December. Pictured above are the teams in the Ottawa, Ill (left) and Waite Park, Minn. (right) offices. Check out the rest of our team members' ugly sweater photos on Compeer Financial's Facebook page.



At right: Team members in the Sun Prairie, Wis. office collected food and other items before the holidays. The drive helped support five local charities.

Update on MERGER PROGRESS

On behalf of your Board of Directors, I'm pleased to update you on the progress we've made achieving some of the benefits identified prior to the merger that our member-owners could expect from Compeer Financial. I also want to highlight the steps we've taken to avoid the potential disadvantages that were disclosed prior to the merger.

We'll be sharing semi-annual updates on our [website](#), and I'd also like to take this opportunity to share some of the key highlights since July 1, 2017.

Overall, the first six months of Compeer Financial exceeded our expectations in many ways.

Since the merger effective date, Compeer Financial has added more than \$150 million of equity to the organization, before distributions to stockholders. Additionally, the profitability of the cooperative grew, and we finished 2017 with net income approximately \$50 million more than the combined 2016 net income of the three previous associations.

In December, we were pleased to share that we had cleared the merger condition that restricted our ability to begin paying out the allocated equities issued in conjunction with the merger. Your board has authorized the initial payments, and checks will be distributed in the near future. Compeer Financial's patronage program is expected to return a greater share of earnings to our member-owners than it did in the previous programs. (Read more details about the patronage program in Rod Hebrink's CEO letter on [page 4](#) of this issue of Cultivate.)

While the one-time costs associated with the merger are running below projections, in large part due to lower overall severance-related expenses, the projected savings are ongoing, and we have already recognized more than \$10 million of savings. We have continued efforts to reach the targets outlined in the shareholder disclosure and are pleased with our progress to date.

Client loyalty is at world-class levels, finishing 2017 at about 74 percent. This number is very impressive in the banking industry, as the national average is 23 percent. As I'm sure you have experienced, the service member-owners receive from our team continues to be top-notch.

Beginning in February, we'll be hosting the first meetings of our client advisory groups. These groups provide an opportunity for member-owners to offer feedback and perspectives about local issues and overall performance of Compeer Financial to the board and management.

Again, these are just a few of the items covered in the merger status update report. As a member-owner, please take a few minutes to review the entire report available at [compeer.com](#).

These reports are an important way we share information about the cooperative you voted to create. We anticipate the next report to be released during the summer.

Thank you for being a valuable member-owner of Compeer Financial.

Wishing you all a productive planting season.



Mark Cade
Board Chair



Compeer Financial FUND FOR RURAL AMERICA 2018 REPORT



Our pledge to SERVE RURAL AMERICA

Giving back is one way Compeer Financial will champion the hopes and dreams of rural America.

From the start of Compeer Financial, the Board of Directors made a strong commitment to corporate giving by dedicating one percent of net earnings yearly to giving.

This commitment, based on the foundation of community service begun by its legacy organizations of 1st Farm Credit Services, AgStar Financial Services and Badgerland Financial, helped to create the Compeer Financial Fund for Rural America.

Starting in 2018, the fund will begin its important work to support Compeer Financial's mission to enrich agriculture and rural America.

Through the Compeer Financial Fund for Rural America, support will focus on:

- Education
- Youth Engagement
- Rural Development and Community Enrichment
- Agricultural Advocacy and Development
- Compeer Financial Client Development and Team Member Giving

For 2018, the Compeer Financial Fund for Rural America has established specifically designed programs in areas important to our clients, communities and territory to support.

These include:

- Scholarships for graduating high school seniors
- County fairs
- Rural high school agriculture programs
- Rural volunteer emergency response departments
- Rural economic development
- Beginning farmer education, including first-year tax preparation and/or farm operation grants
- Education scholarships or technology voucher grants for emerging agribusiness clients



Compeer Financial President and CEO Rod Hebrink announces our new pledge of corporate giving to rural America during a July 2017 event at our Sun Prairie, Wis., office.

These special programs show our commitment to enriching agriculture and rural America. Throughout the year, information about these programs, including important deadlines, will be posted on compeer.com and through social media.

"The Compeer Financial Fund for Rural America will be an important aspect of our mission to serve our communities and rural America," said John Monson, Chief Mission and Marketing Officer. "By having a strong focus on areas like youth, education and agriculture advocacy, we are helping to create a better future for all of rural America. Our programs and donations will make impacts on individuals and groups in profound ways."



Board of Trustees FOUNDING MEMBERS

The Compeer Financial Fund for Rural America is managed by a Board of Trustees, made up of directors from the Compeer Financial Board of Directors and team members who represent different regions and departments of the organization. The Board of Trustees has been working together since July 2017 to establish the fund, a giving philosophy and programs, with the goal of maintaining and expanding the giving and support of Compeer's legacy organizations.

Chairperson



John Monson
Chief Mission and Marketing Officer
Minnesota

"In creating a Board of Trustees that brings together diverse viewpoints, ideas and geographic areas, we can be strategic in how we support our areas of focus," said John Monson, chairperson of the trustees. "Just like our commodities are different across the three states, the needs of our rural communities vary. We want our trustees to speak up for those needs so we can give support where it will make great impacts."

The Compeer Financial Board of Directors representatives are selected from their peers on the full board. New representatives will be named in 2018.

The state representatives are responsible for working within their respective states, along with others on the board, to identify needs of groups and programs within the fund's scope of giving.

The team member representatives offer a diverse and changing point of view. They were nominated to serve by their fellow trustees.

Melanie Olson manages the day-to-day functions of the fund and is the main point of contact for corporate giving questions and programming.

Board of Directors Representatives



Kevin Aves
Board of Directors
Illinois



Terry Ebeling
Board of Directors
Minnesota



Spencer Enninga
Board of Directors
Minnesota



Tim Evert
Board of Directors
Wisconsin



Dan Zimmerman
Board of Directors
Wisconsin



Melanie Olson
Corporate Giving Specialist
Minnesota

Administration

State Representatives



Staci Martin
Vice President
Corporate Engagement
Minnesota



Karen Schieler
Communications Specialist
Illinois



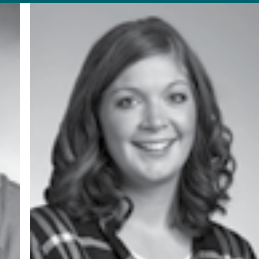
Rochelle Schnadt
Communications Specialist
Wisconsin



John Goode
Financial Officer
Wisconsin



Shane Kaiser
Insurance Officer
Illinois



Nicki Skroch
Financial Officer
Minnesota

Team Member Representatives

\$157,500 dedicated to HIGH SCHOOL SCHOLARSHIPS

The Compeer Financial Fund for Rural America will award \$157,500 in 2018 to graduating high school seniors who are pursuing a higher education in agriculture or an agriculture-related field.

Compeer will award 105 scholarships, worth \$1,500 each. Applications must be received by March 16.

The Compeer Financial High School Senior Scholarship Program is designed for students who will major in agriculture or an agriculture-related field. Students who plan to attend a college, university or technical school are eligible.

“Compeer Financial’s high school scholarship program is intended to encourage those interested in agriculture to explore what’s possible for their future,” said John Monson, Chair of the Fund’s Board of Trustees. “The high school seniors who will be awarded this scholarship have already made an impact on their local, rural communities, and will go on to do great things to impact agriculture.”

He added that the scholarship program also demonstrates Compeer’s focus of championing the hopes and dreams of rural America.

Scholarship recipients are selected based on a combination of academic achievement, agricultural and community youth organization involvement and essays.

Students will submit two essays. One essay will be about goals, describing their career and personal goals and explaining the impact they hope to make on rural America. In the second essay, applicants will be asked to describe a past innovation, event or person who has greatly influenced modern-day agriculture.

Special consideration will be given to students of parents who do business with Compeer Financial.

The scholarships will be divided among the organization’s territory, awarding 35 in each state.

To qualify, applicants must:

- Be graduating seniors;
- Live in Compeer Financial’s 144-county territory; and
- Have a 3.0 or higher GPA.

To apply:

- Start at compeer.com, under Investing in Rural Communities, and then Scholarships; then
- Download the application form;
- Or, complete the electronic application.

For more information:

Email Melanie.Olson@compeer.com or call (844) 426-6733.

Deadline: Applications must be received by March 16, 2018.



Compeer Financial Fund for Rural America 2018 GRANT PROGRAMS

For 2018, the Compeer Financial Fund for Rural America is offering a variety of grant programs and support for rural America. These grant programs are designed to fit a variety of needs in the communities we serve and complement the groups and programs supported by the fund.

Each grant has a unique purpose and deadlines vary. Information and applications for these and other programs can be found at compeer.com, under the Investing in Rural Communities tab, and then Giving Back.

In addition to these four grants, Compeer Financial is working to establish a grant for young, beginning and small farmers to help them get started in the agricultural industry. More information about this program will be available online later in 2018.

County Fair Facility Upgrade Grant

The mission of the **County Fair Facility Upgrade Grant Program** is to support rural areas in Compeer Financial’s territory by funding county fair organizations as they repair fairground livestock buildings, 4-H buildings or livestock judging arenas.

Application Period: March 1–March 31

Applicant Qualifications:

- County fair organization located in our 144-county territory
- This year’s grant recipients are eligible to reapply after two years
- Funding is available, up to \$3,000 per fair, for repairs to existing livestock buildings, 4-H buildings or livestock judging arenas

Emergency Response Equipment Grant

The mission of Compeer Financial’s **Emergency Response Equipment Grant Program** is to support rural communities in our service area by funding emergency response equipment for volunteer fire, rescue or ambulance departments.

Application Period: August 1–August 31

Applicant Qualifications:

- Rural volunteer fire, rescue or ambulance departments located in or providing direct services to our 144-county territory
- This year’s grant recipients are eligible to reapply after two years
- Funding is available, up to \$3,000 per department, for emergency response equipment

Agriculture Education & Classroom Equipment Grant

Hands-on learning and new technologies are crucial to showing students the limitless potential of agriculture. Many high school agriculture education departments face limited budgets.

This grant program is designed to alleviate some of those financial constraints for agriculture programs in rural high schools.

Application Period: April 1–April 30

Applicant Qualifications:

- Rural high school agriculture programs located in our 144-county territory
- Those who have not received this grant in the past two years are eligible to apply
- Funding is available, up to \$3,000 per school, for agriculture education and classroom equipment.

Rural Feasibility Study Grant

The purpose of the **Rural Feasibility Study Grant Program** is to fund feasibility studies, which may result in economic development and improved community assets for rural areas in Compeer’s service area. This grant program hopes to ensure a strong future in rural America.

Eligible feasibility studies may include market research, cost analysis, financial projections, assessment of suitable facilities, equipment or development of a business plan.

Application Period:

Application period is ongoing; applications will be accepted until all funds are awarded.

Applicant Qualifications:

- Project must be located in Compeer’s 144-county territory
- Nonprofit organizations serving rural areas, educational institutions, and state, county, local or tribal governments are eligible to apply.



It's the BERRIES

Family contributes to Wisconsin's cranberry crop

By Laura Herschleb

Wisconsin cranberry farmers supply 60 percent of the nation's crop each year. Here, Remington Cranberry trucks are loaded with cranberries and prepare for the trek to the Ocean Spray receiving station.

NECEDAH, Wis. – A little red super fruit is helping power the pride behind one Wisconsin farm family.

For John Vanatta of Remington Cranberry in Necedah, Wis., growing quality cranberries is his mission.

“Pride and passion encompass everything we do, from how the farm looks to how the beds produce,” Vanatta said. “Everything has been created to the best of our abilities.”

The cranberry industry has a rich history in the state of Wisconsin, dating back to the mid-1800s.

According to the Wisconsin State Cranberry Growers Association, the state leads the nation in the production of cranberries, harvesting more than 60 percent of the country's crop. The little red berry, Wisconsin's official state fruit, is the state's number one fruit crop, both in size and economic value.

FAMILY OF RED

Remington Cranberry has 118 acres of cranberries. Originally a dairy farm, the

property was purchased by John's father, Gary. John vividly recalls walking in cornfields and staking the first cranberry beds in 1987.

Remington Cranberry is run by John and his wife Wendy, along with their four children: Avery, 12; Lucy, 10; Phoebe, 9; and Jack, 6. Also, integral to the marsh are John's brother Ben, his wife Jamie and their children: Summer, 9, and Ruby, 7. Cary Smith, a lifelong friend of the family, works at the marsh year-round and has had a hand in Remington Cranberry's success from the start. John's father, Gary, remains in an advisory role and assists on the farm during harvest.

“Working alongside three generations of my family throughout the year, including the kids in the summer, is very special and important,” Vanatta said. “Growing cranberries has helped us achieve a wonderful quality of life for our family.”

THE LITTLE RED BERRIES

Today, two-thirds of the Remington Cranberry beds are planted to the

Stevens variety of cranberries. A hardy and productive variety, it is the industry standard. The rest of the beds are planted to the Pilgrim variety. For optimal production, the needs of the vines are a year-round focus for Vanatta.

Even though the cranberry vines go dormant in the winter, beds are flooded to protect them from the extreme cold and fluctuating temperatures. The ice depth reaches 12 to 18 inches. Around Valentine's Day, about an inch of sand is spread on one-third of the beds to stimulate vine rooting and control weeds, insects and disease after the beds thaw.

“A good, clean water source is the jugular vein of our cranberry operation,” Vanatta said.

To keep the vines healthy and productive, water is used for irrigation as needed from May through September and for harvest in the fall. During the spring and summer, fertilizer is spread and the micronutrient needs of the vines are monitored, as are soil pH, drainage, ambient temperature and many other variables.

Water is also an essential part of harvest. Fruit is harvested using a method called “wet harvest,” where beds are flooded with 10 to 16 inches of water. A tractor with a modified spring-tine harrow, mounted to the front and back, is driven through the beds to remove the berries from the vines. The ripe berries float to the water's surface, are corralled into a corner and then are pumped out of the bed to a waiting truck.



Cranberries are knocked off the vines with the harrow during harvest. The tractor is on tracks to make as little impact on the beds as possible. Photos courtesy of Paul Tranel and Connected Media Solutions.

All berries from Remington Cranberry go to the Ocean Spray receiving station just 4 miles up the road. From there, the berries are processed into Craisins®, Ocean Spray juice or other Ocean Spray products.

LOOKING AHEAD

With a new year underway, exciting times are ahead at Remington Cranberry.

John shared he is always looking for new ways to maintain and improve production, the aesthetics of the operation, and the health of the cranberry beds and vines.

“I am happy with the varieties we are currently growing,” he said. “But we will keep a close eye on the new varieties continually being developed and that best fit our farm and production.”

In the near future, the business office and records will move into a new administration building. Inside will be office space for Wendy's accounting work, as well as additional office space, a full kitchen, a vault/tornado shelter for employees and a place for the harvest crew to have lunch.

Never one to shy away from hard work, John and the Remington Cranberry team are doing a significant amount of the work on this building themselves.

That is, in between taking care of the current operation, cheering on his kids at Pittsville basketball and soccer games, getting in some deer and goose hunting, and rooting for the Green Bay Packers.



Real time ON THE FARM

Director opens farms to high school students

By Karen Blatter-Schieler



Above: Students from Homewood-Flossmoor High School gather in Dave Peters' shed to learn about farming and agriculture. Opposite page: Dave Peters explains inputs costs and profitability of farming while hosting suburban high school students on his farm.



DAVID PETERS

Manteno, Ill.

Family: Wife, Janis, and three grown children

Occupation: Corn, wheat and soybean farmer

Board member since: 2009

Serves on Compeer Financial's Enterprise Risk and Legislative Affairs committees

MANTENO, Ill. – Each fall, Dave Peters leaves a little bit of his grain crop in the field, waiting for just the right day.

That day comes when about 60 high school freshmen from the Chicago suburbs arrive at his farm on a school bus. The students bring their notebooks, curiosity and questions about agriculture.

“I am able to teach them about everything from costs, structure, the difference between corn and beans, and then they can see it come out of the field,” Peters said. “These students get a first-hand look at where their food comes from. Plus, each student gets to ride in the combine.”

For about 10 years, Peters, who serves on Compeer Financial's Board of Directors, has hosted the students from Homewood-Flossmoor High School one day each fall on his farm.

Their teacher, Scott Aronson, said the excursion brings some of the lessons from textbooks to real life.

“The goal of the field trip is to allow students to experience what a mid-sized farm looks like and what agriculture looks like in a practical, applicable way,” Aronson said. “Students walk away every year not

only impressed by Dave's sheer depth of knowledge, but also enlightened about the weight and totality of skills farmers in the modern, industrial, Western world must possess if they are to be successful.”

Aronson brings students from his Advanced Placement Human Geography class, which focuses on human patterns of behavior and processes such as culture, language, industry and development.

At the end of the course, students can take a test to earn college credit. Aronson said agriculture has become a strong emphasis of the test.

Along with Peters' farm, the students also visit a local dairy and grain elevator.

“Most of my students have never set foot on a farm, so just seeing the machinery and structure of a farm is an enlightening experience,” Aronson noted. “I also want them to begin to think about where their food comes from and, most importantly, to begin to think about the concepts that they read about in their textbook and connect them to a real experience.”

The students begin their adventure in the equipment shed. Peters explains how he became a farmer, leaving the tech

industry to take over the family farm when his father-in-law died. He explains about the different kinds of farms, crops, how grains are used, technology and costs. The students pass around corn and bean plants, as well as containers of the harvested grain.

It's an untraditional classroom, but for Peters, Aronson and the students, it's one where lifelong impressions and lessons are made.

“These kids leave the farm connected to what we are doing,” Peters said. “They are much more aware of what is going on outside of the cities and on farms now. By showing them what farmers do, they can help others see the real story.”

Aronson said the visit allows students to gain an understanding that agriculture is a complex, serious business.

“Dave is able to blast all stereotypes my students may possess about the American farmer and begin to understand the sophistication and detail required for modern American agriculture,” Aronson said. “This field trip is an instrumental tool that allows me to teach agriculture to students from our experience on the farm.”

The neighborly COW

Family expands farm for next generation, educates consumers

By Rebecca Peterson

RANDOLPH, Minn. – Twenty years ago, Blake and Chicky Otte were like many farm families in the Midwest: They had young children at home and were driven to expand their operation for the future.

“My parents knew that retirement was on their horizon, so we approached a neighbor about developing a partnership in order to expand the operation,” Blake said.

From those dreams, Square Deal Dairy was born.

With hard work and determination, the Ottes’ work was rewarded, as they were named the 2016 Producers of the Year by Minnesota Milk Producers Association.

After receiving the award, and wanting to recognize the 20th anniversary of Square Deal Dairy, the Otte family began to plan a special event. The goal was to give back to the community that has supported them, in addition to hosting members of the non-agriculture community to educate them about the dairy industry.

EXPANDING THE FARM

In April 1997, after the Ottes successfully formed a short-term partnership with a neighbor, Square Deal Dairy milked cows in their new facility for the first time.

Just a couple of years later, they bought out their partner; and with the help of Blake’s parents, Square Deal Dairy has been able to take on several other expansion projects.

Today, Square Deal Dairy has increased its herd to 500 – and maintains 1,500 acres for corn silage to support the operation.

As the fifth generation looks to get more involved in the family farm, Blake and Chicky have encouraged them to seek higher education and work off the farm for a few years before deciding to come back.

Even with expanding for the future, Chicky knew it was never a guarantee that the next generation would take over.

“We never put pressure on the boys to come back to the farm; to us, it had to be a choice that they made on their own,” she said.

PREPARING FOR THE NEXT GENERATION

Oldest son Tyler rejoined the farm in 2016 after receiving his degree and working as a manager for another dairy operation. Tyler and his wife Kelsey live on the dairy farm, while Blake and Chicky reside on the original 120-year-old farmstead, where they continue to raise heifers.

Middle son Bret and his wife Kayla live across from the original farmstead. While Bret continues his work in nutrition at a local co-op, he will join Tyler on the farm in the future.

Youngest son Eric is finishing his last year at Ridgewater College in Willmar, Minn. With a strong interest in the grain side of the operation, Eric has accepted an internship with a seed company this spring.

DAY ON THE DAIRY

The Otte farm’s Day on the Dairy took place for the first time in October 2017, hosting nearly 1,100 people from across the Twin Cities south metro region, some traveling from up to 55 miles away.

Chicky emphasized the importance of getting the word out about the event. “We put flyers up anywhere and everywhere, used our presence on social media, took ads out in all of the area papers and utilized radio as well.”

With a hands-on focus for children and adults via videos and farm tours, guests were able to experience the entire life cycle of a cow, from birth all the way to becoming a milk-producing member of the dairy herd.

The Ottes were astounded at the number of volunteers willing to help throughout the day.

“We had an army of nearly 80 volunteers, including neighbors, feed reps, local veterinarians, Compeer Financial team members, other members of the dairy industry and extended family members,” Chicky said. “But that is just representative of the ag industry; you never have to look too far for a helping hand.”

The Ottes look forward to continuing to grow the event in the coming years and already are planning for the next event in 2019. They believe it’s important to provide a platform to connect with consumers in addition to having a presence on social media to engage with consumers and show them how their operation functions on a daily basis throughout all seasons.

“We really want to show others the passion we have for taking care of our animals and being good stewards of the dairy industry, as well as giving back to the community that our family has been a part of for over a century,” Blake concluded.



Above: The Otte family—(from left to right) Blake, Chicky, Tyler, Kelsey, Eric, Kayla and Bret—are the family behind Square Deal Dairy near Randolph, Minn. Photo courtesy of Dairy Star. At left: Over the years, Square Deal Dairy has taken on several expansion projects, which can be seen in this aerial photo of one of the farm sites. Photo courtesy of DHTV Digital. Bottom left: Today, Square Deal Dairy’s herd has grown to 500 and maintains 1,500 acres for corn silage to support the operation. Photo courtesy of Dairy Star. Bottom right: Blake (right) and son Tyler discuss milk records in the farm’s parlor. Photo courtesy of Dairy Star.

CROP INSURANCE UPDATE FOR 2018

By Nathan Ehrhardt, Insurance Officer

On the farm, as in life, lots of little decisions support growth and development — or lack thereof. Factors like economic variables, weather, hybrid choices, marketing decisions and global exports influence the daily decisions that impact the success of your operation.



Nathan Ehrhardt

As the agriculture industry continues to face the tough economics of the past few years, farmers have been required to continually sharpen the pencil to determine what the best strategies are to maximize profit margins and efficiencies.

A well thought-out risk management strategy is crucial in understanding and adjusting the factors within your control to help safeguard your operation for the future. A solid risk management strategy includes working toward increased production, cost analysis or improved marketing of commodities. But where does crop insurance fit in?

Many top producers place it at the top of their list. Purchasing crop insurance should no longer be viewed as simply a cost of doing business, but rather an important part of your operation's risk management strategy.

Even with overall yields being better than expected in many areas for 2017, this year's federal crop policies and projected pricing look comparable to last year's. In addition, for 2018 the landscape of the Federal Crop Insurance may look eerily similar to what we experienced in 2017, because the ten-year production history is also similar to 2017.

With this potentially being our foreseeable future, as margins tighten, the next question may be: What other options are available to protect the risks my operation faces this year?

When reflecting on your own operation, what risk concerns are most prevalent? Revenue, yields, geographical weather anomalies, or perhaps a combination of all three? Whatever the case, there are supplemental products that can be tailored to each farm's individual tolerance of risk.

As the crop insurance industry has evolved over the past few years in anticipation of these challenges, new products have been introduced to the market. When selecting your crop insurance partner, be sure to look at what they can offer you as a whole.

Utilize your network and experience to connect with a trusted advisor who understands the complicated ins and outs of crop insurance. With Compeer Financial, you do not have to face the task of selecting the best protection for your operation alone.

Your **crop insurance** team should be viewed as a valuable partner: one you can leverage to make sure you use the crop insurance tools and products that will help your operation succeed, even during these turbulent times. Compeer Financial's crop insurance team offers a high level of integrity, commitment to the industry, deep understanding of your operation and vast array of resources and products. The most effective crop insurance partner will be able to guide you to fully maximize the federal crop insurance products first, and add supplemental products that fit your unique situation and goals.

As we approach the important sign-up deadline of March 15 and you continue preparations for the 2018 growing season, Compeer stands ready to act as your trusted and experienced partner to utilize crop insurance as a vital risk management tool to safeguard your operation.

For operations already working with us, we say 'thank you.' And to those looking for a new perspective, our team welcomes the opportunity to speak with you.



Sign up for ONLINE BANKING

Online Banking offers these features:

- Schedule and automate payments and disbursements
- Transfer funds to and from external accounts

Go checkless with:

- Bill pay
- Payroll
- Electronic payment services

Automate bill paying and save time!

- Access balance and loan details
- Export and synchronize transaction history with your accounting systems
- Import payees and payment details
- Schedule recurring payments and transfers
- Use mobile banking and remote deposit
- Receive transaction and balance alerts
- Protected with robust permissions and authority controls for multiple users

Visit compeer.com or call (800) 705-6603 to learn more.

Coming Soon!

Compeer Financial Contact Center

(844) 426-6733

Always talk to a team member dedicated to answering your call.

Open 7:30 a.m. to 5 p.m., Monday through Friday.

- Money Movement
- Loan Servicing
- Billing & Statement Questions
- Client Access Support
- Online Banking Support
- Fraud Reporting

It pays to be a MEMBER-OWNER.

Cooperative benefits working for you.

Compeer Financial puts our member-owners first. One of the ways we do this is by sharing our profits — paying back excess income in the form of patronage cash. Being a member-owner pays.





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

New name. New opportunities.
WE'RE COMPEER FINANCIAL™

We're Compeer Financial.™

Our names have changed, but our service has not because we remain a member-owned cooperative with a shared commitment to championing your success. Our team members now span across Illinois, Minnesota and Wisconsin, bringing greater depth to our financial expertise and industry knowledge. But we are still your neighbors, friends and, many of us, fellow farmers. And we're ready to meet you at the coffee shop, the farm, our office or anywhere in between to help understand your needs and guide you toward success. Let's get started today.

LET'S #CHAMPIONRURAL TOGETHER.

