

ANNUAL MEETING | INITIALLY CONFUSED TO BILINGUAL | AGRONOMY SALES TEAM

# SEEDS FOR SUCCESS

MAY  
2019



**PAC**  
**PROGRESSIVE**  
— AG COOP —

## IN THIS ISSUE

- 2 Year in Review**  
*Kent Domsch*
- 2 Notes from the CEO**  
*Mike Morlan*
- 3 CEA Mobile App**  
*Sarah Dodge*
- 4 Tech News**  
*Chris Kreifels*
- 6 Annual Meeting**  
*Laura Bringer*
- 8 Meet the Agronomy Salesmen**  
*Ryan Hall*



# YEAR IN REVIEW

*Kent Domsch, Director of Administration*

It is hard to believe the second year of Progressive Ag is already behind us, and by the time you read this article, we will be halfway into year number three.

Patronage checks for our second year were handed out at the annual meeting with 50% paid in cash and 50% paid in equity. Checks not picked up at the annual meeting were mailed out the next day. You may have noticed a change on your check stub from last year. Unlike past years, this year your total equity in the Progressive Ag Coop from the merger plus any equity you have earned in the last two years from the patronage allocation was printed on the check stub.

Any grain sold during the Coop's fiscal year was prorated at \$.052584 cents per bushel and \$.086809 cents per bushel for the DPAD (Domestic Production Activities Deduction) for a total of \$.139393 cents per bushel. The patronage on agronomy was calculated at 1.00938% of purchases and the DPAD was 3.0042% of

purchases. The patronage received on petroleum was DPAD only at 1.17% of purchases. The total DPAD allocation is a separate number on your check stub, which you will be able to use on your 2019 tax return as a deduction. In January of 2020, we will mail out 1099s, and your total patronage (cash and equity) will be reported as well as the DPAD deduction printed on your check stub.

Our CFA financing program has been well accepted and utilized by Progressive Ag patrons. The deadline for applications on spring planted crops has been moved back to May 17, 2019. The new program for the crop year of 2020 will not be available until sometime in August of 2019. This financing option has allowed patrons to have another avenue of financing to help with the cash flow of their farming operation.

In closing I want to thank the patrons for making this second year a great success. I look forward to the challenges of the new year and working with all of you.

## NOTES FROM THE CEO

*Mike Morlan,  
CEO of PAC*

On April 4th, we held the 2nd Annual Meeting for Progressive Ag Coop, and we were very pleased with the turnout of our members. I would like to thank all the employees who put efforts into planning and hosting the meeting. During the business meeting, we talked about the research from Co-Bank, the lender for Progressive Ag and many other coops across the country. They have found that over the last couple of years, the entire United States has seen a decrease in farmers' equity in all facets of the farm. Just like your own farms, the country's coops have also seen a decrease in both grain and input

**OUR BOARD,  
MANAGEMENT,  
AND EMPLOYEES  
HAVE AND WILL  
CONTINUE TO HAVE  
A VESTED INTEREST  
IN HELPING OUR  
MEMBERS**

margins. We talked about how your board, management, and employees have and will continue to have a vested interest in helping our members weather the next couple of years while maintaining a healthy coop ready to accommodate the needs of the future generations of farmers to come.

The last couple of months have been busy for the PAC employees with a late run on top dressing of wheat, getting elevators ready for harvest, and applying fertilizer on fall crop ground for spring planting. I hope you enjoy the newsletter and wish you all a safe and bountiful harvest.

CoMark Equity Alliance is proud to announce its free mobile app is now ready for you to download. The CEA mobile app is a smartphone/tablet program powered by Bushel which creates a platform that integrates customers accounting information right into their very own hands. The app allows producers who are customers at any of our member cooperative locations to access futures markets, local cash bids, contracts, scale tickets, & eSign features right at their fingertips. CEA staff and all members owners' staff will be available to assist customers with transactions. The app will benefit enrolled customers by allowing them to keep up with their daily operations while on the go.

## CEA APP FEATURES

Producers can now see cash bids for all CEA locations through the app. Growers can easily select their favorite locations, allowing them to see those local cash bids listed first. This empowers producers to quickly track local bids on their own, without the need to call the coop or check websites. The days where searching the internet and calling the coop were the only ways to access local cash bids are over.

Contracts are easily retrieved with one touch of your finger. Producers will be able to view their contracts, as well as remaining balances as bushels are hauled into the co-op. An additional array of information can be listed for each contract through the "View Detail" option. Futures price, basis, cash price and delivery period are a few of the items that are displayed. Another feature for our producers is the ability to export a contract listing from your phone to an excel document through an email.

Have trouble keeping up with your paper tickets? Does your custom harvester wait several days to give you the grain tickets? Not a worry anymore! Grain tickets can now be seen in real-time through the CEA mobile app! In the Tickets section of the app, producers can track their loads almost immediately once their grain has entered our system.

Don't wait, sign up today! The CoMark Equity Alliance app is now available for you to download FREE on Apple devices through the App Store and on Android devices through the Google Play Store. Simply search "CoMark Equity" in your search bar, then download. No username or password is required for setup. However, to begin using the app, you will first need to contact your local cooperative and verify your cell phone number. We are excited to launch this new platform of technology to our valued customers. Should you have any questions or issues setting up, please contact your local coop office or either one of our CEA offices: Cheney office at 316-542-3435 or Enid office at 580-242-0515.

*Sarah Dodge, CEA Hedge Desk & Purchasing*



# MOBILE APP

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## 2019 PAC BOARD MEMBERS

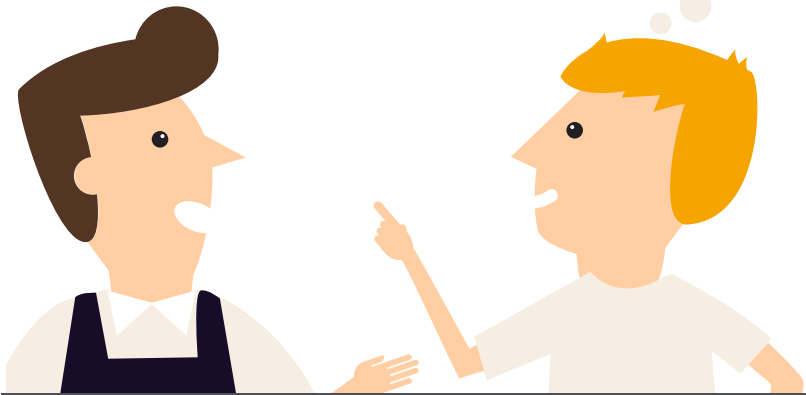
**Derek Totten**  
*Chairman*  
**Josh Ast**  
**Colton Day**

**Mark McCoy**  
*Vice Chairman*  
**Scott Easter**  
**Kevin Fitch**

**Mark Davis**  
*Secretary*  
**Matt Goertz**  
**Ross Latta**

How many gigahertz is your CPU speed? Are you running a dual- or quad-core processor? What kind of RAM are you dealing with?

I GET IT!



## FROM INITIALLY CONFUSED TO BILINGUAL: A FEW FINAL THOUGHTS

Chris Kreifels, Information Technologies

If you've stayed with me through this series of Tech Notes, then you know that we've covered **storage devices (HDD)**, **memory (RAM)**, and **processors (CPU)**. We've talked about what each of these devices do, and how they work together to provide the computing experience that we have all come to expect in this digital age. These devices are present, in one form or another, in all computers, tablets, phones (and before you push this comment aside, yes, even your cherished flip phone has these components), vehicles, and even appliances like washers, dryers, and refrigerators now. With all of these devices relying on computers, one problem seems to persist: it was fast when I bought it, but wow, it is SLOW now! While there is no simple "fix-all" to this problem, I hope to provide some insight into the many reasons this occurs and what you can do to remedy the situation.

### YOUR BIG, NEW, USEFUL SHED

In a previous article, we discussed the desktop analogy in which we compared our computer workspace to a new desk in our office, and I could expand on this analogy, but let's try

something new for the sake of keeping things fresh. Imagine you've just built a new shed. Let's say, a 40' by 60' shed with one big door and a walk in door. This is a nice shed. You've wanted it for a while, so this is awesome! You have room to work on all of your equipment and then some – I realize that this isn't always the case, but go with me on a mental journey here. You're excited to work in your new shop, but there's a problem--your tools from your old shop aren't here. So, first thing you do is move your old tools in. You move your tools; the tools are here, but the tool box was built in to the old shed. You have all of these tools, and nothing to do with them, so now what? Well, you buy a new tool box. The new tool box is huge, but it fits nice against the wall and allows you to access your tools, so you accept the loss of space.

Ok, we'll stop here and explore our analogy. You've just gotten a new computer for your home office. Be it a desktop, notebook, or tablet, you have a nice, new, snappy, responsive computer at your disposal. First, you need your old stuff, or "tools" in our story. You copy your old files, emails, pictures, etc. to your new computer. One problem you might encounter is that the old computer had an office suite of some kind, allowing you create, edit, and print your documents. Chances are the new computer either doesn't have an office suite installed, or it is a limited trial so you can't access your old files. They are on your new computer, but you can't open them. Now what? Now you buy an office suite, such as Microsoft Office, or download one, such as OpenOffice to access your files.

Great, we have access to those files, but it is taking some of the speed of the computer to handle this.

Back in our shop, we work for a couple months and then we realize that it is dark in here, and there is no air moving with only one door. Working in the shop is fast and effective, but it is not convenient. Next, we add some windows, another big door, lights, and a big fan. This is going to be great! You'll be able to drive straight through, have the convenience of being able to see – both inside the shed and outside – and work will go quickly. That said, there is no power to our shed. We run power, but the expense goes up, space is taken up by our fan and power boxes, the lights create heat, and the added windows and doors have taken usable space away from the work and storage areas of the shed. Not to mention, with all of these points of access, someone could come in at any time and steal the tools or vandalize the shop. In addition, the neighbors have begun moving their stuff in to work on and store, without your permission. Now you have to add locks and maybe even cameras to your shed. Locks are a good thing, but they do slow down the process of doing simple, everyday tasks.

These problems arise in computers as well. We need

email software, PDF readers, multiple web browsers, browser apps, etc. All these are great convenience tools, but they each use power, and some of them even open new "doors and windows" for malicious activity. Now we need malware and antivirus protection. This software is necessary, but it uses precious system resources to constantly monitor your computer for attacks and infections. It runs CONSTANTLY in the background. Along these lines, let me mention a reminder: if you only take one thing from these articles, please understand that these protection precautions should not be optional. Please, take cyber security very serious.

While I could type pages, upon pages, of additional comparisons, I'll summarize it in the following sentence. Over time, you need more tools, more supplies, more equipment, and eventually, your 2,400 square foot shed is reduced to a single-car garage, and you spend so much time looking through all of your shelves and boxes to find what you need to do the task at hand, that progress slows to a crawl. This is nearly inevitable in most computing situations, especially PCs. In addition, computing requirements for daily tasks today are far more than they were even a few years ago. The obvious next step is to think about how to reverse this, or better yet, prevent it from occurring.

### CLEANING AND UPGRADING YOUR SHED

First, let us begin with how to somewhat remedy this. There are basically two things to try: clean and upgrade. First and foremost should be cleaning. Be sure to clean or remove temporary files regularly. Microsoft Windows has software built in for this but, depending on your setup, it probably needs to be run manually. The next step is a malware remediation tool. In many cases, this step will help quite a bit. There are countless tools online at your disposal (as well as an enormous amount of fake antivirus and "registry cleaners"). One such proven product is the Malwarebytes line of products for malware remediation. (I'm not getting paid to print this, and their basic software package is free for end users.)

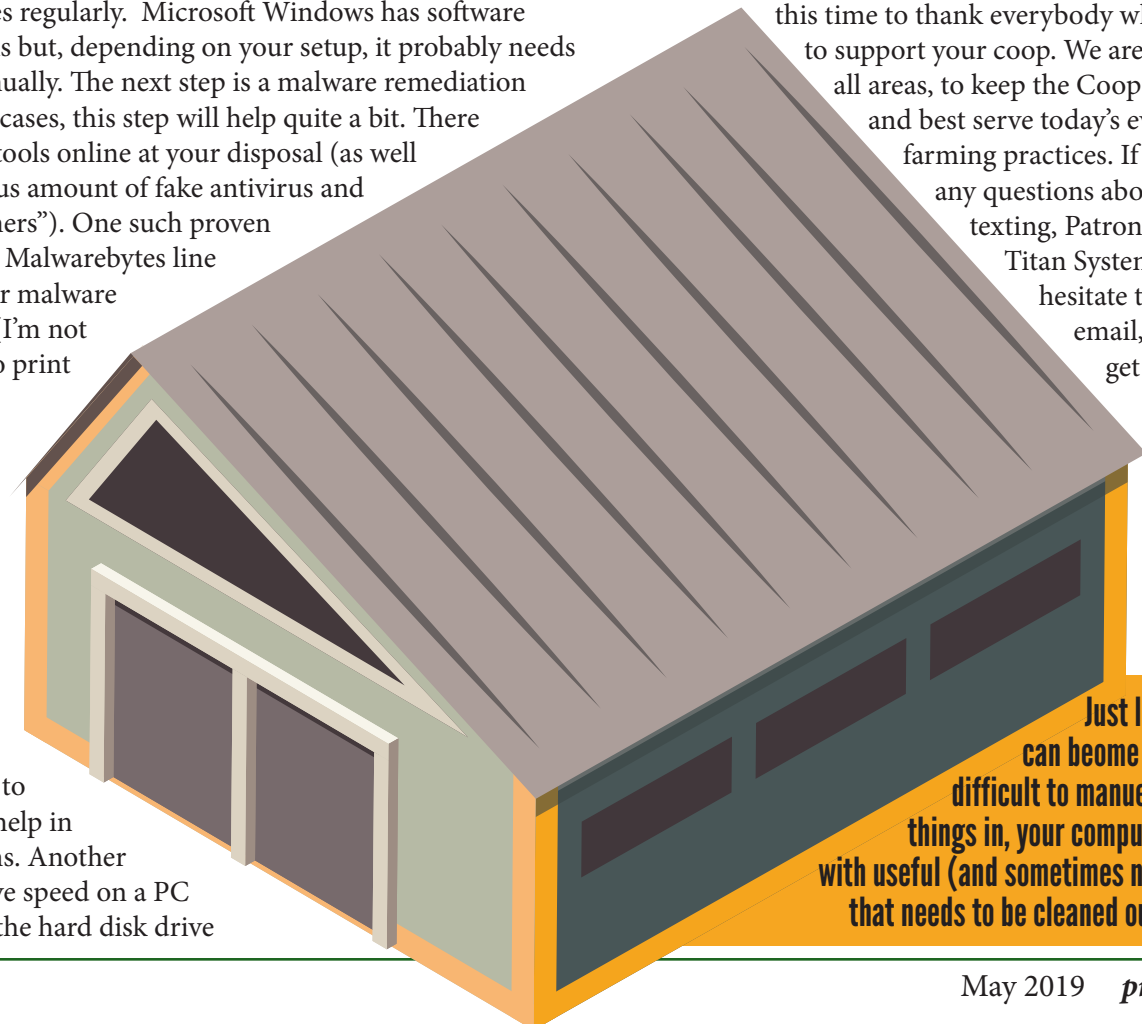
If these things do not help, the next step is to consider upgrades. Adding RAM to a system will help in most situations. Another way to improve speed on a PC is to upgrade the hard disk drive

(HDD) to a solid state drive (SSD). This literally reduces the number of moving parts in your computer and drastically improves performance. In fact, here at the coop, I've implemented a SSD program that has allowed us to get additional years out of aging computers with little cost investment. I will say, however, that this is not always an easy feat, and I don't recommend this being done by the typical end user. Discuss with your PC technician the process of upgrading to and SSD. Upgrading the processor would help improve speed, but due to the cost, is usually not recommended in consumer grade PCs. It doesn't make much sense to put a \$400+ processor in a 4 year old computer, with current PC prices as low as they are.

So how can we keep this from happening at all? Simply put, a little foresight can go a long way. One of the most common issues I have run into on a slow computer is simply being underpowered from the beginning. That \$200 price-tag on a computer at Walmart is pretty tempting for someone who doesn't feel like they do much on a computer, but computing is constantly evolving. The minimum specs will work now, but not a year from now. The best bet to keep things running at peak performance is to invest a little bit more up front using the knowledge from the topics we've discussed, such as RAM, SSD, and CPU, to purchase a quality computer that will last four to five years.

I hope this short series has helped our patrons to better understand the computers we are all surrounded by and dependent on every day. As always, I would like to take this time to thank everybody who continues to support your coop. We are striving, in all areas, to keep the Coop up-to-date and best serve today's ever-changing farming practices. If you have any questions about our grain texting, Patron Access, or Titan Systems, please don't hesitate to drop me an email, and we can get things fixed up for you. Thank you again, and let's have a safe, productive harvest, great summer!

Just like your farm shed can become crowded and more difficult to maneuver around or find things in, your computer quickly fills up with useful (and sometimes not so useful) stuff that needs to be cleaned out and maintained.





# ANNUAL MEETING

The second Progressive Ag Cooperative Annual Meeting was held at the Chaparral High School Auditorium Thursday, April 4th. Patrons were invited to share in a fantastic meal, catered once again by Fence Post Catering of Harper, Kansas. Following the meal, Derek Totten, board chairman, called the meeting to order and went on to invite Elizabeth Young, Pastor of the Harper United Methodist Church, to the podium to say the invocation. Secretary Mark Davis then came forward to announce that we had enough members present for a quorum and presented proof that the annual meeting notice went out in a timely manner. Davis then read the minutes from the 2018 annual meeting. Chairman, Totten returned to the front to introduce board members and their wives as well as special guests of the board. Mike Morlan,

PAC CEO, then recognized the employees at this time and thanked all members of the coop for their continued patronage over the past year.

Jon McCune, a CPA with Campbell, Shaffer & CO, P.C. of Enid, Oklahoma went over the auditor's report for the 2018 fiscal year stressing that now is the time for working together to make smart choices. McCune closed by asking if members had any questions or concerns; no one spoke up. Totten returned to the podium to read the Chairman's Report and then invited our CEO back to the podium for the reading of the Manager's Report, which included updates on the status of the newest location, New Haven.

Totten announced that with the retirement of David Wedman and Alan Seifert along with two other director positions on the board open for reelection,



that there would now be an election of four new directors. Wedman and Seifert were thanked for their many years of service and were honored with commemorative desk clocks. Vice Chairman, Mark McCoy read the report of the nominating committee and introduced the five candidates. Candidates were incumbent Josh Ast of Cheney, incumbent Mark Davis of Danville, Scott Easter also of Danville, Ross Latta of Bluff City, and Mitch Urban of Wellington. Appointment of tellers was conducted by Totten with said appointments being held by Jeff Jelinek, Wayne Drouhard, and Roy Davis.

While ballots were collected and tallied, guest speaker Craig Meeker, a sixth-generation farmer from Wellington, spoke on the Sorghum Leadership Program as well as advocating for membership. The program exposes mem-

bers to various aspects of the sorghum industry from basic and applied research to international marketing. After this, Totten announced the winners of the four vacant seats going to Ast, Davis, Easter and Latta. Since there was no unfinished or new business, the meeting moved on to the prize portion of the evening with a game of "Let's Make a Deal" hosted by PAC's IT Specialist, Chris Kreifels. The patrons, contestants, were chosen and given opportunities to keep what prize was in their envelope or to take a chance at what was behind curtain number one or two. Plenty of cash, gift certificates, and big-ticket items were won, along with several "zonk" items tossed in. Once the entertainment was complete, the meeting was adjourned.

*Laura Bringer, Marketing & Media*

# 2019





Progressive Ag Coop  
P.O. Box 67  
Danville, Kansas 67036-0067

## MEET THE AGRONOMY SALES TEAM Ryan, Hall, Sales Agronomist

As we are nearing the end of wheat applications and going full steam on fall crop applications, I hope everyone has been staying safe and well. Many of you may have seen some new faces in our sales group. I would like to introduce them to you as well as let you know of some other changes we have made recently.

### **BROCK WELCH**

has been with us since mid-March out of our Wellington office. He is originally from the Garden Plain area and attended Kansas State University. After college, he went to Western Kansas for the last couple of years as an agronomy salesman and crop scout. He has since moved back to be with family, and we are excited to have him on board.



### **DEREK McCASLIN**

has been with us as both summer help and full-time for 11 years. He is originally from Harper and attended Kansas State University. He has worked himself up over the years from elevator help to agronomist. He is now out of our Wellington office, and we look forward to keeping him on moving forward.



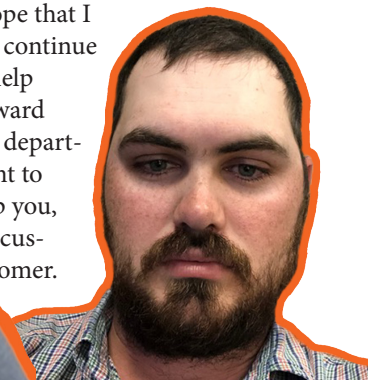
### **DEREK LUMLEY**

has worked for the coop for seven years now and lives in Argonia. Some of you may remember him from the Danville main office at the counter. He has since moved to Newport and is looking forward to what this new position will bring.



### **RYAN HALL**

(myself) I have been with the coop for three years and work out of the Danville office. I'm originally from Harper and attended Oklahoma State University. I came to the coop directly after college as a rig driver and am now the current Sales Manager. I hope that I can continue to help forward our department to help you, the customer.



Throughout these position changes, we have taken a look at how we, as sales agronomists, can best help you, the customer. That process has brought us to a delineated sales agronomist for each customer that uses our services. We have been trying to contact each of you to let you know who we are due to these changes, but if we have not yet reached out to you, please give us a call and let us help you in any way we can.