

Remaining Relevant in Changing Times

By Bruce Kempf, chief executive officer



I'm pleased that Mid-Iowa Cooperative (MIC) started off the 2022-23 fiscal year with strong fall grain receipts and an increase in our feed business by more than 30%. Your business makes this possible, and I thank you.

In addition to our strong core grain and feed business volumes, MIC was able to capitalize on the investment in SRSP. **With recent approval from MIC's board, more than \$1.6 million of non-qualified patronage will be mailed by May 1 to members. Also, more than \$1.5 million is being invested in capital projects this summer.**

Return on this investment helps strengthen our balance sheet and puts MIC in a strong financial position to return equity to members, advance and add value to our core business, and invest in business opportunities that protect and grow the cooperative and member equity along the way.

MIC must continue to adapt in changing times, as we face challenges of high inflation, higher interest rates, and inverted markets showing no signs of letting up. We're focusing on three factors to keep MIC relevant, including:

1. **Growing our grain business.** In the wake of droughts, derechos, and inverted markets, large grain processors and livestock feeders have been originating more grain outside their region to protect their supply, leaving local bushels captive. MIC will continue to focus on growth through

relationships, partnerships and key assets. By increasing logistic capabilities to access additional markets, MIC will increase our relevance with end users and add more margin to the elevator and your bushels.

2. **Building on our strengths.** MIC's grain and feed departments complement each other well. Increasing our feed business creates corn scarcity and better margins in our local region. We will continue to look at end-user opportunities that increase grain demand and profitability for our members and the cooperative.
3. **Leaning into change.** The team at MIC has taken on some big challenges in the last two years. Their tremendous efforts have brought many new efficiencies and improvements that help set MIC up for success. Producers, for example, benefit from self-dumping grain systems. They can haul more loads and dump grain safely after normal business hours, and our team members can work more efficiently. I'm also excited for the future. With continued capital projects and growing our core business, we'll continue to find ways to build long-term equity for our members and sustainability for your cooperative.

Remaining relevant to local farmers and end users is the key to MIC's future. I appreciate the opportunity to serve you and wish you a safe, productive planting season. 🌱

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Don't Just Focus on Planting This Spring

By Jeff Thatcher, grain department manager



With all the rush of spring field work, remember that one of the best times to make grain sales is during planting. In fact, it's not uncommon to see some better prices between now and the 4th of July.

There's still a significant portion of old-crop grain yet to price in our trade territory. We're in an inverted market, plus we're all dealing with higher interest rates. This means it costs much more to keep corn and soybeans than it has in years past. The longer you hang onto this grain, the less profit you'll likely get.

Make the most of marketing opportunities when you can. It also helps when you have a good handle on your breakevens and link your grain marketing to crop insurance. If you have any questions related to grain marketing or crop insurance, remember that the Mid-Iowa grain team is here to help.

We look forward to hearing from you and hope you have a safe, productive planting season. 🌱



"Speed and Space" Mean Better Service for You

By Rick Pfantz, grain operations manager

Mid-Iowa Cooperative's (MIC) board of directors has approved a series of capital projects so we remain your "speed and space partner."

- **Haverhill:** We're adding a 25,000-bushel-per-hour, double drive over conveyor with an additional 750,000-bushel bunker, along with an inbound and outbound scale. Since we're always having to transfer corn out of Haverhill, these upgrades will allow us to be more efficient with inbound and outbound grain. These improvements will be done by fall 2023. They will also allow Mid-Iowa's trucks to focus on our on-farm grain pickup service.
- **LaPorte City:** As rail traffic at this site has continued to increase, we've focused on a multi-phase improvement plan to create a safer work environment for employees and faster grain loading. In phase one, we added a 15,000 bushel-per-hour grain receiving leg and pit to the location on Bishop Avenue, doubling our grain receiving capacity, plus we added a 5,700 bushel-per-hour dryer in 2023. In phase two, we're adding a 30,000-bushel bulk weigh system. We're also adding a 30,000-bushel fill conveyor with a screener and screening bin. This is a big increase from our previous 15,000-bushel-per-hour system. All this will make rail-car loading more efficient. The rail also gives us more options for marketing the grain.
- **Midway:** We're installing a dust-control system to manage dust when you dump grain here. This system will use an oiler that will coat the grain with a thin coating of oil, plus the technology will include a dust bag house. This equipment will last a long time and will create a healthier environment for Mid-Iowa's employees and customers. We wanted to complete this project in 2022, but supply chain issues delayed it. We're looking forward to completing this in 2023.

Thanks for your ongoing support of MIC—your speed and space partner. 🌱



Meet Ben Bader, Mid-Iowa Board President



There's a saying that you "manage" things, but you "lead" people. Mid-Iowa Cooperative (MIC) is pleased that Ben Bader, 37, is leading in his new role as MIC's board president. We recently caught up with Ben to ask him some questions and help you get to know him better.

How did you get involved with the co-op?

I grew up with the local co-op being a big part of our family's farm. My dad served on the co-op board in Jesup and also did business with the co-op. I saw early on how important the local co-op was to our farming operation.

How do you describe your farming operation?

I've farmed south of Jesup for 14 years with my family, including my dad. I'm a sixth-generation farmer in Black Hawk County and returned to the family farm after graduating from Iowa State University (ISU). Our family raises corn, soybeans and hogs, plus we run a feed mill that services our swine barns. My wife, Anna, and I have three young daughters: Molly, Leah and Madelyn.

You previously served on the East Central Iowa Cooperative (ECIC) board. What did you appreciate about the MIC board, including Bob Hogle, who was MIC's board president for many years?

Bob has been a great mentor. He's a good communicator who has the ability to bring people together. While you hear horror stories of co-op unifications that don't work out, due to culture clashes and other issues, I'm glad the ECIC/MIC unification has worked so well. Our board tries not to get bogged down by day-to-day details at the co-op. We try to see the big picture and think strategically to look out for the good of MIC as a whole.

What sets MIC apart from the competition?

We have some exceptional leadership here. Mike Kinley is a forward thinker and a valuable strategic advisor and now the succession plan has come full circle with Bruce Kempf as our CEO. Carrying on this tradition of strong leadership is a blessing. We're also fortunate to have a lot of experienced, skilled team members who care about the farmers they serve.

What unique skills or knowledge do you bring to MIC?

I understand the importance not only grain production, but animal agriculture. Livestock production is a gateway into farming for a lot of young farmers, plus it creates a lot of jobs in Iowa. My background in pork production helps me better understand the feed business, which is a key part of MIC.

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BADER NAMED IOWA MASTER PORK PRODUCER

Ben Bader, Mid-Iowa Cooperative's board president, was honored as an Iowa Master Pork Producer during the 2023 Iowa Pork Congress.

Ben finishes about 12,000 hogs annually. Half come from his own buildings, and the rest are custom-fed. He markets pigs through Big Stone Marketing and owns shares in Wholystone

Farms, a farmer-owned, pork-processing facility in Fremont, Nebraska, where he sells most of his hogs.



Ben farms on the county line between Black Hawk County and Buchanan County. His ownership in

two PIPESTONE-managed sow units—Skyline Pork in nearby Independence, and Dylbrook Farms in Canistota, S.D.—allows him to stay an independent producer.

Ben earned his agricultural systems technology degree from Iowa State University in 2008. To make room for him full-time on the farm, Ben and his dad built a feed mill in 2009. Ben rented a hog building his first few years before putting up his own 1,000-head finisher. He has steadily grown from his early days of finishing just 2,100 pigs per year.

Bader and his wife, Anna, were 2016 winners of the Iowa Environmental Steward Award from the Iowa Pork Producers Association. Ben has also invested in GreenStone Farms, a group of farmers led by PIPESTONE who work together with their row crop acres to create and capture value for farmers in the U.S. carbon market.

"It's humbling to receive the Iowa Master Pork Producer Award," Ben said. "It shows you're on the right track. I'd like to thank my family for all their support, which helps make all this possible." 🐷





MEET THE MID-IOWA BOARD OF DIRECTORS

Mid-Iowa Cooperative's leadership includes a 9-person board of directors. These leaders directly oversee the direction and growth of your cooperative. Shown here (*left to right*) are Jeff Hibbs, John Lichty, Ron Hager, Ben Bader, Steve Holl, Henry Rolston, Chad Adelmund, Kirk Stackhouse, and Brent Schipper. 🐾

Check This Safety "To-Don't" List

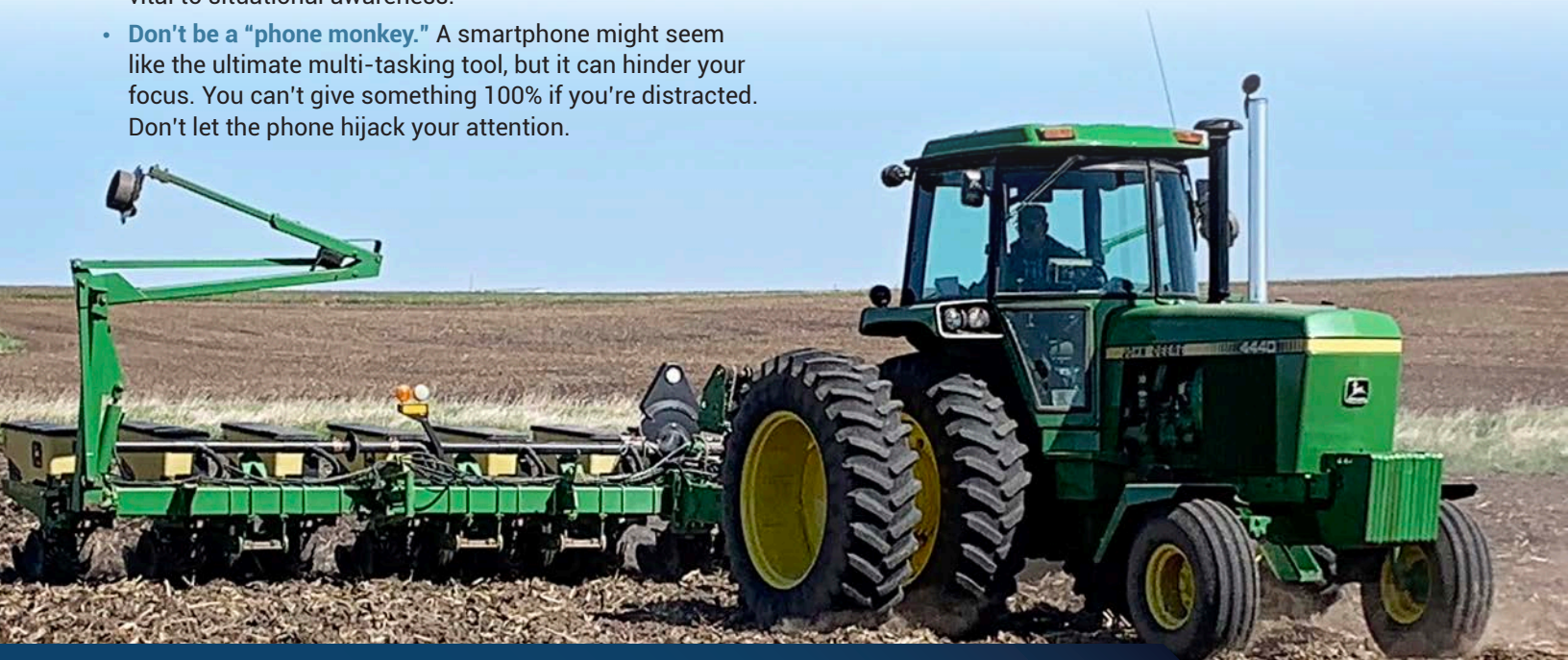
By Darrel Burt, safety director



Spring is a time for a new growing season and a fresh start. That extends to safety habits, too. Instead of a safety to-do list, why not try a "to don't" list?

- **Don't assume.** As fewer kids grow up on farms, more people working in agriculture today (either at the co-op or on local farms) may not understand farm safety. Make time to teach safety basics, and emphasize that it's okay to ask questions. Encourage them to stop what they're doing if something doesn't seem right, or if it's creating an unsafe environment. People tend to ignore unsafe shortcuts, because they've never been hurt and think it won't happen to them.
- **Don't minimize situational awareness.** During safety training at Mid-Iowa, we teach people to think through the consequences of their decisions. If I do this, what are the possible outcomes? What are the potential hazards? Paying attention to what's going on around you, and using all your senses to make educated decisions, are vital to situational awareness.
- **Don't be a "phone monkey."** A smartphone might seem like the ultimate multi-tasking tool, but it can hinder your focus. You can't give something 100% if you're distracted. Don't let the phone hijack your attention.

- **Don't rush.** I know we only get a limited number of days to work in the spring and get the crop planted before yield is affected. It's okay, though, to slow down and make sure things are safe. I often remind our team to do a double check. Do they have all the safety equipment they need? Do they understand how to use it?
- **Don't skip grain bin safety.** Besides planting and spraying, we'll also be moving a lot of grain and emptying bins this summer. On the farm, keep all your safety guards and shields in place. Never enter a bin where the unload auger is running. Grain can have a lot of weight behind it and can move swiftly.
- **Don't wait until it's too late.** Safety isn't a one-and-done. It's something to emphasize daily, so it becomes second nature. At the end of the day, we want everyone to make it back home in good condition. Have a safe, productive 2023 growing season! 🐾



Farewells and Welcomes to the Mid-Iowa Accounting Team

There's a saying that you don't build a business; you build people. That's our philosophy at Mid-Iowa Cooperative (MIC).

We'd like to highlight three team members who recently retired from the co-op, including Judy Kramer, credit administrator at MIC's Hudson location; Loretta Doepke, who handled human resources and provided scale support at Cedar Falls; and Nancy Landt, accounting coordinator. We appreciate your years of service and wish you all the best in this new chapter of life!

We've also added some new team members, including:

- Leann Schipper, who came to us from Sinclair. Leann works with our patronage, payroll, and accounting team.
- Lisa Mahr, who came to us from B&B Farm Store in Jesup. Lisa works in accounts payable and credit administration.

Two other MIC team members have expanded their roles at the co-op, including:

- Joel Benson. Joel handles MIC's information technology needs, which is a big job.
- Holly Gunderson. In addition to her executive assistant duties, Holly has taken on expanded roles in grain settlements and accounts payable support.

We're grateful to have such a talented group of dedicated, hard-working team members. 🌱



Mid-Iowa Cooperative is fortunate to have many dedicated, long-time team members. During our all-employee meeting on February 20, we honored those who have reached years-of-service milestones. Shown here (left to right) are Darrel Burt (5 years), Jim Emig (5 years), Matt Cheville (10 years), Shane Hepler (25 years), Jamie Worthen (5 years), Joel

Benson (5 years), Jerry Rahn (15 years) and Jeff Thatcher (15 years). Not shown are Kendall Adelmund (5 years) and Cade Groeneveld (5 years).



Ryan Ashton (left), logistics coordinator at Mid-Iowa, and Terry Matney (right), rolling stock manager for Mid-Iowa, presented Bob Pippert his jacket at the all-employee meeting in February. Bob is now a member of the Million-Mile Club at Mid-Iowa. The Million-Mile Club honors drivers who've driven 1 million miles for the cooperative, hauling everything from corn to livestock feed. Congratulations on this major accomplishment, Bob! We appreciate all your hard work and dedication.

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What opportunities do you see for MIC?

The co-op is important to the local communities we live in. I'm glad that MIC is a progressive cooperative that's not afraid to be a leader. This isn't the co-op of 10 or 20 years ago. It's exciting to be part of a company that thinks outside the box, looks for new ways to partner with end users, and works hard to remain relevant to the farmers it serves.

What's your vision for the future of ag?

I value the heritage of farmer-owned cooperatives, since they exist to help local farmers accomplish things they couldn't achieve on their own. The co-op is especially useful for beginning farmers and small to mid-sized producers. Pooling our resources together helps give us a competitive advantage. I hope the industry doesn't get to the point where you have to have a large farming operation to survive. I want small to mid-sized farmers to continue to have opportunities to thrive. 🌱

Editor's note: Ben has been involved in various church boards and enjoys volunteering at the school and St. Athanasius Catholic Church in Jesup. Ben is also a past president of the Black Hawk County Farm Bureau board and is the county Farm Bureau's current voting delegate. In his free time, he enjoys traveling and camping with his family.

JOIN OUR TEAM

If you or someone you know is looking for a job, take a look at Mid-Iowa Cooperative (MIC). A farmer-owned cooperative like MIC offers a wide range of career opportunities, growth potential, a family-focused rural environment, and a place where your work matters.



We offer competitive pay, an excellent pension plan, 401k benefits and more. MIC also provides an employee referral bonus program to our team members.

For more information about career opportunities at MIC, visit us online at www.midiowacoop.com/careers/. 🌱

Mid-Iowa Helps Fight Hunger



Food Box donation March 2023

Mid-Iowa Cooperative (MIC) and Land O' Lakes recently donated to the Emergency Food Box, a food pantry in Marshalltown. Darrel Burt (left), MIC safety director, and Janet Trepp (second from left), MIC marketing coordinator, presented the check to Gary Fulton (center), director of the Emergency Food Box. Roughly 100 volunteers (including some who are shown in this photo) help run the Emergency Food Box.



Independence Food Bank 2023

Mid-Iowa Cooperative (MIC) and Land O' Lakes recently donated \$1,000 each to the Independence Area Food Pantry (IAFP). Darrel Burt (left), MIC safety director, and Janet Trepp (right), MIC marketing coordinator, presented the check to Jan Rowland with the IAFP.



NE Iowa Food Bank

Mid-Iowa Cooperative (MIC) and Land O' Lakes recently donated \$1,000 each to the Northeast Iowa Food Bank (NIFB). Shown here (left to right) are Darrel Burt (left), MIC safety director; Chris Kangas, NIFB director of development; Janet Trepp, MIC marketing coordinator; and Tom Blanford, NIFB director of finance.

Rapid Growth Drives MIC's Feed Department

By Chad Ciesielski, feed division manager



Growth doesn't happen by chance. We've experienced rapid growth here, thanks to a variety of key factors.

During the first quarter of 2023, tons were up 39% from the fourth quarter of 2022. Around half of this growth came from existing customer growth and a couple new accounts. The other half of this growth came through acquiring tons through the closing of B&B Farm Store in Jesup.

We were fortunate to welcome many of the former B&B staff members to the Mid-Iowa team. Combining this expertise has allowed us to bring added volume into our Jesup and Beaman mills seamlessly, so we can continue to meet producers' needs.

Our feed team assessed multiple options on how to manufacture and deliver this additional feed without fatiguing our production crews. We've adapted a two-shift milling and delivery structure to increase the Jesup mill's capacity. This also gives us the ability to deliver more volume with the same number of trucks.

Teamwork pays off

We've learned a lot of ways to adapt and overcome lately. December 2022 brought many challenges, including a few days of blizzard conditions, several truck breakdowns, and many days operating with less than a full crew. Despite these issues, we manufactured 12,243.06 tons of feed for the month—a new monthly record!

Pulling this off required a joint effort between the feed team and assistance from a couple transportation department drivers. Sinclair Milling even had a couple days that they were ahead of pace and hauled a few loads for us. While there were certainly moments in December that seemed almost impossible, I'm proud of the way the Mid-Iowa team worked together to get everything done.

Increasing efficiencies

We continue to look for efficiencies for Mid-Iowa's feed mill operations.

Work has started on the mill electrical service upgrade. We anticipate this project will be completed this summer. During the late winter/early spring, Mid-Iowa introduced Agistics to our feed delivery units. This technology allows the mill production staff to dispatch and track feed deliveries. This software streamlines the delivery process and brings many efficiencies in load planning. We're currently working with several millwrights to prepare design options to increase throughput.

Thank you for your continued support of Mid-Iowa's feed business. 🙏

BOB HOGLE: WITH TIME COMES PERSPECTIVE



My time as Mid-Iowa Cooperative's (MIC) board president has ended, now that Ben Bader has taken on that role. I'm glad that younger leaders are willing to step up to lead MIC forward.

There has been so much change since I started serving on the co-op board more than 20 years ago. Back then, ag was still adjusting to the legacy of the 1980s Farm Crisis, when a significant number of producers had quit farming or taken off-farm jobs. Other big changes included the growth of the biofuels industry, the consolidation of the livestock industry, and the aging of rural America.

During my time on MIC's board, I worked with two general managers who had different leadership styles. Farmers' needs were also changing during this time. Unifying with East Central Iowa Cooperative in 2019 made a huge, positive difference as we looked for ways to keep the local co-op strong.

Now we're in a time of rising interest rates and other big challenges ahead in agriculture. I see MIC remaining strong in grain and believe more unique opportunities will unfold for MIC in the years ahead.

If you value local co-ops, do business with them, teach your children and grandchildren about the cooperative difference (including local ownership), and support cooperatives like MIC that support our rural communities. Thank you for the opportunity to serve MIC, which continues to add value for local farmers. 🙏



Mid-Iowa Donation-March 2023 UnityPoint

Mid-Iowa Cooperative (MIC) values the opportunity to give back to our local communities and serve those in need. MIC is proud to support the Grundy County Memorial Hospital (GCMH) – UnityPoint Health and is a 2023 sponsor for the hospital foundation. Shown here (left to right) are Darrel Burt, MIC safety director; Holly Gunderson, MIC executive assistant; Adam Scherling, GCMH CEO; and Keely Harken, GCMH foundation program manager.

Mid-Iowa Cooperative Sells Its Shares in Shell Rock Soy Processing

Two years ago, Mid-Iowa Cooperative (MIC) was a founding member of Shell Rock Soy Processing. The purpose of the investment was to create a new more efficient market that would generate significant long term returns for our members. The intent was to hold the investment long term and utilize the dividends to benefit our members.

Late last year, MIC was presented with an offer to buy its shares of SRSP. With the direction of Mike Kinley, MIC was able to sell its \$5.2 million investment for \$20 million and earn over \$1.8 million in management fees over the two-year period.

The decision to sell the SRSP investment was not an easy decision for the Board of Directors. The two biggest factors in the decision were:

1. The significant return on the investment upfront
2. The fact that we succeeded in creating a new, more efficient market for our members, which includes better soybean receiving, shorter wait times, and improved area basis.

The gain on this investment will be used to:

- Payout \$1.6 million in equity
- Add speed and space
- Enhance rail loadout
- Make additional investments
- Future investments that support the growth of co-op and the members' equity

Because of these developments, producers will benefit for decades, and MIC's balance sheet will be poised for future growth. ~\

