

NEW VISION

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Feed

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Manager's Report

By Frank McDowell, General Manager

Reduced fall fertilizer application, drying income and lower corn yields generated a very conservative budget projection when it was approved in November. Actual financial results through six months have been a pleasant surprise as we are exceeding budget due to continued growth in our feed business.

New Vision Coop had a corn bin go out of condition at its Mountain Lake elevator in mid-December. This is a very rare event as this is the second one I have been involved with in my forty year career. New Vision's insurance carrier is responsible for losses due to fire. New Vision is responsible for damage caused by the corn going out of condition. You can see that there is a need for both parties to compromise to reach settlement as the determination of fire damage and damage caused by out-of-condition grain is murky. As of this newsletter, New Vision has proposed settlement for the grain, bin loss, clean-up and load out expenses. The insurance carrier has made a counter offer on the grain and bin loss and has our claims for clean-up and load out under consideration. The good news is the loss was mitigated by our Mountain Lake employees with help from Brandon Quade, Dan Koopman, Troy King, Dan Benz and others by working together to identify problems, consider options and move forward with solutions. There were no personal injuries or collateral property damage associated with this claim. The grain will not be used in any New Vision feed mills. While the liability to New Vision is unknown at press time, it is not expected to be material to accrued financial reserves already in place for this type of catastrophic event. At the end of the day, we will work through this claim, rebuild the bin and return to normal operations. The best news is there were no injuries, accidents or collateral property damage due to this fire. The Mountain Lake Fire Department is also deserving of New Vision's appreciation. They did an excellent job fighting the fire and managing the participating fire departments in a safe, professional and efficient manner.

On March 31st a joint board meeting was held with the Advisory board members and New Vision management to develop the Five Year Business Plan. This process will ultimately conclude with the Board of Directors approving the plan during their July or August board meeting. You may appreciate knowing that approximately 90% of the goals included in the 2010-15 Business Plan were achieved.

Enjoy the spring season and play it safe!



Board Room News

By Jim Eigenberg

Greetings from the board room! In accordance with the By-Laws, the board reorganized immediately following the annual meeting. The results were the same as last year with myself serving as Chairman, Kelly Dunkelberger as Vice-chair, and Tim Hansberger serving as Secretary-Treasurer. We will serve as the executive board for 2015.

By now most everybody reading this has heard or witnessed that we had a corn bin go out of condition and a bin fire at Mountain Lake. Once the fire started, the only option was to get all the grain out as fast and safely as possible. In the process, a fair amount of damage was done to the bin. The amount of insurance coverage for the loss is still pending. All the grain has been either reconditioned in our facilities or sold to an end user that is aware of the grain quality and approved to use it. None of this grain was placed in any of our feed mills. Most of us would agree that this shouldn't have happened. The company has had a successful policy for stored grain. The board will strive to make sure that this doesn't happen again. New Vision will be responsible for our insurance deductible and has reserves in place to cover additional claim costs should the Board elect to do so. The combination of loss control by our employees and anticipated insurance coverage should result in an acceptable cost to New Vision and will not materially impact our financial strength.

As long as we are talking about financials, can you believe that we are almost half-way through our fiscal year? The results are positive and it is sort of fun to watch the pieces fall into place. The investments in our company

are paying off.

This time of the year the board meets regularly and what's even more special this year is completing our five-year plan. We will accomplish this with the help of the advisory board just like we did five years ago. This will be very important for us to set goals for our management team.

In our February meeting we were joined by Jeff Doorenbos, our Co-Bank loan officer. This is an annual event at the least and it was great to have him join us. At this meeting, we also hired our current auditor, Meriwether Wilson, to perform our audit this year.

The other responsibility your board is doing is attending important meetings and seminars. Some of the events under our belt are the AGP Annual Meeting in Omaha, Dr. Boland's board seminar in Jackpot Junction, Land O' Lakes director training, Co-Bank Annual Meeting in Minneapolis, and a host of other smaller events.

Dan Uttech and Jim DenHartog went to Las Vegas to attend the Fifth Annual FC Stone marketing meeting. It sounds like a lot of fun until you look at the agenda and realize it is 1 1/2 days of solid speakers. I was planning on going with them but a last minute change in my schedule changed all that. Don't be afraid to ask them how it went and I will try to attend next year.

To wrap this up, the board continues to strive so that New Vision Coop remains loyal to providing services for our members and returning profits in an orderly fashion.

I would like to thank everybody who took time to read this and would like to wish everybody a safe and productive planting season.



New Vision Coop 2015 4-H Sponsorship Program

By Micah Rupp

The New Vision Coop Board of Directors has approved the 4-H Sponsorship Program for 2015 as part of New Vision's ongoing commitment to area 4-H programs. After evaluating last year's program, some improvements have been made to the 2015 program. These changes were discussed with area 4-H Program Coordinators during their March 18 meeting. Additional recommendations made by the Program Coordinators during this meeting were also incorporated into the 2015 program.

In order for an exhibitor to qualify for New Vision's 2015 4-H Sponsorship Program the eligibility standard listed on the form must be met and the form completed and returned to New Vision Coop by Monday, June 1, 2015. You may use the form in this newsletter or visit the New Vision website.

If you have any questions regarding this program contact Lindsay Watterson (lwatterson@newvision.coop) or Micah Rupp (mrupp@newvision.coop).

New Vision Coop 2015 4-H Sponsorship Program

ALL FORMS MUST BE SUBMITTED AND POSTMARKED BY JUNE 1, 2015
TO Micah Rupp (mrupp@newvision.coop) OR Lindsay Watterson (lwatterson@newvision.coop).

LATE APPLICATIONS WILL NOT BE ELIGIBLE.

ELIGIBILITY

Exhibitor's parent must be a New Vision Coop member (\$ 10,000.00 business during the 2013-14 fiscal year and agricultural producer).

Exhibitor's entry must meet all 4-H fair eligibility requirements and deadlines.

Cloverbuds are not eligible for this sponsorship program. Coop calves do not qualify.

Exhibitor Information (Exhibitor to complete the section below and return to NVC by June 1, 2015)

1. 4-H Exhibitor's Name _____
2. Parent's Name _____
3. Phone Number _____ 4. Email _____
5. 4-H County & Club _____
6. Circle all that apply. The highest qualifying category will be paid.
 - A. Beef, dairy, cow/calf \$ 200.00
 - B. Swine, calf, sheep, horse \$ 100.00
 - C. Goats \$ 75.00
 - D. All other exhibitors (poultry, rabbits and general exhibits) would receive a \$15.00 exhibitor donation.

Return completed form to New Vision Coop, 38438 210th Street, Brewster MN.

PAYMENT

Upon receipt of this completed form, New Vision will confirm accuracy with your local 4-H Program Coordinator. Payments will be distributed through your local 4-H office after the county fair concludes. New Vision Coop recognition ribbons will be delivered to 4-H Coordinators to distribute to each exhibitor.

OFFICE USE ONLY

4-H Coordinator's signature below is required to verify member qualifications.

4-H Coordinators' Signature _____ Date _____



Safety Message

By Brad Berkhof, Safety Manager

If Mother Nature continues to provide us with warmer than normal temps and the dry forecast is accurate, your New Vision Coop agronomy department will be in full swing in the coming days. The start of planting season means long hours for all of you and New Vision's agronomy employees.

Tender trucks will be out on the roads supplying product to the floaters, nurse tanks will be in transit between field and storage tanks supplying nitrogen to those applying anhydrous and our floaters will be traveling roadways, sharing the roads with heavy traffic at times. As safety director, I expect our employees to work safely during the busy season and allow adequate time to perform their jobs. As a company, we ask you, the farmers, to realize that we will do our best to meet your spring needs, but we will not allow safety to take a back seat in the process. Be patient and understand that we will get the job done, meet your demands and do it safely, which will make this spring season successful for everyone. On behalf of New Vision Coop, have a safe and rewarding spring planting season.



Precision Ag

By Andy Krueger

I'm sure many of you have been overwhelmed this winter with technology companies offering products or services claiming to be a necessity for your farm. How do you sort out the beneficial ones from the pretenders? Or do you just discard them all into the trash without even taking a look? One company that stands out and has definitely caught my attention is Climate Corp. Climate Corp. is the leading technology company when it comes to weather management and analysis that is narrowed down to your exact field. You may be wondering how Climate Corp fits your operation and how it can be profitably utilized into your day to day operation. I will briefly explain the two programs offered by Climate Corp.

The first program is Climate Basic. There are five main features to Climate Basic. These include: Field-Level Weather, Crop Details, Notifications, Scouting, and Reports. Within the first 24 hours of a rain event, Field Level Weather will provide a range amount of rainfall. After the model has been calibrated it will give you an accurate rainfall amount for each of your fields. You have an option to sign up for additional notifications that will alert you if hail was detected in any of your fields or receive an email reporting 24 hour rainfall totals. The next feature is Crop Details. Once you have entered your planting date and relative maturity, Crop Details will properly track the growing degree days, grain moisture and soil moisture and temperature. This information is helpful to utilize proper herbicide and fungicide management by identifying crop stages. Scouting alerts can be set up to track insect and disease alerts for your area. Reports can help complete 578 forms, acreage/production reports, and claims more quickly with accuracy. I recommend trying these tools on your operation. They can be free of charge. Now I know the old saying, "Nothing is free." However this is a no-strings attached opportunity to explore some of these features in your own operation.

Andy Krueger
New Vision Precision Co-Manager
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Now let me ask you this: How much time is spent deciding how much nitrogen should be applied on each of your fields? Once you do decide the amount, do you have the peace of mind to know how much is available for your crops after a large rainfall? How much nitrogen are you receiving from mineralization? The answer to these questions depends on three things: soil organic matter, soil temperature, and soil moisture. Climate Corp tracks all these areas in your field for you through its Climate Pro module! Climate Pro offers the Nitrogen Advisor which will track the nitrogen availability in each of your fields. Five things will be required in order to get a nitrogen availability model for each field: nitrogen source and amount applied, soil PH, organic matter and soil type. You may add additional items such as drainage, tiling, stabilizers, etc. to help narrow the model even further. During side dress time you can compare the benefits of adding 40 lbs. of N vs. 60 lbs. by adding in the price of corn and nitrogen to accurately forecast a ROI of each. The second feature Climate Pro offers is the Field Health Advisor. This uses satellite images that you can use to find problems in the field during the growing season. Historical images can be searched to evaluate crop health issues from the past that can be applied to your current situation. By noticing these images on satellite you can quickly fix the problem before it becomes detectable to the "naked eye." Climate Pro is being offered at \$3/acre. When it comes to managing nitrogen that costs fifty cents per pound, Climate Pro brings the most value to your operation above all the competitors.

New Vision is continuing to be on the leading edge of precision. The first step for having Climate Corp help with your operation is to contact Jared Knips, your New Vision agronomist or me to set you up with an account and add your fields. Thank you for taking time out of your busy schedule and learning new ways that New Vision is there for you!

Jared Knips
New Vision Precision Co-Manager
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Office #: 507-793-2377
Email: jknips@newvision.coop



Agronomy News

By Dennis Weber, Agronomy Manager

There are a few changes this spring that New Vision customers, agronomy plant operators and applicators need to address. The one that concerns me the most is the trend for more conventional corn acres.

If you are planting any conventional hybrids please make sure you document which fields are planted and that you clean out the planter before leaving the field. If seed remains in the planter and your next field is glyphosate tolerant, you will destroy any plants growing from carryover conventional seed when you apply glyphosate later in the season.

I can't emphasize enough to document, document and document where you have planted your conventional corn. This is also true if you have Liberty or any other herbicide tolerant seed. Mistakes will happen and they will be costly. The best answer is to avoid them by documenting planting activity and communicating custom application orders accurately.

Another change that will benefit you is the use of an insecticide and pre-emergence herbicide at planting time on corn on corn acres. When it's time to apply post herbicides, remember to properly clean out your sprayers. It's important to completely empty your poly sprayer. This includes the cavity created by the three quarter inch nut in the bottom of the tank.

If you were one of the early adapters and had grid samples taken four years ago, guess what? It's time to retake these samples! We have summer interns to help take these grid samples after you complete planting. Summer grid samples provide early test results so you can plan your fall fertilizer program during summer downtime and spend your harvest time in the combine. The Precision Ag Team has sent out "reminder letters" to customers that took grid samples four years ago. Please contact your local agronomist or Berr at 507-793-2301 to schedule grid samples. If you have never tried variable rate fertilizer application and want to know more about precision farming, give us a call. We not only variable rate your fertilizer and lime but the precision team can download your memory card from your combine and set your planter up for variable rate seeding.

Thank you for your support and have a safe spring season.



Calf Creep

By Micah Rupp

Spring is here and although we got off pretty easy this winter, the warmer weather is definitely welcome. Calving season is here and summer grazing will be upon us before we know it. With calf prices still high and expected to remain high for the next few years having extra weight on calves coming off grass is valuable. One of the best tools to accomplish that goal as well as to help stretch the grazing season and keep cows in better condition is creep feeding. With that in mind, New Vision Coop is constantly working to make sure that we provide the best creep feeding solutions for your calves. By making sure we only use the best ingredients our experienced mill staff will build a quality lineup of creep feed to suit any situation. We are constantly working to make sure our formulation is nutritionally sound and cost effective. Our mini pellet helps calves get started on feed more easily and our pellet quality means there are fewer fines left in the bottom of the feeder. Call your New Vision Coop representative or the New Vision Coop office and our feed department staff would be happy to answer any questions you might have. We look forward to hearing from you.



Credit Policy Review

By Alan Bush, Credit Manager

With this being my first contribution to New Vision Co-op's newsletter, I want to first thank the great employees and customers I now have the privilege of supporting. Frank and the Brewster group have been wonderful, as have been the other employees and customers in our marketing area. The Upper Midwest is a great place to work and raise a family. Thank you for giving me this opportunity.

In March, New Vision's Board of Directors approved an updated credit policy (key areas provided in this newsletter). The policy has a longer narrative than our previous policy; however there have been few major substantive changes to the previous credit policy.

Following are a few of the key additions/changes:

- 1) Open and extended terms customer information and document requirements are identified.
- 2) We established various customer account authorities, such as credit limits and legal/third party collection actions.
- 3) Procedures are identified for the handling of customer accounts that are outside of established terms and limits.

I want to take just a moment to discuss handling of those customer accounts which fall outside of established terms and limits.

New Vision Co-op offers its members and customers competitive and quality terms for purchasing products and

services. In addition to our standard open account terms, our Agronomy department offers an exceptional 'Input Financing Program' for our crop production customers.

In return, we have an expectation for all customers to maintain their accounts within established terms and limits. Those accounts outside of policy will be placed on a credit hold, with no charges until the account is brought back into a current status and reviewed accordingly for reinstatement of approved terms.

Credit issues are seldom fun to deal with. But, there may be no more important area for a business to handle properly and efficiently than its accounts receivable management.

Every business wants and expects their customers to pay their bills and never default. Fortunately New Vision Co-op has great customers and members. Collection accounts and bad debt write-offs have been kept to a minimum over the past several years. This improvement started with

learning some difficult lessons in 2008 and 2009 and adopting stricter policies for non-payment of accounts and improved margins in production agriculture during the last seven years.

It is important we be mindful of the cost of bad debt accounts. I'll provide an example. Let's assume we have a customer who does not pay their \$25,000 bill and the account is written off to bad debt expense. We'll also assume a 2% net profit margin for New Vision Co-op. For us to recover the \$25,000 bad debt write off, we will need to sell an additional \$1,250,000 in product. If we incur larger and/or additional bad debt write offs, our profitability can plummet, along with dividends to our members.

Good accounts receivable management is essential to New Vision Co-op's success. We are protecting one of our most important, liquid and at-risk assets.

Thank you again and I look forward to working with you all!

NEW VISION CO-OP CREDIT POLICY (Key Areas) March 2015

Terms:

All customers doing less than \$2,500 of business during the prior fiscal year with New Vision Co-op shall have no charge privileges. No credit is allowed and they are required to pay cash for all purchases.

New Vision Co-op offers a variety of payment term options for our members, commercial and employee accounts doing a minimum of \$2,500 of business annually.

If a customer has more than one account, all balances will be included when calculating business volume.

The ACH (Automated Clearing House) payment option, tied to approved terms, is encouraged for all customers.

Agronomy:

The standard term is net due 20th of the month following purchase.

Feed:

The standard term is "feed out the 1st through 15th shall be due the last day of the month; feed out the 16th to the end of the month shall be due the 15th of the following month."

More restrictive terms may apply to larger accounts.

Grain & Grain Services (No Change to Current Policy):

The standard term is COD on or before delivery.

Feed Corn Contract Sales

Current Month: +\$.10 per bushel over the New Vision Cash Corn Price.

Payment for whole corn is due when the corn is purchased.

Future Months: +\$.15 per bushel over the New Vision Corn Price for each respective month of delivery.

Payment for the contracted corn is due on the first day of each contract month, deposited into their Grain Bank account, and used as the customer's feed is manufactured.

Whole Corn Sales – New Vision Feed and Agronomy Customers

Current Month: +\$.10 per bushel over the New Vision Cash Corn Price

Payment for whole corn is due when the corn is purchased.

Future Months: +\$.15 per bushel over the New Vision Corn Price for each respective month of delivery.

Payment for the contracted corn is due on the first day of each contract month.

Whole Corn Sales – Non Member Customers

Current Month: +\$.15 per bushel over the New Vision Cash Corn Price for all other customers.

Future Months: +\$.15 per bushel over the New Vision Corn Price for each respective month of delivery.

Payment for whole corn is due when the corn is purchased, if in current month, and prior to load-out of the grain. For other months, payment is due on the first day of each respective contract month.

Quantity may be limited to the available bushels and grain quality at each individual location.

Accrued Grain Storage Charges Exceed the Value of the Stored Grain.

The New Vision Coop Board of Directors directs and authorizes the New Vision Grain Department Manager to comply with the following procedure if a customer has accrued storage charges in excess of the stored grain's value:

A certified letter with return receipt shall be mailed to customer(s) that have accrued storage within 5% of the remaining value of the grain. The letter shall notify the customer that their grain shall be sold automatically and without further notice to pay for the accrued storage charges if the accrued storage bill is not paid and the stored grain value equals the accrued storage at any time following the receipt of the notification letter. Remaining grain value, if any, will be included in a check mailed to the customer.

(All policies are subject to change or revision without prior notice.)

New Vision Hedge to Arrive (HTA) Policy

Hedge to Arrive Contracts can be written for corn and soybeans in 5,000 bushel increments. Hedge To Arrive risk management is offered for eighteen calendar months. Hedge To Arrive positions must stay within the respective crop production year.

HTA Fee Structure:

Corn: \$.005 per bushel per month from when the HTA Contract is written to the month of the grain delivery.

Soybeans: \$.010 per bushel per month from when the HTA Contract is written to the month of grain delivery.

HTA Contracts can be rolled within the USDA Crop Year with grain delivery to be completed by August 31st.

HTA contracts rolled will be subject to additional fees based on the original fee structure.

HTA fees are invoiced on the day that the HTA Contract is written with payment due upon receipt of the invoice.

(All policies are subject to change or revision without prior notice.)

New Vision Co-op Finance Charge (No Change to Current Policy):

If any balance is not paid by the due date, the unpaid principal balance shall be charged an 18% annual (1.5% monthly) finance charge. The finance charge will not exceed the maximum amount allowed by law

Out of Terms Account Management:

Customers that fail to pay their balance due within established terms shall forfeit charging privileges and be placed on the Cash Only List. Once the account balance is in compliance, the customer may be removed from the Cash Only List, at the discretion of the credit manager.

Payment made to grain customers with past due balances must have prior approval of the credit manager, or in their absence, the corresponding department manager or CEO.

Employee Purchases:

New Vision Co-op employees are eligible for all terms offered to our customers. There are no special discounts or other advantages offered to employees. Terms and credit limits will be established in accordance to normal requirements. Depending on credit limit and term requested, approval of the employee's department manager may be required.

Extended Terms Requirements and Evaluation:

Extended terms are available to qualifying customers via New Vision Co-op's INPUT FINANCING PROGRAM.

Due to longer payment terms and subsequent larger exposure, the customer information requirement and approval threshold will be higher. Current financial statements & cash flows, tax returns, personal guaranties for corporations & LLC's, entity signatory documents, personal guaranties and first position collateral may be required.

Financing rates will vary from year to year according to lending interest rates and New Vision Co-op Input Financing program purchase requirements.

All approvals will require the recommendation and approval of the responsible marketing department manager.

Collection:

When normal collection activity is exhausted, the credit manager may recommend the use of an attorney or collection agency. Collection fees shall be added to the customer's past due account. CEO approval is required on all accounts placed with an attorney and/or collection agency.

Revised Credit Policy authorized and approved by the New Vision Coop Board of Directors on March, 19, 2015.

Adrian (507) 483-2110 Beaver Creek (507) 673-2388 Brewster (507) 842-5944 Dundee (507) 468-2416 Ellsworth (507) 967-2565
Heron Lake (888) 792-2301 Hills (507) 962-3221 Hills Terminal (507) 962-3243 Jeffers (800) 882-9772 Lismore (507) 472-8233
Mt. Lake (888) 427-2423 Reading (507) 926-5185 Wilmont (507) 926-5141 Windom (888) 294-6366 Worthington (800) 657-3200



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Energy-efficiency loans available to local businesses, including Agri-Business

PACE (Property Assessed Clean Energy) is a financing tool used to assist commercial and industrial businesses (including agri-business) with improvements that substantially increase energy efficiency. PACE allows businesses, including agri-business, to make these fixture improvements without the up-front capital outlay. Costs for the improvements are paid back through a special assessment on their taxes. The increase in property taxes is offset by the decrease in energy costs so that the business sees no change in the bottom line. Examples for area farmers may include, but does not limit, livestock buildings, ag shops and grain dryers. This program is available in the member counties of the Rural Minnesota Energy Board. RMEB counties include Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood, Rock, Renville, Sibley, Brown, Watonwan, Blue Earth, Mower, Freeborn, Faribault and Martin. The program is administered by the Southwest Regional Development Commission.

The brochure and application can be found on the Rural MN Energy Board website at <http://www.rmeb.org/pace.htm>.

For more information, please contact Robin Weis at 507-836-1638 or robin@swrdc.org.

FOR SALE

Two MFS grain bins to be dismantled and moved with approximately 50,000 bushels capacity each, measuring 32' diameter X 45' tall to the eave. Can be seen at the downtown Hills location. Proof of insurance is required. Minimum bid is \$3,500.00. If interested, contact Dan Koopman at 507-227-6840.

Two Sioux grain bins to be dismantled and moved with approximately 18,000 bushels capacity each, measuring 24' diameter X 50' tall to the eave. Need new roof. Would make a good wet holding bin. Can be seen at the Ellsworth location. Proof of insurance is required. \$1,000.00 minimum bid. If interested, contact Dan Koopman at 507-227-6840.